

Bristol City Council

Pay Policy Statement for the period 1st April 2020 to 31st March 2021

1. Introduction

- a. It is essential that the Council attracts and keeps people with the right talents and commitment to lead and deliver great services to Bristol's citizens. At the same time the Council has to get the best value for the taxpayer.
- b. This Statement explains the Council pay policies for its highest and lowest-paid employees. It is written and published in line with the Localism Act 2011 (the Act) and guidance issued by the Secretary of State (the Guidance).
- c. The Guidance is clear that decisions on pay policies should be made by councillors. The Council is committed to making sure that all councillors have a say on how pay decisions are made, especially about its highest-paid employees. To achieve this, the Statement is reviewed every year. The Mayor is consulted, and any proposals made are taken into account. The draft statement is considered by the Human Resources Committee and approved by full Council. Both meetings are open to the public.
- d. In line with the law (the Local Authorities (Elected Mayor and Mayor's Assistant) (England) Regulations 2002), the pay of the Mayor's Assistant is set as the Mayor thinks fit, within the financial resources available to the Council. The Mayor's Assistant is currently paid at Director (Level 1).
- e. As recommended by the Guidance, this Statement sets out clearly and separately its policies on each of the requirements listed in the relevant sections of the Act. The Guidance says that this is to help enable taxpayers to decide whether they are getting value for money in the way that public money is spent on local authority pay and reward.
- f. The Council is committed to equal pay for all its employees and to removing any bias in its pay systems related to age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage and civil partnership and pregnancy and maternity. Equal pay applies to all contractual terms and conditions as well as pay.
- g. The Council became an accredited Living Wage Employer with effect from 5th November 2018. The Council has paid its own employees no less than the Foundation Living Wage since 1st October 2014.
- h. The Council has worked to further reform its pay structure during 2019/20. From 1st April 2020 apprentice pay will be increased to the UK Living Wage (as set by the Living Wage Foundation) for apprentices over 18 years old and over, 80% of the UK Living Wage for apprentices under 18 years old.

2. Development priority for 2020/21

- a. The Council will review all 'hard to recruit' roles and will consider options including; job design, talent management and succession planning. We will also support further work on tackling the gender, disability and ethnicity pay gap – looking at progression, pay, recruitment and flexible working. All proposals will be subject to equality impact assessment and will be subject of consultation with trade unions.

3. Pay of the Council's highest-paid employees

- a. The Council's highest-paid employees are Executive Directors and Directors. These roles are graded using the Hay methodology and the salaries are informed by market data. For the period covered by this Statement the salary for Executive Director roles will range from £135,000 to £165,000 with a mid-point of £150,000. The salary for Director (Level 2) roles will range from £94,000 to £120,000 with a mid-point of £107,000. The salary for Director (Level 1) roles will range from £85,000 to £105,000 with a mid-point of £95,000.

4. Pay of the Council's lowest-paid employees

- a. The Council's lowest-paid employees are those who are paid the Foundation Living Wage. The Council has adopted this definition because it has decided that none of its employees should be paid less than the Foundation Living Wage. The Foundation Living Wage is £9.30 per hour with effect from 1st April 2020, which equates to a minimum salary of £17,942 (based on a full-time week of 37 hours). The rate of the Foundation Living Wage is refreshed each November, and the Council applies the new rate from the following 1st April.
- b. From 1st April 2020 apprentice pay levels will increase to the foundation Living Wage rate for apprentices 18 years old and over and 80% of the foundation Living Wage for apprentices under 18 years old. An additional allowance of £25 per week is paid to apprentices who have left local authority care, and this is paid throughout their apprenticeship for as long as they live in independent accommodation.
- c. Interns, student placements and trainees are normally paid the Foundation Living Wage.

5. Relationship between the pay of the Council's highest and lowest-paid employees

- a. Will Hutton's 2011 Review of Fair Pay in the Public Sector recommended that all public service organisations publish their top to median pay ratio to allow the public to hold them to account. The Government's terms of reference for the Hutton review suggested that no public sector manager should earn more than 20 times the lowest paid person in the organisation.

- b. The change in these ratios at the Council over recent years is shown in the following table:

| Date | Top to median pay ratio | Top to lowest salary ratio |
|--------------------------------|--------------------------------|-----------------------------------|
| 31 st March 2012 | - | 15.6:1 |
| 31 st March 2013 | - | 12.35:1 |
| 31 st March 2014 | 6.68:1 | 12.87:1 |
| 31 st March 2015 | 6.29:1 | 11.85:1 |
| 31 st December 2015 | 6.75:1 | 11.33:1 |
| 31 st December 2016 | 6.23:1 | 10.05:1 |
| 31 st December 2017 | 5.24:1 | 8.34:1 |
| 31 st December 2018 | 6.03:1 | 9.77:1 |
| 31 st December 2019 | 5.89:1 | 9.50:1 |

- c. At the time of compiling this Statement the Council's top earner will be on a salary of up to £165,000 and the lowest-paid person will be on a salary of at least £17,364. This means that the Council's top to lowest salary ratio is 9.50:1.

6. Pay of Executive Directors and Directors when they start

- a. Pay on commencement of employment will be within 10% of the minimum of the range unless otherwise agreed by the Selection Committee. Payment above the mid-point is reserved for roles where there is clear evidence that the market rate is significantly higher than the mid-point.
- b. The Guidance says that full Council or a meeting of Members should have the opportunity to vote before salary packages totaling £100,000 or more are offered for new appointments. Through its Constitution full Council delegates this to the Selection Committee.

7. Increases and additions to pay for Executive Directors and Directors

- a. The salary for Executive Director and Director roles will be reviewed each year through this Pay Policy Statement. The Council will be mindful of pay awards agreed by the Joint Negotiating Committee for Chief Executives of Local Authorities and the Joint Negotiating Committee for Chief Officers of Local Authorities. There will be no change to the ranges quoted in paragraph 3b above before 1st April 2020.
- b. Requests for increases in pay for Directors and Executive Directors during employment will be subject to the agreement of the Human Resources Committee following a recommendation from the Head of Paid Service and Director: Workforce and Change.

8. Performance-related pay for Executive Directors and Directors

- a. There is no performance-related pay for Executive Directors and Directors.

9. Bonuses for Executive Directors and Directors

- a. There are no bonuses for Executive Directors and Directors.

10. Pay of Executive Directors and Directors when they leave

- a. When an Executive Director or Director leaves they will be paid in line with what they are entitled to under their contract of employment (their notice period is three months) and the Council's policies.
- b. The Guidance says that full Council should have the opportunity to vote before severance compensation packages costing £100,000 or more are paid to employees leaving the Council. The dismissal and/or compensation for loss of office of Executive Directors and Directors is determined by the Human Resources Committee (except for the Head of Paid Service, Chief Finance Officer and Monitoring Officer, where this is a matter for full Council).
- c. Employees who leave due to voluntary severance will not be re-employed by the Council in a paid job or engaged directly or through a company on an "off-payroll" basis for 12 months after they leave. (Off-payroll means a person who is paid via a company rather than through the payroll as an employee). Employees who leave due to compulsory redundancy are free to apply for re-employment with the Council at any point after they've left.

11. Paying Executive Directors and Directors "off-payroll"

- a. Any Executive Director or Director appointed on an interim basis and supplied by a third party are regarded as employees for tax purposes.

12. Returning Officer fees

- a. The Council's Returning Officer for elections and referenda is appointed by full Council. Fees are paid for these duties. They vary depending on the type of poll and are published prior to each election. Fees for most polls (including national elections and referenda) are set and paid by the Government (rather than the Council).

13. More information about the pay of Executive Director and Directors

- a. The Council is committed to being open about its policies on pay. Approved pay policy statements are published on the Council's website at www.bristol.gov.uk/council-spending-performance/senior-officers-pay. Other information that the Council has to publish under the Local Government Transparency Code 2015 is available via that webpage.

14. More information about Pay Gap Reporting

- a. We publish our gender pay gap every 12 months on the Council's website at <https://www.bristol.gov.uk/documents/20182/32815/Bristol+City+Council+gender+pay+gap+data+2019> the gender pay gap report shows the pay gap between female and male Bristol City Council employees for the year ending 31 March 2019.