

DORSET COUNCIL PAY POLICY STATEMENT 2023/24

1. Purpose

- 1.1 Dorset Council (DC) is a Unitary Authority which covers most of the county of Dorset.
- 1.2 This Pay Policy Statement is required under Part 1, Chapter 8 'Pay Accountability' of the Localism Act 2011 and as such does not form part of an employee's contract of employment and does not create any contractual rights.
- 1.3 The Pay Policy Statement has been approved by resolution of the Full Council.
- 1.4 The Pay Policy Statement, along with appendices, is published on the Council's Website – www.dorsetcouncil.gov.uk.
- 1.5 A glossary of terms used in the Pay Policy Statement can be found at the end of the document.
- 1.6 In addition to the Pay Policy Statement, the Council publishes an annual Financial Statement which includes details of the remuneration of senior staff and exit packages and termination payments.

2. Context of Dorset Council

- 2.1 The Council employs 4,579 staff and provides a wide range of services managed through the Chief Executive's services and five Directorates:
- 2.2 The Chief Executive is the lead adviser to elected members and the head of paid service.
- 2.3 Corporate Services includes Assurance; Communications & Engagement; Democratic & Electoral Services; Finance & Commercial; Human Resources; ICT Operations; Legal & Land Charges; Transformation, Innovation & Digital.
- 2.4 People – Adults includes Housing; Adult Social Care; Commissioning.
- 2.5 People – Children's includes Commissioning & Partnerships; Quality Assurance & Safeguarding Families; Education & Learning Services; Care & Protection.
- 2.6 Place includes Customer & Cultural Services; Economic Growth & Infrastructure (Planning, Highways, Dorset Travel); Place based services (Environment & Wellbeing, Community & Public Protection, Waste Operations, Waste Commercial & Strategy); Assets & Regeneration; Climate & Ecological Sustainability.
- 2.7 Public Health provides Public Health services in Dorset – see 3.4 below.

3. Partnership arrangements

- 3.1 By working together with other public sector organisations, the Council can provide high quality services more efficiently and cost effectively resulting in the better use of resources.
- 3.2 Meaningful and productive partnerships are established from time to time which provides joint funding for services, with each partner contributing an agreed percentage towards costs, including remuneration.
- 3.3 The Council currently has jointly funded partnership arrangements for Public Health.
- 3.4 The following provides details of Dorset Council's estimated contribution to the remuneration package (*this is subject to formal board sign off). These percentages are subject to periodic review.

Partnership	DC Contribution to remuneration package
Public Health Dorset Council is the host employer and provides Public Health services for Dorset in partnership with BCP Council (Bournemouth, Christchurch & Poole).	52%* *Proposed but not yet agreed for 2023/24

4. Contracts for Service Arrangements

- 4.1 In addition the Council may, in exceptional circumstances, engage non-specific individuals via a contract for services through third party organisations. This allows the Council to engage under a contract for service for a specific project or in specialised areas where there is no ongoing requirement for a specific role within the Council. These contracts for service have been assessed as IR35 compliant (and fall outside of the IR35 legislation).

5. Requirements of the Localism Act

- 5.1 In accordance with the Localism Act, the Pay Policy Statement outlines the Council's policies relating 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.
- 5.2 The Pay Policy Statement applies to Dorset Council employees excluding schools. This is in line with the Secretary of State's "Openness and Accountability in Local Pay: Guidance under section 40 of the Localism Act" (February 2012) and Supplementary Guidance (February 2013).
- 5.3 Although the Council is the ultimate employer for employees in some Dorset schools, each school has a separate Pay Policy with a reporting line to the Governing Body

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and it is the school that ultimately determines the terms and conditions for its employees.

5.4 The Pay Policy Statement excludes Apprentices engaged on contracts for training.

5.5 The Pay Policy Statement reflects the terms and conditions offered by Dorset Council. As a result of the creation of Dorset Council on 1 April 2019, there are a number of Dorset Council employees on various TUPE protected terms and conditions. As these are TUPE protected terms and conditions, they are not covered in the Pay Policy Statement. Any new appointments to Dorset Council roles will be offered on Dorset Council terms as detailed in this Pay Policy statement. Please note that during 2023 (date tbc), all previously TUPE protected employees will move to DC terms and conditions, subject to agreement with the recognised Trade Unions.

6. Remuneration of Chief Officers

6.1 The Localism Act defines Chief Officers by reference to various sections of the Local Government and Housing Act 1989. For the purposes of this Pay Policy Statement and in terms of the Council's structures, the definition of Chief Officers incorporates the Chief Executive, Executive Directors (includes Section 151 Officer), Director of Legal and Democratic (Monitoring Officer), Corporate Directors, Director of Public Health, Deputy Director of Public Health and Consultants in Public Health.

6.2 Chief Officers are employed under the Joint Negotiating Committee (JNC) for Chief Executives of Local Authorities or the JNC for Chief Officers of Local Authorities.

6.3 A schedule of Chief Officers' post specific remuneration is contained at Appendix A1, which details:

- Position Title
- Overview Table Category (Appendix A2)
- Terms and Conditions of Service
- FTE Salary Range
- Grade
- Number of Posts

6.4 Overview Tables detailing terms and conditions have been produced. Appendix A2 details those policies relating to remuneration which are not post specific and refers to Chief Officers.

6.5 The Chief Executive is the appointed Returning Officer and receives a fee for running local, Police and Crime Commissioner and Parliamentary Elections. This role is separate from that of Chief Executive and carries with it personal accountabilities. The fee for undertaking this role varies from year to year and is not subject to this policy and therefore not included in the overview tables.

6.6 The salary ranges for Dorset Council chief officers are approved by the Full Council. Other salary ranges for non-chief officers are either approved by the Chief Executive as part of delegated powers or are set as part of national terms and conditions of employment.

7. Remuneration of Lowest Paid Employees

- 7.1 The Localism Act requires the Pay Policy Statement to define the Lowest Paid Employees. The Local Government Association, "Localism Act: Pay Policy Statements Guidance for Local Authority Chief Executives" (November 2011) suggests that the simplest and most easily understood definition of lowest paid employees might be those employees on the lowest pay point in use by the authority.
- 7.2 In line with the above, DC define this as those employed on the minimum of Grade 1 (NJC Green Book terms and conditions of service).
- 7.3 Roles at this grade may include:
- Catering/Facilities Assistant
 - General Assistant
 - School Crossing Patrol
- 7.4 The salary scale for Dorset Grade 1 is £20,258 pa (FTE).

8. Overview Tables

- 8.1 Appendix A2 details the policies relating to the remuneration of Chief Officers. It should be noted that the tables reflect only those key elements of each policy relating to remuneration.
- 8.2 For the purposes of the Overview Tables, terms and conditions groups have been structured under the following headings:
- Chief Officer: Chief Executive, Executive Directors and Director of Public Health
 - Chief Officer: Corporate Directors, Director of Legal and Democratic (Monitoring Officer), Deputy Director of Public Health and Consultants in Public Health
- 8.3 The policies relating to remuneration details shown in Appendix A2 have been grouped under 5 main headings that mirror the requirement of the Localism Act 2011:
- Elements of Remuneration
 - Remuneration on Recruitment
 - Increases and Additions to Remuneration
 - Performance Related Pay
 - Payments on Ceasing to Hold Office
- 8.4 Elements of Remuneration

The Council applies a number of elements that could form the total remuneration package for Chief Officers. Details of these can be found under the following headings within the Overview Tables:

- Basic Salary Range
- Weekend Working
- Night Enhancement
- Standby Allowance
- Standby Callout
- Overtime

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- Public Holiday Enhancement
- Sleeping In Allowance
- First Aid Allowance
- Retainer Payments

In addition to the above elements, there may be occasions when the Council makes payments that are considered to be a benefit in kind. The following should not be considered an exhaustive list, but provides a flavour of the types of benefits in kind that may be payable to employees and regarded as taxable by HMRC when certain circumstances dictate:

- Relocation/Removal Expenses over £8,000
- Relocation Mileage (in cases of forced change of centre of duty)

8.5 Remuneration on Recruitment

Details of the Council's policy on remuneration on appointment can be found in the Overview Tables under the following headings:

- Starting Salaries
- Recruitment and Retention Payments
- Market Forces Premium
- Relocation Scheme

8.6 Increases and Additions to Remuneration

In certain circumstances, the Council may apply increases/additions to remuneration. Details of these can be found under the following headings within the Overview Tables:

- Payments for Additional Duties
- Cost of Living Pay Increases
- Salary Protection

8.7 Performance Related Pay

The Council does not make bonus payments, unless they form part of the TUPE protected provisions. Some elements of pay are performance related. Details of the following performance related elements of pay, and how they are applied, can be found within the Overview Tables:

- Incremental/Scale Progression
- Merit Increments

8.8 Payments on Ceasing to Hold Office

The Council applies a number of payments/provisions in the event of an employee ceasing to hold office. An outline of the following payments can be found within the Overview Tables:

- Notice Period
- Redundancy Provisions

9. Relationship between Chief Officer and Non-Chief Officer

- 9.1 The Localism Act requires the Council to set out the relationship between the remuneration of its Chief Officers and the remuneration of its employees who are not Chief Officers. In determining the relationship, regard has been given to Hutton's Review of Fair Pay in the Public Sector (Final report dated March 2011), the Secretary of State's guidance and Local Government Association (LGA) guidance. These reference sources define the relationship in terms of a pay multiple calculation.
- 9.2 In line with the above reports and guidance documentation, pay multiples have been calculated as the ratio between the Chief Executive's earnings and the median average earnings of employees.
- 9.3 The LGA guidance indicates that the pay multiple could be calculated based upon total taxable earnings or FTE salaries. For the purpose of this statement the Council provides both.
- 9.4 In calculating the pay multiple based on total taxable earnings for the 2021/22 tax year (including benefits in kind and elements such as pension contributions*) the ratio of the Chief Executive's earnings to the median earnings of employees was 8.09:1. This is slightly lower than the previous year which was 8.84:1.
- 9.5 In calculating the pay multiple based on FTE salaries (excluding allowances and enhancements*) as at 1 January 2023 the ratio of the Chief Executive's salary to the median FTE salary of employees was 6.26:1. This is slightly lower than last year which was 6.65:1**.
- 9.6 The pay multiple for the previously published Pay Policies are as follows:

Financial year Pay Policy Statement	Pay multiple Taxable earnings	Pay multiple FTE salary
2020/21	Not applicable (as first year of the new Council)	7.06:1
2021/22	9.12:1	6.94:1
2022/23	8.84:1	6.65:1**
2023/24	8.09:1	6.26:1

* Excluding school employees and apprentices

** The 2022 FTE salary pay multiple has been updated (from the figure that was published in last year's Pay Policy Statement) to take account of the 2021/22 pay award which was implemented after the 2022/23 Pay Policy Statement was published.

10. Conclusion

- 10.1 These documents are considered to be an accurate reflection at the time of publishing.

Glossary of terms

Basic Pay is the core element of salary payable before enhancements or additions.

Directorate/service is the name given to one of the main departments/divisions of the Council. Dorset Council has the following directorates/services: Corporate; People – Adults; People – Children's; Place; Public Health.

DC – Dorset Council.

Elected Members are Councillors elected through local elections to represent their communities in local government.

FTE is Full Time Equivalent. For the Council this is 37 hours per week.

Green Book is the name given to the document containing the National Agreements on pay and conditions of service for Local Government Services. This agreement includes the full, current details of the National Joint Council (NJC) for Local Government Services. Known as the Single Status Agreement, the Green Book covers the pay and conditions for a range of local authority employees.

HMRC – His Majesty's Revenue and Customs.

Incremental Progression is the process of moving up through a salary scale range.

Joint Negotiating Committee (JNC) is the body which sets the national framework used to pay certain groups of employees. The function of the JNC is to negotiate with Trade Unions on nationally determined terms and conditions of service and any yearly cost of living pay increase.

Median is found by arranging all values in order from the lowest to the highest and selecting the middle value.

National Joint Council (NJC) – refer to JNC above.

Spinal Column Point (Pay Point) is the name given to a particular point on a salary range/grade.

Unitary Authority is Dorset Council which is a district council also with county council functions and delivering the full range of local authority services.

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Appendix A1 – Schedule of Chief Officer Remuneration					
Position Title	Overview Table Category (Appendix A2)	Terms and Conditions of Service	FTE Salary Range £ per annum	Grade	Number of Posts
Chief Executive	Chief Officer (JNC Terms and Conditions)	JNC for Chief Executives of Local Authorities	£174,458	Chief Executive	1
Executive Directors and Director of Public Health	Chief Officer (JNC Terms and Conditions)	JNC for Chief Officers of Local Authorities	£129,577 - £145,534* *Post holders are appointed on a spot salary which periodically may be subject to change within the salary range	Executive Director	5 (includes Section 151 Officer)
Corporate Directors, Director of Legal and Democratic (Monitoring Officer), Deputy Director of Public Health and Consultants in Public Health	Chief Officer (JNC Terms and Conditions)	JNC for Chief Officers of Local Authorities	£92,345 - £118,940* *Post holders are appointed on a spot salary which periodically may be subject to change within the salary range	Corporate Director	21 (includes Monitoring Officer)

Appendix A2 - Overview Table of Policies Relating to Remuneration for the Chief Officers	
Chief Officer	Chief Officers
Chief Executive, Executive Directors and Director of Public Health (JNC Terms and Conditions)	Corporate Directors, Director of Legal and Democratic (Monitoring Officer), Deputy Director of Public Health and Consultants in Public Health (JNC Terms and Conditions)
Elements of Remuneration	
Basic Salary Range	See Appendix A1
Weekend Working	Not applicable. The full time working week for this post is 37 hours. However due to the nature and seniority of the post there is a requirement to work longer hours as necessary. No additional payment/enhancement for any hours worked in excess of 37 hours per week or hours undertaken outside of normal office hours are applicable.
Night Enhancement	Not applicable. The full time working week for this post is 37 hours. However due to the nature and seniority of the post there is a requirement to work longer hours as necessary. No additional payment/enhancement for any hours worked in excess of 37 hours per week or hours undertaken outside of normal office hours are applicable.
Standby Allowance	Not applicable. The full time working week for this post is 37 hours. However due to the nature and seniority of the post there is a requirement to work longer hours as necessary. No additional payment/enhancement for any hours worked in excess of 37 hours per week or hours undertaken outside of normal office hours are applicable.
Standby Callout	Not applicable. The full time working week for this post is 37 hours. However due to the nature and seniority of the post there is a requirement to work longer hours as necessary. No additional payment/enhancement for any hours worked in excess of 37 hours per week or hours undertaken outside of normal office hours are applicable.
Overtime	Not applicable. The full time working week for this post is 37 hours. However due to the nature and seniority of the posts there is a requirement to work longer hours as necessary. No additional payment/enhancement for any hours worked in excess of 37 hours are applicable.
Public Holiday Enhancements	Not applicable. The full time working week for this post is 37 hours. However due to the nature and seniority of the post there is a requirement to work longer hours as necessary. No additional payment/enhancement for any hours worked in excess of 37 hours per week or hours undertaken outside of normal office hours are applicable.
Sleeping In	Not applicable.
First Aid Allowance	A designated first aider (appointed person) for a place of work is paid a first aid allowance of £22.25 per month (pro rata for part time employees).
Retainer Payment	Not applicable

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Remuneration on Recruitment	
Starting Salaries	<p>The Chief Executive, Executive Directors and Director of Public Health are appointed on a fixed spot salary.</p> <p>Corporate Directors, Director of Legal and Democratic (Monitoring Officer), Deputy Director of Public Health and Consultants in Public Health are appointed on a fixed spot salary from within the salary range for the role subject to the following criteria:</p> <ul style="list-style-type: none"> - the individual's knowledge, skills, experience and qualifications relating to the requirements of the role; - performance/capability as evidenced during the recruitment process; - existing market forces; - consideration of existing employees performing the same role as matched against the above criteria.
Recruitment and Retention Payments	<p>Market Forces Premium – a market forces premium of up to £15,000 can be applied on a case by case basis where there is specific evidence of a difficulty to recruit or retain employees in Chief Officer roles (this applies to the posts of Chief Executive, Executive Directors, Director of Legal and Democratic (Monitoring Officer), Corporate Directors, Director of Public Health, Deputy Director of Public Health and Consultants in Public Health) and where there is clear evidence of salaries being offered by other local authorities above the current pay ranges for Chief Officers in Dorset Council. Any recommendation to apply a market forces premium will be made in consultation with the Head of Paid Service by the relevant Portfolio Holder and approved by the Portfolio Holder for Corporate Development & Transformation and the Leader of the Council. In the case of the Head of Paid Service, any decision to apply a market forces premium will be made by the Portfolio Holder for Corporate Development & Transformation and the Leader of the Council. Market forces payments will be reviewed every three years, to ensure the justification and rationale for payment can still be evidenced. If the evidence available at the review stage no longer supports the need to apply a market forces supplement, any payment will be reduced or removed. In this situation, a period of three years protection will be applied, in line with the arrangements in the council's Labour Market Adjustment Scheme for other employees in the council.</p> <p>Relocation Scheme – this scheme applies to difficult to fill roles only where there is a requirement to relocate to the area and includes:</p> <ul style="list-style-type: none"> • Removal costs (lowest of 3 quotes); • Disturbance expenses of up to £935; • Fees e.g. Stamp Duty, Legal Fees, Estate Agents etc (of up to £6,533) <u>or</u>* Mortgage/rent subsidy payment of £250 per month in Year 1 and £150 per month in Year 2 (*either Fees or Mortgage/rent subsidy is payable) • Separation/two home allowance (Maximum of £97 per week for up to 6 months) (not available for overseas applicants) <p>Additionally, for overseas applicants (in the very limited circumstances where the Council seeks to recruit from overseas as part of a campaign) may claim:</p> <ul style="list-style-type: none"> • The cost of one economy journey (including the employee's spouse, civil partner and children) to the UK from the country in which the employee was resident immediately prior to employment with DC. • Visa costs, including one-off payments for the Immigration Skills surcharge, and the NHS Health Surcharge • Financial assistance for the deposit to secure rental accommodation, including, where appropriate, an initial one month's rent in advance, up to the value of £1,500 (for both deposit and one month's advance) • Where the job role requires the employee to travel in order to effectively carry out their duties, financial assistance up to the value of £2,000 to support the purchase of a vehicle
Increases and Additions to Remuneration	
Payments for additional duties	<p>Acting up payment may apply where there is a requirement to undertake additional responsibilities for an extended period (normally over 4 weeks). A full acting up payment is calculated as the difference between the salary of the employee acting up and the minimum point of the grade of the post being covered. When an employee is already paid on a point within the higher grade, the allowance will be calculated based upon the next point within the grade. Where only part of the duties are being undertaken a proportioned (percentage) payment is made.</p> <p>An honorarium payment (usually a one off amount of up to £1,000) can be awarded to an employee who has performed exceptionally outside of the normal scope of their duties e.g. work on a complex temporary project.</p> <p>Eligible Consultants in Public Health can apply for a Clinical Excellence Award which recognises and rewards those consultants who contribute most towards the delivery of safe and high quality care to patients and the continuous improvement to NHS Services.</p>
Cost of Living Pay Increases	<p>Chief Executive - Cost of living pay increases are agreed by Joint Negotiating Committee for Chief Executives of Local Authorities and for 1 April 2022 was £1,925.</p> <p>Executive Directors, Director of Public Health, Director of Legal and Democratic (Monitoring Officer), Corporate Directors, Deputy Director of Public Health and Consultants in Public Health - Cost of living pay increases are agreed by the Joint Negotiating Committee for Chief Officers of Local Authorities. The cost of living pay increase from 1 April 2022 was £1,925.</p>
Salary Protection	<p>18 months' salary grade protection applicable in cases of redeployment due to redundancy or reorganisation.</p> <p>12 months allowance/enhancement protection applicable in cases of redeployment due to redundancy or reorganisation where certain conditions apply.</p>

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Performance Related Pay	
Incremental/Scale Progression	<p>Chief Executive, Executive Directors and Director of Public Health are appointed on a fixed spot salary so are not subject to incremental progression.</p> <p>Corporate Directors, Director of Legal and Democratic (Monitoring Officer), Deputy Director of Public Health and Consultants in Public Health are appointed on a spot salary within a range. Normally, the spot salary will not change and as such there is no incremental progression. In exceptional circumstances changes to role/scope may lead to a change in spot salary.</p>
Merit Increments	Not applicable.
Payments on Ceasing to Hold Office	
Notice Period	<p>Where an appointment is subject to a probationary period it may be terminated by 1 weeks' notice on either side. Thereafter;</p> <p>Following any probationary period, employees in this group are required to give 13 weeks' notice.</p> <p>Following any probationary period, DC is required to give employees in this group 13 weeks' notice.</p> <p>Following any probationary period, the contractual notice requirements go beyond those required by the Employment Rights Act 1996 which provide for 1 weeks' notice for each year of continuous employment up to a maximum of 12 weeks.</p>
Redundancy Provisions	The current redundancy multiplier of 1.75 times the statutory redundancy pay formula (based on actual pay) is payable and applies to all employees. From 1 April 2023, the redundancy multiplier will change to 1.25 times the statutory redundancy pay formula (based on actual pay) and will apply to all employees.