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| Meeting       | Personnel Committee                    |
| Date and Time | Monday, 14th January, 2019 at 6.30 pm. |
| Venue         | Walton Suite, Guildhall, Winchester    |

## AGENDA

### Procedural items

1. Apologies

To note the names of apologies given and Deputy Members who are attending the meeting in place of appointed Members.

2. Disclosures of Interests

To receive any disclosure of interests from Members and Officers in matters to be discussed.

*Note: Councillors are reminded of their obligations to declare disclosable pecuniary interests, personal and/or prejudicial interests in accordance with legislation and the Council's Code of Conduct.*

If you require advice, please contact the appropriate Democratic Services Officer, prior to the meeting.

3. Minutes of the previous meeting held on 22 November 2018 (Pages 5 - 8)

4. Chairman's Announcements

### Business items

5. Annual Pay Policy Statement PER320 (Pages 9 - 28)

6. EXEMPT BUSINESS: To consider whether in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information.



- i) To pass a resolution that the public be excluded from the meeting during the consideration of the following items of business because it is likely that, if members of the public were present, there would be disclosure to them of 'exempt information' as defined by Section 100 (I) and Schedule 12A to the Local Government Act 1972.

7. **Report of the Chief Executive PER319** (Pages 29 - 54)

L Hall  
Head of Legal Services (Interim)

Members of the public are able to easily access all of the papers for this meeting by opening the QR Code reader on your phone or tablet. Hold your device over the QR Code below so that it's clearly visible within your screen and you will be redirected to the agenda pack.



4 January 2019

Agenda Contact: Dave Shaw, Principal Democratic Services Officer  
Tel: 01962 848 221 Email: [dshaw@winchester.gov.uk](mailto:dshaw@winchester.gov.uk)

*\*With the exception of exempt items, Agenda, reports and previous minutes are available on the Council's Website [www.winchester.gov.uk](http://www.winchester.gov.uk)*

**MEMBERSHIP**

**Chairman:** Read (Conservative)

**Vice-Chairman:** Cook (Conservative)

**Conservatives**

Berry  
Cook  
Weston

**Liberal Democrats**

Achwal  
Bentote  
Cutler

**Deputy Members**

Lumby

Murphy

Quorum = 4 members

**DISABLED ACCESS:**

Disabled access is normally available, but please phone Democratic Services on 01962 848 264 or email [democracy@winchester.gov.uk](mailto:democracy@winchester.gov.uk) to ensure that the necessary arrangements are in place.

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## **PERSONNEL COMMITTEE**

**22 November 2018**

Attendance:

Councillors:

Read (Chairman) (P)

Achwal (P)  
Berry  
Bentote (P)

Cook (P)  
Cutler (P)  
Weston (P)

Others in attendance who addressed the meeting:

Councillor Godfrey (Portfolio Holder for Professional Services).

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### 1. **DECLARATIONS OF INTEREST**

Jamie Cann, Head of Human Resources (Interim), Joseph Holmes, Strategic Director, Resources and David Shaw, Principal Democratic Services Officer all declared a personal interest in the item relating to Report PER318, but as they were not decision makers in this item they remained and participated in the meeting.

### 2. **MINUTES**

RESOLVED:

That the minutes of the previous meeting of the Committee held on 2 July 2018, be approved and adopted.

### 2. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman announced that following consultation with Committee members, the meeting of the Committee scheduled for 11 March 2019 had been rearranged for Monday 4 March 2019 to commence at 6:30pm in the Walton Suite, Guildhall, Winchester.

### 3. **ORGANISATIONAL DEVELOPMENT PERFORMANCE MONITORING – QUARTER 1 2018/19**

(Report PER315 refers)

Councillor Godfrey introduced the Report.

Members asked questions of the information presented and the responses given are summarised below:

- (i) The increase in personal stress as a reason for sickness (777 recorded cases in Quarter 1 up from 520 cases in Q4 2017/18) reflected a

national increase of 25% as set out in a recent report from the Health and Safety Executive. It was also acknowledged that this was a significant period of change and pressure in Local Government. There was also improved recording for the reasons for absence provided by Doctors.

- (ii) The Authority was proactive in managing stress, with a new Occupational Health Advisor to be appointed in January 2019. Other initiatives included the promotion of Wellbeing Days, meditation opportunities at work, access to 24 hour Counselling services, the introduction of the Health Care Cash plan, Christmas office closure and providing courses on mental health awareness. Members additionally suggested that Team Meetings to promote teamwork, employee buddying and the use of flexitime for improved life work balance might also be of benefit.

RESOLVED:

1. That the Quarter 1 2018/19 Performance Monitoring figures for Organisational Development be noted.

2. That no items of significance be drawn to the attention of the Portfolio Holder or Cabinet arising from the Performance Information.

4. **ORGANISATIONAL DEVELOPMENT PERFORMANCE MONITORING – QUARTER 2 2018/19**  
(Report PER317 refers)

Councillor Godfrey introduced the Report.

Members asked questions of the information presented and the responses given are summarised below:

- (i) There was a peak in employees leaving the Authority in Quarter 2 due to the recruitment cycle in Local Government, with authorities most actively recruiting in the period from March to May.

RESOLVED:

1. That the Quarter 2 2018/19 Performance Monitoring figures for Organisational Development be noted.

2. That no items of significance be drawn to the attention of the Portfolio Holder or Cabinet arising from the Performance Information.

5. **EMPLOYEE STRATEGY REVIEW**

(Report PER316 refers)

Councillor Godfrey introduced the Report and stated that the Strategy was making significant progress.

Members asked questions of the information presented and the responses given are summarised below:

- (i) Mentoring and coaching would be addressed in Phase 3 of the Strategy, including management training.
- (ii) The retention of 'key' workers and maintaining their motivation was important and this should be recognised as a risk by the Authority. The Strategic Director: Resources stated that staff may leave the Authority for a variety of reasons and initiatives such as a Talent Management Strategy were being introduced to develop the next leaders of the Authority with the skills, values and behaviours that were appropriate for the authority's size and to help it to grow from within. The Head of Human Resources (Interim) added that he would discuss with the Head of Development Management about including an article in the Democratic Services Update when an officer left post that previously had a strong interface with Members.

RESOLVED:

That the progress against the Employee Strategy be noted.

6. **REVIEW OF TERMS AND CONDITIONS OF EMPLOYMENT**

(Report PER318 refers)

The Strategic Director: Resources introduced the Report. Councillor Godfrey added that the proposals were intended to have a positive effect on staff retention and the attractiveness of Winchester as a place to work. The addition to annual leave was a significant benefit and the changes to pay an acknowledgement that staff were valued.

Members asked questions of the information presented and the responses given are summarised below:

- (i) Christmas leave and office closure would be introduced this year.
- (ii) Additional leave could be bought after six months service when the probationary period had expired. The purchase of annual leave would usually be discussed with managers at appraisal time so that office cover could be arranged, but the scheme could be flexible to respond to unforeseen circumstances.
- (iii) There were currently no core working hours, but Heads of Teams ensure that teams are adequately staffed in normal opening hours

(8:30am to 5:00pm Monday to Thursday and 8:30am to 4:30pm on Fridays).

- (iv) There was a clear gap for employees on Scale 4 from the lower pay scales (1 – 3), which would be positive in that it retained clear breaks between grades and all scales would see an uplift of 2% at least.

RESOLVED:

1. That the Head of Human Resources (Interim) be given delegated authority to:

- a. implement the revisions to annual leave set out in this Report with effect from 01 April 2019;
- b. implement the revisions to the Council's Flexible Working ("Flexi-Time") arrangements as set out in this Report;
- c. amend the Council's Policies accordingly.

2. That the commitment to ensure the Council sets its salaries at market median is supported.

3. That the salary scales set out in Appendix C which meet the requirements of the 'national assimilation requirement be approved and recommended to Cabinet for the financial implications.

To Cabinet:

4. To approve the financial implications of the Personnel Committee's proposals for the Council's pay scales of an estimated £227k, as set out in Appendix C, and recommend the increased budget provision to Council.

The meeting commenced at 6.30pm and concluded at 7:30pm.

Chairman



REPORT TITLE: PAY POLICY STATEMENT 2019/20

14 JANUARY 2019

REPORT OF PORTFOLIO HOLDER: Cllr Stephen Godfrey, Portfolio Holder for Professional Services

Contact Officer: Jamie Cann Tel No: 01962 848437 Email  
jcann@winchester.gov.uk

WARD(S): ALL

## PURPOSE

The Localism Act 2011 (the Act), requires that local authorities publish an annual pay policy statement for the forthcoming financial year including:

- the remuneration of senior employees (which the Act defines as the head of paid service, the monitoring officer, chief officers, and deputy chief officers, i.e. managers who report directly to a chief officer)
- the remuneration of the lowest-paid employees and the relationship between the remuneration of senior employees and that of other employees.

## RECOMMENDATIONS:

### To Personnel Committee

That the Pay Policy Statement 2019/20 is recommended for adoption.

### To Council

That, subject to consideration of any comments made by Personnel Committee, the Pay Policy Statement 2019/20 is adopted.

IMPLICATIONS:1 COUNCIL STRATEGY OUTCOME

- 1.1 The Employee Strategy (PER 304 refers) sets out the human resource implications associated with the successful delivery of the Council Strategy. In summary, the Council must have the right people, at the right time, in the right place with the right skills to deliver Council priorities whilst providing excellent levels of customer service.
- 1.2 The Council's reward framework (PER 318 refers) aims to position the Council as an "employer of choice"; be aligned with, and support, business priorities; be fair, transparent and legally compliant.

2 FINANCIAL IMPLICATIONS

- 2.1 There are no additional financial implications for the Council in adopting this Pay Policy Statement. The proposed 2019/20 budget fully reflects the assumptions in the Pay Policy Statement.
- 2.2 The level of remuneration is a very important factor in both recruitment and retention of staff. There is a need to balance affordability and value for money with creating a reward framework that ensures the Council can recruit, retain, motivate and develop employees who have the skills and capabilities necessary to ensure the continued provision of high quality services.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The Pay Policy Statement 2019/20 takes full account of the Secretary of State's guidance in relation to open and transparent reporting of senior level pay in addition to relevant legislative requirements. This includes ensuring that there is an appropriate relationship between the pay levels of our senior managers and of all other employees.
- 3.2 The Pay Policy Statement 2019/20 takes account of:
- the Local Government Transparency Code 2015 issued by the Department for Communities and Local Government in February 2015
  - Openness and Accountability in Local Pay: Guidance under S40 of Localism Act 2011 issued in February 2012
  - Openness and Accountability in Local Pay: Guidance under S40 of Localism Act 2011 Supplementary Guidance issued in February 2013
  - guidance issued by the Joint National Council (JNC) for Local Authority Chief Executives on pay policy statements, published in November 2011 and supplementary notes published in January and March 2012
  - The Public Sector Exit Payment Regulations 2016
  - The Repayment of Public Sector Exit Payments Regulations 2015

- Employment and equalities legislation affecting local authority employers, where relevant.

#### 4 WORKFORCE IMPLICATIONS

4.1 The overall approach to remuneration for all employees, including senior management is based on:

- compliance with equal pay, discrimination and other relevant employment legislation such as the Equality Act 2010; and
- ensuring that our overall remuneration packages position the Council as an “Employer of Choice” and that as such our total reward package is competitive within the local government and public sector market.

4.2 In the application of the pay framework, the Council takes into account market rates, individual performance and the need for consistency in the way pay bandings are applied. All pay differentials can be objectively justified using job evaluation mechanisms that directly establish the relative levels of posts in pay bands according to the requirements, demands and responsibilities of the post.

4.3 In determining pay and remuneration, the Council recognises the need to exercise the greatest care in managing scarce public resources while securing and retaining high quality employees. The principle of fair pay is important to the provision of well-managed services and the Council is committed to ensuring fairness and equity in its remuneration practices.

#### 5 PROPERTY AND ASSET IMPLICATIONS

NONE

#### 6 CONSULTATION AND COMMUNICATION

6.1 The Council is required to publish a Pay Policy Statement on an annual basis. There are no material changes to the provisions set out in previous policy statements and there is therefore no requirement to consult on this policy.

#### 7 ENVIRONMENTAL CONSIDERATIONS

NONE

#### 8. EQUALITY IMPACT ASSESSEMENT

8.1 There is no differential impact on a specified group as all HR matters are applied consistently.

8.2 As required nationally, the Council is currently undertaking a review of remuneration to identify any potential discrepancies in pay, based on gender

(“Gender Pay Gap” reporting); the findings will be reported to Personnel Committee and subsequently published in March 2019 in accordance with the statutory requirements.

## 9. DATA PROTECTION IMPACT ASSESSMENT

9.1 This report does not contain confidential data and so there is no need to undertake a Data Protection Impact Assessment.

## 10. RISK MANAGEMENT

| <b>Risk</b>            | <b>Mitigation</b> | <b>Opportunities</b>                              |
|------------------------|-------------------|---|
| <i>Financial / VfM</i> |                   | Positioning the Council as and Employer of Choice |
| <i>Legal</i>           |                   |   |
| <i>Innovation</i>      |                   |   |
| <i>Reputation</i>      |                   |   |
| <i>Other</i>           |                   |   |

## 11. SUPPORTING INFORMATION:

- 11.1 Government has sought to encourage transparency on remuneration and as such every Council is required to prepare and adopt a Pay Policy Statement and have that Statement approved by Council. This Statement must contain the policy for the remuneration of the Council’s employees on appointment, subsequent progression and any use of bonus or performance related pay. There are specific requirements as to the appointment of Chief Officers set out in the Council’s Constitution. The Pay Policy Statement sets out the approach to the payment of chief officers on their ceasing to hold office or to be employed by the authority reflecting press and Ministerial concerns about ‘golden goodbyes’.
- 11.2 The Localism Act 2011 (“The Act”) requires councils to define ‘lowest paid employees’, to consider the relationship between pay of the highest and lowest paid and to explain the rationale for their approach and to publish details of pay relativities to encourage fairness in remuneration.
- 11.3 The Pay Policy Statement 2019/20 does not contain any substantial changes to those considered previously.
- 11.4 The Statement sets principles and rules relating to the remuneration of senior staff. It does not set out the details of individual payments made in accordance with these principles – although there are separate requirements for the publication of payments made to senior staff in the annual published accounts.

## 12. Key Pay Policy Issues

- There are a number of matters to note in the attached Pay Policy Statement:
  - i. The Policy uses the term “Chief Officers” to identify senior staff, or those in receipt of the highest remuneration. This reflects a requirement in the Act, where the definition covers a number of senior posts which for Winchester City Council equates to senior posts paid at Scale 10 and above. The Policy recommends the current practice of adopting national pay schemes and job evaluation procedures as a basis for determining remuneration, and so which posts cross the threshold for consideration under the Pay Policy;
  - ii. The definition of “lowest paid employees”, required to show pay relativities, draws on Scale 2 of the pay scales. The ratio of remuneration for highest to lowest paid is under 10:1 – the benchmark set by Government.
  - iii. The City Council is a ‘Living Wage Employer’ which means that a nationally agreed minimum hourly rate of pay is applied to directly employed staff.
  - iv. The policy also covers increases and additions to remuneration for example, bonus payments. This is already covered by our adopted pay scheme and policies on annual incremental increases, which the Policy refers to. The Policy also makes clear at present the Council has not adopted performance related pay or a system of bonus payments, and sets out the policy on payment of honoraria;
  - v. There is transparency on payments to those leaving employment, and so the Act requires the Council to publish a policy on severance payments. The Government is considering a cap on severance pay; further national guidance was anticipated in 2018 but remains outstanding.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

PER 304 The Employee Strategy 23 November 2017

PER 318 Changes to Pay and Conditions DATE

Other Background Documents:-

NONE

APPENDICES:

Appendix 1 – Pay Policy Statement 2019/20

## Appendix 1

### Winchester City Council Pay Policy Statement – Financial Year 2019/20

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#### 1. Purpose

- 1.1 This Pay Policy Statement is provided in accordance with Section 38(1) of the Localism Act 2011 and will be updated annually from 1 April each year.
- 1.2 The Pay Policy Statement sets out Winchester City Council's policies relating to the pay of its workforce for the financial year 2019/20, in particular:
1. the remuneration of its Chief Officers
  2. the remuneration of its "lowest paid employees"
  3. the relationship between:
    - a. the remuneration of its Chief Officers and
    - b. the remuneration of its employees who are not Chief Officers
- 1.3 The purpose of the statement is to provide an open and transparent framework that ensures clarity, fairness and consistency in the remuneration of Chief Officers. It also ensures that employees at all levels of the Council are paid on a fair and equitable basis in accordance with equality legislation.

#### 2. Definitions

- 2.1 For the purpose of this statement the following definitions will apply:
- 2.2 **"Pay"** in addition to salary will also include charges, fees, allowances, benefits in kind, increases in/enhancements to pension entitlements, and termination payments.
- 2.3 **"Chief Officer"** refers to the following roles within Winchester City Council:
- Statutory Chief Officers: The Chief Executive ( as Head of Paid Service), the Monitoring Officer; the Section 151 Officer
  - Non Statutory Chief Officers: The Strategic Director: Services and Strategic Director: Place
  - Deputy Chief Officers i.e. all other senior managers if reporting directly to, or directly accountable to, a statutory or non-statutory Chief Officer in respect of all or most of their duties (excluding roles which are clerical or secretarial).

- 2.4 **“Lowest paid employees”** refers to those staff employed on Grade 2 of the Council’s pay framework.
- 2.4.1 The above definition for the “lowest paid employees” has been adopted because Grade 2 is the lowest grade on which employees are paid within the Council’s pay framework.
- 2.4.2 Those engaged on Casual Worker Agreements (“Zero hours Contracts”) are paid a fixed hourly rate in line with the voluntary UK Living Wage. They are excluded from the definition of “lowest paid employees”.
- 2.5 **“Employee who is not a Chief Officer”** refers to all staff that are not covered under the “Chief Officer” group above. This includes the “lowest paid employees” i.e. staff on Grade 2 and below.

### **3. Pay Framework and Remuneration Levels**

#### **3.1 General Approach**

- 3.1.1 Remuneration for all employees needs to be at the appropriate level to secure and retain high-quality employees dedicated to fulfilling the Council’s business objectives and delivering services to the public. This has to be balanced by ensuring remuneration is proportionate and appropriate for the role. Each Council has responsibility for balancing these factors and faces its own unique challenges and opportunities in doing so. It is important that Winchester City Council retains flexibility within its pay framework to cope with a variety of circumstances that might necessitate the use of market supplements or other such mechanisms for individual categories of posts where appropriate. Using such solutions should only be short term and regular reviews should ensure that they are discontinued when circumstances change.

#### **3.2 Responsibility for Decisions on Remuneration**

- 3.2.1 It is essential for good governance that decisions on pay and reward packages for the Chief Executive and Chief Officers are made in an open and accountable way and that there is a verified and accountable process for recommending the levels of top salaries.
- 3.2.2 Pay for employees at all grades is based on the national agreements on pay as follows:
- National Joint Council for Local Government Services
  - Joint Negotiating Council for Chief Officers
  - Joint Negotiating Council for Chief Executives.
- 3.2.3 Remuneration packages above £100,000 gross per annum must be considered by Cabinet, with a recommendation to full Council.



### **3.3 Salary grades and grading framework**

- 3.3.1 Grades for all posts are determined by a consistent job evaluation process. This followed a national requirement for all Local Authorities and other public sector employers to review their pay and grading frameworks to ensure fair and consistent practice for different groups of workers with the same employer.
- 3.3.2 Job Evaluation is a systematic process for ranking jobs within an organisation ensuring consistency of approach and outcomes appropriate to the complexity and accountability of the role. Where the grade of a post changes as a result of the job evaluation process, any pay adjustment will only be backdated to the date on which the role was considered by a Job Evaluation Panel.
- 3.3.3 The Council's pay structure is based on the pay spine issued by the National Joint Council (NJC) as part of the National Agreement for Local Government Services. Roles are placed within the pay structure on the basis of the evaluated grade of their role.
- 3.3.4 Incremental spinal column points provide for progression in role with the acquisition of skills, experience and competence.
- 3.3.5 Pay awards are applied in line with the national agreements detailed in 3.2.2 on an annual basis for all employees, in conjunction with the nationally recognised trade unions.

### **3.4 Market Review and Market Supplements**

- 3.4.1 The Council will from time to time, benchmark its pay and benefits by comparing pay and rewards for a sample of posts. For the purpose of pay benchmarking and market testing the comparator group comprises public sector authorities in Hampshire, West Sussex and Surrey and authorities in other areas if relevant, who are similar to the Council in terms of size (number of employees and population) and similar relevant factors. Jobs within London Boroughs will not be used for comparator purposes due to London weighting allowance. In exceptional circumstances, other external market pay data, including private sector data, will also be considered where relevant.

- 3.4.2 Where the benchmarking exercise highlights a discrepancy in pay, following consideration of a report made to the Executive Leadership Board a market supplement may be awarded.
- 3.4.3 Decisions relating to awarding a market supplement for the Chief Executive will be referred to Cabinet, with a recommendation to full Council.
- 3.4.4 The Executive Leadership Board will receive and review a list of posts in receipt of market supplements on an annual basis and determine whether such supplements are still relevant in the light of market conditions.

#### **4. Remuneration**

- 4.1 Remuneration details including benefits in kind are set out in the Council's published Annual Statement of Accounts.
- 4.2 **"Chief Officers"**, as defined in paragraph 2.3 of this statement, are paid within the Council's pay framework which applies to all other employees. Typically, Chief Officers have received the same percentage pay award as other managers and staff groups within the Council.
- 4.4 **"Lowest paid employees"**
  - 4.4.1 Winchester City Council is an accredited Living Wage Employer. The Living Wage is paid voluntarily and is set to avoid poverty wages and support the principle that workers should be paid at a level which enables them to achieve an acceptable standard of living. The lowest paid employees are paid within the salary range for Grade 2 which covers five salary points ranging between £17,364 and £18,795.
  - 4.4.2 The lowest paid employees do not include apprentices for whom there are separate pay arrangements.

## **4.5 Honoraria and Additional Responsibilities**

- 4.5.1 All employees are expected to perform any other duties commensurate with their job grade as reasonably required from time to time. However, there may be occasions where an employee agrees to take on additional duties and responsibilities that may be at the same level of their substantive grade but are beyond the reasonable scope of their normal job remit. In such circumstances, an honorarium payment may be awarded. Honoraria should not normally exceed £500, or the value of no more than 2 incremental points, whichever is greater. If a sum greater than this is proposed the matter must be considered by Executive Leadership Board.
- 4.5.2 Should a member of staff take on temporary increased responsibility an “acting up” allowance may be awarded. The amount awarded should reflect the nature and duration of the work or responsibility. Where the employee has been covering the long term absence of a more senior officer, “acting up” payments are calculated based on the difference between the employee’s scale point and the bottom scale point of the role they are covering. Temporary acting-up arrangements of this nature will not exceed more than 12 months duration and should generally be undertaken for at least one month before payment will apply.
- 4.5.3 In all cases of honoraria and “Acting Up” allowances, a recommendation must be made in writing to the relevant Strategic Director.

## **4.6 Charges, fees or allowances**

- 4.6.1 No fees for election duties are included in the salaries of Chief Officers. Any additional fees payable for such responsibilities are calculated in accordance with the statutory rules and associated guidance which is published by Government. Special fees are paid for Returning Officer duties which are not part of the post holder’s substantive role. These fees are payable as required and can be made to any senior officer appointed to fulfil the statutory duties of this role.
- 4.6.2 The Returning Officer is an officer of the City Council who is appointed under the Representation of the People Act 1983. Whilst appointed by the City Council, the role is one which involves and incurs personal responsibility and accountability and is statutorily separate from his/her duties as an employee of the Council. As Returning Officer, he/she is paid a separate allowance for each election for which he/she is responsible.
- 4.6.3 Where the Council’s Monitoring Officer or S151 Officer is not a Chief Officer or Deputy Chief Officer, a special responsibility allowance of £3,000 gross per annum is paid in recognition of the additional requirements of the statutory role.

- 4.6.4 Any allowance or other payment will only be made to an employee in connection with their role or the patterns of hours they work and must be in accordance with the Council's employment policies.
- 4.6.6 The Council offers a Health Care Cash Plan scheme which is available to all employees regardless of their role and grade within the Council.
- 4.6.7 Where the Council offers voluntary benefits e.g. childcare vouchers and employee discount schemes, they are offered to all employees regardless of their role and grade within the Council.

#### **4.7 Performance related pay**

- 4.7.1 The Council does not offer performance related pay to any employee. Performance is reviewed annually through the Council's appraisal system and the Council reserves the right to withhold increments where performance has not met the required standard and where this has been raised with the employee formally.
- 4.7.2 Subject to approval from the appropriate Corporate Head of Service and Strategic Director, an employee may receive more than 1 increment in any financial year.

#### **4.9 Pension**

- 4.9.1 All employees, as a result of their employment, are eligible to join the Local Government Pension Scheme (LGPS).
- 4.10.2 In addition to the employee's own contribution, the Council makes a contribution of 14% towards the pension of each member of the LGPS scheme<sup>1</sup>.

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<sup>1</sup> In addition to the 14% contribution there is also an additional payment for the capital contribution for past service that the Council pays, along with all other members of the Hampshire Pension Fund

#### **4.12 Remuneration on appointment and promotion**

- 4.12.1 The starting salary on appointment or following promotion will normally be based on the appointee's level of relevant experience and current salary, regardless of whether they are a current employee of Winchester City Council.
- 4.12.2 The chair of the recruitment panel has the discretion to determine the appropriate spinal column point within the agreed pay scale but the starting salary should not exceed the mid point of the pay scale. In exceptional circumstances (e.g. the current salary is higher than the mid point of the scale), the Head of Human Resources may authorise appointment on a spinal column point which is higher than the mid point of the scale.

#### **5. Relationship between Remuneration of "Chief Officers" and "Employees who are not Chief Officers"**

- 5.1 The Local Government Association has offered advice on the Government's requirement in reporting remuneration relationships. The advice is that the measure of the relationship between Chief Officers and employees who are not Chief Officers be considered by the ratio between the highest paid employee and the median average earnings across the organisation as a multiple.
- 5.2 Winchester City Council adopt a maximum of 1:10 whereby the remuneration of the highest paid officer should be no more than 10 times that of the lowest paid.

#### **4.8 Benefits in kind**

- 4.8.1 There are historical arrangements in place which entitle employees in certain circumstances to have a lease car or to receive an allowance where the role requires essential use of a car; these arrangements have recently been reviewed and the provision of a lease car will cease with effect from 30 September 2019.
- 4.8.2 The Council pays professional fees for officers where it is an essential requirement for the post holder to maintain professional accreditation. Only one set of professional fees are paid per annum
- 4.8.3 A Park and Ride pass is offered to all employees other than to meet specific operational requirements when a car park permit may be issued.

#### **6. Termination Payments**

- 6.1 Payments made on termination of employment are limited to those expressly required or allowed by law. In accordance with the Council's Constitution,

Termination payments which exceed £100,000 (regardless of the post to which they apply and the reasons for the payment, require approval from full Council.)

## **6.2 Access to Pension Payments**

- 6.2.1 In some circumstances, an employee may be eligible to access their pension on termination of employment.
- 6.2.2 The LGPS requires employers to prepare and publish a written statement of policy in relation to the payment of pensions. The Council's policy on pensions (and related discretionary payments) is set out in **Annex A** of this document.

## **6.3 Redundancy Payments**

- 6.3.1 The calculation of redundancy payments is based on the provisions of Employment Rights Act 1996 and may be subject to revision should this legislation be amended.
- 6.3.2 Redundancy payments are based on a ratio of completed years' service and the employees' age at the effective date of termination, using a multiplier of 1.6. Completed year's service will be capped at 20 years and the maximum of 48 weeks pay will apply. The Council uses the employees' actual contractual pay to calculate redundancy payments.

## **6.4 Settlement Agreements**

- 6.4.1 In exceptional circumstances, and specifically to settle an employment tribunal claim or similar significant dispute, the Corporate Head of Resources can agree payment of a settlement up to £10,000.
- 6.4.2 In such cases, each decision as the level of payment will be taken on its merits. Where the proposed termination payment exceeds £10,000, approval from the Section 151 Officer and one other Chief Officer is required.
- 6.4.3 In accordance with the Council's Constitution, Settlement Payments which exceed £100,000 (regardless of the post to which they apply require approval from full Council.)
- 6.4.4 Under the Local Government Transparency Code 2014, pay and benefits information and a list of responsibilities for staff paid over £50,000 must be published. This information is available on the Council's external website.

## **6.5 Re-employment of officers**

6.5.1 When a member of staff is dismissed on the grounds of redundancy or early retirement with the employer's consent, the Council will not re-employ them for a period of 12 months following the termination.

## **7. Data Transparency**

7.1 Under the Local Government Transparency Code 2014, pay and benefits information and a list of responsibilities for staff paid over £50,000 must be published. This information is available on the Council's external website. Senior employees' remuneration can also be found in the annual [Statement of Accounts](#).

## Annex A

### Pensions Discretions Policy Statement

#### **The Local Government Pension Scheme Regulations 2013 and Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014**

#### **1. Introduction**

- 1.1 This policy statement is made in accordance with Paragraph 60 of the Local Government Pension Scheme Regulations 2013 and Paragraph 2 (2) of Schedule 2 of the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014.
- 1.2 It sets out how Winchester City Council will apply discretionary provisions available within those Regulations.
- 1.3 This policy applies to all employees of Winchester City Council who are members of the Local Government Pension Scheme. It does not apply to Elected Members of the Council.
- 1.4 In formulating and reviewing its policy, the Council:
  - Has regard to the extent to which the exercise of discretionary powers, unless properly limited, could lead to serious loss of confidence in the public service; and
  - Is satisfied that the policy is workable, affordable and reasonable having regard to the foreseeable costs.

#### **2. Purpose of this Policy**

- 2.1 This policy aims to provide fairness and consistency in situations where the Council is release of accrued pension benefits.



### **3. Flexible Retirement – Regulations 30 (6) and 30 (8) ( 2013 Regulations)**

- 3.1 The Pension Scheme allows for flexible retirement from age 55 with the payment of all or part of accrued pension benefits in situations where the employer agrees to the hours of work or the level of responsibility being reduced and to the release of pension benefits. In most cases, the pension benefits will be reduced if taken before normal retirement age.
- 3.2 Flexible retirement can benefit both the employee through enabling a gradual adjustment to retirement and the Council through the ability to retain valuable experience and knowledge; it also increases the opportunity for succession planning and reflects the ethos of flexible working.
- 3.3 The Council will consider all requests for flexible retirement in response to written requests from eligible employees.
- 3.4 The Council will approve requests only where it is their interests to do so; where there is no adverse impact on the service; where the costs are affordable or where there are likely to be cost savings achieved as a result of the proposal.
- 3.4 A request should typically involve a substantial reduction of at least 40% in salary, either through reduced hours or level of responsibility.
- 3.5 Requests for flexible retirement will be considered by the Executive Leadership Board. Where a request for flexible retirement is from a Chief Officer, the decision will be made by the Chief Executive. Requests for flexible retirement from the Chief Executive will require approval from full Council.

### **4. Awarding Additional Pension – Regulation 31( 2013 Regulations)**

- 4.1 The Council will not make use of the provision to award additional pension.
- 4.2 This discretion is therefore not exercised.

### **5. Shared Cost Additional Voluntary Contributions (SCAVC) and Shared Cost Additional Pension Contributions (SCAPC) – Regulations 16(2) (e) and 16(4) (d) ( 2013 Regulations)**

- 5.1 The Council will exercise discretion to allow Local Government Pension Scheme Members to contribute to a shared cost salary sacrifice additional voluntary contribution scheme.
- 5.2 The Council will not exercise its discretion to allow Local Government Pension Scheme Members to contribute to a Shared Cost Additional Pension Contributions Scheme.

**6. Discretion to “switch on” the 85 year rule for 55 year olds and older but before the age of 60 – Para 1(1) (c ) Schedule 2 of the 2014 Regulations**

- 6.1 The Council will only exercise this discretion where there is a business reason to do so and where any costs associated with the discretion are affordable and sustainable to the Council. Requests will be considered by the Executive Leadership Board.

**7. Waiving Reduction due to Early Payment of Pension – Regulation 30 (8) ( 2013 Regulations)**

- 7.1 Employees can retire from age 55 and receive immediate payment of their pension benefits however the pension benefits payable will be subject to an actuarial reduction.
- 7.2 The Council will only exercise the discretion to waive the actuarial reduction where Regulation 30 (7) is applicable (that is where employment is terminated on the grounds of redundancy or in the interest of business efficiency)
- 7.3 The Council will only exercise this discretion where there is a business reason to do so and where any costs associated with the discretion are affordable and sustainable to the Council. Requests will be considered by the Executive Leadership Board.

**8. Early Payment of Deferred Pension Benefits – Regulation 30 of the LGPS (Benefits, Membership and Contributions) Regulations 2007**

- 8.1 The Council will not normally exercise this discretion but may consider it in exceptional circumstances where any costs associated with the discretion are affordable and sustainable to the Council.
- 8.2 Requests will be considered by the Executive Leadership Board

## **9. Transfer of Pension Rights – Regulation 100 (6) ( 2013 Regulations)**

- 9.1 The Regulations permit the employer to extend the normal time limit (currently 12 months) during which a scheme member may transfer service from a previous employer.
- 9.2 The Council will not make use of the provision to extend the normal time limit.
- 9.3 This discretion is therefore not exercised.

## **10. Aggregation of Membership - Regulations 22, 7(b) 8(b) (2013 Regulations)**

- 10.1 If a member has previous LGPS membership, the Regulations allow for them to make a decision about whether it is combined with their new LGPS membership.
- 10.2 Any such decision to maintain separate pension benefits must be made within 12 months of becoming an active member.
- 10.3 The Regulations permit the employer to extend the normal timescale.
- 10.4 The Council will not make use of the provision to extend the normal time limit.
- 10.5 This discretion is therefore not exercised.

## **11. Other Discretions**

- 11.1 With the exception of the discretions set out in this policy statement, the Council will not exercise any pension discretions pursuant to the 2013 and 2014 Regulations.

## **12. Review of the Policy**

- 12.1 This policy will be reviewed by the Head of Human Resources every 3 years or whenever the Regulations change, whichever is sooner.

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By virtue of paragraph(s) 1, 2, 4 of Part 1 of Schedule 12A of the Local Government Act 1972.

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