

| PAY POLICY STATEMENT FOR FINANCIAL YEAR 2012/13 | |
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| POLICY AREA UNDER THE ACT | POLICY STATEMENT |
| | <i>For the purposes of this policy statement the term “Chief Officer” includes the Chief Executive, Statutory and non statutory Chief Officers and Deputy Chief Officers within the meaning of the Local Government and Housing Act 1989.</i> |
| Level and elements of remuneration of Chief Officers and relationship with the remuneration of employees who are not Chief Officers | <p>In response to market forces the Council has adopted a local pay and grading system known as the Management Grades (MG) for senior managers including Chief and Deputy Chief Officers.</p> <p>Following a fundamental pay and grading review the Council has also adopted a local pay and grading structure known as the Bromley Grades (BR) for other staff employed within the framework of the NJC for Local Government Services. These arrangements were implemented via a Bromley Single Status Collective Agreement reached with the relevant recognised trade unions.</p> <p>Senior managers at Bromley Adult Education College are employed on the MG grades. Lecturers and sessional staff at the College are employed on pay and grading arrangements agreed locally by the Local Joint Negotiating Committee consisting of elected Members and staff representatives. The current rates can be found at BAEC Pay Scales 2009</p> <p>The Council has agreed the process of job evaluation as a way of ensuring a fair system of remuneration relative to job weight thereby managing any risk of equal pay claims. MG jobs are graded using the James job evaluation system, and BR jobs are graded using the Greater London Provincial Council (GLPC) Job Evaluation Scheme. The BR grades are based around “anchor” salary points on the GLPC pay spine and consist of incremental scales; the values of the spine points are reviewed annually via a process of collective</p> |

bargaining at regional level. A copy of the current BR salary scales can be found at [BR scales](#)

Individuals employed on the MG grades are appointed to a spot salary within the relevant salary bands having regard to the Council's ability to recruit and retain suitably qualified, skilled and experienced officers to deliver excellent front line services and achieve Council priorities. Exceptionally staff may be paid outside of the relevant band for their grade because of market forces. The same principles apply to anyone who is engaged on a self-employed basis and paid under a contract for services. Under the [Special Recruitment measures](#) agreed by Chief Officers, every recruitment request including permanent, temporary, casual, agency staff or self employed is scrutinised and formally approved first by the Director and then the Assistant Chief Executive (Human Resources) on behalf of the Chief Executive.

Management Grade salary bands are currently reviewed annually in line with advice from external consultants as to the extent of market movement for jobs at this level. In the last 2 years this process has resulted in no increase being applied to the salary bands. A copy of the current MG salary bands can be found at [MG and MB Salary Scales](#). There is also an annual review of individual salaries within these bands however as with NJC staff on the BR grades the annual review process for Chief Officers and other senior staff in each of the last 2 years has resulted in there being nil increase or PRP (see below) applied to individual salaries.

The pay arrangements for both MG and BR staff are currently under review. The proposals include the introduction of a single localised annual pay review mechanism for all staff, and improving the links between pay and performance on a more individualised basis in the future.

The Council offers a lease car arrangement as a recruitment and retention incentive to certain staff occupying key posts including some front-line posts on the BR grades. Employees with a lease car are expected to make a 30% contribution to the cost and for Chief and Deputy Chief Officers the value range of this benefit is between £3,920 and £3,207 per annum subject to this not exceeding 70% of the car's current benchmark value plus insurance.

Any employee who does not have a lease car is eligible to receive a car user allowance if they use their own vehicle for business purposes. Rates are agreed nationally by the NJC but capped locally at the rate for cars

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| | <p>not exceeding 1199cc, other than in exceptional circumstances where the Assistant Chief Executive (HR) agrees that a car with a larger engine size is necessary for the efficient performance of the job.</p> <p>The Council normally engages a mix of external and internal personnel for election duties. The fees generally reflect the varying degree of roles undertaken by individuals. Fees paid to both the Returning Officer and the Deputy Returning Officer are in accordance with the appropriate Statutory fees and Charges Order and they reflect their personal statutory responsibilities.</p> <p>The Council is required to have measures in place to respond to any major emergency incidents in the Borough or on a pan London basis which includes a small group of Senior Officers on standby for the LA GOLD rota. The Chief Executive and Director of Environmental Services undertake the lead role and do not receive any additional remuneration for this. Other officers who undertake this role receive a payment commensurate with other call out allowances for the relevant period of the standby.</p> <p>All employees including Chief Officers are entitled to claim an interest free season ticket loan and reimbursement of any expenses necessarily incurred in the performance of their role including but not limited to travelling, and subsistence.</p> |
| Use of PRP for Chief Officers | <p>The annual review of individual MG salaries includes an assessment of work performance in the preceding twelve months. The performance of the Chief Executive in this process is appraised by the Leader and other elected Members. The Chief Executive and Directors are subject to a 360 degree appraisal process involving a range of feedback sources. Chief Officers and senior staff do not currently have an element of their basic pay “at risk” to be earned back each year; instead eligible staff normally receive a minimum of 50% of any recommended market increase as an ‘across the board’ inflation provision, whilst the remainder of the recommended % increase forms the basis of a calculation of performance related pay which is consolidated into basic salaries. However as noted above there has been no increase to individual salaries or payment of PRP as a result of the annual review process in each of the last 2 years, and the arrangements are under review for 2012 onwards.</p> |

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| Use of bonuses for Chief Officers | Not applicable. |
| Remuneration of lowest-paid employees | The Council's grading structure for BR staff starts at point 4 on the GLPC spine. The value of this spine point is currently £14,697 per annum and the Council therefore defines its lowest paid employee as anyone earning £14,697 (pro rata for part-time staff). The Council's pay multiple – the ratio between the Chief Executive as the highest paid employee and the lowest paid employee in the year 1 April 2010 to 31 March 2011 is 1:13, and between the Chief Executive and the median salary is £33,516 (ratio of 1:6). |
| Increases and additions to remuneration of Chief Officers | Where it is in the interests of the Council to do so the Chief Executive may review the salaries of Chief Officers and Senior Staff from time to time within the approved grading structure for their post (MG and MB Salary Scales). Such circumstances include for example but are not limited to the impact of market forces and staff undertaking significant additional responsibilities on a time-limited or permanent basis. |
| Remuneration of Chief Officers on recruitment | Where the post of Chief Executive falls vacant the salary package and the appointment will be agreed by Full Council. Full Council or a Member panel appointed by full Council or the Urgency Sub Committee will also agree any salary package in excess of £100K to be offered for any new appointment in 2012/13 to an existing or new post. All Chief Officer and Senior staff appointments will be made in accordance with the Council's agreed Constitution and Scheme of Delegation which can be found at www.bromley.gov.uk |
| Any discretionary increase in or enhancement of a Chief Officer's pension entitlement | <p>Chief Officers are eligible to join the Local Government Pension Scheme. The Council will not normally agree to any discretionary increase in or enhancement of a Chief Officer's pension entitlement. However each case will be considered on its merits and the Council recognises that exceptionally it may be in the Council's interests to consider this to achieve the desired business objective. Members' agreement will be required in all cases taking into account legal, financial and HR advice appropriate to the facts and circumstances.</p> <p>A Chief Officers' Panel is authorised to consider applications from staff aged 55 and over for early retirement without enhancement. The Panel may exercise discretion to waive any actuarial reduction of pension benefits in individual cases based on the demonstrable benefits of the business case including the cost, impact on the</p> |

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| | <p>service, officer's contribution to the service and any compassionate grounds.</p> <p>The Council has adopted a Flexible Retirement Policy under which a Chief Officers' Panel may agree to release an employee's pension benefits whilst allowing them to continue working for the Council on the basis of a reduced salary resulting from a reduction in their hours and/or grade. The policy requires that the employee is aged 55 or over and that there is a sound business case for any such decision and can be found at Flexible Retirement Policy</p> |
| <p>Approach to severance payments - any non statutory payment to Chief Officers who cease to hold office/be employed</p> | <p>Where demonstrable benefit exists it is the Council's policy to calculate redundancy payments on the basis of the statutory weeks' entitlement using the employee's actual salary.</p> <p>Under the Council's agreed Scheme of Delegation the Director of Resources has delegated authority to settle legal proceedings and/or to enter into a Compromise Agreement in relation to potential or actual claims against the Council. Settlement may include compensation of an amount which is considered to be appropriate based on an assessment of the risks and all the circumstances of the individual case.</p> <p>In exceptional cases where it is in the interests of the service to do so a payment in lieu of notice or untaken leave may be made on the termination of an employee's employment.</p> <p>The Council will not normally re-engage anyone as an employee or consultant who has received enhanced severance/redundancy pay or benefited from a discretionary increase in their pension benefits. However exceptionally it may be that business objectives will not be achieved by other means in which case a time-limited arrangement may be agreed by the Assistant Chief Executive (HR) and Director of Resources having regard to the Council's financial rules and regulations.</p> <p>Any application for employment from ex-employees who have retired at no cost to the Council, or who have retired or been made redundant from elsewhere will be considered in accordance with the Council's normal recruitment policy. However the Council operates an abatement policy which means that the pension benefits in payment to anyone who is re-employed in Bromley could be reduced in line with that policy.</p> |

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| <p>Publication of and access to information relating to this Policy and to the remuneration of Chief Officers</p> | <p>Once agreed the Council will publish this Pay Policy on its website www.bromley.go.uk. Full Council may by resolution amend and re-publish this statement at any time during the year to which it relates.</p> <p>The Council also discloses the remuneration paid to its Chief Officers and the remuneration of senior employees whose salary is equal to or more than £58,200 per year as part of its published accounts.</p> |
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