

# Lancashire County Council

## Employment Committee

Monday, 8th February, 2021 at 2.00 pm

### Teams Virtual Meeting

#### Agenda

##### Part I (Open to Press and Public)

<b>No.</b>	<b>Item</b>	
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<b>1.</b>	<b>Apologies</b>	
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<b>2.</b>	<b>Disclosure of Pecuniary and Non-Pecuniary Interests</b>	
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Members are asked to consider any pecuniary and non-pecuniary interests they may have to disclose to the meeting in relation to matters under consideration on the agenda.

<b>3.</b>	<b>Minutes of the Meeting held on 9 November 2020</b>	(Pages 1 - 2)
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To be confirmed, and signed by the Chairman.

<b>4.</b>	<b>Lancashire Renewables Employee Recognition (Pandemic Response)</b>	(Pages 3 - 6)
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<b>5.</b>	<b>The Localism Act 2011 - Pay Policy Statement 2021/22</b>	(Pages 7 - 40)
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<b>6.</b>	<b>Urgent Business</b>	
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An item of urgent business may only be considered under this heading where, by reason of special circumstances to be recorded in the minutes, the Chairman of the meeting is of the opinion that the item should be considered at the meeting as a matter of urgency. Wherever possible, the Chief Executive should be given advance warning of any member's intention to raise a matter under this heading.

<b>7.</b>	<b>Date of Next Meeting</b>	
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The next meeting of the committee will be held on Monday 8 March, 2021 at 2pm. The venue of the meeting to be confirmed.

**8. Exclusion of Press and Public**

The committee is asked to consider whether, under Section 100A(4) of the Local Government Act, 1972, it considers that the public should be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part 1 of Schedule 12A to the Local Government Act, 1972, as indicated against the heading to the item.

**Part II (Not Open to Press and Public)**

**9. Local Pensions Partnership Remuneration Policy** (Pages 41 - 56)

Not for Publication – Exempt information as defined in Paragraphs 2, 3 and 4 of Part 1 of Schedule 12A to the Local Government Act, 1972. It is considered that in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interests in disclosing the information

L Sales  
Director of Corporate Services

County Hall  
Preston

# Agenda Item 3

## Lancashire County Council

### Employment Committee

**Minutes of the Meeting held on Monday, 9th November, 2020 at 2.00 pm  
Skype, Virtual Meeting**

**Present:**

County Councillor Keith Iddon (Chair)

**County Councillors**

A Ali	T Martin
A Atkinson	D O'Toole
L Beavers	A Vincent
M Green	

County Councillor M Green replaced County Councillor G Driver at this meeting only.

**1. Apologies**

None.

**2. Disclosure of Pecuniary and Non-Pecuniary Interests**

None.

**3. Minutes of the Meeting held on 12 October 2020**

**Resolved:** That the minutes of the meeting held on 12 October 2019 be confirmed and signed by the Chairman.

**Matters arising** from the minutes: item 4, Revised Grievance and Harassment Policies and Procedures

Laura Sales, Director of Corporate Services, informed the committee that the right of appeal had been omitted from the Harassment policy in error. This had now been rectified and the amended policy would be circulated to all members of the Employment Committee for information.

**4. Urgent Business**

None.

**5. Date of Next Meeting**

It was noted that the next meeting of the committee would be held on Monday 7 December 2020 at 2pm by means of a virtual meeting.

## **6. Exclusion of Press and Public**

**Resolved:** That the press and members of the public be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part I of Schedule 12 A to the Local Government Act 1972.

It was considered that in all the circumstances, the public interest in maintaining the exemption outweighed the public interest in disclosing the information.

## **7. Local Pensions Partnership Pay Proposals**

(Not for Publication – Exempt information as defined in Paragraphs 1, 2, 3 and 4 of Part 1 of Schedule 12A to the Local Government Act, 1972. It was considered that in all the circumstances of the case, the public interest in maintaining the exemption outweighed the public interests in disclosing the information).

The committee considered a report from Laura Sales, Director of Corporate Services, regarding pay proposals made by the Local Pensions Partnership.

In response to questions from members it was confirmed that Local Pensions Partnership worked with an independent company to benchmark salaries prior to making recommendations to ensure they were in line with similar posts within the industry. More information regarding changes made to the structure and the salary benchmarking undertaken by Local Pensions Partnership would be requested alongside the Local Pensions Partnership remuneration policy, when it was brought to Employment Committee for consideration.

**Resolved:** That

- (i) The Local Pension Partnership pay proposals and establishment of two new roles, as presented, be approved.
- (i) The agreement of the final pay for the roles be delegated to the Head of Fund, if the review from the London Pension Fund Authority led to a recommended salary within a 5% threshold of the proposed salary set out in the report.

L Sales  
Director of Corporate Services

County Hall  
Preston

# Agenda Item 4

## Employment Committee

Meeting to be held on Monday, 8 February, 2021.

Electoral Division affected: None
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## Lancashire Renewables – Employee Recognition (Pandemic Response)

Contact for further information:

Paul Brindle, Tel: 07891 526031, General Manager, Lancashire Renewables Limited  
Paul.Brindle@Lancashirerenewables.co.uk

### Executive Summary

Further to company Board approval at its meeting held on 4 January 2021 and in accordance with the company's Articles of Association, this report sets out a proposal for an employee performance recognition reward for the response and continued resilience to the implications of the coronavirus pandemic.

### Recommendation

In accordance with the company's Articles of Association, the Employment Committee is asked to approve the implementation of an employee performance recognition reward of two additional day's annual leave to be used within service year 2021.

## Background and Advice

The company provides critical waste haulage, waste treatment and waste disposal services via the county councils two waste recovery parks, and in accordance with UK Government advice due to the coronavirus pandemic outbreak, our services are deemed essential.

In response to the emergency situation, officers of the company promptly formed a pandemic coordination team and clearly defined and implemented a range of protection measures that have been subject to continuous review, change, management and compliance.

In recognition of the continued efforts, flexibility, resilience and adherence to the pandemic control measures and also to acknowledge the impact on employee physical and mental wellbeing, officers of the company recommended to the Board a means of employee performance recognition at its general meeting held on 4 January 2021. The proposed employee recognition reward was subsequently approved, subject to further approval by the county council's Employment Committee.

It should be noted that despite the daily challenges the pandemic presents, at the time of the report there has been no reductions to service, which is testament to the ongoing

emergency response to the pandemic. In addition, the company's operational and financial targets are set to be achieved or exceeded within the current financial year.

## **Proposal**

The company's reliance on internal resource to continue to safely operate our services was a key deciding factor when considering options and recommendations for an employee recognition reward. The importance of both physical and mental wellbeing has been recognised and supports the proposal to award an additional two days annual leave, to be used within service year 2021.

## **Considerations**

Officers of the company have considered the impact of the additional allocation of annual leave on our services, and the impact shall be managed and monitored through our Human Resources management review processes to ensure any service related impact is minimised.

## **Consultations**

The company has a union recognition agreement in place whereby it agrees to recognise the GMB for collective bargaining purposes in respect of pay, hours and holidays. Therefore, once approval is obtained from the county council's Employment Committee, officers of the company shall notify the trade union.

## **Implications**

N/A

## **Risk management**

N/A

## **Financial:**

Under the terms of a Service Level Agreement between Lancashire County Council and Lancashire Renewables Limited, the county council reimburses the company certain fees for the services it provides. The budgetary impact of the employee performance recognition reward in response to the pandemic will be met within the agreed fees.

## **HR:**

This proposal has been cleared by Lancashire County Council Human Resources. It is fair and reasonable to recognise the workforce response to the Covid-19 pandemic in maintaining an essential service during challenging circumstances. The proposal for two additional day's annual leave is also consistent with the recent Lancashire County Council award to their employees.

## List of Background Papers

Paper	Date	Contact/Tel
Lancashire Renewables Ltd, Business Review	4 January 2021	Paul Brindle, General Manager Lancashire Renewables Limited, Tel: 07891 526031, <a href="mailto:Paul.Brindle@Lancashirerenewables.co.uk">Paul.Brindle@Lancashirerenewables.co.uk</a>

Reason for inclusion in Part II, if appropriate:

N/A





## Employment Committee

Meeting to be held on Monday, 8 February 2021

Electoral Division affected: N/A;
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## The Localism Act 2011 - Pay Policy Statement 2021/22

(Appendix A and Annexes 1 to 4 refer)

Contact for further information:

Deborah Barrow, (01772) 535805, Head of Service Human Resources,  
Deborah.Barrow@lancashire.gov.uk

### Executive Summary

This report sets out the council's proposed 2021/22 Pay Policy Statement as required by the Localism Act 2011.

The Pay Policy Statement must be approved by Full Council before it is published.

### Recommendation

The committee is asked to:

- (i) Consider the proposed Pay Policy Statement for 2021/22, as set out at Appendix A, and recommend approval of the statement to Full Council.
- (ii) Note the intention to apply the uplifted Living Wage rate from 1 April 2021, subject to Full Council approval.

### Background and Advice

The Localism Act 2011 requires local authorities to prepare a Pay Policy Statement each year. The Pay Policy Statement must articulate the council's approach to the remuneration of chief officers on appointment, subsequent progression and any use of bonus or performance related pay. In preparing Pay Policy Statements, local authorities must have regard to any guidance issued or approved by the Secretary of State. In preparing this statement, regard has also been given to guidance issued by the former Department for Communities and Local Government.

The purpose of the statement is to provide transparency with regard to the council's approach to setting pay for its employees (except staff in schools), in particular its chief officers. The Pay Policy Statement must be approved by a resolution of Full Council before it comes into force on 1 April each year and must then comply with the statement for the financial year to which it relates (although amendments may be made to the statement after the beginning of the financial year to which it relates).

Once approved the statement (or an amended statement) must be published in such manner as the local authority sees fit, which must include publication on the local authority's website.

The Pay Policy Statement must set out the local authority's policies for the financial year relating to the:

- remuneration of its chief officers;
- remuneration of its lowest-paid employees; and
- relationship between the remuneration of its –
  - chief officers, and
  - employees who are not chief officers.

The statement must set out the:

- definition of 'lowest-paid employees' adopted by the authority for the purposes of the statement; and
- authority's reasons for adopting that definition.

The statement must include the local authority's policies relating to the:

- level and elements of remuneration for each chief officer;
- remuneration of chief officers on recruitment;
- increases and additions to remuneration for each chief officer;
- use of performance-related pay for chief officers;
- use of bonuses for chief officers;
- approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority; and
- publication of and access to information relating to remuneration of chief officers.

A Pay Policy Statement for a financial year may also set out the local authority's policies for the financial year relating to the other terms and conditions applying to the authority's chief officers.

### **Updated Pay Policy Statement**

A proposed Pay Policy Statement for the financial year 2021/22 is provided at Appendix A to this report.

The Pay Policy Statement also takes account of the recommendations within the Hutton Review of Fair Pay in the Public Sector (March 2011) that 'government should not cap pay across public services, but should require that from 2011/12 all public service organisations publish their top to median pay multiples each year to allow the public to hold them to account'. The statement therefore sets out the council's aim that the pay multiple between the median full time equivalent salary and that of the Chief Executive will not exceed 1:16.

The pay multiple between the 2020 median full time equivalent salary and that of the Chief Executive and Director of Resources is 1:11.06, which represents a slight decrease from the figure (1:11.51) reported in the last Pay Policy Statement.

The guidance also provides that Full Council should be offered the opportunity to consider salary packages in excess of £100,000 before any new appointment is made. In this regard the Pay Policy Statement sets out the grading structure for all posts at Director 1 and above. All appointments are currently made in line with this grading structure and any proposal to make a new appointment otherwise than in accordance with it would first be referred to Full Council to consider.

## **Consultations**

The proposed Pay Policy Statement for 2021/22 will be shared with the recognised trade unions at the Joint Negotiating and Consultative Forum on 21 January 2021 and any comments will be reported orally to the committee.

## **Implications:**

This item has the following implications, as indicated:

## **Risk management**

The Full Council is under a statutory duty to agree an annual Pay Policy Statement and this function cannot be delegated.

## **Financial**

There are no direct financial implications arising from the adoption of the Pay Policy Statement.

## **Local Government (Access to Information) Act 1985 List of Background Papers**

Paper	Date	Contact/Tel
Openness and accountability in local pay: Guidance under section 40 of the Localism Act	February 2012	Katie Dunne (01772) 535787
Openness and accountability in local pay: Guidance under section 40 of the Localism Act (Supplementary Guidance)	February 2013	Katie Dunne (01772) 535787

Reason for inclusion in Part II, if appropriate

N/A



# Annual Pay Policy Statement 2021/22

(The Localism Act 2011)

## Introduction

The Localism Act 2011 (the Act) requires the council to prepare a Pay Policy Statement each year. The Pay Policy Statement must articulate the council's approach to a range of issues relating to the pay of its workforce, particularly its senior staff (or 'chief officers') and its lowest paid employees.

The following Pay Policy Statement has been approved by Full Council and will come into effect from 1 April 2021. This annual Pay Policy Statement will be subject to annual review and approval by Full Council by 31 March each year. In exceptional circumstances the statement may be reviewed/amended mid-year by the Full Council.

This statement will be published on the council's website following each review and approval by Full Council.

The purpose of this statement is to provide transparency with regard to the council's approach to setting the pay of its employees (excluding staff working in local authority schools) by identifying:

- the methods by which salaries of all employees are determined;
- the detail and level of remuneration of the council's most senior staff;
- the remuneration of the council's lowest-paid employees, and
- the relationship between the remuneration of chief officers and those employees who are not chief officers.

This Pay Policy Statement sets out the council's approach to pay policy in accordance with the requirements of Section 38 of the Act. Section 40(1) of the Act requires local authorities to have regard to guidance issued by the Secretary of State in performing their functions and approving Pay Policy Statements. In preparing this Pay Policy Statement regard has been given to the guidance issued by the Department for Communities and Local Government in February 2012 alongside the supplementary guidance issued in February 2013.

### 1. The Council's Pay and Grading Structure

- 1.1 Section 112 of the Local Government Act 1972 provides that a local authority shall appoint such officers as they think fit for the proper discharge of their functions. Officers so appointed shall hold office on such reasonable terms and conditions, including conditions as to remuneration, as the local authority thinks fit.
- 1.2 In determining the pay and remuneration of all of its employees, the council will comply with all relevant employment legislation. The council will ensure that there is no pay discrimination within its pay and grading structures and that all pay differentials can be objectively justified through the use of job evaluation mechanisms, which directly establish the relative levels of posts in grades according to the requirements, demands and responsibilities of the role.

- 1.3 The remuneration of the vast majority of employees of the council, other than those employee groups set out below, is in accordance with an objectively evaluated grade profile or job description as determined under the council's job evaluation scheme. The evaluated score for the grade profile/job description will determine the grading level paid within a locally agreed pay spine (the Lancashire Pay Spine (see Annex 1)). The council presently use the Local Government Single Status Job Evaluation Scheme (the NJC scheme) to evaluate posts up to Grade 6 on the Lancashire Pay Spine and the Hay Group Job Evaluation Scheme for other managerial and professional grades.
- 1.4 The following employee groups are not presently paid in accordance with an evaluated grade profile/job description determined by the council, unless employees have subsequently been appointed to a post that is paid in accordance with the Lancashire Pay Spine, and instead nationally or locally determined rates apply:
- Employees whose pay and conditions are determined by the Soulbury Committee;
  - Employees whose pay and conditions of service are determined by the Joint Negotiating Committee for Youth and Community Workers;
  - Employees who have transferred from the NHS to the council following a TUPE or statutory transfer;
  - Employees who have retained terms and conditions of employment from other employers following a TUPE (Transfer of Undertakings (Protection of Employment) regulations) transfer to the council.
- 1.5 The council presently adopts the national pay bargaining arrangements in respect of the revision of pay spines through any agreed annual pay increases negotiated with joint trade unions.
- 1.6 All other pay related enhancements and payable allowances/expenses are the subject of either nationally or locally negotiated and/or determined rates. The enhancements to pay and allowances/expenses payable as determined from time to time are provided at Annex 2 (Payable Enhancements) and Annex 3 (Allowances and Expenses) respectively.
- 1.7 New appointments will normally be made at the minimum of the relevant pay scale for the grade, although recruiting managers have discretion to offer a higher scale point to secure the best candidate.
- 1.8 Progression within each grade will normally be by annual increment at 1 April each year subject to the maximum of the grade. However, heads of service have discretion to advance an individual employee's incremental progression

within the grade on the grounds of special merit or ability to assist in the retention of able professional or other staff.

- 1.9 Any temporary supplement to the salary scale for the grade for taking on additional duties or responsibilities must be approved in accordance with the council's agreed policy relating to honoraria and acting up payments.
- 1.10 From time to time it may be necessary to take account of the external pay levels in the labour market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using data sources available from within the local government sector and outside, as appropriate.

## **2. Chief Officer Remuneration**

- 2.1 The Act defines chief officers as the following (the post titles in brackets identify the relevant posts within the council's senior management structure):
- The Head of the Paid Service (the Chief Executive and Director of Resources);
  - The Monitoring Officer (the Director of Corporate Services);
  - A statutory chief officer (the Executive Director of Education and Children's Services, the Executive Director of Adult Services and Health & Wellbeing, the Chief Executive and Director of Resources (also the Council's s.151 Officer / Chief Financial Officer) and the Director of Public Health).
  - A non-statutory chief officer (the Executive Director of Growth, Environment and Transport, the Director of Finance, the Director of Strategy and Performance, and any other postholder reporting directly to or directly accountable to the Chief Executive);
  - A deputy chief officer (all other director grade posts).
- 2.2 The terms and conditions of employment applicable to officers on director grades and above are as determined by the NJC for Local Government Services ('Green Book') as amended, supplemented or superseded by decisions on conditions of service made by the council from time to time. This also applies to the Chief Executive and Director of Resources with the exception of an additional provision relating to remuneration in relation to acting as returning officer (see below) and a time limited restriction on re-employment.
- 2.3 The council's pay and grading structure is as approved by Full Council. The grade profile/job description of each chief officer post has been objectively evaluated using a recognised job evaluation scheme (the Hay Group Job Evaluation Scheme). The evaluated score of the grade profile/job description



will determine the grading level paid within the Lancashire Pay Spine. Salary packages take account of such factors as the requirements of the job, the relative size of the organisation, local and national market rates and the relationship with other posts within the grading structure.

2.4 Details of chief officers' basic salaries are set out below (salaries are as applicable at 1 April 2020). A structure chart identifying all posts covered by the statutory definition of chief officer posts is provided at Annex 4.

### **Chief Executive**

The current basic salary package of the post of Chief Executive and Director of Resources/Head of Paid Service is £216,826 per annum, a single, spot salary (SCP 90).

The Chief Executive also acts as Returning Officer for all county council elections for which an additional allowance is payable in relation to the overall supervision and ultimate responsibility for the conduct of council elections.

The fee payable is calculated in accordance with a formula approved by Full Council, currently 15% of the total fees payable to Deputy Returning Officers employed by district councils (which are based on a set amount for each councillor to be elected, currently £71.25). In a contested election, the council presently has 84 elected members. Elections take place on a 4 year cycle although by-elections may take place at other times.

### **Executive Directors**

The current basic salary package for posts designated as Executive Director fall within a range of five incremental points between £129,643 (SCP 85) rising to a maximum of £140,894 (SCP 89).

The post of Executive Director of Education and Children's Services attracts a market supplement of £26,796 per annum, which is paid in addition to the salary for an Executive Director graded post.

### **Director Grades**

The current basic salary package of posts within the director grades fall within a range of three levels each comprising of five incremental points as set out below:

- Director Grade 1 (D1) - £85,159 (SCP 70) rising to £93,475 (SCP 74)
- Director Grade 2 (D2) - £95,326 (SCP 75) rising to £103,645 (SCP 79)
- Director Grade 3 (D3) - £114,504 (SCP 80) rising to £125,408 (SCP 84)

The post of Director of Investment attracts a market supplement of £26,688 per annum, which is paid in addition to the salary for a Director Grade 3 (D3) post.

### **Officers Reporting Direct to the Chief Executive, Statutory and Non-statutory Chief Officers**

There are currently a number of officers at head of service level who meet the statutory definition of non-statutory chief officer, or deputy chief officer, but who are not employed on director grades or chief officer terms and conditions. These posts are identified on the structure chart provided at Annex 4.

2.5 Progression through the grade is by annual increment, which normally happens on 1 April each year.

2.6 Salary levels are increased in accordance with any nationally agreed pay settlement negotiated through the NJC for Local Government Services.

## 2.7 Other Remuneration Elements

2.7.1 In addition to basic salary, all chief officer posts are entitled to:

- A lease car. The current maximum contribution by the council, based on the annual rental payable for any vehicle, is £6,000 (£6,500 for the Chief Executive and Director of Resources); or,
- As an alternative to a lease car, or where engaged on a contract for less than three years, a chief officer may opt to receive a cash equivalent sum of £5,300 per annum (as at 1 April 2021) (this sum is subject to annual review);
- The council operates a policy of reimbursing the membership fees incurred by a chief officer in relation to membership of a professional body;
- Official business mileage undertaken by chief officers is reimbursed at the prevailing advisory rate set by HMRC in relation to company cars. This rate is calculated on the basis that it does not include any taxable profit and no national insurance contribution liability as the rate is intended to reflect actual fuel costs.
- Other allowances and expenses that chief officers may claim are as set out within the list provided at Annex 3 (Allowances and Expenses). The allowances and expenses that may be claimed are as applicable to other employees of the council.
- Chief officers are not permitted to claim any payable enhancements as documented at Annex 2 (for example, planned overtime payments or enhancements for weekend working).

2.7.2 To meet specific operational requirements it may be necessary in exceptional circumstances for an individual to temporarily take on additional duties or responsibilities. Where this is necessary and justified a temporary

supplement to the salary scale for the grade must be approved in accordance with the council's agreed policy relating to honoraria and acting up payments.

## 2.8 Performance Related Pay/Bonus Scheme

With the exception of progression through the incremental scale of the relevant grade, the level of remuneration is not variable or dependent upon the achievement of defined targets.

The council does not operate a performance related pay scheme in relation to its chief officers nor does it pay bonuses or any other cash incentive.

## 2.9 Recruitment of Chief Officers

2.9.1 The council has delegated the appointment and dismissal of the Chief Executive and Director of Resources (Head of Paid Service and Chief Financial Officer), Executive Directors, and the Monitoring Officer, collectively referred to as 'senior officers', to the Employment Committee. The committee is also responsible for the appointment of Directors who hold the statutory responsibilities for Children's Services (the Executive Director of Education and Children's Services), Adult Services (the Executive Director of Adult Services and Health and Wellbeing) and Public Health (the Director of Public Health).

2.9.2 When recruiting to all chief officer posts the council is required to comply with the statutory requirement that no appointment or dismissal (including dismissal by reason of redundancy) may proceed until all Cabinet Members have been notified of the proposed appointment or dismissal to allow them the opportunity to object. Where the committee is appointing or dismissing the Head of Paid Service, the Monitoring Officer or the Chief Financial Officer, the Full Council must also approve the appointment or dismissal before an offer of appointment is made or notice of dismissal is given.

2.9.3 Remuneration on appointment is determined by the committee at a scale point within the evaluated grade for the post, having regard to the qualifications and experience of the successful candidate. The committee has further discretion to agree the payment of an additional market supplement, where appropriate.

2.9.4 Relocation allowances paid to chief officers are in accordance with the council's relocation allowances scheme, which applies to permanent employees (and fixed term appointments of two years or more) who are appointed as a result of external advertisement, and who are obliged to relocate their place of residence as a direct result of taking up their initial appointment with the council.

The maximum amount payable under the relocation scheme is £7,554 net of VAT (as at 1 April 2020) plus an additional discretionary element of £2,000 is payable in exceptional circumstances. The Employment Committee has further discretion to agree to relocation allowances outside the provisions of

the relocation scheme where they consider this to be reasonable and appropriate.

2.9.5 Where the council is unable to recruit chief officers, or there is a need for interim support to provide cover for a substantive chief officer post, the council will, where necessary, consider engaging individuals under a 'contract for service'. These will be sourced through an appropriate procurement process ensuring that the council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service. In making such assessments it should be noted that in respect of such engagements the council is not required to make either pension or national insurance contributions for such individuals. Public Health Consultants are currently being used on this basis to support the council in its coronavirus pandemic response. If an interim worker uses an intermediary personal service company the council is responsible for assessing their tax and national insurance liability under the IR35 rules, alongside deducting and paying the correct tax.

## 2.10 Payments on Termination of Employment

2.10.1 The council's policies in relation to redundancy payments and early retirement are set out respectively within its Employer Discretions Policy, Redundancy Payments Scheme, Early Retirement and Business Efficiency (Early Retirement) Policies. These policies are subject to review in light of the public sector exit cap, which has introduced a cap on the amount of money a public sector employer can pay when an employee leaves their employment, and further proposed changes to the Local Government Pension Scheme that are expected to come into effect in early 2021. The council's policy in relation to payments on termination is as summarised below:

Redundancy payments, for both voluntary and compulsory redundancy, are based upon the statutory redundancy payments scale. Under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, the council does not apply its discretion under Regulation 5 to base any redundancy payments on an employee's actual week's pay where this exceeds the statutory week's pay limit, nor does it apply its discretion under Regulation 6 to award lump sum compensation over and above that which is set out under the statutory redundancy payments scale. A week's pay does not include other payments (unless these are deemed to be contractual) nor does it include employer pension contributions.

Under Regulation 31 of the Local Government Pension Scheme Regulations 2013, the council may award additional pension of not more than £7,194 a year (as at 1 April 2020) in exceptional and justifiable circumstances.

2.10.2 The council does not operate a policy of making any specific or general payment to its chief officers on their ceasing to hold office or to be employed by the council but it may, where appropriate, agree to waive or pay contractual notice.

2.10.3 Any other forms of severance payment falling outside these provisions must be authorised by or on behalf of the Full Council. Severance payments are one of a number of payments that are counted in the calculation of the exit cap.

### 2.11 Tax Avoidance Measures

All chief officers are remunerated via monthly salary payments. Appropriate tax and national insurance deductions are made in accordance with HMRC regulations and there are no arrangements in place for the purpose of minimising tax payments.

## **3. Lowest Paid Employees**

3.1 The lowest paid persons employed under a contract of employment with the council are employed on full time equivalent (37 hours) salaries in accordance with the minimum spinal column point currently in use within the council's grading structure (the Lancashire Pay Spine).

3.2 With effect from 1 April 2014 the council became a Foundation Living Wage employer. From 1 April 2021 all employees, with the exception of apprentices, will be paid a minimum of £9.50 per hour, which is the equivalent of £18,329 per annum. (This excludes staff in schools, as the decision as to whether to adopt the Foundation Living Wage sits with the individual Governing Body of each school). The council has committed to adjusting its Foundation Living Wage rate within six months of the national rate being updated, subject to Full Council approval.

3.3 As at 1 April 2021, the lowest grading level within the Lancashire Pay Spine is Grade 1, which is a single point salary of £17,842 per annum. This single point salary applies in the case of apprentice posts, is a rate that came into effect on 1 April 2020 and will be uplifted in line with any national negotiated pay award that is agreed from 1 April 2021.

## **4. The relationship between the remuneration of Chief Officers and those employees who are not Chief Officers**

4.1 The relationship between the rate of pay for the lowest paid and chief officers is determined by the job evaluation process used for establishing the grading of posts and grade profiles/job descriptions as set out earlier in this policy statement.

4.2 Local authorities are recommended to publish the pay multiple between the highest paid employee and the median average earnings across the organisation. The current pay levels within the council define the multiple between the average full time equivalent salary (excluding chief officer posts) and the Chief Executive and Director of Resources as being:

Median average 1:11.06 (figures based upon 2020 median average FTE salary of £20,092 and Chief Executive and Director of Resources' salary of £216,826 plus the £5,300 lease car cash equivalent sum).

- 4.3 As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the council will use available benchmark information as appropriate.

In addition, upon the annual review of this statement, the council will also monitor any changes in the relevant 'pay multiples' and benchmark against other comparable local authorities.

The council's policy aim is for the multiple between the median salary and that of the highest paid officer to not exceed 1:16 (currently 1:11.06, based on 2020 salary data).

## **5. Accountability and Decision Making**

The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 prescribe certain functions that may not be exercised by a local authority's executive (Cabinet or Cabinet Member) and includes the power to appoint staff and to determine the terms and conditions on which they hold office, including procedures for their dismissal. These functions must therefore be exercised by the Full Council or delegated by the Full Council to a committee or officer.

The Local Authorities (Standing Orders) (England) Regulations 2001 and Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 provide that the functions of dismissal of, and taking disciplinary action against, a member of staff must be discharged by the head of the paid service (the Chief Executive and Director of Resources) or an officer nominated by him/her. However, this provision does not apply to the posts identified in paragraph 2.1 above (chief officers) and the council's constitution currently provides that these functions in relation to the Chief Executive and Director of Resources and some other senior posts are discharged on behalf of the Full Council by the Employment Committee (subject to the requirements set out in paragraph 2.9.1 and 2.9.2 above).

The Employment Committee was established by Full Council to discharge all functions in relation to the terms and conditions of employment of all staff, including chief officers.

Section 42 of the Act provides that the function of approving an annual Pay Policy Statement may not be delegated to a committee, therefore the function of the Employment Committee in this regard is to recommend a Pay Policy Statement to Full Council for approval.

## **6. Re-employment / Re-engagement of former Chief Officers**

- 6.1 The council in its role as administrator of the Lancashire Pension Fund has adopted a policy for scheme employers participating in the Lancashire Pension Fund regarding re-employment within local government or by an employer who offers membership of the Local Government Pension Scheme (LGPS). Under the policy only members in receipt of ill health pensions will be subject to abatement where, accounting for the effect of index linking, the aggregate of the pension and the earnings in the new employment exceed the rate of pay on leaving the first employment. However, any benefits built up from 1 April 2014 within the LGPS are unaffected by the effect of any re-employment.

The benefits are adjusted where the aggregate of the pension and the earnings in the new employment exceed the rate of pay on leaving the first employment.

- 6.2 In addition to the policy highlighted above, re-employed pensioners who have previously retired on redundancy or efficiency grounds before October 2006 and been awarded compensatory added years, are also subject to abatement. This abatement applies only to the benefits which are payable in relation to the added years awarded.

There is no discretion for the council as administrator of the Lancashire Pension Fund on whether or not they apply this particular abatement in respect of benefits payable as a result of the previous award of compensatory added years.

- 6.3 It is a condition of the council's redundancy procedure that employees wishing to apply for voluntary redundancy must agree in writing that they will not apply for future employment with the council for a period of three years following the date of the termination of their former employment. The three year no return policy has been temporarily relaxed in response to the coronavirus pandemic to allow former employees who have left on the grounds of voluntary redundancy to be brought back, where required, to support critical roles.
- 6.4 The council will not re-engage as a chief officer under a contract for services, any former employee of the council who, on ceasing employment with the council, was in receipt of a severance payment, a redundancy payment or a pension from the council for a period of three years following the date of the termination of their former employment.

## **7. Pension Contributions**

- 7.1 Where employees become members of the Local Government Pension Scheme, the council is required to make a contribution to the scheme representing a percentage of the pensionable remuneration due under the contract of employment of that employee. The rate of contribution is set by Actuaries advising the Lancashire Pension Fund and reviewed on a triennial basis in order to ensure the scheme is appropriately funded. The rate

effective from 1 April 2020 (set at 31 March 2019) is 17%, this rate is applicable for the full valuation period up to 31 March 2023. Although this is the certified rate, the council has exercised an option to pre-pay this contribution as a lump sum payment (there are no deficit payments for this valuation period).

- 7.2 The employee contribution rates for members of the Local Government Pension Scheme are reviewed on 1 April each year. The rates as effective from 1 April 2020 are as set out below:

<u>Pensionable pay range</u>	<u>Employee Contribution Rate</u>
Up to £14,600	5.5%
£14,601 to £22,800	5.8%
£22,801 to £37,100	6.5%
£37,101 to £46,900	6.8%
£46,901 to £65,600	8.5%
£65,601 to £93,000	9.9%
£93,001 to £109,500	10.5%
£109,501 to £164,200	11.4%
£164,201 or more	12.5%

**Teachers' Pension Scheme (applicable to those employees whose pay and conditions of service are determined by the Joint Negotiating Committee for Youth and Community Workers) – contribution rates effective from 1 April 2019 (salary rate bands updated from 1 April 2020)**

<u>Annual Salary Rate</u>	<u>Employee Contribution Rate</u>
Up to £28,168.99	7.4%
£28,169 to £37,918.99	8.6%
£37,919 to £44,960.99	9.6%
£44,961 to £59,587.99	10.2%
£59,588 to £81,254.99	11.3%
£81,255 and above	11.7%

The current employer contribution rate, from 1 September 2019, is 23.68% of contributory pay (this includes the administration levy of 0.08%).



**NHS Pension Scheme (applicable to those employees who are able to retain membership of the NHS Pension Scheme) – contribution rates from 1 April 2015 through to 31 March 2021**

<u>Full Time Equivalent Salary</u>	<u>Employee Contribution Rate</u>
Up to £15,431.99	5.0%
£15,432.00 to £21,477.99	5.6%
£21,478.00 to £26,823.99	7.1%
£26,824.00 to £47,845.99	9.3%
£47,846.00 to £70,630.99	12.5%
£70,631.00 to £111,376.99	13.5%
£111,377.00 and over	14.5%

The current employer contribution rate is 20.68% (including the scheme administration charge).



# Annex 1 - Lancashire Pay Spine

Grade 1 164 - 229 NJC points	SCP 1	£17,842	£1,487	£9.25	
	FOUNDATION LIVING WAGE (FLW) wef 01/04/2021	FLW	£18,329	£1,527	£9.50
Grade 3 255 - 299 NJC points	Grade 4 300 - 359 NJC points	SCP 3	£18,562	£1,547	£9.62
		SCP 4	£18,933	£1,578	£9.81
		SCP 5	£19,312	£1,609	£10.01
Grade 5 360 - 419 NJC points 158 - 186 Hay points		SCP 6	£19,698	£1,642	£10.21
		SCP 7	£20,092	£1,674	£10.41
		SCP 8	£20,493	£1,708	£10.62
		SCP 9	£20,903	£1,742	£10.83
		SCP 10	£21,322	£1,777	£11.05
		SCP 11	£21,748	£1,812	£11.27
		SCP 12	£22,183	£1,849	£11.50
	Grade 6 420 - 479 NJC points 187 - 222 Hay points	SCP 13	Currently Inactive		
		SCP 14	£23,080	£1,923	£11.96
		SCP 15	£23,541	£1,962	£12.20
		SCP 16	Currently Inactive		
		SCP 17	£24,491	£2,041	£12.69
		SCP 18	Currently Inactive		
Grade 7 480 - 539 NJC points 223 - 264 Hay points		SCP 19	£25,481	£2,123	£13.21
		SCP 20	£25,991	£2,166	£13.47
		SCP 21	Currently Inactive		
		SCP 22	£27,041	£2,253	£14.02
		SCP 23	£27,741	£2,312	£14.38
		SCP 24	£28,672	£2,389	£14.86
		SCP 25	£29,577	£2,465	£15.33
	Grade 8 540 - 599 NJC points 265 - 313 Hay points	SCP 26	£30,451	£2,538	£15.78
		SCP 27	£31,346	£2,612	£16.25
		SCP 28	£32,234	£2,686	£16.71
		SCP 29	£32,910	£2,743	£17.06
		SCP 30	£33,782	£2,815	£17.51
Grade 9 600 - 659 NJC points 314 - 373 Hay points		SCP 31	£34,728	£2,894	£18.00
		SCP 32	£35,745	£2,979	£18.53
		SCP 33	£36,922	£3,077	£19.14
		SCP 34	£37,890	£3,158	£19.64
		SCP 35	£38,890	£3,241	£20.16
	Grade 10 660 - 719 NJC points 374 - 443 Hay points	SCP 36	£39,880	£3,323	£20.67
		SCP 37	£40,876	£3,406	£21.19
		SCP 38	£41,881	£3,490	£21.71
		SCP 39	£42,821	£3,568	£22.20
		SCP 40	£43,857	£3,655	£22.73
Grade 11 720 - 779 NJC points 444 - 526 Hay points		SCP 41	£44,863	£3,739	£23.25
		SCP 42	£45,859	£3,822	£23.77
		SCP 43	£46,845	£3,904	£24.28
		SCP 44	£47,847	£3,987	£24.80
	Grade 12 780 - 849 NJC points 527 - 645 Hay points	SCP 45	£48,883	£4,074	£25.34
		SCP 46	£49,866	£4,156	£25.85
		SCP 47	£50,882	£4,240	£26.37
		SCP 48	£51,903	£4,325	£26.90
Currently Inactive		SCP 49	Currently Inactive		
		SCP 50	Currently Inactive		
		SCP 51	Currently Inactive		
Grade 13 850 - 909 NJC points 646 - 765 Hay points		SCP 52	£57,439	£4,787	£29.77
		SCP 53	£58,519	£4,877	£30.33
		SCP 54	£59,604	£4,967	£30.89
		SCP 55	£60,275	£5,023	£31.24
		SCP 56	£61,457	£5,121	£31.85
		SCP 57	£62,638	£5,220	£32.47
Currently Inactive		SCP 58	Currently Inactive		
		SCP 59	Currently Inactive		
		SCP 60	Currently Inactive		
	Grade 14 910 - 969 NJC points 766 - 909 Hay points	SCP 61	£67,722	£5,644	£35.10
		SCP 62	£69,024	£5,752	£35.78
		SCP 63	£70,321	£5,860	£36.45
		SCP 64	£71,375	£5,948	£37.00
		SCP 65	£72,810	£6,068	£37.74
		SCP 66	£74,238	£6,187	£38.48
Currently Inactive		SCP 67	Currently Inactive		
		SCP 68	Currently Inactive		
		SCP 69	Currently Inactive		
D1 910 - 1065 Hay points		SCP 70	£85,159	£7,097	£44.14
		SCP 71	£87,235	£7,270	£45.22
		SCP 72	£89,316	£7,443	£46.29
		SCP 73	£91,396	£7,616	£47.37
		SCP 74	£93,475	£7,790	£48.45
	D2 1066 - 1194 Hay points	SCP 75	£95,326	£7,944	£49.41
		SCP 76	£97,407	£8,117	£50.49
		SCP 77	£99,488	£8,291	£51.57
		SCP 78	£101,569	£8,464	£52.65
		SCP 79	£103,645	£8,637	£53.72
		SCP 80	£114,504	£9,542	£59.35
D3 1195 - 1339 Hay points		SCP 81	£117,230	£9,769	£60.76
		SCP 82	£119,955	£9,996	£62.18
		SCP 83	£122,681	£10,223	£63.59
		SCP 84	£125,408	£10,451	£65.00
	ED 1340 - 2060 Hay points	SCP 85	£129,643	£10,804	£67.20
		SCP 86	£132,459	£11,038	£68.66
		SCP 87	£135,270	£11,273	£70.11
		SCP 88	£138,084	£11,507	£71.57
		SCP 89	£140,894	£11,741	£73.03
CE		SCP 90	£216,826	£18,069	£112.39



## Annex 2: Payable Enhancements

(Updated 28 August 2020)

The following pay elements replace those contained within national agreements relating to the NJC for Local Government Services (Part 3, Section 2 'Working Arrangements').

Element	Rate Payable	Additional information
Extra Duty - additional hours (below 37hpw)	Plain time	
Overtime - additional hours (above 37hpw)	Time + 25%  Time + 33% (contractual overtime rate)	Employees graded above Scp 19 will be granted Time off in Lieu (TOIL). In exceptional circumstances, see 'Planned Overtime' below.  Where employees are called upon to return to work, see arrangements below.
Night Work	Time + 25%	Payable between the hours 11pm and 8am subject to start time being before 6am.  See definition below.
Weekend Work	Time + 25%  Time + 33% (contractual weekend rate)	Payable where required to work Saturday and Sunday as part of normal working week (i.e. not where this is overtime).
Bank Holidays and Extra Statutory Days	Time + 50%  In addition, at a later date, time off with pay shall be allowed as follows:  Time worked less than half the normal working hours on that day - Half Day.  Time worked more than half the normal Working hours on that day - Full Day.	Payable for hours worked from midnight until 23.59 hours.  See arrangements below for bank holidays that fall on a Saturday or Sunday over the Christmas and New Year period.

Shift Work – rotating shift/alternating shift	Time + 10%	Criteria to be met to qualify for payment set out below.
Split daily shifts (Split Duty)	Additional 5p per hour	See definition below.
Standby payments	<p>Full week outside normal working hours – 20% enhancement on basic weekly pay subject to a minimum payment of £125.</p> <p>For periods of less than one week:</p> <p>Mon/Fri – enhancement based on 2% of a week's basic pay or a minimum payment of £13.89 whichever is the greater.</p> <p>Sat/Sun – enhancement based on 2% of a week's basic pay or a minimum payment of £13.89 whichever is the greater for each 12 hour period of duty.</p> <p>50% enhancement on rates outlined above for work on a bank holiday or extra- statutory days.</p>	<p>Where task undertaken has been evaluated then 20% of rate for the job is payable subject to a minimum payment of £125 per week.</p> <p>If called out, contractual overtime rates apply (see above).</p> <p>Employees graded above Scp 48 (or equivalent) will not be eligible to receive standby payments.</p> <p><u>Payment for Rostered Emergency Duty Scheme</u></p> <p>Employees who are designated by services to provide a guaranteed level of emergency cover in order to meet the requirements of the national standards for the Emergency Planning function will receive standby payments where they are required to provide a full week of emergency contact duty outside normal working hours.</p>
Emergency Call Out	Overtime rates payable (see above). Minimum 2 hours' payment will apply.	
First Aid payment	<p>Designated First Aider - £104 per annum.</p> <p>Designated deputy First Aider - £52 per annum.</p>	Not payable where requirement to provide first aid forms a part of core duties as this accounted for in the grade for the job.

Sleeping-in Duty Payment	£37.07	NJC rates apply.  Rate with effect from 1 April 2020.
Tool Allowance	£7.74 per week	Lancashire agreed term and condition, increased in line with NJC for Local Government Services pay awards.  Rate with effect from 1 April 2020.

### **Planned Overtime:**

A Head of Service may approve in advance, and in exceptional recorded circumstances, the working of planned overtime for a period not exceeding six months in any financial year in respect of specified groups of employees who do not qualify for overtime payments, subject to the availability of sufficient budgetary resource.

Remuneration for planned overtime will be at the rate of time + 25% related to Scp 19, or at plain time rates relative to the employee's personal salary, whichever is the greater.

If, exceptionally, an employee is required to work planned overtime on a Statutory or Extra Statutory Holiday, remuneration will be at the rate of time + 50% related to Scp 19 or at plain time rates relative to the employee's personal salary, whichever is the greater.

### **Employees Called Upon to Return to Work:**

Employees graded Scp 19 and below who are called upon to return to work outside their normal working hours in certain prescribed emergency situations, including the activation of intruder alarm systems, will receive a minimum payment of 2 hours at the overtime rate appropriate to the particular day, together with the payment of appropriate travelling expenses (including taxi fares, where necessary).

In non-emergency situations, normal overtime or time off arrangements will apply.

Employees paid above Scp 19 who are called upon to return to work in certain prescribed emergency situations, including the activation of intruder alarm systems, would receive a minimum payment per occasion of 2 hours at planned overtime rates. Appropriate travelling expenses are payable, with time in excess of 2 hours being calculated on the basis of the elapsed period between departure from home and arrival back home.

## **Night Work:**

Employees who work at night as part of their working week are entitled to receive an enhancement of 25% for all hours worked between 11pm and 8am subject to the start time being before 6am.

The night work enhancement shall be payable, where appropriate, in addition to the enhanced rates of pay, for work, as part of the normal working week, on Saturday and on Sunday. The night work allowance does not apply to shift workers.

## **Shift Working:**

'Shift Worker' means an employee who works on rotating shifts in immediate succession normally covering a period of twenty four hours or on alternating shifts either in immediate succession or overlapping but covering a portion of twenty four hours only. In both cases, the enhancement is only payable where an employee covers all shifts.

### **A rotating shift enhancement of 10% will be payable where:**

- The total period covered by the shift is 18 hours or more;
- At least four hours are worked between 8pm and 6am.

### **An alternating shift enhancement of 10% will be payable where:**

- The total period covered by the shifts is 11 hours or more;
- There are at least four hours between the starting time of the earliest and latest shifts;
- The number of 'normal office hour' shifts does not exceed one half (i.e. 1 in 2) of the total number of shifts. Normal office hours will be as determined by the service concerned.
- The shift pattern must vary by at least 33.3% (i.e. 1 in 3 shifts must vary).

## **Split Duty:**

Employees, whose normal daily duty necessitates more than one attendance with a continuous break between attendances of not less than two hours, including the normal break, shall be paid an additional 5p per hour for all hours worked during such spread over duty. The payment shall not be taken into account in calculating payments in respect of overtime and shall not apply to employees called upon to return to work or employees engaged on night work.

## **Bank Holidays Falling on a Saturday or Sunday over the Christmas and New Year Period:**

The following arrangements will apply where a bank holiday falls on a Saturday or Sunday over the Christmas and New Year period:



- Where employees are required to work on either the bank holiday as it falls or on the substitute public holiday they will receive bank holiday pay and time off with pay at a later date (in line with the arrangements above) for working on the actual bank holiday, and no bank holiday pay but time off with pay at a later date for working on the substitute day.
- Where employees are required to work on both the bank holiday as it falls and on the substitute public holiday they will receive bank holiday pay and time off with pay at a later date (in line with the arrangements above) for working on the actual bank holiday, and no bank holiday pay or time off with pay at a later date for working on the substitute day.



## Annex 3: Allowances and Expenses

Type of Allowance or Expense	Amount or Rate Payable	Effective Date	Additional Information
Subsistence allowances	<p>The maximum amounts that can be claimed are as follows :</p> <p>Breakfast - £7.94</p> <p>Lunch - £8.17</p> <p>Dinner/Evening Meal - £13.52</p>	<p>1 April 2020</p> <p><u>Note:</u> These allowances will be increased as from 1 April each year by the annual increase in the Retail Price Index (RPI) published in the preceding November.</p>	<p>Subsistence allowances will be payable to employees who are prevented by their official duties from taking a meal at their home, administrative centre or establishment where they normally take their meals, and thereby incur additional expenditure.</p> <p>Subsistence allowances will only be payable when an individual travels outside the boundaries of Lancashire (for this purpose the boroughs of Blackburn with Darwen and Blackpool will be regarded as being within the Lancashire boundary).</p> <p>Receipts for the full amount paid are required in respect of all claims.</p> <p>See <a href="#">Requirements to Qualify for Meal Allowances</a> guidance for further details.</p>
Meal charges for residential and allied staff (resident and non-resident staff)	<p>Breakfast - £1.03</p> <p>Dinner/Main Meals - £1.76</p> <p>Tea - £0.49</p> <p>Snack Supper - £0.80</p> <p>-----</p> <p><b>Total - £4.08</b></p> <p>For ease of administration, these rates may be used on the following basis:</p> <p>Weekly - £28.75</p> <p>Monthly - £124.66</p> <p>Per Annum - £1,495.96</p>	<p>1 April 2020</p> <p><u>Note:</u> These charges are reviewed annually in line with movements in the appropriate sectors of the RPI.</p>	<p>The Green Book (Part 3 Paragraph 8) provides that arrangements in the former APT &amp; C and Manual national agreements in relation to (i) free meals and (ii) accommodation and meal charges will remain in place unless and until alternative arrangements are agreed locally.</p>

Overnight allowance (including London)	<p>In exceptional circumstances, where it is not possible for the County Council to make a direct booking, the actual <u>receipted cost</u> of accommodation, including breakfast, will be reimbursed subject to the following maximum limits:</p> <p>On business in London - £153.54</p> <p>On business outside London - £133.69</p>	<p>1 April 2020</p> <p><u>Note:</u> These allowances are linked to the Members' Allowance Scheme agreed by the County Council and will be updated in line with that scheme.</p>	<p>Wherever possible overnight accommodation will be booked and paid for by the County Council either directly or via Business Travel Plus. Normal subsistence allowance arrangements will apply in relation to any meals not provided.</p> <p>See <a href="#">Overnight Allowance</a> guidance for further details.</p>
Expenses where employees are travelling outside Great Britain	<p>See <a href="#">Expenses where Employees are Travelling Outside Great Britain</a> guidance for further details in respect of claiming for accommodation, travel (to/from the country) and hospitality.</p> <p>For all other expenses, including travel whilst abroad and subsistence expenses, a flat rate of £89.00 per day should be claimed and invoices/receipts need not be produced.</p>	<p>Flat rate amount effective from 1 April 2020</p> <p><u>Note:</u> The flat rate amount will be increased from 1 April each year by the annual increase in the RPI published in the preceding November.</p>	<p>The following arrangements apply in respect of employees travelling outside Great Britain in connection with their official duties.</p> <p>For these purposes travel to Northern Ireland, the Isle of Man and the Channel Islands qualifies for payment of the allowance.</p>
Relocation allowances	<p>Up to a maximum of £7,554 (net of VAT).</p> <p>The maximum allowance payable to any appointed employee will be the maximum allowance operating at the date of their appointment.</p>	<p>1 April 2020</p> <p><u>Note:</u> The revised allowance will operate from 1 April each year and will be based on the annual percentage increase in the RPI as at the preceding January.</p>	<p>Heads of Service may authorise the payment of relocation allowances.</p> <p>See <a href="#">Relocation Allowance Scheme</a> for further details.</p>

<p>Mileage allowances</p> <p><b><u>Business mileage</u></b></p>	<p><b><u>Car Users</u></b></p> <p>45.0p per mile for the first 10,000 business miles in the tax year. 25.0p per mile for each business mile over 10,000 in the tax year.</p> <p><b><u>Motorcycles</u></b> 24.0p per mile.</p> <p><b><u>Bicycles</u></b> 20.0p per mile.</p> <p><b><u>Car Contract Hire Users</u></b> Variable. See 'Additional Information' (opposite).</p>	<p>1 July 2012</p> <p><u>Note:</u> These rates will be updated in line with any changes to the HMRC rates.</p> <p>1 April 2012</p> <p><u>Note:</u> The County Council will apply any new rates at the beginning of each calendar quarter – on 1 March, 1 June, 1 September and 1 December – in line with HMRC timescales.</p>	<p><b><u>Car, Motorcycle and Bicycle Users</u></b> Business mileage is reimbursed at the HMRC approved mileage rates.</p> <p><b><u>Car Contract Hire Users</u></b> Business mileage for car contract hire users (including all employees graded Director 1 and above on the Lancashire Pay Spine in receipt of a lease car or cash equivalent sum) is reimbursed at the HMRC advisory fuel rates for company cars, details of which can be found at <a href="https://www.gov.uk/government/publications/advisory-fuel-rates">https://www.gov.uk/government/publications/advisory-fuel-rates</a>.</p> <p>This mileage rate will apply to all mileage undertaken by car contract hire users.</p>
<p><b><u>Training mileage</u></b></p>	<p><b><u>Car Users</u></b> 10.0p per mile.</p> <p><b><u>Motorcycles</u></b> 10.0p per mile.</p>	<p>1 June 2020</p> <p><u>Note:</u> The County Council will apply any new rates at the beginning of each calendar quarter – on 1 March, 1 June, 1 September and 1 December – in line with HMRC timescales.</p>	<p><b><u>Training Mileage</u></b> The training mileage rate is in line with the minimum HMRC advisory fuel rate for a petrol engine car, details of which can be found at <a href="https://www.gov.uk/government/publications/advisory-fuel-rates">https://www.gov.uk/government/publications/advisory-fuel-rates</a>.</p>

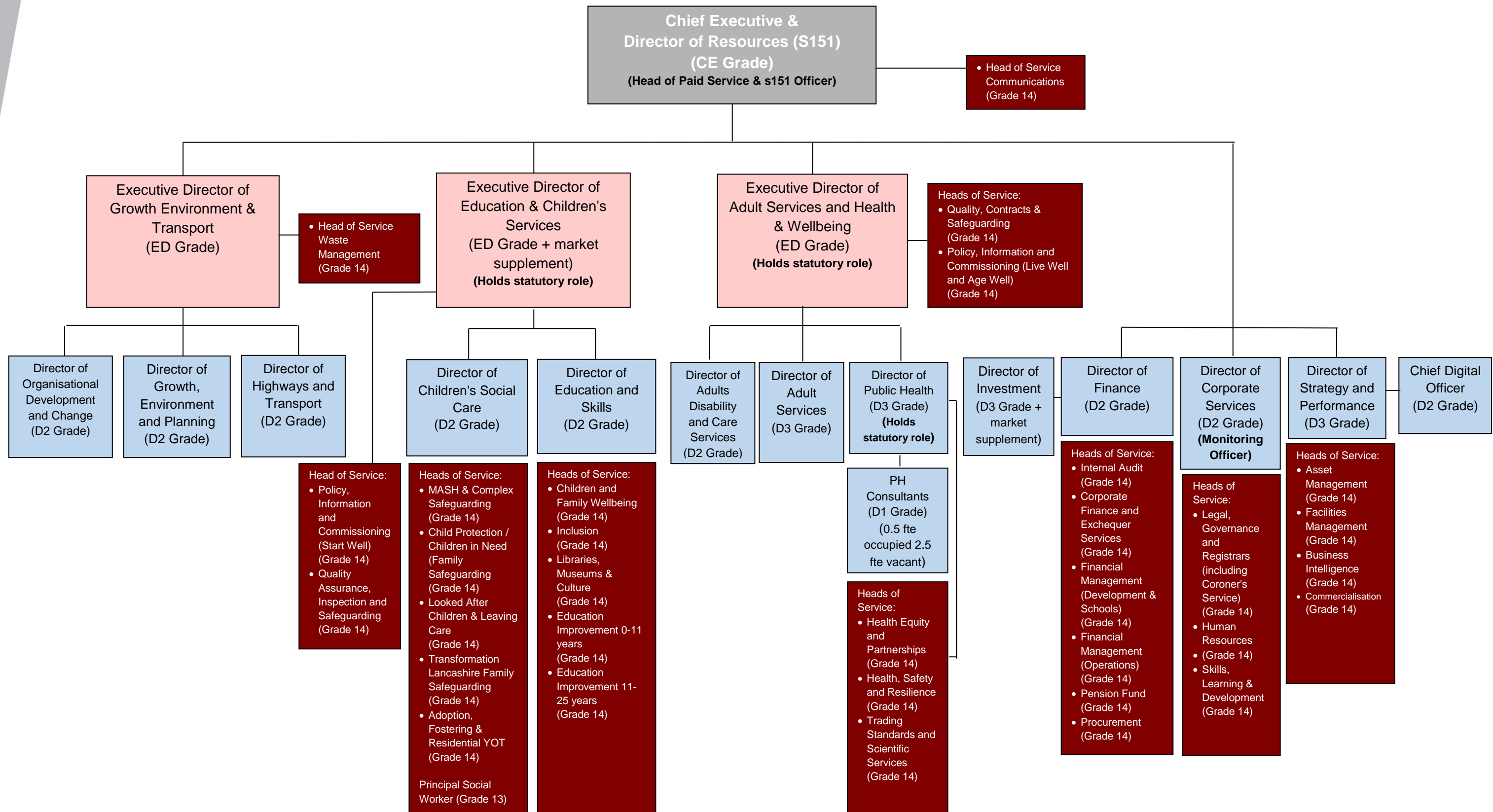
<p><b><u>Excess travel mileage</u></b></p>	<p><b>Car Users</b> 10.0p per mile.</p> <p><b>Motorcycles</b> 10.0p per mile.</p>	<p>1 June 2020</p> <p><b>Note:</b> The County Council will apply any new rates at the beginning of each calendar quarter – on 1 March, 1 June, 1 September and 1 December – in line with HMRC timescales.</p>	<p><b>Excess Travel Mileage</b> Excess travel mileage is the difference in mileage between home and current workbase and home to new workbase. See <a href="#">Compensation Payments Policy</a> for further details.</p> <p>The excess travel mileage rate is in line with the minimum HMRC advisory fuel rate for a petrol engine car, details of which can be found at <a href="http://www.gov.uk/government/publications/advisory-fuel-rates">http://www.gov.uk/government/publications/advisory-fuel-rates</a>.</p> <p>Excess travel will not be included in the calculation of the business mileage threshold for car users.</p>
<p>Travelling expenses for medical examinations</p>	<p>See 'Excess Travel Mileage Rate' (above)</p>	<p>1 July 2012</p>	<p>When employees have travelled to attend medical examinations at the authority's request reimbursement will, depending upon the mode of travel, either be at the appropriate public transport rate or at the prevailing mileage rate applicable for excess travel.</p>
<p>Display Screen Equipment users – reimbursement of cost of eyesight tests and spectacles</p>	<p>The maximum amount of reimbursement is:</p> <p>For eyesight tests - £19.90 For spectacles - £49.00</p>	<p>5 February 2014</p>	<p>See <a href="#">DSE Guidance on Eye and Eyesight Tests</a>.</p>
<p>Allowances for first aid qualifications</p>	<p>For designated first aid representatives - £104 per annum</p> <p>For designated deputy first aid representatives - £52 per annum</p> <p>This allowance will not be payable where the requirement to hold a first aid qualification forms part of an employee's core duties and responsibilities.</p>	<p>N/A</p>	<p>Heads of Service have delegated authority to approve the number of first aiders and the payment of the appropriate First Aid allowance.</p> <p>See <a href="#">Guidance on the Health and Safety (First Aid) Provision</a>.</p>

Payment of prescription charges for inoculation against Hepatitis 'B'	Cost of prescription/Hepatitis 'B' inoculation.	N/A	Reimbursement of prescription charges is available for inoculation against Hepatitis 'B', on the recommendation of a General Practitioner following medical assessment, for employees whose work brings them into contact with Hepatitis 'B'.
Laundry expenses – tax relief	Tax relief – claim to be submitted to HM Revenue and Customs.	N/A	Where employees are issued with items of uniform/protective clothing that the county council expects the employee to launder at regular intervals for reasons of cleanliness, hygiene, safety or appearance, they can make a claim to HM Revenue and Customs for tax relief. Further information can be found at <a href="https://www.gov.uk/tax-relief-for-employees">https://www.gov.uk/tax-relief-for-employees</a> .
Long service award	Up to a maximum of £301.00 (excluding VAT)	1 July 2019  <u>Note:</u> This amount will be increased in value every two years in line with inflation.	See <a href="#">Recognition of Long Service Policy</a> for further details.
Professional body membership fees	For employees graded Director 1 and above on the Lancashire Pay Spine:  Cost of professional body membership fee, expenses and paid leave of absence in connection with membership and attendance at meetings of one professional body (not a trade union or an organisation that has the objectives of a trade union).  In addition, the Chief Executive may approve the payment of one additional fee to a separate body where it is considered to be in the interest of the County Council for membership to be maintained. In	N/A	This is a former Chief Officer term and condition of employment and as such only applies to employees graded Director 1 and above on the Lancashire Pay Spine.  Membership of the professional body and attendance at the meetings must be seen as being beneficial to the county council.

	the case of the Chief Executive, the payment of an additional fee would be at the discretion of the Leader of the council.		
Returning officer fee	<p>Applies to the Chief Executive only:</p> <p>The fee payable is calculated in accordance with a formula approved by Full Council, currently 15% of the total fees payable to Deputy Returning Officers employed by District Councils (which are based on a set amount for each councillor to be elected, currently £71.25).</p>	N/A	The Chief Executive acts as Returning Officer for all council elections. This additional allowance is payable in relation to the overall supervision and ultimate responsibility for the conduct of council elections.



## Annex 4 – Chief Officer Structure Chart (1 January 2021)





# Agenda Item 9

(NOT FOR PUBLICATION: By virtue of paragraph(s) 2,3,4 of Part 1 of Schedule 12A of the Local Government Act 1972. It is considered that all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information)

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