



Agenda Reports & Other Papers

Presented to the
Meeting of the
Employment Committee
on
Monday, 10 February 2020

1. Agenda

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Agenda



**AGENDA for a meeting of the EMPLOYMENT COMMITTEE on
MONDAY, 10 FEBRUARY 2020 in COMMITTEE ROOM A, COUNTY HALL,
HERTFORD at 2.30PM**

MEMBERS OF THE COMMITTEE - 5 (Quorum 3)

J Billing, S B A F H Giles-Medhurst, T C Heritage (*Vice-Chairman*), R M Roberts, R Sangster (substitution for J D Williams (*Chairman*))

AGENDA

Meetings of the Committee are open to the public (this includes the press) and attendance is welcomed. However, there may be occasions when the public are excluded from the meeting - for particular items of business. Any such items are taken at the end of the public part of the meeting and are listed below under "Part II ('closed') agenda".

Members are reminded that:

- (1) if they consider that they have a Disclosable Pecuniary Interest in any matter to be considered at the meeting they must declare that interest and must not participate in or vote on that matter unless a dispensation has been granted by the Standards Committee;**
- (2) if they consider that they have a Declarable Interest (as defined in paragraph 5.3 of the Code of Conduct for Members) in any matter to be considered at the meeting they must declare the existence and nature of that interest. If a member has a Declarable Interest they should consider whether they should participate in consideration and vote on the matter.**

PART I (PUBLIC) AGENDA

MINUTES

To confirm the Minutes (Part I) of the meeting of the Committee held on 31 July 2019.

- 1. SALARY REVIEW APRIL 2020: CHIEF OFFICERS, DEPUTY AND ASSISTANT DIRECTORS AND HEADS OF SERVICE**

Report of the Chief Executive

- 2. SALARY REVIEW APRIL 2020: CHIEF EXECUTIVE**

Report of the Assistant Director, Human Resources

3. PAY POLICY 2020/21

Report of the Assistant Director, HR, Sally Hopper

4. EXCLUSION OF PRESS AND PUBLIC

The Chairman will move:-

"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 paragraph 4 of Part I of Schedule 12A to the said Act and the public interest in maintaining the exemption outweighs the public interest in disclosing the information because:

*(i) the information relates to contemplated consultations or negotiations, in connection with labour relation matters arising between the Council and its employees **and disclosure may prejudice negotiations.**"*

PART II AGENDA

To confirm the Minutes (Part II) of the meeting of the Committee held on 31 July 2019
(*Minutes to be circulated under separate cover*)

1. FUTURE WORKFORCE

Report of the Director of Resources

(Report to be circulated under separate cover)

If you require a copy of any of the reports mentioned above or require further information about this agenda please contact Theresa Baker, Democratic Services on telephone no. (01992) 556545 or email theresa.baker@hertfordshire.gov.uk

Agenda documents are also available on the internet at
<https://democracy.hertfordshire.gov.uk/mgCalendarMonthView.aspx?GL=1&bcr=1>

**QUENTIN BAKER
CHIEF LEGAL OFFICER**

Minutes



To: All Members of the
Employment Committee, Chief
Executive, Chief Officers

From: Democratic & Statutory Services
Ask for: Theresa Baker
Ext: 26545

EMPLOYMENT COMMITTEE 31 JULY 2019

ATTENDANCE

MEMBERS OF THE COMMITTEE

P Bibby (*substituting for R M Roberts*), J Billing, R Sangster (*substituting for T C Heritage (Vice-Chairman)*), J D Williams (*Chairman*), P M Zukowskyj (*substituting for S B A F H Giles-Medhurst*)

Upon consideration of the agenda for the Employment Committee meeting on 31 July 2019 as circulated, copy annexed, decisions were reached and are recorded below:

PART I ('OPEN') BUSINESS

MINUTES

The Minutes of the meeting of the Committee on 11 February 2019 were confirmed as a correct record and signed by the Chairman

		ACTION
1.	PENSION SCHEMES – ANNUAL UPDATE REPORT ON LOCAL GOVERNMENT PENSION SCHEME AND FIREFIGHTER PENSION SCHEMES EMPLOYER DISCRETIONS USAGE	
	Officer Contact: Emily Austin, Senior HR Manager, Strategy & Reward (Tel: 01707 292751) Jenny Spowart, HR Officer, Strategy & Reward (Tel: 01707 292751)	
1.1	<u>Decision</u> The Employment Committee noted the content of the report.	

	PART II ('CLOSED') AGENDA EXCLUSION OF PRESS AND PUBLIC	
	The Chairman moved into Part II ('closed' session') and passed the decision at paragraph 1.2 below.	
	<i>"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 paragraph 4 of Part I of Schedule 12A to the said Act and the public interest in maintaining the exemption outweighs the public interest in disclosing the information."</i>	
1.	FUTURE WORKFORCE	
	Officer Contact: Sally Hopper, Assistant Director of Human Resources (Tel: 01992 55692) Grace Kent, Graduate Management Trainee (Tel: 01992 556333)	
	The decisions on this item of business reached in Part II business are set out in the separate Part II Minutes.	

**QUENTIN BAKER
CHIEF LEGAL OFFICER**

CHAIRMAN _____

**CHAIRMAN'S
INITIALS**

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**SALARY REVIEW APRIL 2020:
CHIEF OFFICERS, DEPUTY AND ASSISTANT DIRECTORS AND HEADS OF SERVICE**

Report of the Chief Executive

Author: Owen Mapley, Chief Executive (Tel: 01992 555200)

1. Purpose of report

- 1.1 The salaries of the Chief Officers, Deputy and Assistant Directors and Heads of Service are locally determined. The effective date for the review of these salaries is 1 April each year. This report makes proposals to the Employment Committee for the review for April 2020.

2. Summary

- 2.1 The Council's scheme of delegation provides that the Employment Committee:
- Determines the pay awards for the Chief Executive and Chief Officers.
 - Recommends to the Chief Executive the level of pay award for Deputy and Assistant Directors (grade PMA/B) and Heads of Service (grade PMC – zones 1 - 3).
- 2.2 This report sets out factors for the Employment Committee to consider in relation to the pay of Chief Officers, Deputy and Assistant Directors and Heads of Service from 1 April 2020.

3. Recommendations

- 3.1 1. That the Committee agrees that:-
- (a) Chief Officers who achieve an overall rating of Fully Achieved or Exceed in their annual performance review be awarded a consolidated **cost of living increase of 2%** to their salary with effect from 1 April 2020. This increase **may** be subject to review upon settlement of the NJC for Local Government Workers pay award for April 2020 once it is agreed.
- (b) **a non-consolidated payment of £3250** be awarded to those Chief Officers who achieve an 'Exceed' rating in their 2019/20 performance review; to be paid on 1 April 2020.

(c) The minimum and maximum of the Chief Officer salary range be uplifted by 2% with effect from 1 April 2020. This increase **may** be subject to review upon settlement of the NJC for Local Government Workers pay award for April 2020 once it is agreed.

2. That the Committee recommends to the Chief Executive that:-

(a) Deputies and Assistant Directors (PMA/B) and Heads of Service (PMC) who achieve an overall rating of Fully Achieved or Exceed in their annual performance review be awarded a consolidated **cost of living increase of 2%** to their salary with effect from 1 April 2020. This increase **may** be subject to review upon settlement of the NJC for Local Government Workers pay award for April 2020 once it is agreed.

(b) **a non-consolidated payment of £3250** be awarded to those Deputy and Assistant Directors (PMA/B) and Heads of Service (PMC) who achieve an 'Exceed' rating in their 2019/20 performance review; to be paid on 1 April 2020; and

(c) The minimum and maximum of the PMA, PMB and PMC salary ranges (including PMC zones) be uplifted by 2% with effect from 1 April 2020. This increase **may** be subject to review upon settlement of the NJC for Local Government Workers pay award for April 2020 once it is agreed.

4. Context

4.1 The recommendations in this report reflect the decisions made by Employment Committee on 3 March 2014 in regard to the management of annual senior manager pay reviews. This was to annually pay a consolidated cost of living increase to those senior managers who receive an annual performance rating of 'Fully Achieved' or 'Exceed' based on an assessment of a number of factors (e.g. market / affordability). In addition, to award a non-consolidated lump sum payment for those Senior Managers who achieve a performance rating of 'Exceed'.

4.2 Note: There are other senior managers employed by the Council who are paid at similar rates (i.e. over £55,530) who are employed under different terms and conditions and therefore are not covered within this report. They are however included in the Council's annual release of data on the public Hertfordshire.gov.uk website.

5. Looking Back - Senior Managers Pay - 2019

5.1 A pay award was applied in April 2019 of 2%:-

- as a 'cost of living increase' (consolidated into pay) for all Chief Officers and Senior Managers on PMA, PMB and PMC grades who achieved an

overall outcome of Fully Achieved or Exceed in their 2018/19 performance review; and

- as a 'cost of living' increase applied to the minimum and maximum points of the PMA, PMB and PMC salary range.

5.2 A performance related payment of £3,000 (non-consolidated) was awarded to Chief Officers and those on PMA, PMB and PMC grades who achieved an Exceed rating in their 2018/19 performance review. There were 13 Senior Managers (out of 118 in post who were eligible for a performance rating) who achieved an Exceed rating in 2019.

6. Looking Forward - National Economic Outlook & Inflation

6.1 Looking ahead, the median basic pay increase expectations in the 12 months to August 2020 remain at 2%. The median basic pay increase expectations in the private sector dropped slightly, decreasing from 2.5% last quarter to 2.2%. However, median basic pay increase expectations in the public sector (2%) have increased from 1.5% since Summer 2019, therefore closing the gap between the sectors.

6.2 Basic pay settlements are centred around 2-3% with 34% of employers saying it is hard to predict what will happen to pay (CIPD, Labour Market Outlook Autumn 2019). The Retail Price Index (RPI) reported in Q3 of 2019 was 2.1%. RPI is the most commonly used measure of the cost of living for pay-setting purposes. The rate of inflation in October 2019 was 1.5%, the lowest rate since November 2016 and below the Bank of England's target of 2%.

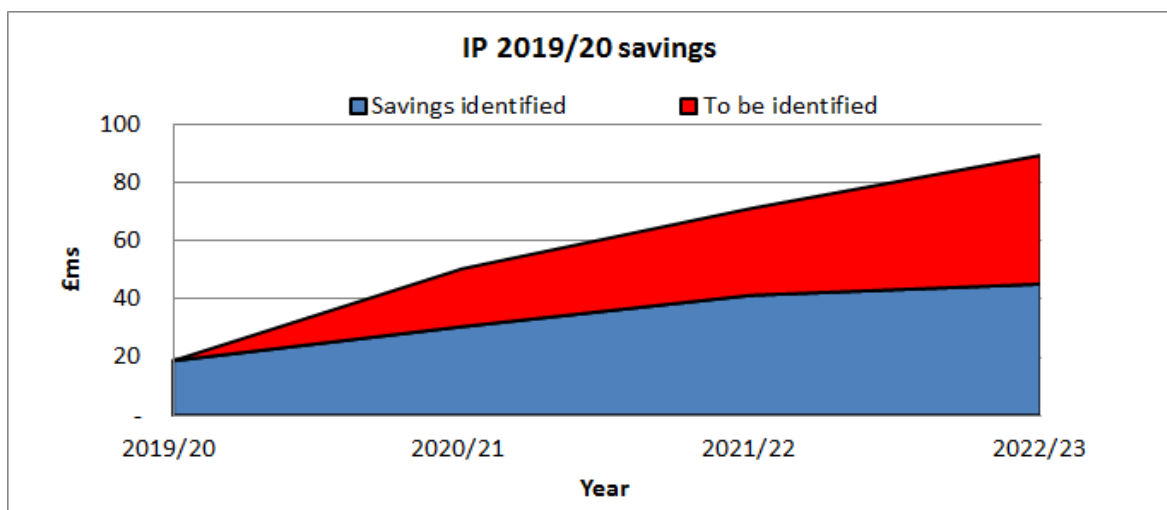
6.3 The Consumer Prices Index (CPI) inflation rate has decreased in the last year from 2.4% in October 2018 to an average of 1.5% in October 2019, below market expectations of 1.6%. This is the lowest rate since November 2016, mainly due to a slowdown in housing and utilities prices.

7. Context for Local Government Pay

7.1 Most public sector employees received a 2% cost of living increase in 2019. The National Joint Council (NJC) for Local Government Employees has yet to settle on an agreement for the April 2020 pay settlement. This follows a 2-year agreement for April 2018 and April 2019 to apply a 2% salary increase. That agreement also included a redesign of the lower salary scales from April 2019.

7.2 Following the recommendations of the independent Low Pay Commission (LPC), the government increased the National Living Wage (NLW) by 4.9% from £7.83 to £8.21 from April 2019. This will further increase to £8.72 from 1 April 2020 (and is estimated to reach £8.89 in 2021)

7.3 Despite recent settlements the Council has to continue to make significant financial savings over the next few years as set out in the reports to Cabinet on the Integrated Plan (IP) and illustrated overleaf:



8. Market Data – Local Authority Pay Comparisons

- 8.1 Benchmarking conducted across Hertfordshire's 5 neighbouring councils (Bedfordshire, Buckinghamshire, Essex, Kent and Cambridge) from statements of accounts published in April 2019 shows that the gross **median annual basic salary ranges are as follows;**

Grade	Median Range	HCC Range
Chief Officer	£122,122 - £170,205	£125,999 - £170,141
PMA	£97,620 - £116,695	£110,976 - £125,510
PMB	£75,728 - £97,258	£81,372 - £111,926
PMC	£52,349 - £74,927	£54,441 - £80,553

- The Chief Officer range is comparable with neighbouring authorities.
- PMA, PMB and PMC roles all compare favourably with neighbouring authorities.
- It should be noted here that the benchmarking data is based on 2018-19 salaries whereas the data for Hertfordshire County Council (HCC) is based on updated 2019-20 figures.

- 8.2 These median salary comparisons should also be considered in the context as set out in section 9 taking into account the total pay bill and number of roles at Hertfordshire compared to other Councils in the eastern region.

9. Options and Costs for Cost of Living & Exceed Payments

9.1 Senior Manager Pay Bill

- 9.1.1 The senior manager pay bill as at November 2019 is £9.6m (excluding on costs – i.e. pension and employer National Insurance (NI) contributions). There are currently 121 senior managers (in grades, Chief Officer, PMA, PMB & PMC).

Note. The number of senior managers and pay figures quoted exclude the Chief Executive and any secondments out of the organisation.

9.1.2 When reviewing the number of roles as referenced in the 2019 Taxpayers Alliance, Town Hall Rich List, Hertfordshire has significantly less roles paid greater than or equal to £100k than for example Essex with 55 and Kent with 24. The number of roles for Hertfordshire as referenced in the Taxpayer Alliance 2019 (for 2017/2018) totalled 12 and the total actual number as at November 2019 was 15.

9.1.3 There have also been approximately 26 changes to senior managers since April 2019, this includes starters / leavers / movement in salary due to additional responsibilities or acting up and re-evaluations. These changes are all approved / managed by the Assistant Director, HR and any changes are then validated by the Strategic Management Board (SMB) annually.

9.2 Cost of Living and Exceed Payment Options

9.2.1 Tables 1 & 2 below set out options and associated estimated costs for a cost of living award and the value of the non-consolidated Exceed payment for Senior Managers in April 2020.

9.2.2 The consolidated cost of living increase will only apply to those who achieve an overall rating of Fully Achieved or Exceed as part of the performance management system. Based on the performance ratings for 2018/19 this was 98% of the senior manager population. The non-consolidated payment will only be awarded to those who achieve an overall Exceed rating. This is usually around 10% of the senior manager population.

Table 1 – Cost of Living Options

	Option 1	Option 2	Option 3	Option 4
Cost of Living Award Option	0%	1%	2%	3%
Total Estimated Salary Cost*	£0	£96,008	£192,015	£288,023
Total costs including NI and pension costs**	£0	£122,890	£245,779	£368,669

* Based on staff numbers and pay bill as at November 2019

**Employer NI and pension costs are estimated at 28% of pay. Current employer contributions to the Local Government Pension Scheme (LGPS) are 20.6%

Table 2 – Exceed Payment Options

	Option 1	Option 2	Option 3	Option 4
Value of Exceed payment Options	£2k for all senior manager grades	£3k for all senior manager grades	£3,250 for all senior manager grades	£4k for all senior manager grades
Cost of Exceeds based on a 10% distribution*	£24k	£36k	£39k	£48k
Total costs including NI and pension costs**	£30k	£46k	£50k	£61k

* Based on staff numbers and pay bill as at November 2019

**Employer NI and pension costs are estimated at 28% of pay. Current employer contributions to the Local Government Pension Scheme (LGPS) are 20.6%

10. Recommendations

- 10.1 **(1) The recommended option is a cost of living award of 2% (Option 3), with the option for a further review if required once the NJC for Local Government Workers pay award for April 2020 has been agreed.** This will be at a cost of approximately £245,779 including on costs. Note: This does not take into account any pay changes that may take place before 1 April 2020.
- 10.2 The option of 2% is recommended as anticipated to be in line with the NJC for Local Government Workers pay award for April 2020, although this has not as yet been settled. This also aligns to median basic pay expectations. Although the pay review for senior managers is not dependant on the NJC settlement, the recommendation is considered to be fair and equitable to ensure reasonable parity. It is also recommended that the 2% be subject to further review should the NJC settlement significantly vary. This does not mean or guarantee that the value of the award will change, but that it allows for any consideration of this should it be felt appropriate.
- 10.3 **(2) The recommended option for an Exceed payment is £3,250.** This is worth between 1.87% - 5.85% dependant on the salary of the senior manager.
- 10.4 The option of varying the Exceed payment value by grade was considered, as done in 2018, but it was decided a set rate for all was simpler. The recommended value (applied for the past 4 years) has however been uplifted from 2020 by an equivalent cost of living increase over that period.
- 10.5 Further proposals to amend the payments were considered. However, in light of the Future Workforce project, a project as part of the Council's wider Transformation plans looking at workforce structures including pay, it was considered prudent to leave arrangements as currently agreed until this review is completed in 2021.

11. Salary ranges

- 11.1 Table 3 below sets out the impact on the salary ranges if a 2% increase is applied to the top and bottom of each salary band.

Table 3: Impact of 2% uplift on Senior Manager salary ranges

Role	Salary Range April 2019	Salary Range with 2% uplift from 1 April 2019
Chief Officers	£125,998 - £170,141	£128,517 - £173,543
PMA	£110,976 - £125,510	£113,195 - £128,020
PMB	£81,371 - £111,925	£82,998 - £114,163
PMC Zone 1	£73,036 - £80,553	£74,496 - £82,164
PMC Zone 2	£64,443 - £73,035	£65,731 - £74,495
PMC Zone 3	£54,441 - £64,442	£55,529 - £65,730

- 11.2 Individual salaries within this range will be managed as set out in the Reward Policy toolkit – the Senior Manager Pay Practice Guide.

12. Equality Implications

- 12.1 When considering proposals placed before Members it is important that they are fully aware of and have themselves rigorously considered the Equality implications of the decision that they are making. Rigorous consideration will ensure proper appreciation of any potential impact of that decision on the County Council's statutory obligations under the Public Sector Equality Duty. As a minimum this requires decision makers to read and carefully consider the content of any Equalities Impact Assessment (EqIA) produced by officers.
- 12.2 The Equality Act 2010 requires the County Council when exercising its functions to have due regard to the need to (a) eliminate discrimination, harassment, victimisation and other conduct prohibited under the Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The protected characteristics under the Equality Act 2010 are age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion and belief, sex and sexual orientation.
- 12.3 There are no equalities implications in relation to the decisions recommended in this report. Any equalities implications relating to the implementation of the decisions will be taken into account as part of the moderation process of senior manager performance ratings.

13. Financial Implications

- 13.1 The recommendations covered in the report are able to be met within existing budgets. The Integrated Plan will account for a 2% pay award for Senior Managers.

SALARY REVIEW APRIL 2020: CHIEF EXECUTIVE

Report of the Assistant Director, Human Resources

Author: Emily Austin, Senior HR Manager, Human Resources (Tel: 01707 292751)

1. Purpose of report

- 1.1 The salary of the Chief Executive is locally determined. The effective date for the review of his salary is 1 April each year. This report makes proposals to the Employment Committee regarding the pay and performance payment for the Chief Executive for 2020/21.

2. Summary

- 2.1 The Council's scheme of delegation provides that the Employment Committee:

- Determines the pay award for the Chief Executive.

- 2.2 This report sets out factors for the Employment Committee to consider in relation to the pay of the Chief Executive from 1 April 2020.

3. Recommendation

- 3.1 That, subject to the Committee agreeing the recommendations in paragraph 3.1 of the report to this meeting of the Employment Committee entitled 'Salary Review April 2020: Chief Officers, Deputy and Assistant Directors and Heads of Service', the Chief Executive be awarded:

- (i) a consolidated cost of living increase of 2% to his salary if he achieves an overall rating of Fully Achieved or Exceed in his annual performance review, with effect from 1 April 2020. This increase **may** be subject to review upon settlement of the NJC for Local Government Workers pay award for April 2020 once it is agreed.
- (ii) a non-consolidated performance related payment of £3250 if he achieves an Exceed rating in 2019/20.

4. Context

- 4.1 The recommendations in this report reflect the decisions made by Employment Committee on 3 March 2014 in respect of the management of annual senior manager pay reviews (including that of the Chief Executive). This was to annually pay a consolidated cost of living increase (where applicable) to those senior managers who receive an annual performance rating of 'Fully Achieved' or 'Exceed', the value agreed to be based on an assessment of a number of factors (e.g. market / affordability). In addition, to award a non-consolidated lump sum payment for those Senior Managers who achieve a performance rating of 'Exceed'. The Employment Committee is, therefore, required to agree the value of a cost of living award and also the value of the Exceed payment annually.

5. Looking Back

- 5.1 The current Chief Executive was new in post on 1st January 2019 and therefore was not awarded a cost of living award in April 2019.

6. Benchmarking

- 6.1 Benchmarking conducted across Hertfordshire's 5 neighbouring councils (Bedfordshire, Buckinghamshire, Essex, Kent and Cambridge) from statements of accounts published in April 2018/19 shows that the **grossed median annual basic pay for Chief Executive posts was £190,420**.
- 6.2 The Chief Executive's current salary falls slightly below this figure. However, these figures are skewed by one particularly high salary and furthermore as the Chief Executive is fairly new in post with no previous experience as a Chief Executive a lower salary is to be expected.

7. Options for a Cost of Living & Exceed Payment – 2019/20

- 7.1 Options of a cost of living award of either 0% (at nil cost) / 1% (at a cost of £1800) / 2% (at a cost of £3600) or 3% (at a cost of £5400) have been considered. A 2% award is recommended reflecting the recommendation for all other senior managers. This is recommended as this is anticipated to be in line with the NJC for Local Government Workers pay award for April 2020, although this has not as yet been settled. This also aligns to median basic pay expectations. Although the pay review for the Chief Executive / senior managers is not dependant on the NJC settlement, the recommendation is considered to be fair and equitable to ensure reasonable parity. It is also recommended that the 2% be subject to further review should the NJC settlement significantly vary. This does not mean or guarantee that the value of the award will change, but that it allows for any consideration of this should it be felt appropriate.

- 7.2 The Chief Executive will be eligible for a performance payment at the end of the 2019/20 performance year if he achieves an Exceed rating. The recommended options for exceed payments are either a one off non consolidated payment of £2k, £3k, £3250 or £4k. The recommended value for an Exceed payment is £3,250, reflecting the recommendation for all other senior managers. This reflects the value paid over the last 5 years but with a cost of living increase applied.

8. Equality Implications

- 8.1 When considering proposals placed before Members it is important that they are fully aware of, and have themselves rigorously considered the Equality implications of the decision that they are making. Rigorous consideration will ensure proper appreciation of any potential impact of that decision on the County Council's statutory obligations under the Public Sector Equality Duty. As a minimum this requires decision makers to read and carefully consider the content of any Equalities Impact Assessment (EQiA) produced by officers.
- 8.2 The Equality Act 2010 requires the County Council when exercising its functions to have due regard to the need to (a) eliminate discrimination, harassment, victimisation and other conduct prohibited under the Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The protected characteristics under the Equality Act 2010 are age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion and belief, sex and sexual orientation.
- 8.3 There are no equalities implications in relation to the decision recommended in this report.

9. Financial Implications

- 9.1 The recommendation covered in the report is able to be met within existing budgets.

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PAY POLICY 2020/21

Report of the Assistant Director, HR, Sally Hopper

Author: Emily Austin, Senior HR Manager, Strategy, Policy & Reward
(Tel: 01707 292751)

Executive Member: - Ralph Sangster, Resources & Performance

1. Purpose of report

- 1.1 To present to Employment Committee the Pay Policy for 2020/21 as per the requirements set out in the Localism Act 2011 and to invite the Committee to recommend to County Council that Council adopts the Pay Policy for 2020/21.

2. Summary

- 2.1 The Localism Act 2011 (the '2011 Act') requires local authorities to publish a pay policy annually. The purpose of a pay policy is to assist with the drive for greater transparency and accountability in relation to pay. The policy must at a minimum cover the level and elements of remuneration of Chief Officers (as defined by the 2011 Act), but local authorities have the discretion to broaden the policy to cover other terms and conditions and employee groups.
- 2.2 This report sets out the proposed pay policy for the Council for 2020/21 and the pay ratio to be published; it also references the data to be released in April 2020 as part of the Council's annual publication of senior manager data, signposted from the Pay Policy.

3. Recommendations

- 3.1 1. That the Employment Committee *recommends* to County Council: -

That County Council adopts the Pay Policy for 2020/21 as set out in Appendix 1 to the report."

2. That the Employment Committee notes the data release, including the County Council's gender pay gap information, for April 2020 as set out in the report.

4. Background

- 4.1 The Localism Act 2011 requires all local authorities to prepare and publish an annual pay policy statement to articulate the Council's policies on the remuneration of both its highest and lowest paid employees for the following financial year.
- 4.2 Publication of the pay policy is to assist with the drive for greater transparency and accountability of senior managers' pay, providing information to the public about how the Council sets and manages pay for senior managers and also for its lowest paid employees. This is also in line with the Department for Communities and Local Government (DCLG's) 'Local Government Transparency Code 2015'.

5. Scope of the Pay Policy

- 5.1 The Localism Act 2011 requires the pay policy to include information relating to the Head of Paid Service, the Monitoring Officer, Chief Officers (statutory and non-statutory) and Deputy Chief Officers, as defined in the Local Government and Housing Act 1989 and including Public Health. Schools employees are excluded from the scope of the pay policy as each school is already required to publish its own pay policy.

6. Recommendations for content of the Pay Policy for 2020/21

- 6.1 Employment Committee is asked to review the content of the pay policy and is invited to recommend to County Council that the pay policy, set out in Appendix 1 to the report, be adopted. The pay policy for 2020/21 remains largely the same in format as previous policies. All relevant figures and dates have been updated where possible – or will be once new data is known. The areas that have been updated for 2020 are highlighted in yellow in the attached Pay Policy at Appendix 1. The only substantive change is;

- Section 7.8.1 has been reduced to one paragraph (from two) setting out the current arrangements for the management and payment of Returning Officer election fees to the Chief Legal Officer.

- 6.2 Employment Committee has previously noted some inconsistency of terms, specifically relating to annual leave within the Senior Manager population. These will be addressed as part of the Future Workforce transformation programme, part of the Council's wider transformation programme.

- 6.3 Within the parameters of the guidance around the Act the following definitions will be used within the Council's pay policy for 2020/21;

- The definition of the Council's lowest paid worker is the lowest national spinal column point (SCP) 1.

Note 1: The Council has renumbered all pay points in line with the NJC for Local Government Workers pay settlement for April 2019. This is the lowest pay point the Council can appoint to and, therefore, is the Council's lowest pay point. As at 1 April 2019 this is a full time value of

£17,364. This will be updated to the figure for April 2020 when this pay settlement is agreed nationally.

Note 2: This is with the exception of Health and Social Care Trainees (previously known as 'Care Cadets') who are paid £115 per week (this is above the National Minimum wage for Apprenticeships).

6.4 The definition of the ratio from 1 April 2020 is in line with the DCLG's Local Government Transparency Code 2015 as follows: -

- The ratio between the total remuneration of the Council's highest paid employee (Chief Executive) on 1 April 2020 and the median earnings figure for the whole of the Council's workforce (exc. schools). The earnings are calculated on remuneration, including additional payments such as bonuses. This ratio will be calculated based on data in April 2020 and the final figure published thereafter.
- The current published ratio (from April 2019) between the total remuneration of the Council's highest paid employee (Chief Executive) and the median earnings figure for the whole of the Council's workforce (exc. schools) was **1:6.7**. It is anticipated this will not vary significantly in April 2020.

7. Open Data Release for 2020/21

7.1 The following information will also be published on the Council's website in compliance with The Accounts and Audit Regulations 2015 and The Local Government Transparency Code 2015:

- The number of employees whose remuneration is at least £50,000 in brackets of £5,000 (as set out in the Statement of Accounts).
- Details of the remuneration and job titles of certain senior employees whose salary is £50,000 or more; employees whose salaries are £150,000 or more are also identified by name (as set out in the Statement of Accounts).
- A list of responsibilities and bonus payments of certain senior employees whose salary is £50,000 or more (as set out in the Statement of Accounts).
 - Organisation chart covering the top three management tiers of the organisation showing the following information on: Grade, job title and local authority department
 - Whether permanent or temporary
 - Contact details (a generic email address)
 - Salary in £5,000 brackets,
 - Salary ceiling (the maximum salary for the grade).

Senior employees have been defined as the Chief Executive, his direct reports, Chief Officers (Directors), Deputy Chief Officers (Deputy / Assistant Directors) and the Monitoring Officer. Senior employees are identified by name and form the top three management tiers of the Council.

8. Gender Pay Gap

- 8.1 From April 2017, under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, all public sector employers are required to annually publish calculations showing their gender pay gap, based on data as at the snapshot date of 31 March. Hertfordshire County Council (HCC) is required by law to calculate and publish the organisation's Gender Pay Gap as at 31 March 2019 by 30 March 2020. This data will be published on the Council's website along with the information on the Open data release and is included in this report for the Committee to note.
- 8.2 The Gender Pay Gap is defined as the differences in average earnings of men and women over a set time period. The data does not include data for schools, as schools or traded services have responsibility for reporting their own Gender Pay Gap if they employ over 250 employees.
- 8.3 As at 31 March 2019, HCC had 7958 employees, consisting of 5370 females and 2588 males. 35.7% of the workforce was part time and 64.3% was full time. HCC's workforce consists of predominantly more females at 67.5% than male employees at 32.5%. This is typical of Local Government gender profiles and the County Council's Gender Pay Gap figures should be considered in this context.
- 8.4 **The County Council's mean gender pay gap is minus -2.80%. The female hourly pay rate is £15.07, and the male hourly rate is £14.66. This shows that when using the 'mean' calculation the County Council pays females 2.80% (0.41p per hour) more than males.**
- 8.5 **The County Council's median gender pay gap is 1.79%. The female hourly pay rate is £13.72, and the male hourly pay rate is £13.97. This shows that when using the 'median' calculation the County Council pays males 1.79% (0.25p per hour) more than females.**
- 8.5 The data indicates that in 2019 there remains a very small negative pay gap of minus -2.80%, with no significant change from minus -2.86 in 2018. The County Council's average hourly rate for females is only 41p more than that of males. HCC's overall median gender pay gap is a gap of 1.79% in favour of males (minus-1.90 in 2018 in favour of females), with the median hourly rate for males only very slightly higher than those of females. The County Council's pay gap is significantly lower than the national average. The mean gender pay gap in local government in 2018/19 is 6.1% and the median gap is 4%. Across the whole economy the mean gap is 14.2% (Local Government Association).

8. Approval of the Pay Policy

- 8.1 The pay policy must be approved by Full Council by 31 March each year. After approval or revision, the Pay Policy must be published on Hertfordshire.gov.uk in an easily accessible manner and linked to the Open Data release.
- 8.2 Once published the Council must comply with the Pay Policy for the relevant financial year and will be constrained by it when making any decisions relating to roles within scope of the policy.

8.3 Timetable for approval is as follows;

Action / Approval	Date
Employment Committee	10 February 2020
Full Council	24 March 2020
Publication of Pay Policy & Open Data	April 2020

9. Financial Implications

9.1 There are no financial implications of the publication of Pay Policy or the data release.

10. Equalities Implications

10.1 When considering proposals placed before Members it is important that they are fully aware of, and have themselves rigorously considered the Equality implications of the decision that they are making. Rigorous consideration will ensure proper appreciation of any potential impact of that decision on the County Council's statutory obligations under the Public Sector Equality Duty. As a minimum this requires decision makers to read and carefully consider the content of any Equalities Impact Assessment (EQiA) produced by officers.

10.2 The Equality Act 2010 requires the County Council when exercising its functions to have due regard to the need to (a) eliminate discrimination, harassment, victimisation and other conduct prohibited under the Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The protected characteristics under the Equality Act 2010 are age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion and belief, sex and sexual orientation.

10.3 There are no equality implications of the publication of Pay Policy or the data release

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APPENDIX 1

Hertfordshire County Council Pay Policy 2020/21

1. Introduction

- 1.1 This Pay Policy 2020/21 sets out the Council's position in relation to pay for its senior managers and lowest paid employees in compliance with the Localism Act 2011.
- 1.2 The Policy outlines the Council's approach to how it manages pay for its senior managers and sets out the Council's definition of its lowest paid employees.

2. Scope of Pay Policy

- 2.1 The Pay Policy covers the following roles at Hertfordshire County Council:
- Chief Executive (Head of Paid Service);
 - Directors (Chief Officer statutory and non statutory);
 - Deputy and Assistant Director roles (this includes the roles of Deputy Chief Officer and Monitoring Officer and NHS Consultants);
 - Heads of Service (where they report to a Director);
 - Chief Fire Officer;
 - Deputy Chief Fire Officer;
 - Assistant Chief Fire Officer.
- 2.2 The following roles form the Council's Strategic Management Board:
- Chief Executive (Head of Paid Service);
 - Director of Resources (Chief Finance Officer)
 - Director Adult Care Services (Statutory Director of Adult Social Services);
 - Director of Children's Services (Statutory Director Children's Services);
 - Director Community Protection (Chief Fire Officer);
 - Director of Public Health; (Statutory Director Public Health)
 - Director of Environment & Infrastructure (Statutory Traffic Manager)
- 2.3 The terms of the employees referred to in paragraph 2.1 are all set by the Council via individual agreements. They are not covered by any nationally determined collective agreements. The exception to this is NHS Consultants who report to the Director of Public Health. The terms and conditions and pay for Consultants in Public Health are set nationally by the NHS Employers. Pay is reviewed annually by the Doctors and Dentists Review Body.
- 2.4 This Pay Policy does not cover those employed in schools. Each school is already required to publish a separate pay policy.

3. Job Evaluation

- 3.1 All roles are evaluated using the Hay job evaluation methodology to ensure roles are graded fairly, accurately and consistently. This allocates each role a locally agreed grade. These grades are Chief Officer, PMA, PMB or PMC. PMC is split into 3 zones. Each grade is matched to a salary range. These salary ranges are set by the Council.

4. Salary Ranges

- 4.1 All senior managers are paid on spot salaries within a salary range. The salary ranges exist to set a minimum and maximum for each grade. There are no increments in the salary ranges. Salary ranges are reviewed annually in January. The Employment Committee agrees any changes to the Chief Officer salary range and the fixed salary point of the Chief Executive and makes a recommendation to the Chief Executive for any changes to the salary ranges for Deputy and Assistant Directors and Heads of Service. These are undertaken against an assessment of the local and national market including an assessment of inflation rates. Any changes to salary ranges are implemented in April. See section 8.1 for further details.
- 4.2 The Chief Executive is the highest paid role in the Council. The role has a fixed salary point. The current basic salary for the role of Chief Executive at Hertfordshire County Council is currently £180,000. **This will be updated once the pay increase is agreed by 1st April 2020.**
- 4.3 All salary ranges and the fixed salary point for the Chief Executive are published on the Council's website, Hertfordshire.gov.uk.

5. Recruitment and retention of Senior Managers

- 5.1 All senior manager vacancies will require an assessment of the market prior to advertisement to make a decision in regard to the 'circa' salary within the salary range, (or zone for PMC) that the role should be advertised at. The entire salary range should not be advertised.
- 5.2 All appointments to senior manager posts are made on a spot salary within the salary range that the role has been allocated to. Spot salaries should be at the lower end of the market indicators. Consideration will be given to:
- The wider recruitment market
 - Relativity of salaries of comparable roles
 - Equality
 - Size and responsibilities of the post and duties to be undertaken.
- 5.3 The decision on the salary of the post prior to an offer being made will be approved by the Assistant Director, Human Resources (HR). See

section 5.4 with regard to posts with salary packages over £100,000 per annum.

- 5.4 Recruitment to vacancies with salary packages above £100,000 per annum will be in accordance with Annex 14 of the Constitution and this Pay Policy.
- 5.5 The decision on the actual salary over £100,000 per annum within the ranges set by Employment Committee to which an employee is appointed will be made by the Chief Executive in consultation with Group Leaders following guidance from the Assistant Director, Human Resources (HR). If any Group Leader or Group Leaders who individually or collectively represent 5 or more members of the Council dissent from the proposed salary for an appointment then the salary package for that appointment shall be referred to full Council for decision.
- 5.6 In exceptional circumstances the Council retains the discretion to apply an additional payment to retain a senior manager where appropriate, based on the market. These payments are approved by the Chief Executive with guidance from the Assistant Director, HR. Where:
- (i) the proposed additional payment is to an employee whose salary is already £100,000 p.a. or more, or
 - (ii) the proposed additional payment if approved would result in the employee's salary rising to £100,000 p.a. or more

The Chief Executive will consult Group Leaders on the proposed increase. If any Group Leader or Group Leaders who individually or collectively represent 5 or more members of the Council dissent from the proposed additional payment then the salary package for that employee shall be referred to full Council for decision.

- 5.7 The Council has made the decision that the approval of salary packages with a salary of £100,000 p.a. or more and increases in salary as mentioned in paragraph 5.6 above shall be decided as set out in the preceding paragraphs taking into account that the limited number of times that full Council meets each year that it would not be an efficient use of resources to call full Council to consider an individual appointment or salary increase.
- 5.8 The process as set out in the preceding paragraphs enables some flexibility if any negotiation is required with a candidate on appointment. It also ensures that all Groups on the Council via their Group Leaders are made aware of proposed salary packages with a salary over £100,000 p.a. and increases as mentioned in paragraph 5.6 above and can express their views to the Chief Executive and if necessary the matter can be considered at a meeting of full Council.

6. Contract for Services

- 6.1 Exceptionally where a senior manager is engaged under a contract for services as a consultant (Note: The decision on employment status and the application of IR35 will be made in line with the Council's Employment Status and IR35 guidance) the rate of pay will be determined by the nature of the service to be delivered and the market rate for that role. The rate of pay will be agreed by the Assistant Director of HR in consultation with the relevant Director or the Chief Executive.

7. Remuneration Package

As well as basic salary all senior managers are employed on the following terms of employment:

7.1. Annual Leave

The annual leave year runs from 1 April to 31 March. Annual leave entitlement is dependent on grade and continuous service. In addition to annual leave, employees are entitled to statutory holidays each year. The annual leave entitlement for a full year (pro-rata for part-time staff) is as follows:

Role / Grade	Less than 5 years of continuous service	On the anniversary of 5 years continuous service	On the anniversary of 10 years continuous service
Chief Executive Chief Officer (CO's) Deputy and Assistant Directors (Grade PMA/PMB)	33 days	33 days	33 days
Heads of Service (Grade PMC)	28 days	30 days	31 days

7.2. Cars and Mileage

7.2.1 Lease Cars

- 7.2.1.1 Eligibility for a lease car is based on completing over 2250 average annual business miles per annum. Eligible employees receive a monthly contribution (£50 per calendar month for those completing over 2250 average annual business miles per annum and £100 per calendar month for those completing over 5500 average annual business miles per annum) from the Council towards the cost of the car. All lease cars are limited to those with emissions below 100 g/km of CO₂.

7.2.2 All lease car business mileage can be claimed using HMRC's company car Advisory Fuel Rates.

7.2.3 Private Cars

Where an employee uses their own private car for business use all business miles undertaken can be claimed at a rate based on the HMRC's Approved mileage rate.

7.3 Sick Pay

7.3.1 The entitlement to sick pay for all employees is as follows:

First 2 days absence in each period of absence	No pay
During the first 6 months of service	Statutory Sick Pay Only
During the second 6 months service (month 7 – 12)	1 months full pay and 1 months half pay
During the second year of service	2 months full pay and 2 months half pay
During the third year of service onwards	3 months full pay and 3 months half pay
During the fourth year of service onwards	4 months full pay and 4 months half pay

7.4 Additional Payments

7.4.1 Senior managers are not entitled to claim any additional payments, such as overtime, standby or payments for working at the weekend.

7.5 Market Payments

7.5.1 The Council retains the discretion to apply a market payment to attract or retain a senior manager where appropriate. These payments are approved by the Chief Executive with guidance from the Assistant Director, HR.

7.6 Subsistence Rates

7.6.1 Senior managers are only entitled to claim subsistence for meals if they are required to stay out of the county on business.

7.7 Honoraria payments

7.7.1 Honoraria payments are made in exceptional circumstances where an employee is temporarily taking on additional duties of another post. The value of the payment will be proportionate and based on the amount of work and length of time the additional duties are undertaken.

All payments are approved by the Chief Executive with guidance from the Assistant Director of HR.

7.8 Election Fees

7.8.1 The Chief Legal Officer is the Returning Officer for County Council elections and this role forms part of their normal duties without any additional payment or benefit being paid or given to them. The Returning Officer's election fees will be paid directly to the district Deputy Returning Officers.

8. Managing Pay

8.1 Cost of Living Increases for Senior Managers

8.1.1 The decision on the setting of a cost of living increase is undertaken annually by the Employment Committee. The Committee decides on the value of any the cost of living award to be paid to the Chief Executive and the Chief Officers and makes a recommendation to the Chief Executive, who has the final decision on the value of any cost of living award to be paid to Deputy and Assistant Directors and Heads of Service.

8.1.2 Any cost of living increase that is agreed will be paid in April each year and consolidated into pay. In the exceptional circumstance where an individual's pay exceeds the maximum pay for the grade any payments (i.e. cost of living increase) will be made as a non-consolidated payment, unless this is paid for market purposes as set out in 7.5. Only those senior managers that achieve a performance rating of 'Fully Achieved' or 'Exceed' (see section 8.2 for further details of the performance management scheme) will be eligible for a cost of living award. Any employee who has a 'Not Met' or 'Partly Met' rating will not get cost of living increase consolidated into their pay and therefore their salary may fall below the minimum of the range if the range is increased.

8.1.3 Senior managers starting on or after 1 October will not receive a consolidated cost of living increase in the following April and will wait until the following performance year (i.e. up to 18 months) to receive a cost of living award set in the context that the employee will have received a pay increase within that period.

8.1.4 The decision on the value of any cost of living increase will take account of the current market (including inflation rates and affordability).

8.2 Performance Increases for Senior Managers

8.2.1 Individual performance of senior managers is assessed via the Council's Performance Management Development Scheme (PMDS).

At the end of each performance year their performance is assessed against their objectives and the Council's Values and Behaviours. Each manager is awarded an overall performance rating of 'Not Met', 'Partly Met', 'Fully Achieved' or 'Exceed', reflecting their achievement against their objectives and the Council's Values and Behaviours.

- 8.2.2 Employment Committee will each year agree on the value of a non-consolidated performance payment to be paid to the Chief Executive and the Chief Officers, subject to individuals achieving an Exceed rating, and makes a recommendation to the Chief Executive, who has the final decision on the value of a non consolidated performance payment to be paid to Deputy and Assistant Directors and Heads of Service that are awarded an 'Exceed' rating.
- 8.2.3 The decisions on the value of any performance payment will take account of the current market including inflation rates and affordability.
- 8.2.4 Any senior manager appointed between the 1 April and the 30 September of the performance year will qualify for the non-consolidated performance payment subject to their rating. Senior managers starting on or after 1 October will not qualify for the non consolidated performance payment until the end of the following performance year subject to their performance rating.

8.3 Change to pay mid performance year

- 8.3.1 Where a role significantly varies within the performance year an assessment will be undertaken of any additional duties to decide if an alteration to pay or grade is necessary.
- 8.3.2 All decisions relating to the movement of pay for Deputy and Assistant Directors and Heads of Service are assessed and approved by the Assistant Director of HR in consultation with the relevant Director or the Chief Executive. Any changes to pay for Chief Officers are approved by the Chief Executive with guidance from the Assistant Director of HR.
- 8.3.3 Where such a change to pay occurs, if it is on or after 1 October, they will not receive a consolidated cost of living increase in the following April and will wait until the following performance year (i.e. up to 18 months) to receive a cost of living award set in the context that the employee will have received a pay increase within that period.

8.4 Tax and Bonus Payments

- 8.4.1 Senior Managers may be eligible for a non-consolidated performance payment linked to performance each year. The eligibility and value of this payment is set by the Employment Committee as set out in section 8.2.

8.4.2 The Council's remuneration arrangements are designed to ensure payments are in line with taxation rules.

9. Payments on Termination of Employment for Senior Managers

9.1 Redundancy and Other Payments

9.1.1 An employee whose contract of employment is terminated due to redundancy will be eligible for a redundancy payment. Payments are made based on the statutory calculator for age and years of service but use that employee's actual week's pay.

9.1.2 An employee whose contract of employment is terminated may be entitled to other payments (e.g. payment in lieu of notice). Any such payments must be approved by the Assistant Director of HR and the relevant Chief Officer or the Chief Executive.

9.1.3 In exceptional circumstances, and specifically so as to settle a claim or a potential dispute, the Assistant Director of HR in consultation with the Chief Legal Officer, can agree payment of a termination sum.

9.1.4 Any exceptional payment(s) as part of a severance package that results in the severance package being of a value of £100,000 or more will be approved by the Chief Executive in consultation with Group Leaders following guidance from the Assistant Director of HR. If any Group Leader or Group Leaders who individually or collectively represent 5 or more members of the council dissent from the proposed payment(s) then that severance package shall be referred to full Council for decision.

9.1.5 The Council has made the decision that the approval of severance packages which include exceptional payment(s) bringing the value of the package to £100,000 or more shall be decided as set out in the preceding paragraph, taking into account that the limited number of times that full Council meets each year that it would not be an efficient use of resources to call full Council to consider an individual severance package. The process as set out in the preceding paragraph enables some flexibility to take into account the circumstances at the time of the ending of the individual's employment. It also ensures that all Groups on the Council via their Group Leaders are made aware of proposed severance packages with exceptional payment(s) that take the package to £100,000 or more and can express their views to the Chief Executive and, if necessary, the matter can be considered at a meeting of full Council.

9.1.6 The Council would not expect to re-employ an individual who has left the organisation as a result of a severance payment. The Council would not expect to re-employ an individual who has left as a result of redundancy or retirement immediately after they left unless it is to a vacancy that was not available at the time they left the organisation.

The Council would not expect to re-employ a principle Chief or Deputy Chief Fire Officer after retirement to their previous or similar post, save for in exceptional circumstances in the interests of public safety. Any such reappointment would be by a Member Committee. The relevant abatement rules under the Firefighters' Pension Schemes 1992 and 2006 would apply to benefits accrued prior to April 2015 (Note: the Firefighters' Pension Scheme 2015 does not provide for abatement).

9.1.7 An employee who is made redundant or retires must have a break of at least one month and one day to break their continuous service with the Council before they can be re-employed by the Council in a different position. If they are re-employed before this time they lose entitlement to any redundancy payment or may be liable for taxation on their retirement allowance.

10. Pensions (Local Government Pension Scheme & Firefighters Pension Schemes)

10.1 Membership

10.1.1 Membership of a pension scheme is determined by the employee's conditions of service and is subject to the provisions of the Scheme. All local government employees (including senior managers) are eligible to join the Local Government Pension Scheme (LGPS). The Chief Fire Officer and Deputy and Assistant Chief Fire Officers are entitled to join the Firefighters Pension Scheme.

10.2 Pension Contributions

10.2.1 Employee contributions are set nationally. The following table sets out the employee and employer contribution rates.

Scheme	Employee Contributions for those paid above £50k (1 April 2020)	Employer Contributions (1 April 2020)
Local Government Pension Scheme	8.5% / 9.9% / 10.5 / 11.4 or 12.5% depending on individual salary	20.6%
Firefighters Pension Scheme 1992	15.2% / 16% / 16.5% or 17% depending on individual salary	37.3%

New Firefighters Pension Scheme 2006	11.3% / 11.7% / 12.1% or 12.5% depending on individual salary	27.4%
Firefighters Pension Scheme 2015	12.9 / 13.5 % or 14.5% depending on individual salary	28.8%

10.3 Pension Scheme Discretions

10.3.1 County Council and Fire employees are eligible to be members of their statutory pension schemes. The core pension benefits of these schemes are determined by statutory regulations.

10.3.2 The Local Government Pension Scheme incorporates employer discretions and discretionary benefits. The Council has published the Local Government Pension Scheme discretions and the Firefighters Pension discretions on Hertfordshire.gov.uk. This sets out the parameters on managing pension decisions with regard to: business efficiency; ill-health retirement; early retirement requests; waiving any actuarial reductions; flexible retirement and request for payment of deferred benefits.

10.4 Pension Abatement

10.4.1 Abatement of pension is designed to restrict the income of pensioners who return to employment. This is a [discretion of the administering authority of the Local Government Pension Scheme](#), not the employer. The guiding principle adhered to by the County Council as Administering Authority for the Hertfordshire LGPS is that an employee should not have a bigger income as a result of receiving both a salary and a pension than they would have been paid had they remained in their original job. Abatement of pension applies to pension benefits built up before 1 April 2014. There are no abatement provisions in the Local Government Pension Scheme 2014.

10.4.2 The Firefighters' Pension Schemes 1992 and 2006 allow the Council to abate pensions of individuals who return to work with a fire authority in any capacity, including one that is subject to the Local Government Pension Scheme.

10.4.3 The Firefighters 1992 scheme allows members subject to at least 25 years' service, to retire before their protected pension age. For any firefighter who retires before their protected pension age and subsequently re-joins the Fire Authority or a connected employer (which would include another FRA and/or work as a retained firefighter) pension abatement rules do not apply.

10.4.4 Consultants who are contracted by the Council are either self-employed or employed by bodies who are not scheme employers and, therefore, pension abatement rules do not apply.

11. Lowest paid employees

11.1 The Council's definition of its lowest paid employee for the purposes of this policy is employees paid on the nationally agreed spinal column point 1. Note 1: the Council renumbered all pay points in line with the NJC for Local Government Workers pay settlement in April 2019. As at 1 April 2019 this equates to £17,364 per annum for a full time employee (i.e. working 37 hours a week). **NOTE: This will be updated as soon as we have the national pay settlement for April 2020.** This definition has been adopted as Hertfordshire County Council participates in national pay bargaining for all local government employees (excluding senior managers) and utilises the nationally determined spinal column points.

11.2 The Council has a policy on the pay for apprentices, individuals undertaking a work trial, industrial placements and Internships. All jobs are evaluated in line with the Council's Job Evaluation policy and paid on the Council's salary scales. All posts are paid at or above the Council's definition of the lowest paid employee (see section 11.1) with the exception of Health and Social Care Trainees who are currently paid £115 per week as part of a pre-apprenticeship scheme.

12. Pay Ratios

12.1 The Council has revised the ratio it publishes in April 2020 in line with the DCLG Local Government Transparency Code 2015. This ratio is published on the Council's website, Hertfordshire.gov.uk.

12.2 The revised definition is the ratio between the total remuneration of the Council's highest paid employee (Chief Executive) and the median total remuneration of all employees in Council Departments (excludes school employees). The Council's ratio is [here](#).

12.3 The earnings are calculated on remuneration including additional payments such as bonuses. This ratio is based on full time equivalent salaries.

13. Pay Transparency

13.1 In order to be transparent, the Council publishes the details of senior manager salaries and structures. This is published in line with the DCLG Local Government Transparency Code 2015 and for this purpose senior managers have been defined as the Chief Executive, their direct reports, Chief Officers, Deputy Chief Officers and the Monitoring Officer.

- 13.2 This data is reviewed and refreshed annually and can be found on Hertfordshire County Council website, Hertfordshire.gov.uk under; 'About the Council' then 'Freedom of Information and Council Data' and then 'Open Data Statistics about Hertfordshire'.
- 13.3 Information on senior manager salaries is also published in the [Council's Annual Statement of Accounts](#).