

DRAFT PAY POLICY STATEMENT 2023/24

**To:**

Civic Affairs Committee 8/02/2023

Report by:

Deborah Simpson, Head of Human Resources

Tel: 01223 - 458101 Email: deborah.simpson@cambridge.gov.uk

Wards affected:

All

1. Introduction

- 1.1 This report asks Civic Affairs Committee to consider a draft Pay Policy Statement for 2023/24, attached as Appendix 1 and the Council's senior pay arrangements, as set out in the report, for consideration at Full Council on 2 March 2023.
- 1.2 A pay policy statement is required under the Localism Act which requires the Council to have considered, approved and published a pay policy statement for each financial year. This must be approved by Full Council and be in place by 31st March each year.
- 1.3 The pay policy statement covers posts designated 'chief officer'. For Cambridge City Council this includes the chief executive, directors and heads of service. The areas to be covered in the statement are: salary, expenses, bonuses, performance-related pay, severance payments, how election fees are paid and the pay policy on re-engagement of ex-employees. The Localism Act also requires the statement to define the lowest paid employees and the ratio to the highest earning employee.

2. Recommendations

The Civic Affairs Committee is asked to:

- 2.1 Consider and recommend to Council the draft Pay Policy Statement 2023/2024 attached as Appendix 1.
- 2.2 To consider and recommend to Council the pay proposals for chief executive, director and assistant director level pay bands following the 2022 review of senior officer salaries and as they relate to the senior management review.
- 2.3 To recommend to Council to delegate authority to the Head of Human Resources to update the Pay Policy Statement 2023/24 following consideration and approval of the proposed changes to the pay bands for the roles of Chief Executive, Director and Assistant Director.

3. Background

National Pay Awards

- 3.1 Pay awards are nationally determined in accordance with the Joint Negotiating Committee (JNC) for Chief Executives, the Joint Negotiating Committee (JNC) for Chief Officers and the National Joint Council for Local Government Services (NJC) for staff on Bands 1-11. Pay awards for all groups were agreed with effect from April 2022. The national pay negotiations with effect from April 2023 have not yet commenced.

Senior Officer Pay Review

- 3.2 The Council has an agreement that senior officer pay scales will be reviewed every three years in line with the current market median level pay, this includes chief executive, director and heads of service salaries. The review looks at the relative pay position of the Council's pay bands when compared to other councils.
- 3.3 The last review was undertaken in 2019 and the outcome reported in the 2020 Pay Policy Statement. No changes to the pay bands were made at that time. The next three year review and a separate review of the senior management structure and associated salary levels, were scheduled for 2022. National pay awards have been applied during this time.

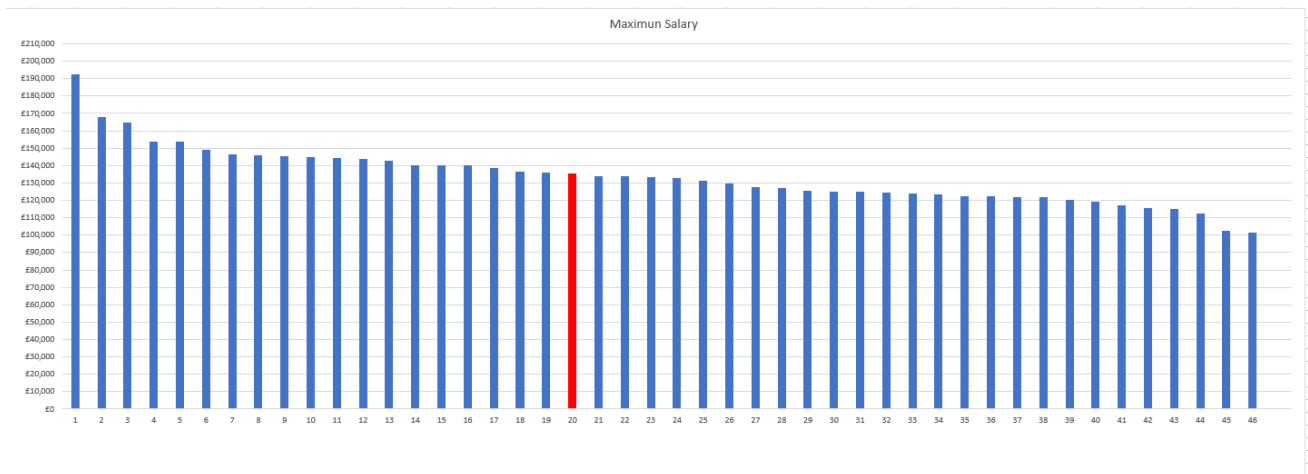
- 3.4 The Council is undertaking an ambitious transformation programme, Our Cambridge, which includes a review of the senior management structure. The Chief Executive published a consultation paper on proposals for a revised senior management structure on 10 November 2022 and following the conclusion of the consultation period on 10 December 2022 presented revised proposals to Strategy and Resources Scrutiny Committee on 30 January and will recommend final proposals to Full Council on 2 March 2023.
- 3.5 This senior management structure review includes proposed changes to the pay structure for existing heads of service roles to be replaced with a proposed role of Assistant Director. Proposals are set out below for a new pay structure for assistant director level posts.
- 3.6 In order to compare senior management salary levels for the 2022 review, data has been obtained relating to the salary levels of chief executive, director, assistant director (where shown) and heads of service levels posts in a representative sample of 46 district and borough councils from the six English regions.
- 3.7 Cambridge and the Greater Cambridge area is a high cost of living and housing area. It is a difficult area to recruit and retain across the public sector and pay and location are factors in attracting to posts at this level. Comparing to the market median may no longer be an appropriate pay strategy.
- 3.8 Analysis of this data indicates Cambridge City Council should review the salary levels all senior posts. Comparisons and proposals are set out below for revised pay levels for these posts with changes to the minimum and maximum salary levels.
- 3.9 Proposals are also set out for the new assistant director level roles which will replace the existing head of service posts and would apply to appointments at assistant director.

Chief Executive salary comparisons and proposals

- 3.10 A comparison has been made using published data on maximum salary levels for district and borough council chief executive level posts based on 2022 pay levels prior the national settlement. At this time the maximum pay point on the chief executive pay scale was £135,592. All of the data is prior to the settlement of the 2022 pay award. Following the national settlement the maximum pay point is now £137,517.

The maximum salary for the chief executive pay band at Cambridge City was ranked 20 out of 46 and 14 of 22 when looking at comparators in the East of England region.

The table below shows the position of Cambridge in the ranking of the sample of 46 councils.



- 3.11 It is proposed to delete one point from the bottom of the pay band for the chief executive pay scale and add one new point to the top. This would increase the maximum of the chief executive pay scale to £142,617 (based on the updated 2022 national pay award salary level of £137,517), an increase of £5,100, 3.71% on this pay point. The current difference between pay points on this pay scale is approximately £5,100. This increase would take effect ahead of any national pay award in 2023.
- 3.12 This would put the maximum chief executive pay on par with the maximum for East Cambridgeshire, but lower than Huntingdonshire, Fenland, Oxford, and all Suffolk districts. It would put Cambridge approximately 14th out of the 46 councils sampled. It should be noted that the proposed increase is to the pay band, not the current pay of the chief executive.

Director salary comparisons and proposals

- 3.13 A comparison has been made using published data on maximum salary levels for district and borough council director level posts based on 2022 pay levels. At this time the maximum pay point on the director pay scale was £103,745. All of the data is prior to the settlement of the 2022 pay award. Following the national settlement the maximum pay point is now £105,670.

The maximum salary for the director pay band at Cambridge City was ranked 15 out of 46 and when looking at comparators in the East of England region was 9 of 22.

The table below shows the position of Cambridge in the ranking of 46 councils.



- 3.14 It is proposed to delete one point from the bottom of the pay band for the director pay scale and add one new point to the top. This would increase the maximum of the director pay scale to £109,334 (based on the updated 2022 national pay award salary level of £105,670), an increase of £3,664, 3.47% on this pay point. The current difference between pay points on this pay scale is approximately £3,664. This increase would take effect ahead of any national pay award in 2023. As a result, maximum director pay would likely increase in the ranking to around 11 out of 46 – the beginning of the upper quartile.
- 3.15 It should be noted that posts of director are currently subject to review under the senior management review and it is proposed to have three posts at this level. There are currently two. The costs of implementing the new senior management structure have been based on average salaries and are accounted for in the senior management review costing proposals.

Head of Service/Assistant Director salary comparisons and proposals

- 3.16 A comparison has been made using published data on maximum salary levels for district and borough council heads of service, and where

available assistant director level posts, based on 2022 pay levels. At this time the maximum pay point on the head of service pay scale was £79,326. All of the data is prior to the settlement of the 2022 pay award. Following the national settlement the maximum pay point is now £81,251.

The maximum salary for the head of service pay band at Cambridge City was ranked 20 out of 46 and when looking at comparators in the East of England region was 10 of 22. Over 80% of existing staff are at the top of the head of service pay band.

The table below shows the position of Cambridge in the ranking of 46 councils for head of service level posts.



- 3.17 It is proposed to delete two points from the bottom of the pay band for the head of service pay scale and to add four points to the top of the scale to create a new six-point scale. This would increase the maximum of the assistant director pay scale to £91,450 (based on the updated 2022 national pay award levels). The difference between pay points on the pay scale is approximately £2,500. This revised scale would take effect ahead of any national pay award in 2023 and would apply to new posts. As a result, the assistant director maximum would likely increase in the ranking to around 6 out of 46.
- 3.18 The pay band of assistant director will replace the current pay band of head of service. There are currently 13 posts on this grade. It should be noted that posts of head of service are currently subject to review under the senior management review. These proposals would reduce the number of posts in this new assistant director pay band from 13 to 7.
- 3.19 There will be two levels within the pay band, Level 1 and Level 2 with a BAR after the third point. Progression within Level 1 and Level 2 will be

subject to performance review. Appointment to Level 2 will be at the discretion of the Chief Executive and will be for Assistant Director roles which report directly to the Chief Executive and are part of the Council's appointed Leadership Team. There are proposed posts of Assistant Director which will report to a Director and are not part of the Council's appointed Leadership Team. The table below outlines the differences in these responsibilities.

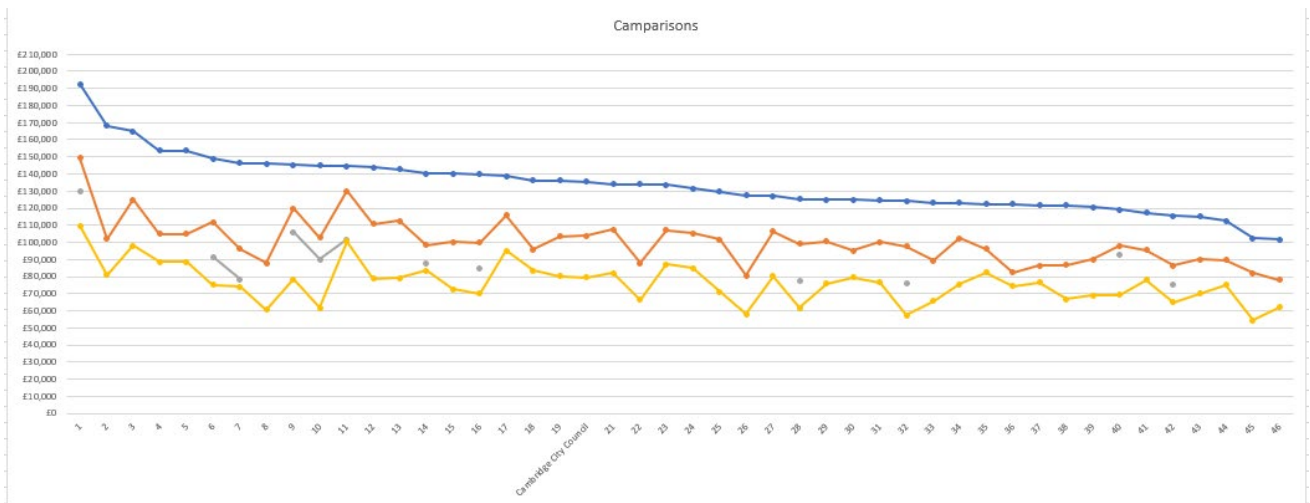
Assistant Director (Level 2)	Assistant Director (Level 1)
Deputises for Chief Executive on relevant area / specifics	Deputises for Director and other corporate leaders as required to ensure directorate responsibilities are discharged
Member of Leadership Team	Invited to attend Leadership Team
Responsible for strategy, delivery, operational management and budget of more than two clusters of council business	Responsible for strategy, delivery, operational management and budget of one or two clusters of council business
Develop, influence and deliver corporate objectives and accountable for cross cutting work and driving corporate performance	Supports Director and other corporate leaders to develop and deliver corporate objectives, cross cutting work and corporate performance
Provides and delivers a clear vision and leadership for strategic clusters	Provides and delivers a clear vision and leadership for clusters of council business
Leads a cluster of services with over xxx staff or a budget of xxx	Leads a cluster of services with over xxx staff, and budget up to xxx
Provides professional guidance and knowledge on area of expertise (may require qualification)	
Line Manager for relevant operational / specific expertise functions	
Member liaison and support	

3.20 The costs of implementing the new senior management structure have been based on average salaries and are accounted for in the senior management review costing proposals.

Overview of Pay Comparisons

3.21 The table below shows the pay comparison across the 46 districts and boroughs for maximum salaries for chief executive (top line), director (middle line) and head of service (bottom line) level posts. The spot salaries are where there is data for additional assistant director level roles.

The chart is organized by chief executive salary level and Cambridge City Council is marked at position 20.



4. 2022 Pay Review Proposals

- 4.1 The three year pay review has been undertaken for 2022 by the Head of Human Resources, using pay benchmarking data obtained from published pay information from 46 district and borough councils.
- 4.2 The current benchmarking of senior salaries suggests the pay levels for chief executive and director pay bands should be increased at the maximum salary level in line with our comparator authorities if we wish to remain competitive in the job market to both attract and retain people in a high cost of living area.
- 4.3 As a result of analysing the benchmarking pay comparison data it is recommended that there is an increase in minimum and maximum pay for the pay band for the posts of chief executive and director. It is proposed to do this by removing the bottom point of the four-point scale and adding a new point at the top, to retain the four-point scale and incremental progression based on performance review.
- 4.4 The proposals to have revised Assistant Director roles and delete current head of service level roles are set out the Chief Executive's Senior Management Review. The proposed pay points for the new six-point Assistant Director scale are shown below with a BAR to progression beyond the third point from level 1 to level 2. The new pay band structure would replace the current head of service grade for these new roles,

extended to set a salary to recruit and retain posts at the Assistant Director Level 1 and Level 2.

A table showing the proposals in relation to the current pay points is shown below:

Post	Existing point	Point 1	Point 2	Point 3	Point 4	Point 5	Point 6
Chief Executive	£122,172 Delete	£127,280	£132,379	£137,517	£142,617 New	-	-
Director	£94,684 Delete	£98,348	£102,006	£105,670	£109,334 New	-	-
Head of Service (Replace with new Band)	£73,931 Delete	£76,382 Delete	£78,798 See below	£81,251 See Below	-	-	-
Proposed Assistant Director (Level 1 and 2 with bar)	-	£78,798 Level 1	£81,251 Level 1	£83,689 New Level 1	£86,200 New Progression subject to Bar Level 2	£88,786 New Level 2	£91,450 New Level 2

4.5 The proposed pay ranges would change from and to:

- Chief Executive – from £122,172 - £137,517 to **£127,280 - £142,617**.
- Director – from £94,684 -£105,670 to **£98,348 - £109,334**.
- Head of Service – from £73,931- £81,251 – deleted
- Assistant Director – from **£78,798 - £91,450** (Level 1 and Level 2, BAR at £86,200)

4.6 The next three year review of senior management pay is scheduled for 2025 but it is recommended this is kept under review following the full implementation of the proposed senior management structure.

5. Implications

a) Financial Implications

The Council has made budget provision in the Medium-Term Financial Strategy for 3.0% pay inflation in 2023/24.

Any costs associated with the changes to pay points for Assistant Director, Director and Chief Executive pay scales in 2023 will be met from the senior management review.

b) Staffing Implications

This report relates to the pay, terms and conditions of staff.

c) Equality and Poverty Implications

An equality impact assessment has not been undertaken for this report. Equality information by grade is reported annually to the Equalities Panel and is available on the Council's website.

An equality impact assessment has been undertaken for the Senior Management Review.

d) Net Zero Carbon, Climate Change and Environmental Implications

The proposals in this report have no climate change impact.

e) Procurement Implications

The Living Wage Policy as it relates to contractors is included in the Pay Policy Statement.

f) Community Safety Implications

This report relates to the pay, terms and conditions of staff and does not impact directly on community safety matters.

6. Consultation and communication considerations

6.1 The Chief Executive, Directors, Head of Legal Practice, Head of Finance, Payroll Manager and Democratic Services Manager have been consulted on this report and the attached draft Pay Policy Statement.

6.2 The Leader of the Council, Executive Councillor for Finance, Resources and Transformation, Group Leaders, Chief Executive and trade unions, Unison and GMB have been consulted or briefed on the outcomes of the senior pay review.

Senior Officers have been updated on this report and the senior pay review.

6.3 This pay policy statement once approved by Full Council will be published on the Council's website. The Pay Policy Statement will be updated following any agreed national pay award changes which affect the council's pay scales.

7. Background papers

Background papers used in the preparation of this report:

- Pay Policy Statement 2022/23
- City Council Pay scales
- Benchmarking data
- Senior Management Review – 10 November 2022

8. Appendices

Appendix 1- Pay Policy Statement 2023/24.

9. Inspection of papers

To inspect the background papers or if you have a query on the report please contact: Deborah Simpson, Head of Human Resources, tel: 01223 - 458101, email: deborah.simpson@cambridge.gov.uk.

Pay Policy Statement 2023/24

Scope

This pay policy statement covers the posts of the chief executive, directors and heads of service.

The Council is an accredited Real Living Wage Employer, and this statement incorporates the Council's policy on the Real Living Wage. This statement also incorporates the Cambridge Weighting which is paid as a pay supplement to bring the minimum council pay rate to £11.00 per hour with effect from 1 April 2023.

The Council has a number of apprenticeship opportunities and there is a statement relating to apprenticeships.

Salary

The salary scales for the chief executive, directors and heads of service, following the nationally agreed pay award with effect from 1 April 2022 are shown below.

Progression through the pay band (a four-point scale) is subject to a range of criteria that are currently assessed via the annual performance review.

Post	Point 1	Point 2	Point 3	Point 4
Chief Executive	£122,172	£127,280	£132,379	£137,517
Director	£94,684	£98,348	£102,006	£105,670
Head of Service	£73,931	£76,382	£78,798	£81,251

Review of Salary levels

The Council has an agreement that senior officer pay scales will be reviewed every three years in line with the current market median level pay, this includes chief executive, director and heads of service salaries. The review looks at the relative pay position of the Council's pay bands when compared to other councils.

The last review was undertaken in 2019 and the outcome reported in the 2020 Pay Policy Statement. No changes to the pay bands were made at that time. The next three year review and a separate review of the senior management structure and associated salary levels, were scheduled for 2022. National pay awards have been applied during this time.

The Council is undertaking an ambitious transformation programme, Our Cambridge, which includes a review of the senior management structure. The Chief Executive will present final proposals to Strategy and Resources Scrutiny Committee on 30 January and Full Council on 2 March 2023.

This senior management structure review includes proposed changes to the pay structure for existing heads of service roles, to be replaced with proposed roles and a pay structure for Assistant Director posts.

The 2022 pay review includes proposals to change the pay bands and salary ranges for Chief Executive and Director posts.

The table below shows the proposed new pay band structure, subject to Council approval.

Post	Existing Point	Point 1	Point 2	Point 3	Point 4	Point 5	Point 6
Chief Executive	£122,172 Delete	£127,280	£132,379	£137,517	£142,617 New	-	-
Director	£94,684 Delete	£98,348	£102,006	£105,670	£109,334 New	-	-
Head of Service (Replace with new Band)	£73,931 Delete	£76,382 Delete	£78,798 See below	£81,251 See Below	-	-	-
Proposed Assistant Director (Level 1 and 2 with bar)	-	£78,798 Level 1	£81,251 Level 1	£83,689 New Level 1	£86,200 New Progression subject to Bar Level 2	£88,786 New Level 2	£91,450 New Level 2

Pay Awards

Pay awards are nationally determined in accordance with the Joint Negotiating Committee (JNC) for Chief Executives and the Joint Negotiating Committee (JNC) for Chief Officers.

This pay policy has been updated to include the pay awards with effect from April 2022.

Pay points within the senior management grades are subject to any nationally agreed pay awards with effect from 1 April 2023 and would increase in line with any nationally agreed award.

Terms and Conditions of Employment

The terms and conditions of employment for the chief executive, directors and heads of service/assistant directors within the scope of this pay policy statement are determined in accordance with collective agreements, negotiated from time to time, by the JNC for Chief Executives and the JNC for Chief Officers, as set out in the Scheme of Conditions of Service. These are supplemented by local collective agreements reached with trade unions recognised by the Council and by the rules of the Council.

Remuneration on Recruitment

Recruitment to the posts of chief executive and director is undertaken by a committee of Councillors appointed by Council. In the case of the chief executive, the appointment is made by Full Council, following a recommendation from the Employment (Senior Officer) Committee. Recruitment to posts of director is subject to notification to Executive Councillors before a job offer can be made. The salary on recruitment will be within the salary range for these posts at that time.

Recruitment to posts of head of service/assistant director will be undertaken by the chief executive or a director. The salary on recruitment will be within the salary range for these posts at that time.

There are occasions when the salary determined by the grading for a post results in an inability to successfully recruit to or retain staff in particular posts or specific occupational areas due to fluctuations in the labour market supply. These recruitment and retention problems can affect ability to deliver services. In such cases it may be appropriate to pay a market supplement in addition to the salary where there is evidence to justify that market factors are the “material reason” for the post attracting a higher rate of pay than other posts graded similarly. Any additional market supplement will be made in accordance with the Market Pay Policy.

It is anticipated that the proposed changes to pay bands as a result of the 2022 pay review will bring the salary levels in line with current market salary levels.

There may be occasions when due to recruitment and retention difficulties within a specific service area or role, it may be more appropriate to use a recruitment and retention package approach than a market supplement. Such an approach offers a fixed lump sum payment for new appointments or to the staff in identified roles at a given date. The payment is tied to a defined retention period and must be repaid in full if the person leaves the employment of the Council within the designated period. The aim of this approach is to recruit new staff and retain existing staff where there is evidence of both types of difficulty and a market supplement approach is assessed as less effective.

Rules governing the recruitment of the chief executive, directors and heads of service are set out in the council's constitution in section; Part 4i, Officer Employment Procedure Rules.

Bonuses

There are no bonus arrangements payable to the chief executive, directors or heads of service/assistant directors.

Performance Related Pay

Performance and progression through the pay band is assessed annually in line with the Council's performance review schemes. The performance review for directors is undertaken by the Chief Executive and for the Chief Executive by the Leader.

In line with the proposed changes to the senior management structure, for heads of service/assistant directors the performance review will be undertaken by the line manager, whether the chief executive or relevant director.

There is no performance related pay scheme outside of the performance review scheme, which determines the salary point of an officer, within the salary scale set out above.

Salaries over £100,000

The posts of chief executive and director have salary ranges which include pay points of over £100,000.

Publication of salary data

Salary data for the chief executive, directors and heads of service/assistant director is published on the council's website, in Open Data, Transparency in local government, senior salaries.

This pay policy statement once approved by Full Council will be published on the Councils website.

Expenses

The expenses which may be payable to the chief executive, a director or head of service/assistant director include:

- car/bicycle/motorcycle allowances at HMRC rates
- re-imbusement of travel and subsistence
- one professional subscription per annum
- payments under the eye-sight tests scheme
- relocation assistance in accordance with the Relocation Scheme

Severance Payments

Severance payments are made in accordance with the council's employment policies and are the same for all staff.

Employees with more than two years' service will be entitled to redundancy pay in line with local government guidelines and statutory provisions.

Redundant employees may receive the following elements in their final pay:

- Normal pay up to the agreed leaving date
- Where applicable, payment in lieu of outstanding notice
- Severance payment (where entitled).

Under the council's redundancy scheme a weeks pay will be calculated on the basis of actual weekly pay. Cambridge City Council will not apply the statutory weeks pay definition.

Once an employee is in receipt of early payment of pension benefits, if their total pay and pension benefits together (if reemployed by another employer covered by the Local Government Modification order) exceeds their salary as at the leaving date, the difference may be claimed back from pension payments.

An employee will lose their entitlement to redundancy pay if they take up a post with another body covered by the Redundancy Payments (Local Government) (Modification) (Amendment) Orders within 4 weeks of the

date of the redundancy and the offer of the new job has been made before the end of the original contract.

Any proposals with a salary or severance package with a total value over £100k will be reported by the Employment (Senior Officer) Committee to Full Council for decision.

The chief executive, monitoring officer and chief finance officer can only be dismissed by the Full Council. All other directors and heads of service can only be dismissed in accordance with the Councils constitution, Part 4i, Officer Employment Procedure Rules.

Pension and Pension Enhancements

The employees within the scope of this pay policy are entitled to and receive pension contributions under the Local Government Pension Scheme (LGPS). This is a contributory scheme and they currently contribute between 9.9% and 11.4% of their pensionable pay to the scheme.

The employer contribution rate is currently 17.6% i.e., the council contributes 17.6% of pensionable pay to the pension of a member of staff within the pension scheme. The rate of 17.6% is the same for all staff. The rate is reviewed every 3 years following a valuation of the fund by the appointed actuaries.

The Council's discretions on enhancement of pension are set out in the Pensions Discretion Statement 2022. This policy was approved by the Civic Affairs Committee on 21 September 2022. The policy is reviewed every 3 years and/or in line with changes to the Local Government Pension Scheme (LGPS) as advised by the Local Government Pensions Committee (LGPC) and the Administering Authority (Cambridgeshire County Council).

The next review of the Pensions Discretion Statement is scheduled to take place in 2025.

Pay Ratios, Real Living Wage, Cambridge Weighting and Apprenticeships

Set out below are the Council's pay arrangements with regard to the Real Living Wage, the Cambridge Weighting, apprenticeships, and the highest paid council staff.

The table below shows a number of pay ratios.

The Council does not have a policy on maintaining or reaching a specific pay ratio between the lowest and highest paid staff.

- **Apprentices**

The Council has engaged a number of apprentices in apprenticeship roles where these roles provide development opportunities and do not replace existing posts. They are outside of the Real Living Wage and Cambridge Weighting policies and where we pay apprentices in line with the National Living Wage/Minimum Wage Rates in their first year of apprenticeship.

The current lowest rate for an apprentice is £9.45 and this pay rate has been used in the ratios.

The Council also offer apprenticeships to current employees who are paid in accordance with their existing pay arrangements during the apprenticeship.

- **Lowest paid staff**

The lowest paid staff within the Council's pay structure are on Band 1. We have chosen staff employed on Band 1 as our definition of the 'lowest paid' for the purposes of this policy. The lowest pay point is £20,441 (£10.60 per hour) (April 2022).

Cambridge City Council is an accredited Real Living Wage employer and also pays a Cambridge Weighting supplement. This means that the minimum pay level for staff is £10.90 per hour, equivalent to £21,028.

The terms and conditions of employment for Band 1 staff are in accordance with collective agreements, negotiated from time to time, by the National Joint Council for Local Government Services, as set out in the Scheme of Conditions of Service (commonly known as the Green Book). These are supplemented by local collective agreements reached with trade unions recognised by the Council and by the rules of the Council.

Pay policies which apply to Band 1 employees include:

- car/bicycle/motorcycle mileage at HMRC rates
- re-imbusement for travel and subsistence
- overtime/enhanced rates
- standby and callout arrangements
- one professional subscription per annum
- payments under the eye-sight tests scheme

- Travel scheme (where applicable)

- **Median average of employees**

The median average salary is £35,411 (December 2022).

- **Real Living Wage**

The Council is accredited with the Living Wage Foundation which means it has adopted a Real Living Wage policy for staff, agency workers and contractors engaged through the Council's Procurement processes.

The implementation date for Real Living Wage increase is usually November for staff engaged on city council terms and conditions of employment, following the annual announcement. With effect from October 2022 the Real Living Wage has increased to £10.90 per hour.

The Council will pay the Real Living Wage rate for staff engaged on city council pay rates by way of a supplement to pay rates.

The Council will pay the minimum of the relevant Real Living Wage rate to agency workers after 4 weeks of their engagement with the City Council.

The Council will require contractors engaged through the Council's procurement processes to pay at least the Real Living Wage to all their staff who work on the Council's premises (or land maintained by the Council) for two or more hours on any day of the week for eight or more consecutive weeks. The only contracts that will be excluded from the requirement to pay the Real Living Wage are:

- contracts where it would be unlawful to require the payment of the Real Living Wage
- contracts where, following evaluation, it is considered inappropriate to impose the requirement.

- **Cambridge Weighting**

The Council pays a Cambridge Weighting to employees on city council terms and conditions of employment and related agency workers earning less than the approved rate per hour. The weighting is paid in addition to salary, the Real Living Wage supplement, to bring the hourly rate to an equivalent of £10.00 per hour (£19,294) and with effect from 1 April 2023 £11.00 per hour (£21,222). For agency workers the weighting applies in addition to current hourly rates and the Real Living Wage arrangements. The weighting is

variable, depending upon the current hourly rate and the Real Living Wage supplement payable at that time.

- **Chief Executive**

The highest paid officer of the council is the chief executive. The highest pay point on this scale is currently £137,517 (April 2022).

- **Pay Ratios**

	Annual Salary	Ratio to Chief Executive salary/Highest pay point	Explanation
Apprentice rate of £9.45	£18,238	1:7.54	Chief Executive pay scale highest pay point and lowest apprenticeship rate
Real Living Wage Rate of £10.90 (October 2022)	£21,028	1:6.54	Chief Executive pay scale highest pay point and real Living Wage rate of £10.90
Lowest council pay scale point (£10.60)	£20,441	1:6.73	Chief Executive pay scale highest pay point and lowest council pay scale point
Cambridge Weighting – minimum £10.00 and £11.00*	£19,294 £21,222*	1:7.13 1:6.48*	Chief Executive pay scale highest pay point and £10.00 hour/£11.00* Cambridge Weighting
Median Average salary	£35,411	1:3.88	Chief Executive pay scale highest pay point and current median average salary
Chief Executive Highest pay point	£137,517	-	Chief Executive's pay band highest pay point

- Increasing to £11.00 with effect from 1 April 2023.

Election Fees

The Returning Officer is the person who has the overall responsibility for the conduct of elections. The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Although appointed by the Council the role of the Returning Officer is one of a personal nature and distinct and separate from their duties as an employee of the Council. Elections fees are paid for these additional duties and they are paid separately to salary.

The role of Chief Executive is the council's Returning Officer.

The fees for Parliamentary, Police & Crime Commissioner, Euro Elections and national referenda are set by the Government. The fees for County Council elections are set by the County Council. The fees for the Combined Authority Mayoral election are set by the Combined Authority. The fees for Parliamentary and European Elections are pensionable.

Fees for district elections are set locally (mindful of neighbour district council fees) and were last set by the Civic Affairs Committee in April 2010 as £373 per contested ward and £55 per uncontested ward. Fees for district elections are pensionable.

These fees will be reviewed taking into account information from Government which is currently in the process of reviewing fees at the national level.

Other officers, including senior officers within the scope of this policy, may receive additional payment for specific election duties.

Tax Avoidance and IR35

The Council takes tax avoidance seriously and will seek to appoint individuals to vacant positions using the recruitment procedures on the basis of contracts of employment and apply direct tax and National Insurance deductions from pay through the operation of PAYE.

Where consultants are recruited the Council will seek to avoid contractual arrangements which could be perceived as being primarily designed to reduce significantly the rate of tax paid by that person, such as paying the individual through a company effectively, controlled by him or her.

These principles will be embedded in contract clauses and guidance for managers when employing consultants.

In addition workers employed directly by the Council will be assessed to establish whether they fall within scope of the IR35 legislation using the HMRC employment status tool. Workers that fall within scope will have Income Tax and National Insurance contributions deducted and paid over to HMRC.

The Council will continue to advise employment agencies for each role, whether the role has been assessed to be within scope of IR35, or not.

Re-engagement of ex City Council staff within the scope of this policy

All permanent or fixed term posts are advertised in accordance with the council's recruitment policies and appointment is made on merit.

Interim management appointments are made in accordance with the council's procurement policies and the provisions for contract for services.

The council will not engage an ex-city council member of staff within the scope of this policy outside of these arrangements.

February 2022