

# AGENDA

## Employment Panel

**Monday, 23 November 2015 AT 14:00  
In the Slupsk Room, Civic Centre, Carlisle, CA3 8QG**

### **Apologies for Absence**

To receive apologies for absence and notification of substitutions.

### **Declarations of Interest**

Members are invited to declare any disclosable pecuniary interests, other registrable interests and any interests, relating to any item on the agenda at this stage.

### **Public and Press**

To agree that the items of business within Part A of the agenda should be dealt with in public and that the items of business within Part B of the agenda should be dealt with in private.

### **Minutes of Previous Meeting**

To approve the minutes of the meetings held on 1 October 2015.  
[Copy Minutes in Minute Book 42(3)]

## **PART A**

**To be considered when the Public and Press are present**

**A.1 REVIEW OF HR POLICIES – GRIEVANCE POLICY**

**3 - 14**

The Director of Resources to submit a report on outcome of the consultation process for the Grievance Policy.  
(Copy Report RD.43/15 herewith)

**A.2 PAY POLICY STATEMENT 2016/17**

**15 - 26**

The Director of Resources to submit a report on the annual Policy Statement for Senior Officers.  
(Copy Report RD.42/15 herewith)

**PART B**

**To be considered when the Public and Press are excluded from the meeting**

- NIL -

**Members of the Employment Panel**

**Conservative:** Mallinson J, Mitchelson, Bloxham (sub), Mrs Bowman (sub)

**Labour:** Burns, Glover (Chairman), Ms Quilter, Stothard, Bowditch (sub), Mrs Bradley (sub), Tickner (sub)

**Enquiries, requests for reports, background papers,  
etc to Democratic Services Officer: Rachel Rooney – 817039**

# Report to Employment Panel

Agenda  
Item:

**A.1**

Meeting Date: 23 November 2015  
Portfolio: Finance, Governance and Resources  
Key Decision: No  
Within Policy and Budget Framework YES  
Public / Private Public

Title: REVIEW OF HR POLICIES – GRIEVANCE POLICY  
Report of: Director of Resources  
Report Number: RD43/15

## Purpose / Summary:

A number of HR policies are currently under review in the light of minor legislative changes, best practice, management roles and contacts within the Council. Some HR Policies currently under review require only minor changes and amendments, which may or may not require approval by the Employment Panel.

The draft Grievance policy appended to this report was considered by the Panel on 1 October 2015. The changes were agreed in principle however the Panel requested to meet again to consider comments received through consultation with staff and Trade Unions on the policy.

## Recommendations:

The Employment Panel is asked to note the consultation feedback and to approve adoption of the proposed changes to the policy in order to streamline the process for handling grievance matters within the Council.

## Tracking

Executive:	<b>Not applicable</b>
Overview and Scrutiny:	<b>Not applicable</b>
Council:	<b>Not applicable</b>

## 1. BACKGROUND

1.1 The Employment Panel on 1 October 2015 considered the draft Grievance Policy (RD28/15) and resolved the following actions:

1.1.1 RESOLVED - That the adoption of the proposed changes to the Grievance Policy as set out in report RD.28/15 be approved for consultation purposes with both Union representatives and employees.

1.1.2 RESOLVED - That the consultation responses be considered by the Employment Panel before the Grievance Policy is approved.

1.1.3 RESOLVED - That details of the number of staff grievances that had been completed at stage one, stage two and Members Appeals Panels be reported to the next meeting of the Employment Panel.

1.2 Consultation with employees and Unions closed on Friday 6 November 2015. The responses received are as follows:

No responses were received from the Trade Unions

Two responses were received from employees;

1 *"In the past when staff have been suspended and we have asked other staff not to contact them is there a nicer way that that can be done?"*

This applies in a number of situations and HR will continue to work with managers to ensure appropriate communications.

2 *"What happens in the case, purely hypothetically, of a grievance raised against the CEO or deputy CEO? Is this dealt with by another director?"*

This is still as existing procedure and would be dealt with by Members.

1.3 Details of employee grievances for the last two years are contained in the following table;

	Total	Informal	First Line Manager	Service Manager	Director	Member Appeal Panel
2015/2016	4	1		1	2 (1 scheduled)	0
2014/2015	23	14		5	5 (1 an appeal from SMgr level)	0

NB. Not all grievances resolved informally are reported to HR.

1.4 The Panel considered the option of a trial period in addition to the agreed changes to the policy. This may provide time for reflection for assessment of any impact on the change, however this could also prove difficult regarding consistency of approach and the period may need to be over a period of years to allow for a diverse range of grievances to occur.

- 1.5 It is worth noting that the removal of members from the appeal process under the Grievance Policy does not change the fact that any appeal against dismissal under, for example, the Disciplinary Policy would still be dealt with by a Member Appeal Panel.

## **2 CONSULTATION**

Consultation with staff and Trade Unions was conducted between 5 October 2015 and 6 November 2015. Responses to the consultation are detailed at 1.2 above.

## **3 CONCLUSION AND REASONS FOR RECOMMENDATIONS**

- 3.1 The Employment Panel is asked to note the consultation feedback and to approve adoption of the proposed changes to the policy in order to streamline the process for handling grievance matters within the Council.

## **4 CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES**

- 4.1 The Grievance Procedure and Process exists to provide Managers and Employees with a clear framework in which to handle issues in a fair and consistent way. Secondly, instil confidence in the public on the process for managing high expectations and performance expected of Council employees.

**Contact Officer:** Gillian McEwan

**Ext:** 7071

### **Appendices**

**attached to report:** Appendix – Draft Grievance Policy and Procedure

**Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:**

### **CORPORATE IMPLICATIONS/RISKS:**

**Chief Executive's** – Not applicable

**Deputy Chief Executive's** – Not applicable

**Economic Development** – Not applicable

**Governance** – The Grievance Policy is incorporated into officers' terms and conditions of employment and, therefore, must be varied in accordance with proper procedure. The first stage is to consult on any proposed revised scheme and this report details the results of that consultation. The Council has delegated authority to determine terms and conditions of employment to the Employment Panel which is, therefore, able to make the decision to change the Grievance Policy or not.

**Local Environment** – Not applicable

**Resources** – Not applicable



**DRAFT**

**GRIEVANCE POLICY AND PROCEDURE**

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## **1. Policy Statement**

- 1.1. Carlisle City Council strives to promote harmonious working relationships between managers and employees. However there will be occasions when employees will wish to raise a grievance about work related matters. The Council accepts that its employees have the right to express a grievance and for the Council to respond to it and keep proceedings confidential. This procedure provides a clear framework to deal with grievances fairly, consistently and speedily. The procedure takes into account current employment legislation together with the ACAS Code of Practice. The Code defines grievances as concerns, problems or complaints that employees raise with their employers.
- 1.2. The Council will take appropriate steps to ensure that all employees understand the grievance procedure and related statutory requirements and that it is publicised within Carlisle City Council and is available in alternative formats upon request. Appropriate training will be provided to managers.

## **2. Scope**

- 2.1. This policy applies to all Carlisle City Council employees. In grievance matters that involve Chief/Statutory Officers of the Council these procedures will be read in conjunction with Carlisle City Council's Constitution (Officer Employment Procedure Rules) .

## **3. Aim**

- 3.1. The aim of the procedure is to promote effective employee relations by trying to resolve grievances, either individual or collective, as promptly and amicably as possible ensuring fairness and transparency is applied at all times.
- 3.2. Many potential grievance issues can be resolved informally without the need to progress to the formal stage. Both managers and employees are expected to approach the procedure with the commitment to engage in constructive discussion and to adopt a positive approach in order to resolve the grievance wherever possible, at the Informal Stage.

## **4. Introduction**

- 4.1. This policy sets out the procedure to be followed both at the informal and formal stage. Issues that may cause an employee to raise a grievance include but are not limited to the following:
  - Terms and conditions of employment
  - Health and safety
  - Work relations



- New working practices
- Working environment
- Organisational change
- Equality of opportunities
- Discrimination

As this list is not exhaustive, advice should be sought on any complaints not listed above from the Human Resources Section.

- 4.2. This procedure shall not apply to matters where separate procedures exist for example allegations of bullying and harassment will be dealt with in accordance with the Council's Encouraging Mutual Dignity and Respect Policy.
- 4.3. In addition, it will not apply where an employee decides to make a protected disclosure in accordance with the Council's Confidential Reporting Policy and Procedures (whistle blowing procedure).
- 4.4. It may be appropriate, in some situations, that mediation could help resolve grievances at an early stage.
- 4.5. Appropriate investigations, depending on the nature of the grievance, will be made to establish the facts of the case. Any grievance investigation will be conducted by a nominated officer who is not involved in the matter giving rise to the dispute.
- 4.6. No employee will be victimised as a result of instigating/ starting a grievance brought in good faith and employees are protected under the Encouraging Mutual Dignity and Respect policy and other policies if this occurs.
- 4.7. Where more than one employee has the same grievance this may be dealt with collectively and should be raised with the management directly responsible for the area concerned, following the City Council's management structure. Representation may be made by a trade union official or a maximum of two individuals from the group raising the collective grievance.
- 4.8. Where a grievance becomes an issue concerning more than one service, the matter shall be raised by the appropriate trade union with the Chief Executive of the Council who shall deal with the matter promptly and give a reply as soon as possible. Failing resolution then the matter shall be raised at an appeals panel of the Council which shall use its best officers in an endeavour to resolve the issue.
- 4.9. The time limits referred to in the procedure are guidelines and may be varied provided that all parties agree. However, the procedure should be conducted in a reasonable time to ensure compliance with statutory obligations and to ensure fairness.

**Please note:** It is possible to go straight to the formal stage if the employee or line manager considers it is not possible to resolve the matter informally. Guidance should be sought from Human Resources, before bypassing the informal stage.

## **5. Mediation**

- 5.1. Mediation is a completely voluntary and confidential form of alternative dispute resolution. It involves an independent, impartial trained mediator helping two or more individuals, or groups, to reach a solution that is acceptable to all parties. Mediators do not make judgements or determine outcomes.
- 5.2. The overriding aim of workplace mediation is to restore and maintain the employment relationship wherever possible. This means the focus is on working together to go forward, not determining who was right or wrong in the past.
- 5.3. Many kinds of dispute can be resolved through mediation if those involved want to find a way forward. It can be used at any stage in a dispute but is most effective if used early on.

## **6. Procedure**

### **6.1. Informal Stage**

- 6.1.1. If an employee has a grievance they should discuss the matter initially with their immediate line manager, having made it clear that it is a grievance. If the grievance is submitted verbally the employee may be asked to follow it up in writing, to assist the line manager in fully understanding the nature of the grievance. In most cases the line manager can resolve the grievance on an informal basis. Raising a concern to a line manager at an early stage may also assist in reaching a prompt and satisfactory outcome. The line manager should ensure that the employee has a copy of the grievance procedure and understands the process that will be followed.
- 6.1.2. If the grievance is against the line manager the employee should raise the grievance with the next senior manager within the service.
- 6.1.3. The relevant manager should keep a written record of the discussions and outcome and meet with the employee to confirm the outcome within 5 working days, unless there are reasons for a delay, which will be explained to the employee.
- 6.1.4. If the employee is dissatisfied with the response given they can escalate the matter to the Formal Stage of the procedure.

### **6.2. Formal Stage**

- 6.2.1. In order to start the formal stage, the grievance must be submitted by the employee, using Section A of the Grievance Form, to their line manager (or if the grievance is against their line manager, to the next senior manager within the service) with a copy sent to Human Resources. Where possible this should include the proposed outcome

or a solution that the employee wishes to see along with relevant supporting evidence. An employee may wish to seek help from a work colleague or trade union representative. Under the Equality Act 2010, employers are required to make reasonable adjustments which may include assisting employees to formulate a written grievance if they are unable to do so themselves because of a disability. If this applies to an employee, they may seek advice and support from Human Resources.

- 6.2.2. Once an employee has submitted a written grievance the appropriate manager should respond as soon as possible by inviting the employee to a grievance hearing to discuss the grievance giving at least 5 working days' notice (or earlier with the consent of all parties). This should also include advising the employee that they can be accompanied by a work colleague or trade union representative. If the employee and/or their work colleague or trade union representative cannot reasonably attend on the proposed date they can propose an alternative date which must be within 5 working days of the original date proposed. The employee must take all reasonable steps to attend the grievance hearing and ensure relevant representation is available. A hearing should only be rescheduled once and may be held in the absence of the employee.
- 6.2.3. Any grievance hearing should be conducted by an appropriate manager who is not involved in the matter giving rise to the dispute.
- 6.2.4. It may be necessary to delay the hearing of the grievance in order that an investigation can be undertaken. The appropriate manager will ensure that the employee is kept informed of any delay in hearing the grievance and the progress of the investigation.
- 6.2.5. At the grievance hearing the employee will be given the opportunity to explain the grievance and say how they think it should be resolved. The manager will be advised by a representative from Human Resources. A meeting with the person against whom the grievance is brought will be arranged separately.
- 6.2.6. The employee's colleague or trade union representative may address the grievance hearing, and put forward or sum up the case on behalf of the employee if the employee wishes, but is not able to respond or answer any questions put to the employee.
- 6.2.7. After the grievance hearing the manager will give a written response with the outcome of the decision (using the Grievance Form) including the right of appeal, within 5 working days of the date of the hearing unless there are reasons for a delay, which will be explained to the employee. It is important to note that while it is important to have consistency in decision making; individual cases should be treated on their own merits.
- 6.2.8. If the employee is dissatisfied with the outcome they may raise the matter again through the appeal process.

### **6.3. First Appeal**

- 6.3.1. If the employee disagrees with the grievance hearing outcome they may lodge an appeal, which must be in writing clearly stating the grounds for the appeal using Section B of the Grievance Form. This should be directed to the relevant Director (who may

nominate a senior manager to hear the appeal, who may not always be from the employee's Directorate) and copied to Human Resources. This should be within 10 working days on receipt of the written outcome.

- 6.3.2. As soon as possible (and in any event within 10 working days of the appeal being received, unless unavoidably delayed) the employee will be invited to an appeal hearing.
- 6.3.3. The employee and their representative will be given notice in writing at least 5 working days in advance of the time and place of the appeal hearing. Any extension on the time frames must be agreed in advance by both parties.
- 6.3.4. The appeal will be heard by a Director (or nominated senior manager), and a representative from Human Resources will be in attendance to provide advice. At the appeal hearing both parties may state their case and ask questions of each other. Both parties may call and question witnesses. The employee may be accompanied to the appeal hearing by a work colleague or a trade union representative.
- 6.3.5. The Director (or nominated senior manager) hearing the appeal may:
- dismiss the appeal; or
  - uphold the appeal; or
  - allow the appeal and substitute a different outcome

The decision will be communicated to the parties either at the hearing or in writing within five working days of the hearing, unless there are reasons for a delay, which must be explained to the employee.

## **6.4. Final Appeal**

- 6.4.1. If the employee disagrees with the outcome they can lodge a final appeal, in writing (using Section C of the Grievance Form) clearly stating the grounds for the appeal / why they are dissatisfied with the first appeal outcome. This should be directed to the Chief Executive (who in exceptional circumstances may nominate a senior manager to hear the appeal) and copied to Human Resources. This should be within 10 working days on receipt of the written outcome.
- 6.4.2. As soon as possible (and in any event within 10 working days of the appeal being received, unless unavoidably delayed) the employee will be invited to an appeal hearing.
- 6.4.3. The employee and their representative will be given notice in writing at least 5 working days in advance of the time and place of the appeal hearing. Any extension on the time frames must be agreed in advance by both parties.
- 6.4.4. The final appeal will be heard by the Chief Executive (or nominated senior manager), and a representative from Human Resources will be in attendance to provide advice. At

the appeal hearing both parties may state their case and ask questions of each other. Both parties may call and question witnesses. The employee may be accompanied to the appeal hearing by a work colleague or a trade union representative.

6.4.5. The Chief Executive (or nominated senior manager) hearing the appeal may:

- dismiss the appeal; or
- uphold the appeal; or
- allow the appeal and substitute a different outcome

**There is no further right of appeal against this decision.**

The decision will be communicated to the parties either at the hearing or in writing within five working days of the hearing, unless there are reasons for a delay, which must be explained to the employee.

6.4.6. Notes should be taken of all meetings throughout the grievance process and a copy provided as soon as practicable to each party.

## **7. Relationship between Grievance and Disciplinary Procedure**

7.1. Where an employee raises a grievance during a disciplinary process the disciplinary process **may** be temporarily suspended in order to deal with the grievance. Where the grievance and disciplinary cases are related it may be appropriate to deal with both issues concurrently.

## **8. Status quo**

8.1. When a grievance is raised the conditions existing prior to the grievance being raised will remain unless a continuance of this would contravene statutory requirements. Wherever practicable, a status quo arrangement will operate until either the grievance has been resolved or the procedure has been exhausted.

## **9. Representation**

9.1. As stated throughout the Procedure, employees may be represented at any formal meeting, hearing or appeal by a trade union representative or a work-place colleague. It is the employees responsibility to arrange representation.

## **10. Malicious / vexatious complaints**

10.1. Any malicious or vexatious complaints will not be condoned and may be dealt with under the Council's Disciplinary Policy.

## **11. Requirement to Keep Records**

- 11.1. Appropriate records will be maintained. These should be treated as confidential and kept in accordance with the Data Protection Act 1998 (unless there is a legitimate reason not to do so i.e. the protection of witnesses).

# Report to Employment Panel

Agenda  
Item:

**A.2**

Meeting Date: 23 November 2015  
Portfolio: Finance, Governance and Resources  
Key Decision: No  
Within Policy and Budget Framework YES  
Public / Private Public

Title: PAY POLICY STATEMENT 2016/17  
Report of: Director of Resources  
Report Number: RD42/15

## Purpose / Summary:

The Localism Act 2011 requires Authorities to produce and publish a pay policy statement for Chief Officers and to review the policy on an annual basis. The Council's Pay Policy for 2016/17 is attached to this report for Members consideration.

## Recommendations:

The Employment Panel approves the 2016/17 Policy Statement on Chief Officers' Pay for recommendation to Council on 12 January 2016.

## Tracking

Employment Panel:	<b>23 November 2015</b>
Overview and Scrutiny:	<b>Not applicable</b>
Council:	<b>12 January 2016</b>

## **1. BACKGROUND**

- 1.1 The Localism Act 2011 (Sections 38 to 43) introduced a requirement on all English and Welsh authorities to produce and review a pay policy statement for Chief Executives and Chief Officers for 2012/13 and for each subsequent financial year.
- 1.2 The pay policy must set out the council's policies in relation to:
- the remuneration of its chief officers;
  - the remuneration of its lowest-paid employees, and
  - the relationship between –
    - the remuneration of its chief officers, and
    - the remuneration of its employees who are not chief officers.
- 1.3 The definition of 'lowest paid employees' must be stated along with the reasoning behind adopting that definition. Policies in respect of chief officers must also be included relating to:
- the levels and elements of remuneration;
  - remuneration on recruitment;
  - increases and additions to remuneration;
  - the use of performance related pay;
  - the use of bonuses;
  - the approach to any payments on their ceasing to hold office under or to be employed by council.
- 1.4 It is approved annually by full Council as recommended by the Employment Panel. Approval must be before the end of the 31 March immediately preceding the financial year to which it relates but may be amended during the year if need be, subject to Council approval.

## **2. PAY POLICY STATEMENT 2016/17**

- 2.1 The definition of 'chief officers' includes the Chief Executive, Deputy Chief Executive and Directors. The Statement attached to this report, detailing the pay and associated benefits for Chief Officers, has been amended where necessary for 2016/17 which is now subject to the approval of full Council, as recommended by the Employment Panel.
- 2.2 The salary for all Chief Officers has been amended to reflect the Chief Officers Pay Agreement 2014/16 announced in early 2015 equating to a 2% increase effective from 1<sup>st</sup> January 2015.

## **3. CONSULTATION**



3.1 None

#### **4. CONCLUSION AND REASONS FOR RECOMMENDATIONS**

4.1 The Employment Panel approves the 2016/17 Policy Statement on Chief Officers' Pay for recommendation to Council on 12 January 2016.

The Statement meets the requirements of the Localism Act. Under the Council's Constitution, the Employment Panel is responsible for recommending to Council matters relating to pay and employment conditions.

#### **5. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES**

5.1 The Policy Statement on Chief Officers Pay exists to provide Members and the general public with a transparent framework in which Chief Officers are paid and rewarded for their work and instil confidence in the public.

**Contact Officer: Alison Taylor**

**Ext: 7290**

**Appendices Appendix – Pay Policy Statement 2016/17 for Chief Officers attached to report:**

**Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:**

- None

#### **CORPORATE IMPLICATIONS/RISKS:**

**Chief Executive's – Not applicable**

**Economic Development – Not applicable**

**Governance** – S38 of the Localism Act 2011 requires that we must publish each year a pay policy statement setting out our policies relating to:

- The remuneration of Chief Officers
- The remuneration of our lowest paid officers
- The relationship between the remuneration of the Chief Officers and employees that are not Chief Officers.

The Policy must state our definition of 'lowest paid employees' together with our reasoning and it has to explain:

- CO levels on appointment/progression and increases and additions
- Performance related pay
- Bonuses
- Payment on ceasing to hold office

The Policy must be published in a manner deemed by the Council to be appropriate and this includes publication on the authority's website.

**Local Environment – Not applicable**

**Resources – Not applicable**



# **PAY POLICY STATEMENT 2016/17**

## **FOR CHIEF OFFICERS**

## CARLISLE CITY COUNCIL

### PAY POLICY STATEMENT FOR CHIEF OFFICERS

#### 1 Introduction and Purpose

- 1.1 This pay policy statement sets out Carlisle City Council's approach to Chief Officers pay in accordance with the requirements of section 38 to 43 of the Localism Act 2011.
- 1.2 The purpose of this statement is to provide transparency with regard to the Council's approach to setting the pay of its employees by identifying:
- the methods by which salaries of all employees are determined;
  - the detail and level of remuneration of its most senior employees i.e. 'chief officers' as determined by relevant legislation;
  - the detail and level of remuneration of the lowest paid employees'
  - the relationship between the remuneration for highest and lowest paid employees;
  - the Panel responsible for ensuring that the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to full Council.
- 1.3 Once approved by the full Council, this policy will come into immediate effect for the 2016/17 financial year and will be subject to review again for 2017/18 in accordance with the relevant legislation prevailing at the time. Where amendments are required during the year, these will be subject to approval by full Council.

#### 2 Aims and principles

- 2.1 Carlisle City Council's aim to offer a remuneration package which is fair and equitable, complies with all the relevant legislation, enables it to attract and retain quality staff that will achieve its strategic and operational objectives and is underpinned by the need to achieve value for money having regard to its financial restraints.

#### 3 Definitions

The Council's Senior Employees are those which fall under the definition of 'chief officers' as contained within section 43 of the Localism Act 2011. The posts within Carlisle City Council that are classified as *Chief Officers* are the Chief Executive, Deputy Chief Executive and Directors.

*Lowest paid employees* are those on grade A (£15,207 per year in April 2016 (subject to any pay award agreed for 2016/17)). The Council uses this definition as it is the nearest equivalent to the old 'manual' grades which existed before job evaluation was used to determine pay and before Single Status was implemented. Jobs at this level are relatively straight forward, quick to learn and require limited pre-existing knowledge.

*Employment Panel* is a politically balanced (reflecting the balance of the different parties that make up the Council) group of Councillors who are responsible for recommending to Council pay and conditions for employees.

*Multiplier* is the ratio of pay between chief officers and other employees (at full time equivalent rates) i.e. the pay for the chief officer divided by that for the lower paid employees.

#### **4 Pay Structure**

- 4.1 The Pay Structure and pay related allowances for all employees below Chief Officer level (except apprentices and any employee on a “permitted work” scheme) is detailed in the document *Pay Policy and Arrangements* which was approved by Council initially in November 2009, following extensive consultation with staff and updated in December 2013 to implement the Living Wage increase with a further update in May 2015 to reflect the national pay award for 2014/16. It is a local pay and grading structure which uses some of the nationally negotiated pay spines configured into local pay grades. Nationally negotiated cost of living awards are applied to those spine points that form part of the local pay structure.
- 4.2 From time to time, it may be necessary to take account of the external pay levels in the labour market in order to attract and retain employees with particular experience, skills and capacity. The document *Pay Policy and Arrangements* details these.

#### **5 Senior Management Remuneration**

- 5.1 Terms of employment for chief officers in Carlisle City Council are derived from a number of sources:
- pay rates determined by Carlisle City Council;
  - cost of living awards as negotiated nationally between the Local Government Employers Organisation and the recognised trade unions and applied to existing pay grades;
  - nationally negotiated terms and conditions of employment for Chief Officers and Chief Executives as appropriate;
  - policies determined and approved locally by Carlisle City Council.

#### **6 Responsibility for determining pay and allowances**

- 6.1 The Employment Panel is responsible for proposing the pay and grading structure to Council.
- 6.2 In the case of senior officers’ pay, the Employment Panel seek advice from a suitably experienced external organisation such as North West Employers Organisation (NWEO) to inform their recommendations.
- 6.3 Pay rates (including car allowances) for the Town Clerk and Chief Executive are reviewed each time the job is vacant, and may be reviewed between these periods on a

decision by the Chair of the Employment Panel following a request from the post holder. A review can result in the pay remaining the same, an increase or a decrease. Market rates for District Councils form the basis of any review. The pay rate is a single pay point, within a three point salary band, and determined on appointment by the Employment Panel and is based on experience of the successful candidate.

6.4 In the case of the other Chief Officer posts, these are reviewed when organisational structural changes take place and use the Local Authority Senior Staff job evaluation scheme to determine the rank order, and market rates for a District Council to set the pay grade. The pay grades consist of three pay points.

6.5 Table 1, paragraph 10, gives current pay rates.

## **7 Elements of the remuneration package for senior officers**

7.1 This is made up of

- actual pay as determined by the Council
- car allowance of 9.09% of salary or participation in the Chief Executive or Chief Officer Car Lease Scheme to the same value

7.2 Pay for the Town Clerk and Chief Executive consists of three pay point within a salary band plus car allowance as detailed above. This rate includes returning officer duties for elections relating to Carlisle City Council. Fees for election duties for other elections (County Council, national and European elections) are paid as an additional sum at the rate prescribed by government as and when each election occurs. The pay point may be reviewed on a decision by the Chair of the Employment Panel, following a request from the post holder.

7.3 Pay for the Deputy Chief Executive and Directors consists of three point scales and, subject to satisfactory performance, the officer progresses through the grade on an annual basis until the top of the grade is reached, in line with national conditions. A car allowance, as detailed above is also paid.

7.4 No bonuses, profit related pay or other allowances are paid as part of the regular pay. Honoraria for undertaking additional duties are only paid if the additional duties are significant.

## **8 Chief Executive and Chief Officers' Recruitment**

8.1 Details of the appointment process for Chief Officers and Chief Executive are set out in the Council's constitution. Recruitment is the responsibility of the Employment Panel to recommend the successful candidate to full Council for approval.

8.2 In the case of the Chief Executive, the Employment Panel determines the salary and takes into account the experience of the successful candidate.

- 8.3 In the case of the Deputy Chief Executive and Directors, starting salary is normally the bottom point of their grade unless there are good reasons to pay at a higher point in the scale to secure the best candidate. Such a decision is made by the Employment Panel.
- 8.4 Return of Chief Officers or Chief Executive to local government after redundancy or early release. The same principle applies to all recruitment and any appointment is made on merit, regardless of whether the candidate has been made redundant or given early release in former employment. The provisions of the Redundancy Payments Modification Order would be applied in that if return to local government occurred within a month of redundancy, the redundancy payment would be forfeited. Cumbria County Council, as the administering body for the pension scheme operated by Carlisle City Council, implements 'abatement' which means that if pension plus earnings in the new job is greater than earnings prior to leaving the pension is reduced accordingly.
- 8.5 Interim Support. Where the Council has need for interim support to cover work at Chief Officer or Chief Executive level, and there is no-one suitable within the Council, it will make use of agencies to recommend suitable candidates from which to select the most suitable. Selection will be in line with the appointment process for senior officers unless support is required too quickly to make this possible, when it will be reported to Council at the earliest opportunity. The services of the successful interim will be engaged by either:
- On an agency basis where the person is employed by the agency *or*
  - On a self employed basis where the person meets the HMRC definition of 'self employed' *or*
  - Direct employment by the Council on a temporary contract.

Pay for temporary interim support will be at the required rate to secure a suitable candidate bearing in mind the temporary nature of the work, value for money, salaries within the Council and budgetary considerations.

At the date of this policy Statement, the Council has no temporary or interim support at Chief Officer level.

## **9 Other aspects of remuneration**

- 9.1 Termination Payments – the Council's policy on termination payments in the event of redundancy or early release in the interests of the service (ERS) apply to all employees, irrespective of level in the organisation. Full details are given in the document *Redundancy and Early Release Schemes Policy, Guidance Notes and Procedures*

In summary, the discretionary redundancy payments are 2.5 times the statutory redundancy payment but based on actual weeks pay, with the option to convert the sum above the statutory redundancy payment to additional pension. Compensatory payments are not normally paid in the cases of early retirement in the interests of

efficiency unless there is a strong business case for doing so in a particular situation. Where payments are made, these are equivalent to 1.5 times the statutory redundancy payment that would have applied had the officer been made redundant with the option to convert this to additional pension.

Dismissal of the Chief Executive and Chief Officers (including redundancy and early release) are made by Council on the recommendation of the Employment Panel.

9.2 Flexible Retirement. The policy on flexible retirement applies to all employees alike and details are covered in the document *Flexible Retirement Policy Guidance Notes and Procedures*. In summary, flexible retirement (with pension) is agreed if it is supported by a business case. Hours must be reduced by a minimum of 20% and/or move to an alternative post of at least one grade reduction. Earnings plus pension after flexible retirement must not be more than earnings before it.

9.3 Pension. Where employees exercise their statutory right to become members of the Local Government Pension Scheme, the Council is required to make a contribution to the scheme representing a percentage of the pensionable remuneration due to that employee. The contribution rate is set by Actuaries advising Cumbria County Council Pension fund and reviewed on a triennial basis in order to ensure that the scheme is appropriately funded. The current rate is 13.6%. The employee contribution rates are defined by statute and relate to the salary level of that employee.

Carlisle City Council applies the discretions given to them as an employer under the Local Government Pensions Regulations to all employees on the same basis.

## **10 Senior Officers pay and its relation to that of other employees**

10.1 All aspects of other employees' pay and related benefits are detailed in the document *Pay Policy and Arrangements*.

10.2 Table one, below, shows details of senior officer's current pay and the relationship to other staff's pay. The salary for the Chief Executive, Deputy Chief Executive and the other Chief Officers has been amended to reflect the Chief Executive/Chief Officers' Pay Agreement 2014-16 announced in February and March 2015 which equated to a 2% increase effective from 1<sup>st</sup> January 2015.



**TABLE 1: Senior Officers' pay and its relationship with others**

Position	£ Pay per year	Car Allowance	£ Total pay + car allowance per year	Ratio to median pay (note 1)	Ratio to lowest paid staff (note 2)
Town Clerk & Chief Executive	3 points in the range: - 98,559 - 100,544 - 104,462	9.09% of salary	- 107,518 - 109,683 - 113,957	- 5.0:1 - 5.1:1 - 5.3:1	- 7.1:1 - 7.2:1 - 7.5:1
Deputy Chief Executive	3 points in the range: - 76,036 - 79,838 - 83,640	9.09% of salary	- 82,948 - 87,095 - 91,243	- 3.8:1 - 4.0:1 - 4.2:1	- 5.4:1 - 5.7:1 - 6.0:1
Chief Officer	3 points in the range: - 53,550 - 56,355 - 59,160	9.09% of salary	- 58,418 - 61,478 - 64,538	- 2.7:1 - 2.8:1 - 3.0:1	- 3.8:1 - 4.0:1 - 4.2:1

Note 1 - £21,530 per year for a full time employee

Note 2 - Grade A staff – £15,207 per year for a full time employee.

The ratio between the Chief Executive pay and other Chief Officers (at the top of the grade) is as follows:

Deputy Chief Executive	1.24:1
Chief Officers	1.76:1

10.3 Carlisle City Council aims to keep the multipliers for median pay and lowest paid staff approximately the same in future years.

