

Joint Staffing Committee

Thursday, 18 January 2018 at 6.00 pm

**Cabinet Room, Chiltern District Council, King George V House, King
George V Road, Amersham, HP6 5AW**

A G E N D A

Item

1. Apologies for Absence

2. Appointment of a Co-Chairman (SBDC)

To agree the appointment of Co-Chairman for SBDC which had been deferred at the previous meeting.

3. Minutes (*Pages 3 - 8*)

To agree the minutes of the Joint Staffing Committee held on 11 October 2017 and the Joint Staffing (Appointments) Sub-Committee held on 18 October 2017.

4. Declarations of Interest

5. Pay Award 2018/19 and 2019/20 for staff on the Harmonised Contract (*Pages 9 - 14*)

Appendix A: NJC Offer for 2018/19 and 2019/20 (Pages 15 - 24)

Appendix B: Harmonised Contract Pay Spine (Pages 25 - 26)

Appendix C: Financial Costings (Pages 27 - 28)

6. Pay Policy Statement 2018/19 (Pages 29 - 30)

Appendix 1: Pay Policy Statement 2017/18 (Pages 31 - 34)

7. Gender Pay Gap Reporting (Pages 35 - 40)

Appendix: Gender Pay Gap Report 2017 (Pages 41 - 44)

8. Human Resources Update (Pages 45 - 52)

9. Exclusion of the Public

That under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Part 1 of Schedule 12A to the Act.

10. Staffing Matters

Reasons for restriction: Paragraph(s) 1, 2, 4

Note: All reports will be updated orally at the meeting if appropriate and may be supplemented by additional reports at the Chairman's discretion.

Membership: (Joint Staffing Committee)

Councillors: R Bagge
M Bradford
I Darby
T Egleton
B Harding
C M Jones
P Jones
N Naylor
D Phillips
M Smith
M Stannard
L Sullivan

If you would like this document in large print or an alternative format, please contact Democratic Services.

JOINT STAFFING COMMITTEE

Meeting - 11 October 2017

Present: R Bagge, I Darby (Chairman), D W Phillips, J Read, M Stannard and L Sullivan

Apologies for absence: M Bradford, B Harding, C M Jones, P Jones and M Smith

9. APPOINTMENT OF A CO-CHAIRMAN (SBDC)

It was agreed to defer this item until the next meeting once South Bucks District Council had elected a new Leader of the Council.

10. MINUTES

The minutes of the Joint Staffing Committee held on 3 July 2017 were confirmed and signed by the Chairman.

11. DECLARATIONS OF INTEREST

There were no declarations of interest.

12. PAY POLICY STATEMENT 2017/18

In accordance with Section 38 (1) of the Localism Act 2011 there is a requirement for English and Welsh authorities to produce and publish a pay policy statement for each financial year. The statement should be approved by 31 March each year, at a meeting of the full council, and then be published on their website. Due to changes in senior management within the HR team preparation of this statement was not progressed earlier and was now being presented for approval.

In response to a query, the HR Manager advised that the Local Pay Award report which would be submitted to the December meeting of the Joint Staffing Committee for consideration, would take into account the RPI and CPI index.

Having expressed its support for the Joint Policy Statement, the Committee

RECOMMENDED to both Councils that the Joint Pay Policy Statement for 2017/18 be adopted.

13. HARMONISED FLEXIBLE RETIREMENT POLICY

A draft harmonised Flexible Retirement Policy was presented to Members for consideration. Pension discretions were approved by the Joint Staffing Committee at the meeting on 3rd July 2017. These discretions consequently need to be reflected in a harmonised Flexible Retirement Policy.

The attached draft policy fundamentally reflects the existing Chiltern District Council and South Bucks District Council policies, updated in terms of reflecting the pension discretions

agreed by Joint Staffing Committee in July. One substantive change to the existing policy which was proposed was to include a minimum reduction in pay upon retirement of 20% by means of reduction in hours or grade. This was equivalent to a full time employee reducing their working week by one day. Under current South Bucks District Council and Chiltern District Council policies there was no minimum reduction in pay required.

In response to a query, the HR Manager advised the Committee that a minimum reduction in pay upon retirement of 20% by means of reduction in hours or grade would enable the Councils to have the flexibility to avoid smaller reductions in hours which would not be within the spirit of the policy. The HR Manager advised the Committee that the policy allowed for management discretion and would always ensure that the needs of the service take priority.

Having considered the draft policy, the Committee

RESOLVED that

1. the Harmonised Flexible Retirement Policy be adopted.
2. authority be delegated to the Chief Executive to undertake any minor amendments following the outcome of the staff consultation or future legislative changes.

14. **JOB DESCRIPTION - HEAD OF SUSTAINABLE DEVELOPMENT**

Note: Councillor John Read entered the meeting at 6.12pm.

The Joint Staffing Committee received a report seeking approval for the revised job description for the Head of Sustainable Development post.

The Head of Sustainable Development would be leaving the Council at the end of October 2017. This post would be recruited to initially on an interim basis and then on a permanent basis.

The Committee were advised that the current job description, attached as Appendix A, which was agreed in 2012, was out of date and did not reflect the key purpose, objectives and duties of this role as it stands at the current time and for the future. Therefore, changes were being proposed to this job description, attached as Appendix B, which includes a change to the title of the post to Head of Planning and Prosperity.

The Committee welcomed the revised job description, however agreed that a more suitable title for the post would be Head of Planning and Economic Development.

The Committee were advised that the Joint Staffing Sub Committee was due to meet on the 18 October to consider the appointment of the interim Head of Sustainable Development. Due to member availability, there was a possibility that the meeting would not be quorate. It was therefore agreed by the Joint Staffing Committee, that if necessary the quoracy for the Sub-Committee on the 18 October should be changed from 3 members per council (plus the Portfolio Holders) to 2 members per council (plus the Portfolio Holders).

Having considered the revised job description, the Committee

RESOLVED that

- 1) the title of the post be changed to Head of Planning and Economic Development;
- 2) the revised job description for the Head of Planning and Economic Development, attached as appendix B, be agreed; and
- 3) the quoracy for the sub-committee to appoint the Interim Head of Sustainable Development be changed to two members of the Joint Staffing Committee from each Council (plus the Portfolio Holders) if necessary.

15. **EXCLUSION OF THE PUBLIC****RESOLVED –**

That under section 100 (A) (4) of the Local Government Act 1972 (as amended) the public be excluded from the meeting for the following item(s) of business on the grounds that they involved the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act.

16. **PRIVATE HEALTH CARE FOR SENIOR OFFICERS**

Paragraph 1 – Information relating to any individual

Paragraph 4 – Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority

To inform the Joint Staffing Committee of the feedback from the staff consultation and to seek a decision on how to proceed with regard to Private Health Care for Senior Officers.

Having considered the various options as set out in the report and taking into account the feedback of the staff consultation and cost implications, Members were of the opinion that option 3 (to phase the scheme out over time as senior managers leave the Councils employment or change roles within the Councils) would be the most suitable way to proceed. Members noted that whilst this option would not produce any immediate savings, and that costs may slightly increase as the age of the officers increase, as officers leave the Council or change roles within the Council (and thus leave the scheme) costs would reduce until eventually there would be none.

RESOLVED that Option 3 to phase the scheme out over time as senior managers leave the Councils employment or change roles within the Councils be agreed.

17. LOCAL LAND CHARGES SHARED SERVICE STAFF CONSULTATION

Paragraph 1 – Information relating to any individual

Paragraph 3 – Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Paragraph 4 – Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority

Members considered a draft consultation document that would be shared with the Local Land Charges Teams. In summary, the draft timetable proposed to:

- Start consultation in the week commencing 16 October 2017
- End consultation on 12 November 2017
- Conduct the selection process for the post of Lead Project Officer from 27 November 2017
- Implement the Joint Service on 1 January 2018

The Head of Legal and Democratic Services advised that the proposed draft structure of the Joint Local Land Charges Services team on page 56 of the agenda should show the Local Land Charges Officer post as a 2.2 FTE.

RESOLVED -

That the Local Land Charges Shared Service consultation document and appendices be agreed and issued to staff and that the structure be implemented subject to taking into account any staff comments and being within the business case in accordance with the authority delegated to the Chief Executive in consultation with the Joint Staffing Committee Chairmen and the Cabinet Portfolio Holders from both Councils.

The meeting terminated at 6.36 pm

JOINT STAFFING COMMITTEE

Meeting - 18 October 2017

Present: P Jones (Chairman)
R Bagge, P E C Martin, N Naylor, D W Phillips and J Read

18. APPOINTMENT OF CHAIRMAN

It was RESOLVED that Councillor Jones be appointed Chairman of the Joint Staffing Sub-Committee meeting.

19. DECLARATIONS OF INTEREST

There were no declarations of interest.

20. EXCLUSION OF THE PUBLIC

RESOLVED:

That under section 100 (A) (4) of the Local Government Act 1972 (as amended) the public be excluded from the meeting for the following item(s) of business on the grounds that they involved the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act.

21. INTERIM APPOINTMENT OF THE HEAD OF SUSTAINABLE DEVELOPMENT.

A Joint Staffing Sub-Committee was established to deal with the appointment to the vacancy of Head of Sustainable Development and that the membership of the Sub-Committee be delegated to the Chief Executive in consultation with the respective Cabinet Leaders.

As such, the Sub-Committee met to interview the short-listed candidates for the post of Interim Head of Sustainable Development and following which Members then

RESOLVED:

That an offer of interim appointment for the post of Head of Sustainable Development be made to Andrew Ashcroft, subject to no objections being received by 5 pm on Monday, 23 October 2017 from the Council's respective Cabinets, and that the Chief Executive be authorised in consultation with the Human Resources Manager to agree a start date and make the formal offer of interim appointment.

The meeting terminated at 4.00 pm

SUBJECT:	Pay Award 2018/19 and 2019/20 for staff on the Harmonised Contract
REPORT OF:	Bob Smith, Chief Executive
RESPONSIBLE OFFICER	Bob Smith, Chief Executive
REPORT AUTHOR	Louise Cole, HR Manager
WARD/S AFFECTED	N/A

1. Purpose of Report

To consider and agree an inflationary pay award offer for April 2018/19 and April 2019/20 for staff on Harmonised Contracts below Head of Service level, whose pay is determined locally.

RECOMMENDATIONS

1. **Remove 1A and 1B from the Pay Spines to ensure compliance with the statutory National Living Wage.**
2. **Move staff who are paid a spot salary equivalent to the 2016 Voluntary Living Wage to a spot salary of 1C on the Harmonised Pay Spine.**
3. **Award a 2% pay uplift in April 2018/19 and a 2% pay uplift in April 2019/20.**
4. **The Committee notes that the draft Council budgets for 2018/19 be amended to reflect the additional cost, £135,600 of the proposed award.**

2. Reasons for Recommendations

- 2.1 It is recommended that 1A and 1B of the Harmonised Pay Spine are removed as the hourly pay level at these spinal points are expected to fall below the predicted statutory National Living Wage. There are currently no employees on 1A and 1B of the pay spine.
- 2.2 It is recommended that staff at the South Buckinghamshire Golf Course (Golf Course) who are paid a spot salary equivalent to the 2016 Voluntary Living Wage are moved to a spot salary at 1C of the Harmonised Pay Spine in order to ensure their hourly rate complies with the statutory National Living Wage.
- 2.2 It is recommended that a 2% pay uplift is awarded in 2018/19 and a 2% pay uplift is awarded in 2019/20 to match the pay award nationally and to ensure our competitiveness in comparison with neighbouring authorities and to overall therefore recruit and retain the best staff.

3. Content of Report

- 3.1 This report relates to staff, below Heads of Service level, who are on the Harmonised Contract and whose pay award is determined locally.
- 3.2 This report does not cover Heads of Service who are also subject to a locally determined pay award. We are awaiting the JNC agreement for Chief Officers before making a recommendation as their pay closely matches the pay bands covered by this agreement. Nor

does it cover the Directors and Chief Executive whose pay is determined nationally by the JNC for Chief Executives and Chief Officers as their pay award has yet to be agreed. It is likely however that the pay award offer for these senior officers will match the proposal in this paper which in turn matches the NJC offer. In fact the pay claim for Chief Executives from ALACE (Association of Local Authority Chief Executives and Senior Managers) seeks to match the offer of 2% in April 2018 and 2% in April 2019. Please see section 6.1 of this report for the financial impact of a 2% increase in April 18 and a 2% in April 19 for Heads of Services, Directors and the Chief Executive should this be awarded.

3.3 Locally Determined Pay Award: Each year the Councils need to consider whether they wish to offer a pay increase to staff. Under the terms and conditions of the Collective Agreement between Chiltern and South Bucks District Councils and UNISON of 1st July 2014 (which applied to all posts below Head of Service level) it was agreed that we would move out of the national government collective bargaining scheme and move to locally determined pay: -

*"The agreement to pay inflationary rises to staff in accordance with the National Joint Council agreement will be reviewed in three years. The Council's purpose for this review** will be to introduce locally determined pay with effect from 01 July 2017 or such date as may be agreed. A locally determined pay mechanism involving Members of Councils, UNISON and Management will be introduced through joint negotiating machinery to coincide with the change."*

3.4 At its meeting on 3rd July 2018 the Joint Staffing Committee agreed the arrangements for the introduction of locally determined pay. The pay cycle commences with the JSC agreeing an offer to be made to staff and UNISON.

3.5 **UNISON's Position: It should be noted that UNISON have taken a different position on the purpose of the review as described in the collective agreement quoted above. Their stance is that the review is about firstly whether it is agreed that we move to locally determined pay or not, and if it is agreed, then secondly whether the pay award offer can be agreed. The outcome of this is that when we commence negotiations with UNISON they have stated they will need to ballot their members on both the move to locally determined pay and the pay award offer.

That said the agreed starting point for negotiations is that the JSC agree an offer to be made to staff and UNISON. Below are some factors for the Committee to consider when making its recommendation.

3.6 Previous Pay Awards

In previous years staff have been awarded pay uplifts as follows:-

	Harmonised contracts & HOS	Staff on CDC terms and conditions	Staff on SBDC Locally determined pay	
2014/16			2.35% (plus non-consolidated	

Joint Staffing Committee

			payments to the lower scale points so to be as close as possible to the NJC pay agreement)	
Jan 15 – Mar 2016	-----	2.2% (plus non consolidated payments)		
April 2016	1%	1%	1%	
April 2017	1%	1%	1%	

Over recent years all pay awards both national and local have been set in the context of the on-going financial challenges facing all authorities and therefore pay uplifts have fallen below the level of inflation. As a result staff have seen a material loss of spending power.

3.7 Retail Price Index and Consumer Price Index

Pay increases are directly concerned with maintaining employee spending power when set against inflationary pressures. They do not reward performance or any other specific job related aim. Hence, it is helpful to consider the matter of pay awards against inflation rates over the last few years.

	Retail Price Index (RPI)	Consumer Price Index (CPI)
March 2014	2.5%	1.5%
March 2015	0.9%	0.3%
March 2016	1.6%	0.8%
March 2017	3.1%	2.3%
October 2017	4%	2.8%

RPI figures include mortgage interest, cost of house insurance, council tax etc. whereas the consumer prices index (CPI) excludes these particular items and is more internationally comparable with the way inflation is calculated in other countries. CPI is also the measure by which the Government have assessed pension and benefit increases from 1st April 2011.

3.8 Neighbouring Authorities

- AVDC agreed a two year pay deal in 2017 which was 1% for 17/18 and 2% 18/19;
- WDC will apply the nationally negotiated pay awards, outlined below;
- BCC have Performance Related Pay (PRP) which is called DSP (Delivering Successful Performance) which is a combination of reward for the higher performers and an award in the form of a locally determined % pay uplift which has yet to be agreed;
- Windsor and Maidenhead likewise have PRP and they locally determine the proportion of reward and award.

3.9 National Negotiations - the NJC Offer for 2018/19 and 2019/20

On the 5th December the National Employers made their final offer to the Trade Union's Side on its pay claim for 2018/19 and 2019/20. Full details of the offer are given in Appendix A. In summary:-

1. This is a two-year pay offer covering the period from 1st April 2018 to 31st March 2020;
2. Year One: Pay Offer for 1st April 2018 comprises higher increases to the lower pay points (SCPs 6-19 of the national pay scale) resulting in a new bottom rate of £8.50 per hour and a flat-rate increase of 2% for staff on SCPs 20 or above.
3. Pay offer for 1st April 2019 (Year Two) a bottom rate of £9.00 per hour. In addition they have restructured the pay spine at the lower end to deal with compacting of differentials and ironed out the random gaps between pay points to have even increments between scale points 1-22. From scp23 onwards applied a flat rate increase of 2.0%.
4. The pay award offer represents a 5.584% increase to the national pay bill over 2 years.

Please note that this offer is still subject to negotiation. However, this offer was not reached by consensus by the National Employers and this offer has been made as a final offer. The original Trade Union claim was for 5% for 18/19.

3.10 National Living Wage

The statutory National Living Wage (NLW) is currently £7.50 per hour. All staff in the Councils are currently paid above the statutory NLW (the lowest hourly pay on the pay spine is £8.14).

When the Chancellor introduced the NLW in his July 2015 Budget he indicated that its target level was to reach 60% of median hourly earnings by 2020. At the time of the announcement, the forecast for 2020 was £9.35 per hour and in his speech he referred to it being "at least £9.00". Although in November 2017 the Office of Budgetary Responsibility forecast it would be £8.56.

In summary then we know that the NLW will rise in April 2018/19 and April 2019/20. We do not know what the rise will be but the predicted level is (as reflected in the National Employers offer) £8.50 in April 2018/19 and £9.00 in 2019/20.

4 Consultation

- 4.1 The recommendations in this report are subject to negotiation with UNISON including consultation with staff. With respect to UNISON they have taken the position that the move to local pay has not been agreed and that they need to decide both whether or not to move to local pay and also whether to accept the pay award offer.

5 Proposals

5.1 Local government is undergoing a period of unprecedented change. The way that public services are designed and delivered is evolving at a rapid pace and against this background we need to:-

- Reward employees fairly in order to attract and retain the best staff;
- Ensure motivation and high performance to meeting the challenges of the future
- Remain competitive in the local employment market;
- Ensure we meet our statutory requirement to pay at or above the NLW.

5.2 The recommendation comprises 3 parts:-

1. National Living Wage and Lower spinal points:

It is recommended that spinal points 1A and 1B are removed from the Pay Spines and pay spine begins at 1C in order to ensure our lowest paid staff are paid at the predicted rate of the NLW. There are currently no employees on spinal point 1A and 1B. For information the Harmonised Contract Pay Spine is attached at Appendix B.

2. Golf Course staff on spot salaries' below the predicted NLW:

There are 5 staff at the Golf Course who are paid on a spot salary set at the Voluntary Living Wage as it was in 2016 when all the golf staff were moved on to harmonised terms and conditions. This is £8.45 per hour. It is recommended that these staff are moved to a spot salary at 1C of the Harmonised Pay Spine to bring up their hourly rate to that of the statutory National Living Wage. There would be no cost to this in 18/19 and a cost of £2,694 in 19/20 (based on costings attached in Appendix C which models a 2% increase in 18/19 and 2% in 19/20).

3. 2 year pay offer

Make an offer of an increase of 2% in April 2018/19 and 2% in April 2019/20. This is recommended as it would match the national offer and also the expected pay award at WDC. It would also match the 2% awarded at AVDC in April 2018. This would ensure the Councils' continue to compete locally on salaries and would hence assist with recruiting and retaining the best employees and make us an employer of choice.

5.3 Agreement to the above will result in the need to amend the draft 18/19 budget.

5.4 The advantage of having a 2 year offer is that it provides security to staff and removes the necessity to negotiate over pay in 2019/20. It might also assist in securing support from staff and UNISON for the local pay arrangements being introduced this year.

5.5 Please see Appendix B for the current pay scales and how these would look with a projected 2 year increase at 2% each year.

- 5.6 It is also proposed that this offer could be subject to a further review should the finally agreed national award be greater than the current proposed award of 2% in 2018/19 and 2% in 2019/20.

6. Corporate Implications

- 6.1 Financial: The draft budgets for 2018/19 currently makes provision for a 1% inflationary pay increase. Revising the budget to reflect the above proposals adds an additional £135,600 to the pay bill, including employer related on costs, in 2018/19. This will be shared between the two Councils via the cost sharing agreement and the impact for Chiltern is an additional £77,459 and for South Bucks £58,141.

The 2019/20 impact would be a further £273,818 to the pay bill, including on costs, again shared between the two Councils. The Medium Term Financial Strategies for the two Councils currently assumes 2% cost uplifts so the award would not be out of line with this assumption.

For information, should a 2% pay uplift be awarded to Heads of Services, Directors and the Chief Executive in April 2018 and April 2019, the total budget impact over 2 years would be £30,801.

7. Links to Council Policy Objectives

Retaining and recruiting the best staff is critical to the delivery of services to our customers and the success of both Councils.

8. Next Step

To commence negotiation with UNISON and consultation with staff on this pay award offer.

Background Papers:	None other than referred to in this report and Appendix.
---------------------------	--

National Employers for Local Government Services

**To: Chief Executives in England, Wales and N Ireland
(additional copies for HR Director and Finance Director)
Members of the National Employers' Side
Regional Directors**

5 December 2017

Dear Chief Executive,

LOCAL GOVERNMENT PAY 2018

I am writing to update you on the work we have been doing on your behalf on the local government national pay negotiations for 2018.

The National Employers have today made a final pay offer covering the period 1 April 2018 to 31 March 2020. A letter sent to the trade unions setting out the detailed offer is attached at **Annex A** and a copy of the Employers' press release is attached at **Annex B**.

The Pay Offer

1 April 2018 ('Year One'):

Bottom-Loading on SCPs 6-19 incl

The Employers considered it was necessary for higher increases on the lower pay points in order to continue to close the significant gap with the National Living Wage (NLW). Therefore this part of the offer would result in a new bottom rate of £8.50 per hour on SCP6

Increase on SCPs 20 and above

A flat-rate increase of 2.0%

This first year of the pay offer would increase the national paybill by 2.707%

1 April 2019 ('Year Two'):

The Employers agreed that the bottom rate of the new pay spine should not be pegged to the NLW rate but should allow for some 'headroom'. Therefore the offer is for a bottom rate of £9.00 per hour

In order to deal with the compacting of differentials at the lower end of the spine it is proposed that the existing bottom twelve pay points are 'paired off' into six new pay points, ie. current SCPs 6 & 7 become the new SCP1; current SCPs 8 & 9 become the new SCP2 etc until you reach current SCPs 16 & 17 which become the new SCP6

To further dilute the impact of compacting the lower pay points, the offer includes 'ironing out' the current random gaps between pay points and having even increments of 2.0% between new SCPs 1 to 22 incl (equivalent to SCPs 6 to 28 on the current spine). This portion of the pay spine covers approximately 60% of NJC employees

From new SCP23 onwards, a flat-rate increase of 2.0% and retention of the current random differentials

This second year of the pay offer would increase the national paybill by 2.802%

The total increase to the national paybill over the two-year period would be 5.584%

Background

This pay offer is much more complex than any offer since the Single Status agreement in the mid-1990s, so I want to set out in detail the reasons behind it.

The introduction of the National Living Wage (NLW) was announced by George Osborne in his July 2015 Budget. He indicated that its target level was to reach 60% of median hourly earnings by 2020. At the time of the announcement, the forecast for 2020 was £9.35 per hour and in his speech Mr Osborne referred to it being "at least £9.00", although the most recent (November 2017) Office of Budgetary Responsibility forecast was £8.56.

At the time of the Chancellor's statement in 2015 the minimum hourly rate on the 'Green Book' pay spine was £7.00. That meant that it would have to increase by approximately £2.00 in five years if the initial 'target' for the NLW in 2020 of £9.00 was to be reached. By way of context, the increase in the bottom rate from £5.00 to £7.00 had taken thirteen years to achieve (2002-15).

The current two-year pay agreement covering 1 April 2016 to 31 March 2018, made some headway in bridging that gap and introduced minimum hourly rates of £7.52 (1 April 2016) and £7.78 (1 April 2017). This agreement included some further bottom-loading in each of the two years to assist in maintaining differentials and then annual pay awards of 1.0% further up the pay spine. This two-year deal added 2.40% to the national pay bill. The two-year increase for the lowest pay point was 10.28%. These rates provided some headroom in relation the NLW which was £7.20 (1 April 2016) and £7.50 (1 April 2017). The 1 April 2018 rate announced in the Budget is £7.83.

The 2016-18 pay deal included a commitment for the NJC to review its pay spine. To support the development of an employers' position, a sounding board of about a dozen officers from councils across the country was established. This included a balance in terms of: types of council; geography; those paying / not paying the voluntary living wage; and it also included councils that have local pay bargaining and representation from the regional employers' organisations.

The NJC set up a pay spine review working group to look at what could be done from a technical point of view. It was not a negotiating group and on the Employers' Side included three or four members of our sounding board.

The working group initially agreed to concentrate on potential models that covered one, two and three year options. A one-year settlement assimilating on to a new pay spine in 2018 could not realistically be implemented by councils in the time available. It would also be too costly if it were to start at a level that could ensure compliance with the likely levels of the NLW in 2019 and 2020, without further significant changes to its structure. A three-year settlement, whilst potentially attractive to councils from a financial planning aspect, would involve too much second-guessing of the broader economic position in 2020 and would be much more difficult for the unions to sell to their members.

All the work highlighted above was undertaken in the context of the Government's public sector pay policy remaining at 1.0% until 2020.

The unions' claim was lodged in mid-June. It was for one year and sought a 5.0% increase on all NJC pay points, plus the deletion of the bottom four NJC pay points. The unions made clear in private conversations that in the current climate it would not be possible for them to agree any offer that included 1.0% as the headline rate.

Regional pay consultation briefings took place between late June and August. There was widespread recognition that the work on the pay spine was a necessity as a result of the introduction of the NLW. It was also recognised that this could not be delivered within 1.0% increases to the overall pay bill and there was no suggestion that the additional costs be funded through providing for increases of less than 1.0% for better paid employees.

There was broad consensus on the need to have some 'headroom' from the statutory minimum NLW rate and for a two-year agreement. It was recognised that achieving a collective agreement with 1.0% as the headline rate would be nearly impossible. It was acknowledged that any agreement was likely to add between 4.5%-6.0% to the national pay bill over two years. It was also recognised that costs locally could vary significantly from this depending on a council's workforce profile and that it would have a significant impact on schools' budgets.

The political deliberations over the past few months have been difficult and while there was broad political consensus on issues such as the length of any deal, the need for headroom from the NLW and the need to reconfigure the lower end of the pay spine, this was not the case regarding the headline rate within a potential offer, which meant that in the end the only way to make a decision was to hold a vote in a meeting of the Employers' Side of the National Joint Council, which is the body that is ultimately responsible for these decisions. This is only the second vote on a pay offer since 1997 when the Local Government Services NJC was established.

Therefore whilst the decision to make a headline offer of 2.0% was not reached through consensus, it was achieved in line with the clear voting arrangements set out in the Employers' Side Constitution.

For colleagues in London Boroughs, you will be aware that there are separate pay spines for inner and outer London and in normal circumstances the nationally agreed percentage increases would be applied to the London pay points. However, given the proposed significant changes to the national pay spine, discussions are currently taking

place between London employers and trade unions and further updates will be issued by them in due course.

Finally, there has been a huge amount of technical work involving many colleagues from councils and Regional Employer Organisations from across England, Wales and Northern Ireland that has brought us to this point and we would like to thank them for the advice and assistance that they have provided to the national Secretariat.

Yours sincerely,

Simon Pannell

Simon Pannell
Employers' Secretary

ANNEX A

**Heather Wakefield, Rehana Azam, Jim Kennedy
Trade Union Side Secretaries
NJC for Local Government Services
c/o UNISON Centre
130 Euston Road
London NW1 2AY**

5 December 2017

Dear Heather, Rehana and Jim,

LOCAL GOVERNMENT PAY 2018

I am writing on behalf of the Employers' Side of the NJC to respond formally to the Trade Union Side's pay claim.

The National Employers wish to make the following final offer:

From 1 April 2018:

- On SCP 6, £1,380 (equivalent to 9.191%)
- On SCP 7, £1,380 (equivalent to 9.130%)
- On SCP 8, £1,380 (equivalent to 9.052%)
- On SCP 9, £1,380 (equivalent to 8.976%)
- On SCP 10, £1,250 (equivalent to 8.006%)
- On SCP 11, £1,200 (equivalent to 7.592%)
- On SCP 12, £1,050 (equivalent to 6.512%)
- On SCP 13, £900 (equivalent to 5.458%)
- On SCP 14, £900 (equivalent to 5.363%)
- On SCP 15, £900 (equivalent to 5.272%)
- On SCP 16, £900 (equivalent to 5.167%)
- On SCP 17, £900 (equivalent to 5.064%)
- On SCP 18, £800 (equivalent to 4.427%)
- On SCP 19, £700 (equivalent to 3.734%)
- On SCPs 20 and above, 2.0%

The Employers acknowledge the constructive way in which the NJC Pay Spine Review Group has worked together over the past eighteen months and therefore propose that a revised pay spine be introduced with effect from **1 April 2019**. The Employers' detailed offer in regard to this is attached as **Annex 1**.

The proposed 2019 pay spine is based on the following:

- A bottom rate of £9.00 per hour (£17,364) on new SCP1 (equivalent to old SCP6)
- 'Pairing off' old SCPs 6-17 incl to create new SCPs 1-6 incl
- Equal steps of 2.0% between each new SCPs 1 to 21 incl (equivalent to old SCPs 6-28 incl)
- By creating equal steps between these pay points new SCPs 10, 13, 16, 18 and 21 are generated to which no old SCPs would assimilate. This would mean that in some organisations the current number of pay points in a grade would change. The Employers therefore suggest that we work together to consider appropriate advice as such issues arise
- On new SCPs 23 and above (equivalent to old SCPs 29 and above), 2.0%

We hope that you will now put this offer to your members for consultation and understand that you will be considering this over the next few days.

Yours sincerely,

Simon Pannell

Simon Pannell
Employers' Secretary

ANNEX 1

1 April 2018			1 April 2019			
SCP	£ per annum	£ per hour*	New SCP	£ per annum	£ per hour*	Old SCP[s]
6	£16,394	£8.50	1	£17,364	£9.00	6/7
7	£16,495	£8.55				
8	£16,626	£8.62	2	£17,711	£9.18	8/9
9	£16,755	£8.68				
10	£16,863	£8.74	3	£18,065	£9.36	10/11
11	£17,007	£8.82				
12	£17,173	£8.90	4	£18,426	£9.55	12/13
13	£17,391	£9.01				
14	£17,681	£9.16	5	£18,795	£9.74	14/15
15	£17,972	£9.32				
16	£18,319	£9.50	6	£19,171	£9.94	16/17
17	£18,672	£9.68				
18	£18,870	£9.78	7	£19,554	£10.14	18
19	£19,446	£10.08	8	£19,945	£10.34	19
20	£19,819	£10.27	9	£20,344	£10.54	20
			10	£20,751	£10.76	
21	£20,541	£10.65	11	£21,166	£10.97	21
22	£21,074	£10.92	12	£21,589	£11.19	22
			13	£22,021	£11.41	
23	£21,693	£11.24	14	£22,462	£11.64	23
24	£22,401	£11.61	15	£22,911	£11.88	24
			16	£23,369	£12.11	
25	£23,111	£11.98	17	£23,836	£12.35	25
			18	£24,313	£12.60	
26	£23,866	£12.37	19	£24,799	£12.85	26
27	£24,657	£12.78	20	£25,295	£13.11	27
			21	£25,801	£13.37	
28	£25,463	£13.20	22	£26,317	£13.64	28
29	£26,470	£13.72	23	£26,999	£13.99	29
30	£27,358	£14.18	24	£27,905	£14.46	30
31	£28,221	£14.63	25	£28,785	£14.92	31
32	£29,055	£15.06	26	£29,636	£15.36	32
33	£29,909	£15.50	27	£30,507	£15.81	33
34	£30,756	£15.94	28	£31,371	£16.26	34

35	£31,401	£16.28	29	£32,029	£16.60	35
36	£32,233	£16.71	30	£32,878	£17.04	36
37	£33,136	£17.18	31	£33,799	£17.52	37
38	£34,106	£17.68	32	£34,788	£18.03	38
39	£35,229	£18.26	33	£35,934	£18.63	39
40	£36,153	£18.74	34	£36,876	£19.11	40
41	£37,107	£19.23	35	£37,849	£19.62	41
42	£38,052	£19.72	36	£38,813	£20.12	42
43	£39,002	£20.22	37	£39,782	£20.62	43
44	£39,961	£20.71	38	£40,760	£21.13	44
45	£40,858	£21.18	39	£41,675	£21.60	45
46	£41,846	£21.69	40	£42,683	£22.12	46
47	£42,806	£22.19	41	£43,662	£22.63	47
48	£43,757	£22.68	42	£44,632	£23.13	48
49	£44,697	£23.17	43	£45,591	£23.63	49

*hourly rate calculated by dividing annual salary by 52.143 weeks (which is 365 days divided by 7) and then divided by 37 hours (the standard working week in the National Agreement 'Green Book')

ANNEX B

PRESS RELEASE: 5 DECEMBER 2017

Council employees' pay offer announced

Council employees have been offered a two-year pay increase from 1 April 2018. The majority of employees - those on salaries starting at £19,430 per annum - would receive an uplift of 2 per cent on 1 April 2018 and a further 2 per cent on 1 April 2019, with those on lower salaries receiving higher increases.

The offer also includes the introduction of a new national pay spine on 1 April 2019.

The National Employers, who negotiate pay on behalf of 350 local authorities in England, Wales and Northern Ireland, made the offer to unions today. It will affect over 1 million employees.

Notes to editors

The total increase to the national paybill resulting from this offer is 5.6% over two years (covering the period 1 April 2018 to 31 March 2020).

This pay offer does not apply to council chief executives, senior officers, teachers or firefighters, who are covered by separate national pay arrangements.

The National Joint Council negotiates the pay, terms and conditions of staff in local authorities. It agrees an annual uplift to the national pay spine, on which each individual council decides where to place its employees. Each council takes into account a number of factors such as job size and local labour market conditions when deciding an employee's salary. There are no nationally determined jobs or pay grades in local government, unlike in other parts of the public sector.

-ENDS-

This page is intentionally left blank

Harmonised Pay Spine - Pay Award 1st April 17 to 31st March 20

AppendixB

Spine Points	New Salary with effect 1.4.17 (1%)	Hourly Rate w.e.f. 1.4.2017	New Salary with 2%	Hourly rate with 2%	New Salary with 2%	Hourly rate with 2%
			w.e.f. 1.4.18	w.e.f.1.4.18	w.e.f. 1.4.19	w.e.f.1.4.19
1A	£15,702	£8.14	£16,016	£8.30	£16,337	£8.47
1B	£16,207	£8.40	£16,531	£8.57	£16,862	£8.74
1C	£16,725	£8.67	£17,059	£8.84	£17,400	£9.02
1D	£17,260	£8.95	£17,605	£9.13	£17,957	£9.31
1E/2A	£17,805	£9.23	£18,161	£9.41	£18,524	£9.60
2B	£18,362	£9.52	£18,729	£9.71	£19,104	£9.90
2C	£18,934	£9.81	£19,313	£10.01	£19,699	£10.21
2D	£19,522	£10.12	£19,912	£10.32	£20,310	£10.53
2E/3A	£20,125	£10.43	£20,527	£10.64	£20,938	£10.85
3B	£20,740	£10.75	£21,154	£10.96	£21,578	£11.18
3C	£21,370	£11.08	£21,797	£11.30	£22,233	£11.52
3D	£22,016	£11.41	£22,456	£11.64	£22,905	£11.87
3E/4A	£22,677	£11.75	£23,130	£11.99	£23,593	£12.23
4B	£23,350	£12.10	£23,817	£12.35	£24,293	£12.59
4C	£24,042	£12.46	£24,523	£12.71	£25,013	£12.96
4D	£24,749	£12.83	£25,244	£13.08	£25,748	£13.35
4E/5A	£25,471	£13.20	£25,980	£13.47	£26,500	£13.74
5B	£26,211	£13.59	£26,736	£13.86	£27,270	£14.13
5C	£26,964	£13.98	£27,504	£14.26	£28,054	£14.54
5D	£27,735	£14.38	£28,290	£14.66	£28,856	£14.96
5E/6A	£28,525	£14.79	£29,096	£15.08	£29,677	£15.38
6B	£29,327	£15.20	£29,913	£15.50	£30,512	£15.82
6C	£30,150	£15.63	£30,753	£15.94	£31,368	£16.26
6D	£30,989	£16.06	£31,608	£16.38	£32,241	£16.71
6E/7A	£31,842	£16.50	£32,479	£16.83	£33,129	£17.17
7B	£32,715	£16.96	£33,369	£17.30	£34,036	£17.64
7C	£33,605	£17.42	£34,277	£17.77	£34,963	£18.12
7D	£34,514	£17.89	£35,204	£18.25	£35,908	£18.61
7E/8A	£35,435	£18.37	£36,144	£18.73	£36,867	£19.11
8B	£36,375	£18.85	£37,102	£19.23	£37,844	£19.62
8C	£37,330	£19.35	£38,076	£19.74	£38,838	£20.13
8D	£38,300	£19.85	£39,066	£20.25	£39,847	£20.65
8E/9A	£39,285	£20.36	£40,071	£20.77	£40,872	£21.19
9B	£40,289	£20.88	£41,095	£21.30	£41,917	£21.73
9C	£41,305	£21.41	£42,131	£21.84	£42,974	£22.27
9D	£42,339	£21.95	£43,186	£22.38	£44,050	£22.83
9E/10A	£43,386	£22.49	£44,254	£22.94	£45,139	£23.40
10B	£44,448	£23.04	£45,337	£23.50	£46,243	£23.97
10C	£45,525	£23.60	£46,436	£24.07	£47,364	£24.55
10D	£46,618	£24.16	£47,550	£24.65	£48,501	£25.14
10E/11A	£47,725	£24.74	£48,680	£25.23	£49,653	£25.74
11B	£48,849	£25.32	£49,825	£25.83	£50,822	£26.34
11C	£49,984	£25.91	£50,984	£26.43	£52,003	£26.95
11D	£51,131	£26.50	£52,154	£27.03	£53,197	£27.57
11E/12A	£52,294	£27.11	£53,340	£27.65	£54,407	£28.20
12B	£53,473	£27.72	£54,542	£28.27	£55,633	£28.84
12C	£54,663	£28.33	£55,756	£28.90	£56,871	£29.48
12D	£55,866	£28.96	£56,983	£29.54	£58,123	£30.13
12E/13A	£57,081	£29.59	£58,222	£30.18	£59,387	£30.78
13B	£58,299	£30.22	£59,465	£30.82	£60,654	£31.44
13C	£59,319	£30.75	£60,506	£31.36	£61,716	£31.99
13D	£61,155	£31.70	£62,378	£32.33	£63,626	£32.98

This page is intentionally left blank

APPENDIX C

CALCULATION OF PAY AWARD IMPACT	
	Total including FPSF
<u>2% increase each year</u>	£
2017/18 draft 1% budget provision for staff on Harmonised Contracts below Heads of Services.	10,672,526
<u>2% pay increase for all staff in both year 1 and year 2</u>	
Year 1 increase (additional 1% to make overall increase 2%) (A)	105,571
Revised 2018/19 basic pay	10,778,097
Year 2 increase (2%) (B)	210,630
Add National Living Wage adjustment – Farnham Park (C)	2,694
2019/20 basic pay	10,991,421
Total increase over 2 years (A+B+C)	318,895
Impact on NI and pension for 2% increase	
Year 1 increase	30,029
Year 2 increase	60,494
Additional NI and pension cost	90,523
Total additional budget impact in year 1 2018/19	135,600
Total budget impact in year 2 2019/20	273,818
Total budget impact over 2 years	409,418

Notes:

1. Calculation excludes the following staff: Chief Executive, Directors, Heads of Service
2. Calculation includes staff on harmonised terms and conditions including the Crematorium and the Golf Course
3. Calculation start-point is the 2017/18 basic pay budget plus known increments
4. Increments for the second year (2019/20) have been ignored, as this cost will need to be met outside of the pay award decision
5. The calculated pay award is for basic pay only, however there will be a greater impact on the overall budget owing to NI/pension values
6. NI/Pension values and the overall effect on the budget are shown separately
7. The lowest pay scales, 1A and 1B, have been removed to ensure the National Living Wage is met . There are no permanent staff on 1A or 1B.
8. Some staff at the Trust on the lowest personal grades have been moved to the lowest harmonised pay grade in 2019/20, which is 1C, to ensure the scales are above the National Living Wage.
9. Please note that there are “casual workers” on 1A and 1B (3 at the crematorium and 6 at the Golf Course) but these are outside of this report as the Pay Award does not relate to casual workers who are not defined as “employees”.
10. Additional cost over 2 years for CE, Directors and HoS would be £30,801.

This page is intentionally left blank

SUBJECT:	Pay Policy Statement 2018/19
REPORT OF:	Bob Smith, Chief Executive
RESPONSIBLE OFFICER	Louise Cole, HR Manager
REPORT AUTHOR	Louise Cole HR Manager, 01494 732015, lcole@chiltern.gov.uk , louise.cole@southbucks.gov.uk
WARD/S AFFECTED	N/A this relates to a pay statement

1. Purpose of Report

To seek Joint Staffing Committee approval to the statutory Pay Policy Statement for 2018/19.

RECOMMENDATION

- That the Pay Policy Statement 2018/19 attached be recommended to the Council for adoption.**

2. Reasons for Recommendations

The Localism Act 2011 requires each council to produce and publish annually a pay policy statement. The statement should be approved by 31 March each year, at a meeting of the full council, and then be published on their website

3. Content of Report

3.1 Since 2015/16 Chiltern District Council and South Bucks District Council have had a joint pay policy. This policy statement is a technical document prescribed by the Localism Act and accompanying statutory guidance. The 2018/19 statement is currently unchanged from last year as at the present time the local pay award has not been determined and therefore pay uplifts have not been applied and pay remains at the same level as in 2017/18. This pay policy will be updated and resubmitted to the JSC following agreement on the 2018/19 pay award.

3.2 The 2018/19 Pay Policy Statement, which is attached at appendix 1, sets out:

- an introduction by way of context
- information about the remuneration of chief officers which includes a comparison with other officers
- information on the lowest paid employees

4. Consultation

Not Applicable

5. Corporate Implications

This is a statutory requirement under the Localism Act 2011.

6. Links to Council Policy Objectives

There is no direct link to the Council’s objectives but openness and transparency on Council policies supports good governance.

7. Next Step

Subject to its agreement and adoption by Council the Pay Policy statement will be published on the web site.

Background Papers:	None other than referred to in this report and Appendix.
---------------------------	--

Appendix 1

Pay Policy Statement 2018/19

1. INTRODUCTION

- 1.1 This is a joint statement of Chiltern and South Bucks District Councils.
- 1.2 The Localism Act 2011 requires each council to produce and publish annually a pay policy statement. The statement must be approved by a meeting of the full council, and must then be published on their websites. The pay policy statement may be amended during the year by further resolution of the council.
- 1.3 The pay policy statement must as a minimum include details of the council's policy on:
 - the remuneration of its chief officers
 - the remuneration of its lowest-paid employees
 - the relationship between the remuneration of its chief officers and other officers.
- 1.4 For the purposes of the Localism Act 2011 and this statement, the term "chief officers" is defined by Section 2 of the Local Government and Housing Act 1989. For these councils, the term "chief officers" refers to the chief executive, directors and heads of service. These officers make up the Joint Management Team for Chiltern and South Bucks District Councils.
- 1.5 Chief officers are expected to work across both District Councils on an equal basis and are employed under the same terms and conditions. Chief officers may be employed by either council, and are placed at the disposal of the other by means of an agreement made under Section 113 of the Local Government Act 1972.

2. REMUNERATION OF CHIEF OFFICERS

- 2.1 Chief officers' pay was independently assessed in 2012 by the Local Government Association (LGA) which was commissioned to undertake an independent review of the job descriptions for the new Joint Management posts. When making a recommendation about remuneration, regard was had to the size of the new job role, the emphasis on the need to contribute corporately to meet the needs of the two Councils, the economic climate and the regional location of the two authorities.
- 2.2 Members of the Joint Appointments and Implementation Committee agreed the salary ranges recommended by the LGA and the proposal to assimilate the successful applicants onto a spot salary which accommodated the additional allowances previously paid. The salaries were set above the median to attract and retain suitably skilled chief officers as recommended by the LGA.

All chief officers (Heads of Service, Directors and Chief Executive) have benefitted from a 1% pay award in 2016/17 and a 1% in 2017/18.

- 2.3 Following an independent review of the chief officers' pay structure in November 2015 the LGA confirmed that the pay structure remains competitive in its ability to recruit and retain staff with the necessary management and strategic skills and experience.

2017/18	Starting Salary	2	3	4
Joint Chief Executive	£127,513	£130,573	£133,633	£136,693
Joint Director	£89,483	£92,605	£94,686	£97,807
Joint Head of Service	£67,259	£71,464	£73,567	£78,818

- 2.4 The salaries remunerate officers for their full range of duties and hours of work. Chief officers do not receive any performance-related pay or bonuses. Joint posts are shared equally between the two Councils and business mileage is reimbursed at HMRC rates, currently 45p per mile. Some chief officers have private medical insurance and paid membership of a relevant professional body.
- 2.5 Appointments to these posts are on a spot salary and progression up the salary scale is based on performance against agreed objectives. An annual appraisal takes place for the Joint Chief Executive with members which can be facilitated by an external independent advisor if required. The Directors are appraised by the Chief Executive and the Heads of Service by their corresponding Director.
- 2.6 The annual pay review for the Chief Executive and the two Directors is determined by the Joint Negotiation Committee for Chief Executives and Chief Officers, respectively. The annual pay review for Heads of Service is determined locally. The pay award for 2016/17 was 1% and the pay award for 2017/18 was 1%.
- 2.7 Appointments to the Joint Chief Executive and officers allocated statutory responsibilities require full Council approval within each of the Councils. Appointments to the Joint Directors require the approval of the Joint Staffing Committee.
- 2.8 The Chief Executive has been appointed as the councils' returning officer. In this role he receives additional remuneration, which varies from year to year. He employs the two directors as deputy returning officers and may employ other chief officers to support him in his work. Any fees for elections are paid separately. The amount of the fee is not fixed and is based on electorate/postal votes and the type of election. The Head of Paid Service has the authority to increase election fees in line with inflation and to keep them comparable with Parliamentary election fees.

- 2.9 All employees are automatically enrolled in the local government pension scheme when they join either Council, they may opt out if they wish. Chief officers' contributions are determined by their salary and the rules of the scheme. More comprehensive details of the Bucks Pension Scheme are available on their website. It is not the usual policy of either Council to enhance retirement benefits.
- 2.10 The Councils have a joint approach to organisational change which it applies to all employees without differentiation. In cases of redundancy those employees with 2 or more years' continuous service are entitled to a redundancy payment which is calculated using the statutory redundancy calculator based on actual salary. The maximum number of years of service taken into account is 20 and the resulting maximum payment is 30 week's pay.
- 2.11 The Councils do not provide any additional payment to employees leaving the Councils' employment other than in respect of accrued leave which by agreement is untaken at the date of leaving.
- 2.12 In certain circumstances the Councils may agree for an employee's employment to come to end by way of a Settlement Agreement which may involve the payment of severance pay. In calculating any severance package the Councils will take into account any contractual and statutory entitlements, the employee's previous performance, value for money and minimising any reputational damage to the Councils.
- 2.13 It is not normal practice for the Councils to re-employ or re-engage a chief officer following a severance or redundancy payment on either a new contract of employment or a contract of services.

3. LOWEST-PAID EMPLOYEES

- 3.1 Following agreement with staff and UNISON the Councils have implemented, a collective agreement which harmonises terms and conditions of employment, including a new harmonised Pay Spine for both Councils. The minimum salary on this pay spine is set at £15,702, significantly above the Statutory Living Wage rate of £7.50 per hour effective from 1 April 2017. Employees from both Councils have progressively moved onto the new pay spine following a review and the joining up of services across Chiltern and South Bucks District Councils. All staff have moved to the new pay spine with the exception of a small group of staff at South Bucks District Council. The lowest paid employee at South Bucks District Council was paid at £15,702 (the full time equivalent).

The lowest paid employee at Chiltern District Council was paid at spinal point 1A at £15,702 (the full time equivalent).

- 3.2 The Chief Executive's salary is 8.12 times the salary of the lowest-paid employee.

4 REMUNERATION OF CHIEF OFFICERS COMPARED WITH OTHER OFFICERS

- 4.1 Employees who are not chief officers have been moved on to the new harmonised pay spine. They will be paid in accordance with the collective agreement agreed with staff and UNISON in July 2014. In the interim we have a small number of employees at South Bucks District Council on the South Bucks District Council pay spine. All these pay scales increased in line with the National Joint Council Pay

Award Agreement for Local Government Officers of May 2016 to cover the time period from April 2016 to March 2018.

- 4.2 The median salary for all officers at Chiltern District Council is £30,073. The Chief Executive's salary 4.24 times the median salary at Chiltern District Council.
- 4.3 The median salary for all officers at South Bucks District Council is £34,149. The Chief Executive's salary is 3.73 times the median salary at South Bucks District Council.
- 4.4 In terms of overall remuneration packages the Councils' have put in place harmonised terms and conditions across the two authorities to have a simple, flexible and equitable pay and reward structure where roles are evaluated using HAY job evaluation framework to ensure pay levels reflect differences in roles and responsibilities.

SUBJECT:	<i>Gender Pay Gap Reporting</i>
REPORT OF:	<i>Nick Naylor/Isabel Derby</i>
RESPONSIBLE OFFICER	<i>Bob Smith, Chief Executive</i>
REPORT AUTHOR	<i>Nina Parker Hughes. Principal HR Adviser (Strategy)</i>
WARD/S AFFECTED	<i>N/A</i>

1. Purpose of Report

To inform the Joint Staffing Committee of our obligations under the Equality Act (Specific Duties and Public Authorities) Regulations 2017 to report our gender pay gap and to notify them of the figures that will be reported.

RECOMMENDATIONS

1. **Joint Staffing Committee is asked to note the Councils' gender pay gap and associated figures produced to date.**
2. **Joint Staffing Committee is asked to note the plan for reporting our figures both within the organisation and externally.**

2. Content of Report

Gender Pay Gap

Earlier this year, the Government published the Equality Act (Specific Duties and Public Authorities) Regulations 2017, which implement the gender pay gap reporting requirement for the public sector. 'Relevant public authorities' in England with 250 or more employees must report specific figures about their gender pay gap. They must: publish their gender pay gap data on their public facing website, and; report their data to government online – using the gender pay gap reporting service.

Therefore, due to their respective sizes, we are required to publish data about employees of Chiltern District Council but not South Bucks District Council (next year we anticipate being below the reporting thresholds at both Councils). However, for our own information, the calculations for the combined workforce of both Councils are most relevant.

There is a requirement to publish the following figures (where applicable to the organisation in question) based on the 'snapshot date' of 31st March 2017, i.e. the payroll data for March 2017. This information must be published no later than the 30th March 2018 and thereafter on an annual basis.

- Mean* gender pay gap in hourly pay as a percentage of men's pay.
- Median** gender pay gap in hourly pay as a percentage of men's pay.
- Mean bonus gender pay gap (not applicable to CDC or SBDC).
- Median bonus gender pay gap (not applicable to CDC or SBDC).
- Proportion of males and females receiving a bonus payment (not applicable to CDC or SBDC).
- Proportion of males and female in each pay quartile.

*The mean is obtained by adding up all the figures and dividing the result by the number of figures in the list.

** The median is obtained by listing all the figures in numerical order and taking the middle number.

Please note that that the above does not cover all Council employees; those not in receipt of their usual full basic salary during the reporting period must be disregarded for these purposes. Also, the definition of employee is much wider than generally used and covers 'workers' and some 'self-employed' people.

Organisations who are a business or charity must publish a written statement signed off by an 'appropriate person', such as the Chief Executive. Although this isn't a requirement of public authorities, it is recommended because a supporting narrative will be necessary to provide context and an explanation of the figures. The narrative we propose to use is attached in Appendix 1.

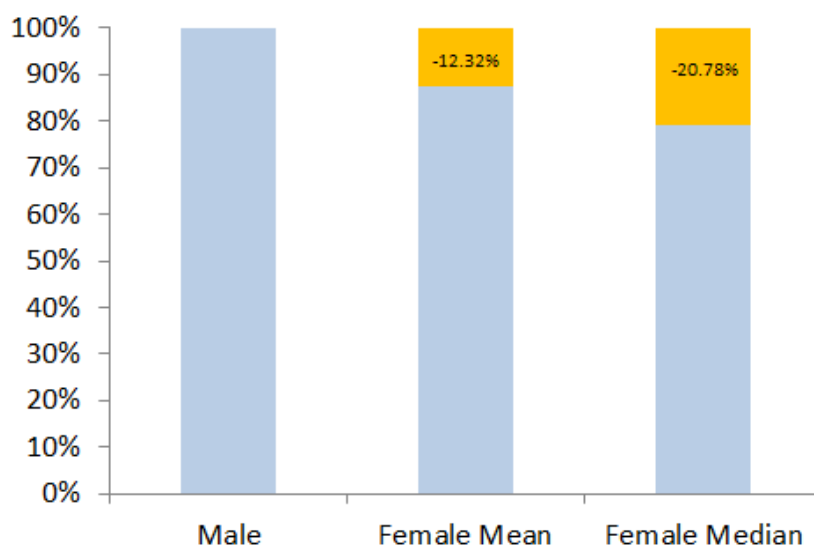
Due to the low national reporting rate to date, we are currently unable to benchmark ourselves against similar organisations (at time of writing, 6th December 2017, only 2 District Councils had published their gender pay gap details on the national website). However in 2016 the government reported that the national gender pay gap (median) was 18.1% for all employees.

The figures for our combined workforce are as follows:

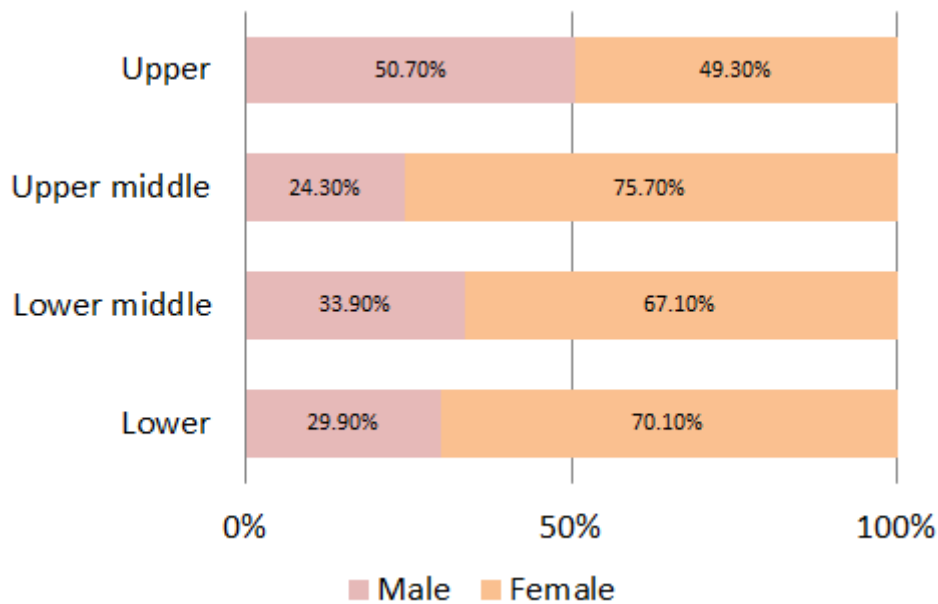
Mean gender pay gap in hourly pay as a percentage of men's pay	12.32%
	(Actual £19.07 male; £16.72 female)
Median gender pay gap in hourly pay as a percentage of men's pay	20.78%
	(Actual £17.28 male; £13.69 female)
Mean bonus gender pay gap	0
Median bonus gender pay gap	0
Proportion of males and females receiving a bonus payment	0
Proportion of males and females in each pay quartile	
	Upper quartile: 50.7% male; 49.3% female
	Upper middle quartile: 24.3% male; 75.7% female
	Lower middle quartile: 33.9% male; 67.1% female
	Lower quartile: 29.9% male; 70.1% female

This information can be shown diagrammatically as follows:

Difference in hourly rate as a percentage of men's pay (combined workforce of CDC and SBDC)



Percentage of males and females in each pay quartile – (combined workforce of CDC and SBDC)



N.B. Overall, 34.7% of our combined workforce is male and 65.3% is female..

Communication Plan

We are required to report the CDC data to the government and on our public facing website in a prescribed format by 30th March 2018. We are not required to report the SBDC data as this Council employs less than 250 employees.

We have discretion as to how we communicate this data to our staff. In the interest of transparency it is important that we do communicate this information, and also explain to staff what we are doing to address this imbalance.

To break down employees by Council would be a very artificial distinction when they work in shared teams and are on harmonised terms and conditions. Therefore the proposed narrative contained in Appendix 1 relates to the statistics of the combined workforce. This will be sent by email to all staff by the Chief Executive and be made available on the Intranet.

3. Consultation

Not applicable

4. Options

Not applicable – this is a statutory requirement

7. Corporate Implications

Financial

There should be no financial impact as we follow the Hay Job Evaluation Process and pay employees equal pay for work of equal value.

Legal

There is a mandatory requirement to publish our figures for the first time on the government website no later than the 30th March 2018 and thereafter on an annual basis.

8. Links to Council Policy Objectives

This links to the council policy of delivering cost-effective, customer-focused services.

9. Next Step

The gender pay gap data will be communicated as set out above.

<p>Background</p> <p>Papers:</p>	<p>Government guidance: https://www.gov.uk/government/news/gender-pay-gap-reporting ACAS advice: http://www.acas.org.uk/index.aspx?articleid=5768</p>
--	---

This page is intentionally left blank

GENDER PAY GAP REPORT 2017 (position as of 31/03/2017)

This is the first time we have reported on the gender pay gap at Chiltern and South Bucks District Councils. In the interest of openness and transparency I think it is important that we share this information with all staff, Members and partners.

At Chiltern and South Bucks District Councils we have made an express commitment to '**encouraging inclusivity, valuing diversity and equality**'. We take this very seriously and support equality through fair pay. All of our job roles are evaluated using the Hay methodology which looks at the attributes of the role not the role holder, and this ensures that men and women are paid equally for doing the same job across the Councils.

Through our Gender Pay Gap analysis we have found that the greater proportion of men than women in senior roles creates a gender pay gap, and this gap is further affected by the greater proportion of women than men in lower grade roles.

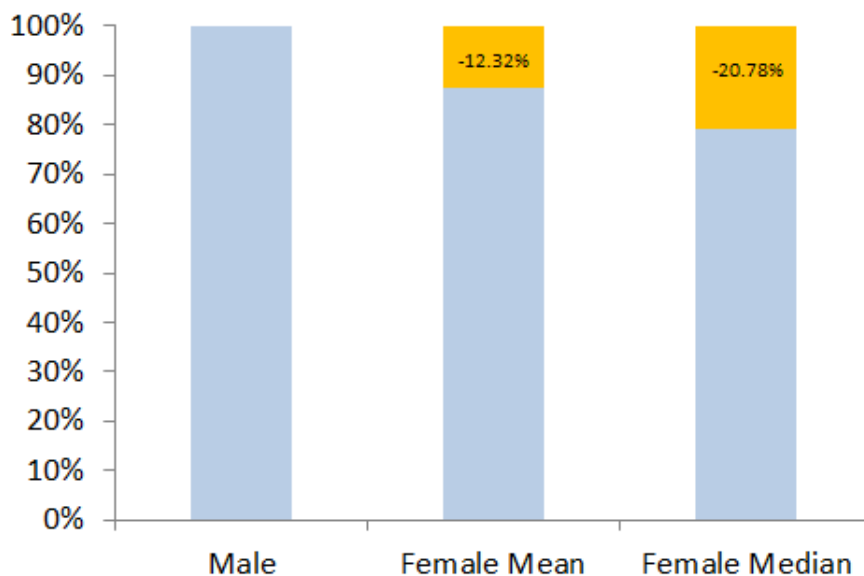
We are working hard to address this imbalance through inclusive and diverse recruitment, offering flexible working and fostering an inclusive culture. Addressing the disparity in gender representation at senior levels will take time, but will help to close the current gender pay gap.

Gender Pay Gap Figures

The gender pay gap is defined as the difference between the mean or median hourly rate of pay the male and female colleagues receive. The **mean pay gap** is the difference between the average hourly earnings of men and women when calculated by adding up all the figures and dividing the result by the number of figures in the list. The **median pay gap** is the difference between the midpoints in the ranges of hourly earnings of men and women. It takes all the salaries in the sample and lines them up in order from lowest to highest and picks the middle-most salary.

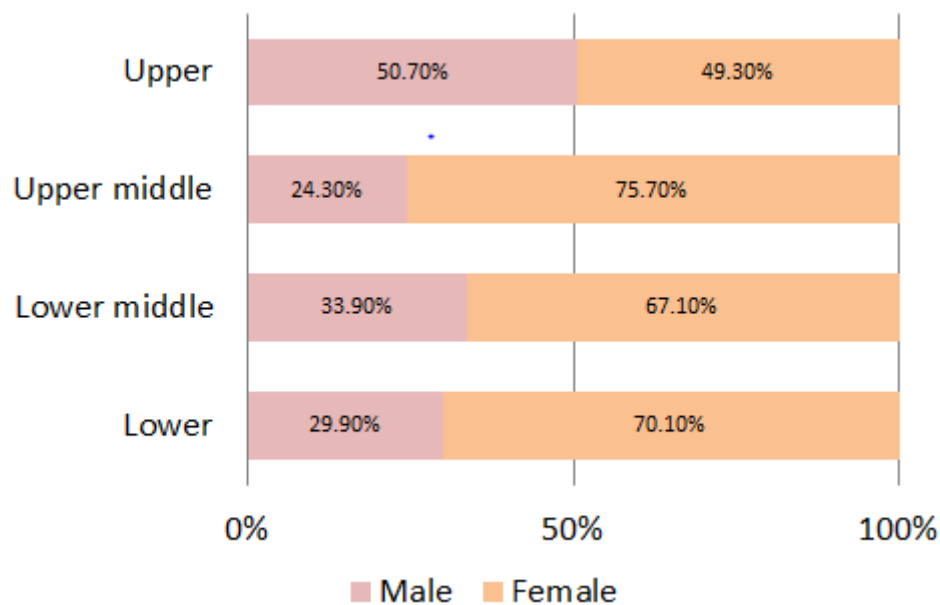
The figures provided in these charts are based on hourly rates of pay as at 30th March 2017.

Difference in hourly rate as a percentage of men's pay (combined workforce of CDC and SBDC)



Proportion of Male and Female Employees in Each Pay Quartile

Overall, 34.7% of our combined workforce is male and 65.3% is female. The following chart shows the gender split when we order hourly rate of pay from the highest to the lowest and group into four equal quartiles.



Why We Have a Gender Pay Gap

While we are confident that men and women are paid equally for doing equivalent jobs across the Councils, the main reason for our gender pay gap is an imbalance of male and female colleagues across the organisations. At the moment there are fewer women in senior roles than men, as well as a higher proportion of women relative to men in more junior roles.

Within the upper pay quartile there is a much wider gap between the highest to lowest salary than in the other quartiles. Therefore although there are similar number of women and men in the upper quartile overall, if we look just at those in 'senior management positions' (i.e. Heads of Service and above), we have 60% male and 40% female post holders, and if we look at the most senior 3 posts 'members of Management Team' the post holders are 66.7%. We still have work to do to ensure that we are developing a talented, diverse pool of people who will become our senior managers of the future.

We also have a lot of posts in roles that traditionally tended to be more dominated by women, such as administration and customer service, which are in lower grades. This is illustrated by our lower middle quartile figures.

How We Are Addressing The Pay Gap

There are three strands to our approach to addressing this gap, starting with **recruitment**: we aim to recruit from the widest possible talent pool. We ensure that the language in job adverts is gender neutral and encourage diverse interviewing panels wherever possible in order to avoid unconscious biases. Having taken a career break to raise a family is no impediment to returning to a fulfilling role working for the Councils.

The second strand is **retention** - once we have the right people we want them to stay. We offer a comprehensive reward package that includes a competitive salary, wide range of benefits and wellbeing

initiatives. We encourage our staff to maintain a good balance between work and home life and offer a range of flexible working options at all levels:- 42% of our staff work part time.

The final strand is **development**. In order to develop our people around 50 people are undertaking a management development programme that leads to a recognised management. This programme also includes coaching skills training, and more formalised coaching is available where appropriate to support individuals as they develop in their career at the Councils. We also recognise that new skills can be acquired outside of the day job.

There is still a lot more to do and we will continue to focus on building a more diverse workforce and inclusive culture.

This page is intentionally left blank

SUBJECT:	Human Resources Update
REPORT OF:	Bob Smith, Chief Executive
RESPONSIBLE OFFICER	Bob Smith, Chief Executive
REPORT AUTHOR	Louise Cole - HR Manager
WARD/S AFFECTED	All

1. Purpose of Report

To update the Committee on:

- Staff turnover and sickness absence within the Councils
- Key HR projects

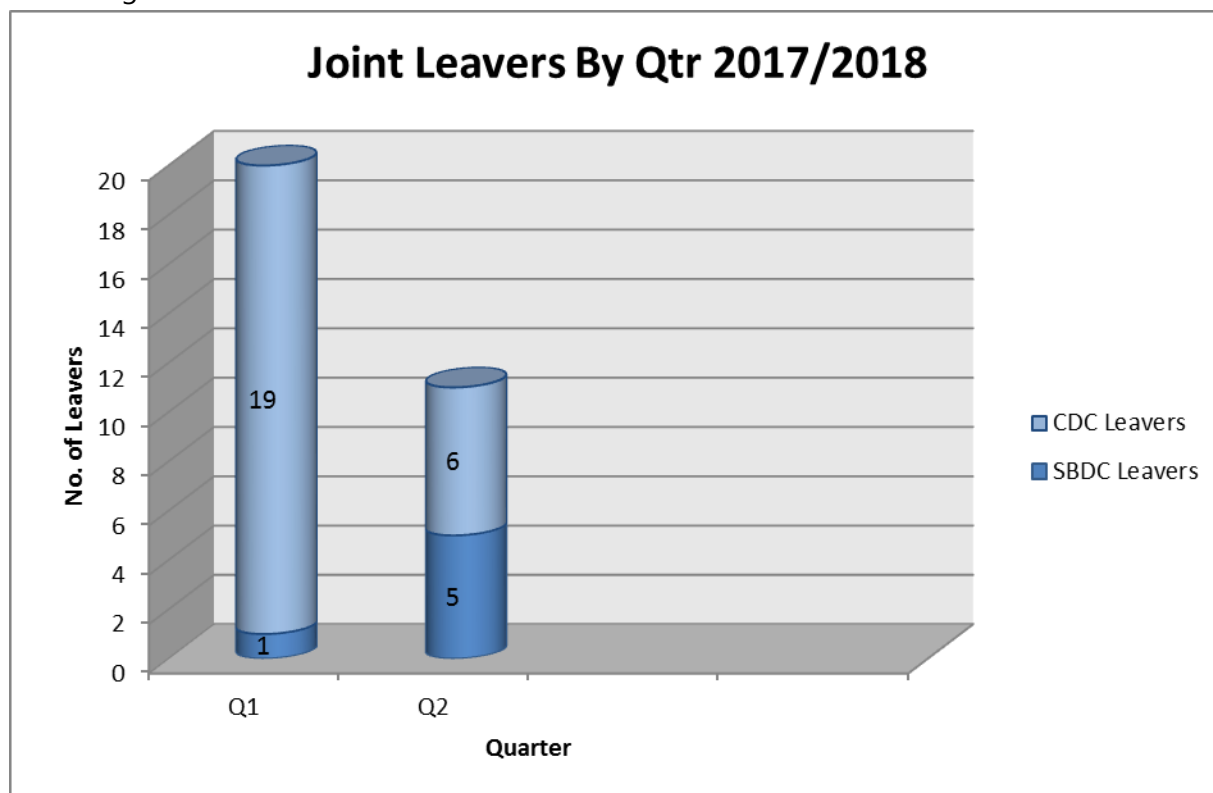
RECOMMENDATIONS

- 1. The Joint Staffing Committee is asked to note the report.**

2. Content of Report

2.1 Leavers Figures 2017/18

2.1.1. The chart below shows the number of leavers in Qtr1 and Qtr2 of this year, please note the high Chiltern figure for Qtr1 reflects 10 cleaners TUPE transferred to Derwent FM. These figures also include staff who have retired.



- 2.1.2 An analysis for the reasons for leaving show that staff have left for a variety of reasons and there does not seem to be an underlying trend. It should be noted, however, that there have been higher levels of staff leaving in planning than in other areas and compared to previous months. These numbers will be reflected in the Qtr3 figures.
- 2.1.3 Analysis of the exit information gathered from planning leavers shows that employees have resigned for different reasons such as the attraction of a new job in the private sector and wanting to have private practice experience, domestic circumstances outside the control of the council, taking a job closer to home with less travel. There is always, as well, a small rise in leavers after a service review process.
- 2.1.4 It is acknowledged that there is a need to address gaps created by the resignation of experienced planners in “hard to fill” roles. The recent recruitment programme has led to a number of successful appointments and the majority of the vacant roles have been filled.
- 2.1.5 The HR team are currently working with the Interim Head of Planning and Economic Development to implement a Recruitment and Retention Strategy for the service area. This will include the introduction of a structured induction programme, a clear training and development programme and a succession plan. We are also reviewing our approach to recruitment and this includes using LinkedIn as an advertising and recruitment tool, working with local Universities to provide a “feeder” for graduate roles. We are also holding a Planning Career Open Day in January. A full report on these and other initiatives will be submitted to the next meeting of this committee.

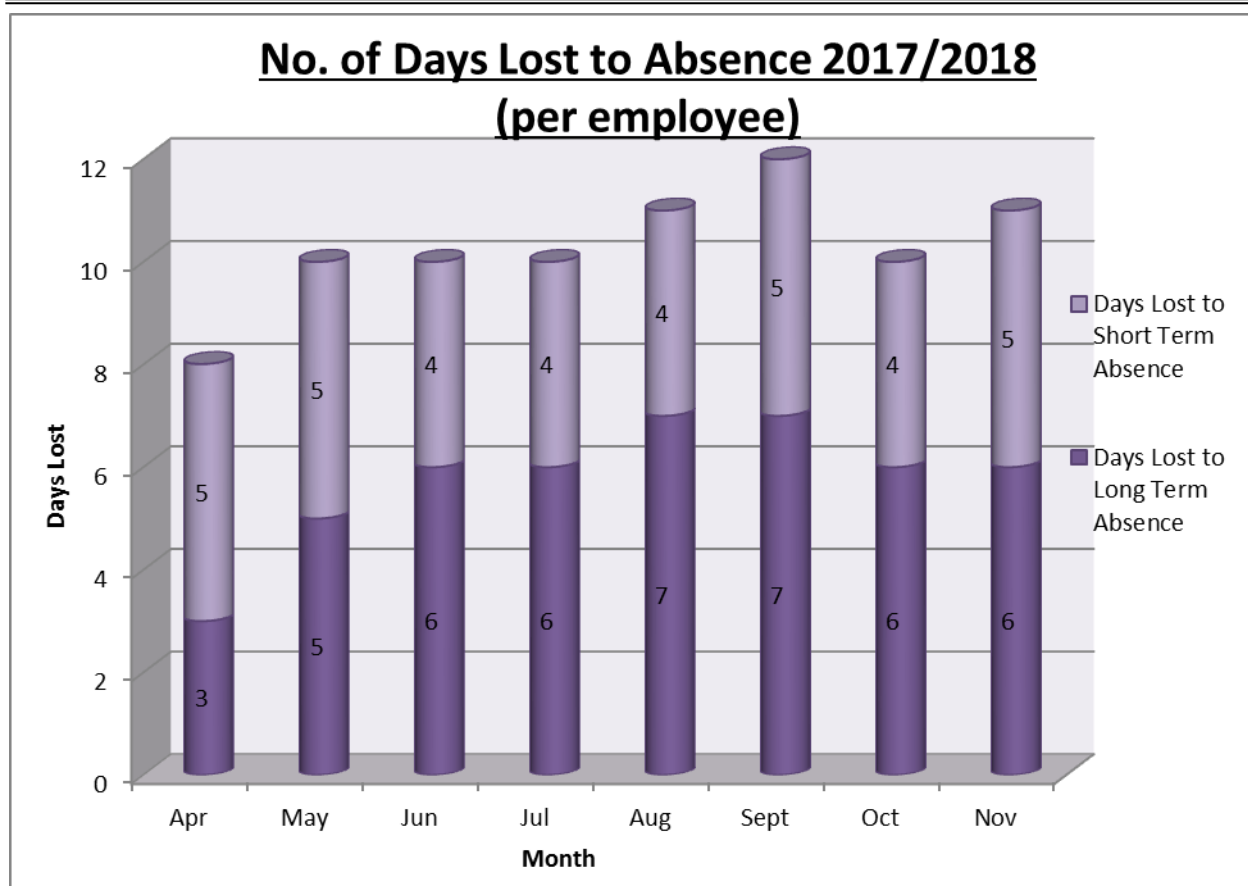
2.2 Recruitment Figures

- 2.2.1 Turnover rates are more meaningful if considered against the statistics of recruitment. Please see below the number of roles advertised in the first two quarters, the number filled and the average time to hire.

	No. of Positions	No. Filled	Average Time to Hire
Qtr1	13	13	31 days
Qtr2	16	15	40 days

2.3 Sickness Absence Figures 2016/17 and 2017/18

- 2.3.1 The table below shows a breakdown of the number of days lost due to absence per employee per month for the current year broken down into long term and short term sickness.



2.3.2 The Councils have a key performance indicator for absence which is a maximum ceiling of 10 days per employee. This has been exceeded in August and September and November this year which is largely due to an increase in a small number of employees on long term sick absences. Whilst two employees on long term sick left the Council in October we have seen a further rise in the number of employees who are very poorly.

2.3.3 Short term absence is defined as “up to and including 20 working days absence” and long term absence is “over 20 working days absence”.

2.3.4 Please note that current sickness absence figures are also affected by the Councils’ current practice to record partial days’ sickness when staff undertake a phased return to work. This practice is currently being revised as a matter of priority as part of the review and update of the Sickness Absence Policy. This is part of an overall strategy to manage sickness absence consistently and robustly across all the services which includes running workshops for managers on sickness absence management and taking a range of other approaches:-

- The use of occupational health services to get timely advice on how we can assist employees in returning to work e.g. through a phased return, amended duties or adaptations that can be made to the workplace.
- The use of sickness absence procedures which support employees and the management of employees while absent due to sickness and on their return to work. This includes

return to work meetings for all employees returning to work regardless of the length of sickness.

- Active management of sickness absence stats and sickness review meetings with employees when they meet our internal trigger points.
- Risk assessments.
- Employee Assistance Programme.
- A range of initiatives and activities are in place for employees to access to support them in maintaining good health and well- being.

2.3.5 The HR team continue to focus their efforts on managing sickness absence using all the approaches given above and this will be monitored closely during the year.

CURRENT PROJECTS

2.4 Economic Development Team

2.4.1 The Councils adopted the Economic Development Strategy in February 2017 and an implementation Action Plan followed, performance managed through the Council's performance management framework.

2.4.2 The Action Plan includes the creation of an Economic Development Team to give greater drive and focus to the Economic Development Strategy. Currently there is no dedicated resource within the Councils to deliver economic development priorities. This places the Councils at risk of under-delivering on the Economic Development Strategy. The plan is therefore to create two additional posts in this area:-

- One senior Economic Development Officer; who would be responsible for the delivery of the Economic Development Strategy, would be the key liaison with existing businesses across the patch and also be responsible for seeking and securing external funds to support businesses in the area.
- The second officer would support the senior officer through information and performance statistics but would also be responsible for working in communities to support local business initiatives, for example in supporting and developing the health of town centres across the two districts. This could be in the form of encouraging the formation of town centre partnerships, and also working with those partnerships on delivering town centre action plans.

2.4.3 The aim is to recruit to the new roles immediately so as to maintain the momentum established with the adoption of the Economic Development Strategy and building on the success of recent events such as the annual business meeting.

2.4.4 The new officers will be based within the existing Planning Policy Team (re-named Planning Policy and Economic Development Team). Such a change would impact on the role of the Planning Policy Team Manager in the long term. However recognising both the importance of not disrupting the work of the Planning Policy Team at a crucial time in Local Plan preparation and also the importance of establishing the Councils economic development agenda, for the first 18 months the new economic development officers will report directly into the Head of Service.

- 2.4.5 These proposals fall within the Chief Executive's delegated powers (C2) to determine the Council's establishment, numbers of staff, remuneration and deployments and agree terms and conditions of employment of staff, provided that these are not "fundamental changes" to the organisation structure and that the proposals are within existing budgets.
- 2.4.6 For the first two years the roles will be funded from reserves and after two years the funding will be mainstreamed and funded from the general revenue account.
- 2.4.7 The cost of the roles are provided for in the draft budgets going to SBDC Cabinet on 7th February and CDC Cabinet on 6th February. The cost to be shared between CDC and SBDC and to be met from the Economic Development Reserves.

2.5 **Organisational Development: Values and Behaviour Framework**

- 2.5.1 We are continuing the work to bring our values to life in our day to day working practices through our Unwritten Ground Rule (UGR) approach. The UGR Champions meet regularly to share initiatives and ideas and continue to hold events in their teams to agree areas for improvement.
- 2.5.2 In February 2018 we will have the one year anniversary of the UGR Champion network and we will be marking the event with an annual newsletter and a series of hosted, lunchtime sessions when employees will be sharing an interesting and inspiring short video such as a TED talk and discussing it with colleagues.
- 2.5.3 As the Customer Experience Strategy is implemented throughout 2018 and 2019 we will have an increased focus on our culture and behaviours in relation to our customers.

2.6 **Health and Well-Being**

- 2.6.1 A Health and Wellbeing Strategy and accompanying Action Plan will be launched in January 2018. It aims to:
- Create a safe and healthy working environment;
 - Improve employees' physical and emotional wellbeing;
 - Encourage and support employees to develop and maintain a healthy lifestyle;
 - Support people with manageable health problems or disabilities to remain in work or return to work after a period of absence;
 - Improve staff satisfaction, recruitment and retention.
- 2.6.2 We already have many effective policies, procedures and initiatives in place to support employee health and wellbeing at the Councils and have drawn these together and presented them in an accessible format on the intranet. We will also ensure that through a variety of means we provide information and support to our employees to increase their awareness of the importance of ensuring their own health and wellbeing.
- 2.6.3 In partnership with Mind and with Richmond Fellowship in 2018 we will offer training to Managers to equip them to identify the signs of mental ill health and support employees with mental health problems to remain in work or return to work following a period of absence.

2.6.4 In conjunction with our Occupational Health provider, in April 2018 we will introduce "Health Manager" which is an interactive online behaviour change platform packed with information resources, health programmes, lifestyle assessment and log book to motivate employees towards pursuing their health and wellbeing goals. Statistical data provided by employee usage of this system can identify the specific wellbeing needs of our workforce which can be incorporated into future action plan development to enable targeted wellbeing interventions that address our priorities.

2.6.5 We have changed the supplier of our cycle purchase scheme in order to benefit from much more proactive marketing of the scheme. Benefits to staff remain similar.

2.7 **HR Team Processes**

2.7.1 Work is continuing to standardise and harmonise our HR processes. We have begun a process review with the Payroll team in order to identify areas of potential improvement and streamlining between the two teams.

2.7.2 In December we had a further internal audit (5th this year) looking at our recruitment procedures and we were provided with "substantial assurance".

2.7.3 We have updated the content on the recruitment pages on the internets to improve our promotional materials and to highlight the benefits of working for the Councils.

2.7.4 We are currently reviewing the personal data we hold on employees and candidates to ensure we comply with the General Data Protection Act coming to force in May 2018.

2.8 **Staff Survey**

2.8.1 The staff survey for 2017 went out in December 2017 and closed on the 12 January 2018. Results will be reported in February.

2.9 **Middle Managers Development Programme**

2.9.1 Of the initial cohort of 50 middle managers, 4 have left or given notice and one has not actively participated. The remaining 45 are all engaged and on track to successfully complete the programme. It is anticipated that they will all be awarded an ILM Level 4 qualification in March 2018.

2.9.2 Next year we anticipate running a substantially similar programme, albeit slightly condensed, for the Middle Managers who did not attend this year (due to being new in post, on maternity leave, etc.) plus the next tier of 'Junior Managers' across the councils. This will be a total cohort of approximately 60 people.

2.9.3 In following years, running a comparable programme for a small cohort of 10-15 people should ensure that we provide consistent approach to addressing management development needs that result from staff turnover.

2.10 **Collaborative Working WDC**

We meet regularly with our counterparts at Wycombe and Aylesbury Vale District Councils and have been exploring collaboration in a number of areas in order to make savings through economies of scale. We will be putting forward a proposal in April to develop a shared in-house Coaching and Mentoring Scheme.

2.11 Apprenticeships

2.11.1 A trailblazer degree-level apprenticeship in Town Planning is currently being developed and subject to it meeting its anticipated launch date, we intend to begin offering apprenticeships in Planning from Autumn 2018. Apprentices will rotate through all planning disciplines.

2.11.2 Alongside this we are in discussions with Bucks Learning Trust with a view to using apprenticeships to offer development opportunities to our existing staff.

2.12 Induction for new staff

2.12.1 We have introduced a new Induction programme for new staff which ensures they are properly introduced and welcomed in to the organisation and supported through the first few months of their employment. This includes meeting with the UGR Champions, an informal meeting with the Chief Executive and pairing new staff with buddy's where possible.

2.13 Bereavement Leave

2.13.1 The Parental Bereavement (Pay and Leave) Bill (supported by the Government) seeks to honour a manifesto commitment by introducing an entitlement to two weeks paid leave to employed parents who lose a child aged under 18 years old. In anticipation of this becoming a statutory requirement we have proactively amended our Bereavement Leave guidelines accordingly.

2.14 Implementation of the Customer Experience Strategy

2.14.1 We have started work on the implementation of the Customer Experience Strategy which is one of the key areas of work for HR over the next 2 years both in terms of leading on the organisation structural design and also the cultural change which will underpin this transformation.

2.15 Key Projects Coming Up for 2018/19

1. Customer Experience Strategy implementation.
2. Roll out of our Health and Well Being strategy and further initiatives to support this particularly around mental health.
3. Further roll out of the Management Development programme for continued development for managers who completed the course in 2017/18 and to introduced an updated course for new managers and supervisors and team leaders.
4. Implementation of the Workforce Plan which is tied in with a review of the Appraisal Scheme and the development of a co-ordinated approach to learning and development and succession planning across services.
5. Review our recruitment strategies and develop further approaches.
6. 9 Harmonised policies are due for review in 2018.

3. Consultation

N/A

4. Options

N/A

5. Corporate Implications

Good management of resources including employees leads to efficient and effective use of council finances and improved delivery of council services.

6. Links to Council Policy Objectives

Monitoring staff turnover, recruitment and sickness absences and ensuring all Council policies, procedures and practices are current, underpin the delivery of the Council's aims and management principles and ensure legislative compliance and best practice.

7. Next Step

Continue to monitor and update Committee Members on a quarterly basis.

Background Papers:	None other than referred to in this report.
---------------------------	---