

To: Councillor Lovelock (Chair);
Councillors Gavin, Page, Skeats and Terry.

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25 February 2015

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NOTICE OF MEETING - PERSONNEL COMMITTEE - 5 MARCH 2015

A meeting of the Personnel Committee will be held on Thursday 5 March 2015 at 6.30pm in Committee Room 1, Civic Offices, Reading.

AGENDA

	ACTION	WARDS AFFECTED	PAGE NO
1. DECLARATIONS OF INTEREST			
2. MINUTES OF MEETING HELD ON 11 DECEMBER 2014	INFORMATION	BOROUGHWIDE	1
3. PROCEEDINGS OF THE LOCAL JOINT FORUM HELD ON 3 FEBRUARY 2015	INFORMATION	BOROUGHWIDE	6
4. PAY POLICY 2015/2016	DECISION	BOROUGHWIDE	10
5. INTRODUCTION OF CHANGES TO FAMILY FRIENDLY LEGISLATION 2014/15	DECISION	BOROUGHWIDE	36

At this point, the following motion will be moved by the Chair:

“That, pursuant to Section 100A of the Local Government Act 1972 (as amended) members of the press and public be excluded during consideration of the following items on the agenda, as it is likely that there would be disclosure of exempt information as defined in the relevant Paragraphs of Part 1 of Schedule 12A (as amended) of that Act”

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PERSONNEL COMMITTEE MINUTES -11 DECEMBER 2014

Present: Councillor Lovelock (Chair);
Councillors Gavin, Page, Skeats and Terry.

Also Present: K Magee (for items 21- 24), J Hoggart (for items 21-26(4)),
I Wardle, C Brooks and S Poole.

Apologies: J Boyd.

RESOLVED ITEMS

(The committee noted that this was the last meeting to be held in this Civic Centre prior to the move to the new Civic Offices.)

21. MINUTES

The Minutes of the meeting held on 2 October 2014 were confirmed as a correct record and signed by the Chair.

22. REVISIONS TO RECRUITMENT & SELECTION POLICY AND PROCEDURE AND PRE-EMPLOYMENT CHECKS GUIDANCE

The HR/Payroll Services Manager submitted a report updating the Committee on the amendments to the Recruitment & Selection Policy and the Pre-Employment Check Guidance that brought these up to date with various safeguarding and other policy changes. The revised Recruitment and Selection Policy (with tracked changes) was attached to the report at Appendix A and the revised Guidance on Recruitment and Pre-Employment Checks was attached to the report at Appendix B.

The report stated that the Recruitment & Selection Policy and Procedure contained the key policy structure that determined the Council's resourcing activities and processes and so required updating to keep abreast of relevant key changes.

The Policy had been the subject of a major review, following consultation with the joint trades unions, by the Committee on 7 October 2008 (Minute 11 refers) and had subsequently been amended by the Committee on 2 November 2010 (Minute 23 refers). The Policy had been revised to take account of updates in relevant legislation, including:

- Changes to the national Disclosure and Barring Service (DBS) and Right to Work framework;
- The 'two tick' accreditation requirement to consider disabled job applicants that met the minimum requirements for a post;
- The policy on appointing redeployees;
- Streamlining the reference request process;
- Including appeals under the Policy and Procedure within the Corporate Complaints Procedure.

The associated guide to pre-employment checks related specifically to the safeguarding of vulnerable groups and was intended to provide further, detailed advice to managers when recruiting to roles that required checks with the DBS.

Resolved -

- (1) That the amendments set out and attached to the report at Appendices A and B be agreed;
- (2) That the revised Recruitment and Selection Policy and the Pre-Employment Checks Guidance be approved.

23. REVIEW OF BULLYING AND HARASSMENT POLICY AND PROCEDURE

The HR/Payroll Services Manager submitted a report updating the Committee on the amendments to the Bullying and Harassment Policy and Procedure. The revised procedure (with tracked changes) was attached to the report at Appendix A.

The report stated that the current Harassment Policy and Procedure had been adopted by the Committee on 27 March 2002 (Minute 20 refers) and provided a framework within which complaints or concerns about harassment could be investigated and resolved. The Policy had been modelled on the Grievance Procedure and was designed to deal with harassment concerns in a structured, systematic and sympathetic manner. Guidance was provided on the forms that harassment could take as well as the various ways in which concerns could be channeled.

The report explained that the Policy was a high level statement of the Council's rejection of harassment in all its forms and that the procedure formed an important element of the practical support that was offered to staff to resolve such disputes.

The report also stated that the Corporate Management Team (CMT) and the Joint Trade Unions Committee (JTUC) had been consulted on all changes to the Policy and Procedure.

Resolved - That the revised Bullying and Harassment Policy and Procedure be agreed.

24. CAPACITY AND RESILIENCE REVIEW

The Managing Director submitted a report updating the Committee on the proposals to move to a new operating model that would restructure the Council to ensure that there was additional capacity and resilience to meet service needs and opportunities. A current senior management family tree was attached to the report at Appendix 1 and a proposed senior management family tree was attached to the report at Appendix 2.

The report stated that the Council currently delivered approximately 700 services, some of which were statutory, such as adult social care and waste services, and some of which were discretionary services, such as leisure facilities. The government was reducing its funding to local authorities by 37% in real terms between 2010-11 and 2015-16, but the Council had to continue to remain financially stable and to meet its statutory obligations. This would be particularly challenging due to factors such as the increasing population of Reading and the changes in inspection regimes.

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The report explained that the number of residents in Reading had increased by 9% to 159,200 people since 2001 and was forecast to increase by a further 24% by 2050. This growth had resulted on pressures on services, particularly primary school places as 20% of the total population were aged between 0 and 18 years.

There had also been significant funding cuts since 2010 and the Council had responded by making savings, but it would be difficult to find further efficiencies of sufficient scale to meet the forecast loss in income from the Government, considering the savings that had already been achieved and the number of staff lost.

The report also stated that there had been changes to the inspection regimes for a number of regulators, including the Office for Standards in Education (Ofsted) framework and evaluation schedule for the inspection of services for children in need of help and protection, children looked after and care leavers, local authority arrangements for supporting school improvement and reviews of the Local Safeguarding Children Boards. In addition, the Care Quality Commission had announced a new approach for inspections in the health and social care sector. Whilst the intent of the new approaches was accepted, they did create additional pressures on local authorities as the remit and approaches of these inspections had wider implications and now included a responsibility for partners, which necessitated ensuring that improvement plans were sufficiently and adequately resourced.

At the meeting on 22 September 2011 (Minute 14 refers) the Committee had approved the merger of the Directorates of Education and Children's Services and Housing and Community Care to enable more joined up work to be done across the services. During 2013 and 2014 the senior management structure had been reviewed further to ensure that the Council could meet future needs and opportunities. Subsequent service reviews as part of the Reshaping Programme had introduced new staffing structures and a decentralised and flatter structure but, whilst savings had been achieved, the loss of staff had resulted in issues with capacity and resilience in some parts of the Council.

Following the resignation of the current Director of Education, Adult and Children's Services, there presented the opportunity to create two new roles to ensure that there were additional resources and focus to cover these areas. The two new roles would be:

- Director of Children, Education & Early Help Services; and
- Director of Adult Care & Health Services.

The report explained that there would be a two week consultation period in December 2014 and then the posts would be advertised in January 2015. It was anticipated that recruitment to these posts would be challenging and so interim cover would be sought to ensure continuity and statutory compliance.

Resolved - That the proposed changes in senior management outlined in the report be approved and the following posts created:

- i. **Director of Children, Education & Early Help Services;
and**

ii. Director of Adult Care and Health Services.

25. EXCLUSION OF THE PRESS AND PUBLIC

Resolved -

That pursuant to Section 100A of the Local Government Act 1972 (as amended) members of the press and public be excluded during consideration of the following item, as it was likely that there would be disclosure of exempt information as defined in paragraphs 1 and 2 of Part 1 of Schedule 12A (as amended) to that Act.

26. EARLY RETIREMENTS AND REDUNDANCIES (INCLUDING VOLUNTARY RELEASE SCHEME APPLICATIONS)

The HR and Payroll Services Manager, the Monitoring Officer and the Head of Finance submitted a joint report, which set out one request for flexible retirement, six requests for termination of employment on the grounds of redundancy, two requests for early retirement on the grounds of efficiency and two requests for early retirement on the grounds of redundancy.

Proposals, together with the financial implications were set out in a schedule appended to the report on the following basis:

- Financial cases were given which represented the highest cost to the Council. In most cases this included discretionary added years on pension (where payable), as this represented a direct and ongoing cost to the Council. This was in accordance with the Council's current practice of considering redundancy and retirement terms up to the maximum limit of discretion, where applicable. The Committee was asked to approve individual proposals subject to a maximum ceiling on the exercise of discretion;
- Financial implications were costed on the basis of the estimated figures, which were subject to final confirmation. The figures might be affected by changes to final salary, pensionable service, age or date of leaving. The Committee was asked to approve the proposals on the basis of the estimated figures, subject to any individual proposal being brought back to Committee if the confirmed costs were more than 10% in excess of those reported;
- The costs of early retirement on the grounds of ill health were met by the Local Government Pension Scheme or the Teachers' Pension Scheme.

The report sought approval for the payment of a compensation package in the case of proposed termination of employment or early retirement on grounds of redundancy, efficiency of the service or ill health subject to the conclusion of all outstanding matters in each case, including ongoing consultation with employees and their representatives, and efforts to secure alternative employment, where appropriate.

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A case of flexible retirement was set out in a schedule appended to the report and included information relating to compensation or capital (early release of pension) costs and full year salary savings (including with on-costs). The payback period for the employee was also shown in the spreadsheet.

Resolved -

- (1) That the early retirement on the grounds of efficiency of employee A, the early retirement on the grounds of redundancy of employees E and F, and the termination of employment on the grounds of redundancy of employees B, C, D, G, H and I, be approved on the terms set out in the schedules appended to the report subject to the conclusion of all outstanding matters in each case, including ongoing consultation with the employees and their representatives and efforts to secure alternative employment, where appropriate;
- (2) That the proposals set out in (1) above be approved on the basis of the financial implications set out in the report, and that authority to conclude the proposal be delegated to the Head of Finance, Monitoring Officer and HR and Payroll Services Manager (acting jointly) within that framework, and subject to the maximum ceiling identified for the proposal.
- (3) That the current terms for agreeing compensation packages in specific cases of early retirement or termination of employment on the grounds of redundancy or efficiency be confirmed;
- (4) That the proposal for flexible retirement, as set out in the schedule attached to the report, be approved;
- (5) That the early retirement on the grounds of efficiency of employee J be approved on the terms set out in the schedule appended to the report subject to the conclusion of all outstanding matters in the case.

(Exempt information as defined in Paragraphs 1 and 2).

(The meeting commenced at 6.30 pm and closed at 6.50 pm).

Present:

Councillors Lovelock (Chair) and Page

Ms J Boyd National Union of Teachers

Mr R Kiff Unison

Mr P Kenny Unison

Mr J Magee Unite

Mr W King Interim HR/Payroll Services Manager

Ms K Bennett HR Partner

Ms S Poole Committee Services

Apologies:

Councillor Vickers

As the meeting was inquorate on the Councillor side, it was agreed that each item on the agenda would be discussed and noted by the Local Joint Forum. It was suggested that the membership of the Forum be amended at the Annual Meeting of the Council to ensure that the quorum could be achieved for more meetings.

1. APPOINTMENT OF VICE-CHAIR

Mr P Kenny had been appointed to serve as Vice-Chair of the Forum for the Municipal Year 2014/2015 at the meeting of the Forum on 26 June 2014 (Item 2 refers) but as this meeting was also inquorate, the appointment could not be ratified.

2. PROCEEDINGS OF THE LOCAL JOINT FORUM MEETING HELD ON 16 SEPTEMBER 2014

The Proceedings of the Local Joint Forum meeting held on 16 September 2014 were confirmed as a correct record and signed by the Chair.

3. HR ISSUES - GENERAL UPDATE

Warren King, Interim HR/Payroll Services Manager, submitted a report updating the Forum on a number of ongoing Human Resource (HR) and development issues:

iTrent Progress Report

The current programme had three main elements:

- Web based recruitment which would give the Council a more flexible and responsive presentation of its employment 'offer' and recruitment portal;
- Manager Self Service (MSS) which enabled managers to view and monitor team absence history, remuneration details and employee training and development records but protected sensitive staffing information;

- Employee Self Service (ESS) which allowed employees to be able to access and update both personal and sensitive information and pay slips without routing to HR / Payroll.

The report stated that the implementation programme timetable had slipped due to a number of factors, but that these delays had enabled practical feedback from the partial roll out of MSS to inform the further support that would be required for the roll out to the remaining managers in the Directorate of Education, Adult and Children's Services (DEACS). The roll out of Phase 2 ESS, which allowed for access via non Council network equipment, had commenced in January 2015.

Further work had also been completed on staff training and examples of the guidance material for ESS and MSS were attached to the report at Appendix 1 and a brief guide to the benefits of web recruitment was tabled at the meeting.

Kieran Magee stressed that some Council staff were unable to access computers and that not all staff had computing skills and so it was important that manual systems continued in parallel with the web based ones.

Council Reshape - Phases 4 and 4A

The report stated that work had been completed or was nearing completion on the implementation of Phase 4 of the Reshape programme. This covered Housing, Neighbourhood Services, Leisure & Recreation, Transportation & Streetcare and Finance.

The first part of Phase 4a had included Sustainability, Learning Disability Provider Service and Performance & Data (DEACS) and the consultations on these service areas had now closed. The next part of Phase 4a would include Early Years Childcare, Mental Health Day Service, Personal Budgets Support Team and Education Support and would be the final stage of this reshape.

Bus to Work Scheme

The report stated that the 'Bus to Work' salary sacrifice scheme that had been introduced in July 2014 had attracted a steadily increasing uptake and had 155 participants to date.

Automated Leavers Survey

The report stated that Councillors and managers had previously requested a range of data to gain an insight into the employment experience of staff who worked for the Council, including indices such as turnover and grievances. The existing system of exit interviews by managers was not widely used and data was largely qualitative and so this was an opportunity to introduce a more quantitative form of questionnaire which could then be used to develop a baseline score card of staff employment experience. A copy of the planned survey form was attached to the report at Appendix 2.

Childcare Regulations - Disqualifications

The report stated that additional staff vetting requirements had been introduced as part of childcare legislation and that it had only recently become apparent that the requirements also applied to education as it affected children up to the age of five in early years provision in school nurseries and reception classes and children up to the age of eight outside the school day, such as in breakfast and after school clubs.

Kirsty Bennett, HR Partner, explained that the regulations stated that staff could be 'disqualified by association' from working with children if anyone living in their household had been disqualified. In this instance, the member of staff would have to be removed from their current setting and redeployed or suspended and would then have to apply to the Office for Standards in Education, Children's Services and Skills (Ofsted) for a waiver to allow them to continue to work with children.

She added that she had attended a national local government briefing and there was concern that there had been inadequate consultation and that the initial Department for Education (DfE) guidance on these regulations had lacked clarity. New guidance would be issued, but would not be available until March 2015.

It was noted that the DfE had provided a briefing for the NUT National Union of Teachers (NUT) and had stated that suspension should be the last resort and that schools should look to redeploy staff or to change the way in which the classes were organised.

The Chair requested that this issue be discussed further outside the Forum and that no action be taken before the DfE Guidance was reissued and that the position be reported to the Chair, the Deputy Leader of the Council, Councillor Gavin (Lead Councillor for Children's Services and Families), Councillor Ennis (Lead Councillor for Education) and to Personnel Committee at its meeting on 5 March 2015.

AGREED:

- (1) That the report be noted;
- (2) That K Bennett and W King brief the Chair, the Deputy Leader and the relevant Lead Councillors with regard to the regulations.

4. INTRODUCTION OF CHANGES TO FAMILY FRIENDLY LEGISLATION

Warren King, Interim HR/Payroll Services Manager, submitted a report to update the Forum on recent and forthcoming changes to parental employment rights and to report on the progress of a revision to existing policies to accompany these changes. A copy of the draft Shared Paternity Leave Policy was attached to the supplementary agenda at Appendix A.

The report stated that Shared Parental Leave (SPL) was a new legal entitlement for parents of babies due, or children placed for adoption, on or after 5 April 2015.

Parents remained entitled to take maternity, paternity and adoption leave and SPL replaced additional paternity leave and pay, but added the right for fathers and partners to attend up to two antenatal classes.

SPL allowed eligible partners to share leave from work in the first year following the child's birth/adoption and so eligible mothers/adopters might return to work early because their partner was taking leave in their place. SPL could be taken continuously or in up to three separate blocks of time. Whilst on SPL an employee could agree to work or to attend training for up to 20 days without that work bringing the period of his/her shared parental leave and pay to an end. These were known as 'Shared Paternal Leave in Touch' (SPLIT) days and were similar to the KIT (Keeping in touch) days that currently existed.

Eligible partners would also be entitled to Shared Parental Leave Pay (ShPP) and the Corporate Management Team (CMT) had recommended that the level of ShPP should be that currently paid in the Council's occupational Maternity Leave Scheme.

AGREED: That the report be noted.

5. INFORMATION SUPPORT FOR STAFF AND MANAGERS AFFECTED BY CHANGE

Warren King, Interim HR/Payroll Services Manager, submitted a report to update the Forum on further revisions to the written guidance available for staff and managers affected by change. A copy of the revised Organisational Change Guidance and Support for Employees and the Organisational Change Guidance for Managers were attached to the report at Appendix 1.

The report stated that in September 2014 the Forum had noted a detailed report on a review of the Council's change management process which had included a number of recommendations for improvement to the written guidance and support for staff and managers affected by change (Minute 4 refers).

The revisions had been made to reflect the feedback and learning contained in the earlier review and had been the subject of consultation with the Joint Trade Unions Committee (JTUC).

AGREED: That the report be noted.

(The meeting opened at 5.00 pm and closed at 5.40 pm).

**READING BOROUGH COUNCIL
REPORT BY HEAD OF LEGAL & DEMOCRATIC SERVICES**

TO:	PERSONNEL COMMITTEE		
DATE:	5 MARCH 2015	AGENDA ITEM:	4
TITLE:	PAY POLICY 2015 / 16		
LEAD COUNCILLOR:	CLLR LOVELOCK	PORTFOLIO:	COUNCIL LEADER
SERVICE:	HR / PAYROLL	WARDS:	All
LEAD OFFICER:	WARREN KING	TEL:	0118 937 2215
JOB TITLE:	INTERIM HR AND PAYROLL SERVICES MANAGER	E-MAIL:	warren.king@reading.gov.uk

1. PURPOSE OF REPORT

- 1.1 To seek elected member input into the development of the 2015/16 pay policy and to seek guidance on the further operational and / or political stages that it needs to complete prior to submission to full Council in March 2015.

2. RECOMMENDED ACTION

- 2.1 That you review the 2014 Pay Policy (attached) and determine what, if any changes need to be made to the content;
- 2.2 That you consider what further consultation stages are necessary in the lead up to the submission of the revised policy to full Council on 24th March 2015.

3. POLICY CONTEXT

- 3.1 Local Authorities are required under section 38(1) of the Localism Act 2011 (the Act) to prepare a Pay Policy Statement. The statement must articulate the Council's policy towards the pay of the workforce, particularly senior staff and lowest paid employees. The Council published its first Pay Policy Statement in April 2012.
- 3.2 The attached statement has been amended in the following respects:
- Pay values arising from the NJC 2015 pay award;
 - Up-dating of salary band information;
 - Changes to references where appropriate;

- The inclusion of current pay scale tables for NJC and Senior Managers up to and including Director level;
- Updating the commitment to develop a policy on application of the Council's low pay policy to contractors working for the Council.

NOTE: A national pay award for JNC graded staff (RSM and above) is pending and will need to be incorporated into the report once confirmed.

- 3.3 Each local authority is an individual employer in its own right and has the autonomy to make decisions on pay that are appropriate to local circumstances and which deliver value for money for local taxpayers. The provisions of the Localism Act do not seek to change this or to determine what decisions on pay should be taken but they require individual employing authorities to be more open about their own policies in relation to pay and how decisions are made in this regard.
- 3.4 Section 40 of the Act requires authorities in developing their Pay Policy Statement to have regard to any guidance published by the Secretary of State. This includes Communities and Local Government guidance on Openness and Accountability in Local Pay and the Code of Recommended Practice for Local Authorities on Data Transparency (as amended).
- 3.5 The government has taken steps to increase transparency on the pay and reward of public sector employees and the Code of Recommended Practice for Local Authorities on Data Transparency which amongst other things asks councils to consider the way they release data on senior salaries.
- 3.6 In March 2011 the Hutton Review of Fair Pay was published which made several recommendations for promoting pay fairness in the public sector by tackling disparities between the lowest and highest paid in the public sector.
- 3.7 The provisions contained in the Act bring together the need for increasing accountability, transparency and fairness in the setting of pay which culminated in the formalisation of the Council's Pay Policy Statement, which outlines the pay and reward of the most senior employees set within the context of the pay of the wider workforce.
- 3.8 The Act sets out in detail the specific elements which the Pay Policy Statement must include as a minimum. The Act requires that in addition to the determination of senior salaries authorities must make clear what approach is taken to awarding other elements of pay including;
- severance payments,
 - any additional fees (e.g. election duties),
 - pay increases,
 - honorarium payments etc.
- 3.9 The Act requires that authorities include in their Pay Policy Statements their approach to the publication of and access to information relating to the remuneration of Chief Officers. Reference to the Council's Statement

of Accounts where this information is published is included within the proposed policy.

- 3.10 The Act requires that Pay Policy Statements are produced annually and are considered by full council. Any subsequent amendments required to the policy should also be considered by full council. This should be carried out in accordance with part 5A of the Local Government Act 1972. The Secretary of State does not consider that any of the grounds for exclusion of the public would be met for discussions around Pay Policy Statements.
- 3.11 The Act requires that the council's approach to pay, as set out in the Pay Policy Statement, is accessible for council tax payers for them to take an informed view of whether local decisions on all aspects of remuneration are fair therefore the approved Pay Policy Statement is published on the council's website.
- 3.12 The Hutton report highlighted that there is value in ensuring decisions about senior pay are taken in the context of similar decisions on lower paid staff and the Act requires Authorities to set their policy on remuneration for the highest paid employees alongside policies on the lowest paid.
- 3.13 The Hutton report and The Code of Recommended Practice for Local Authorities on Data Transparency also suggest that the organisation's pay multiple is published. The 'pay multiple' (in this context) is described as the ratio between the highest paid employee and the 'median average' earnings across the organisation which acts as a means of illustrating the relationship between the highest and lowest paid.

4 NEXT STEPS

- 4.1 A copy of the redrafted 2015 Pay Policy Statement can be found at Appendix 1. This will need to be submitted to full Council for approval, on 24th March 2015.
- 4.2 Time will also need to be scheduled into the programme for discussions with trades unions.

READING BOROUGH COUNCIL PAY POLICY STATEMENT 2015/16

1. INTRODUCTION

- 1.1. Reading Borough Council's pay policy aims to ensure value for money whilst enabling the Council to deliver high quality services to the residents of Reading. The Council seeks to set pay rates that are adequate to secure and retain high quality employees dedicated to the service of the public, but will determine overall pay and benefits at an appropriate level in accordance with equality, affordability and other relevant factors.
- 1.2. Pay levels will not be unnecessarily generous or otherwise excessive.
- 1.3. Reading Borough Council agrees that local authorities should be able to determine their own pay structures in order to address local priorities and to compete in the local labour market.
- 1.4. Reading Borough Council is committed to equality, transparency and fairness across all of its activities and particularly in relation to the pay and conditions of its staff.
- 1.5. This document has the following Annexes:
 - Annex A: Requirements and Recommendations to Publish Personal data concerning Staff
 - Annex B: Governance Arrangements for Pay and Conditions of Service
 - Annex C: Summary of Conditions of Service
 - Annex D: Council Employees in Salary Bands as at 1 April 2014
 - Annex E: Pension Discretions Statement
 - Annex F: Pay scales for staff employed on NJC (Green Book) conditions and Senior Managers (JNC).
- 1.6. The following related documents related to pay and remuneration can be accessed through the Council's website:
 - o Details and responsibilities of all job roles paid above £50,000
 - o Market Supplement Policy
 - o Council Senior level organisational chart

2. LEGISLATION

- 2.1. The authority appoints its staff, and determines the terms and conditions of service on which they hold office, under Section 112 of the Local Government Act 1978. This includes procedures for dismissal. Full Council has delegated this power to the Personnel Committee.
- 2.2. Sections 38 - 43 of the Localism Act 2011 require that the authority produce a policy statement that covers a number of matters concerning the pay of the authority's staff, principally Chief Officers. This policy statement meets the requirements of the Localism Act in this regard and also meets the requirements of guidance issued in February 2012 and February 2013 by the Secretary of State for Communities and Local Government to which the authority is required to have regard under Section 40 of the Act.
- 2.3. This policy also has some connection with the data on pay and rewards for staff which the authority publishes under the Code of Recommended Practice for Local Authorities on Data Transparency and the data which is published under The Accounts and Audit (England) Regulations (2011). A revised draft Code was published in December 2013. It should be noted that the requirements to publish data under the Secretary of State's

guidance, the Code of Practice and the Regulations do differ, the data requirements of the Code of Practice and the Accounts and Audit Regulations are summarised at **Annex A** to this policy statement.

- 2.4. Any decision under powers delegated in the Council's Constitution / Scheme of Delegation with regard to remuneration to be taken during 2015/16 will be bound by and must comply with this Statement. No decision at variance with this Statement may be taken without the specific agreement of full Council.
- 2.5. The Head of Paid Service and Head of Legal & Democratic Services must be consulted prior to any decision impacting on remuneration where there is any question regarding compliance with the Statement.

3. SCOPE OF THIS STATEMENT AND DEFINITION OF TERMS

- 3.1. This pay policy statement meets the statutory duty to provide the Council with a description of the policy on staff remuneration for annual approval. It provides information on remuneration arrangements for staff directly employed by the Council, excluding staff in schools.
- 3.2. This statement sets out the Council's policy with regard to:
 - the remuneration of 'chief officers' (the senior pay group - see below)
 - the remuneration of the lowest paid employees
 - the relationship between chief officers' remuneration and that of other officers
- 3.3. In this policy the 'senior pay group' (senior managers) covers posts in the top three tiers of the organisation. These include the Managing Director (Head of Paid Service), Directors and Heads of Service. Posts in this group in Reading are as follows:
 - (a) the Head of the Authority's Paid Service [Managing Director]
 - (b) the Director of Children, Education and Early Help Services;
 - (c) the Director of Adult Care & Health Services;
 - (c) the Director of Environment & Neighbourhood Services
 - (d) the Monitoring Officer (Head of Legal and Democratic Services) and Head of Finance (S.151 officer)
 - (e) persons who, as respects all or most of their duties, report directly to or are directly accountable to the Head of the Council's Paid Service
 - (f) persons who, as respects all or most of their duties, report directly to or are accountable to the posts listed in (b) and (c) above (other than staff whose duties are of a clerical or support nature)
- 3.4. The senior management structure of the organisation can be found in Part 7 of the Council Constitution on the Council's website.
- 3.5. The Council defines its lowest paid employees as those staff paid on the first spinal column point of the Council's pay grades for National Joint Council (NJC) for Local Government Services staff [RG Grades]. This definition is adopted as it refers to the lowest level of pay for staff on non-casual or apprentice contracts of employment.
- 3.6. The relationship between the remuneration of the lowest paid employees and that of the Council's senior officers is as described in this statement and by reference to the published data referred to.
- 3.7. "Remuneration" for the purposes of this statement includes these elements:
 - basic salary
 - pension
 - all other allowances arising from employment

4. GOVERNANCE ARRANGEMENTS AND DECISION MAKING

- 4.1. Full Council has delegated to the Personnel Committee the power to appoint and determine the terms and conditions of employment for all staff, including the application of any discretions under the pension schemes. The terms of reference of

the Personnel Committee are set out in Article 8 of Part 2 of the Council's constitution.

- 4.2. Full Council, and the Personnel Committee, have extensive and long-standing arrangements to delegate the exercise of this power to Directors and Heads of Service, in respect of the staff employed in their service areas.
- 4.3. The delegation is subject to the Council's Officer Employment Rules, which are set out in Part 4 of the Council's constitution.
- 4.4. A summary of the arrangements for determining terms and conditions of service for staff, including the Officer Employment Rules, can be found in **Annex B**.
- 4.5. The Council, and the Personnel Committee, have adopted a range of policies which apply to the recruitment and employment of the staff of the authority. Policies which are specifically relevant to this Statement include:
 - o Low Pay Policy
 - o Recruitment and Selection Policy
 - o Employment Stability Agreement and Pay Protection Policy
 - o Appraisal Scheme and Performance-Related Progression Scheme
 - o Policies relating to Market Supplements; Starting Salary on Appointment; Honorarium and Acting-Up Payments
- 4.6. The Scheme of Delegation provides for Directors and Heads of Service to manage, review and apply the Council's Human Resources policies, and to determine the appropriate pay and conditions for the appointment of staff within these policies.

5. CONDITIONS OF SERVICE

- 5.1. Reading Borough Council applies terms and conditions of employment that have been negotiated and agreed through appropriate collective bargaining mechanisms (national or local) or as a consequence of authority decisions, these are then incorporated into contracts of employment.
- 5.2. The Council is a member of the local government employers association for national collective bargaining in respect of chief executives, chief officers and other employees. There are separate negotiations and agreements in respect of each of these groups. Changes from national negotiations generally take effect from 1 April each year and are retrospective to 1 April where agreements are made later than 1 April. It is the authority's long-standing policy to implement national agreements. The head of paid service and chief officers are under the JNC conditions of service, with locally determined pay. All other employees are under the relevant national agreement on pay and conditions of service applying to the particular service area, with local variations to pay. Pay for staff on NJC conditions was last increased nationally ('cost of living' increase) in January 2015. The last time that pay for staff on JNC conditions was varied as the result of a national pay award was in 2009 (pay award currently pending). The Council will apply any settlement reached nationally in respect of staff covered by national bargaining machinery where this is the locally agreed mechanism for determining cost of living increases.
- 5.3. A summary of the arrangements for determining terms and conditions of service for staff is set out in **Annex C**:

6. POLICY ON REMUNERATING SENIOR MANAGERS

- 6.1. **Head of Paid Service:** The Head of Paid Service (Managing Director) is paid on a locally determined salary which is reviewed and approved by Personnel Committee when the post becomes vacant. Independent external consultancy advice on appropriate remuneration levels (taking account of role and responsibilities, recruitment and

retention factors and local and regional salary benchmarks) is presented to Personnel Committee to inform their decision-making in this matter.

- 6.2. The locally determined salary will be within the parameters of the Pay Policy Statement, and will be set out in the Minutes of the Personnel Committee meeting which approves the salary, which will be published on the Council's website. The salary range will also be published in the job advertisement to fill the vacant post.
- 6.3. At the conclusion of the recruitment process, the decision to appoint a person to fill the post of Head of Paid Service will be taken by full Council, which will be advised of the local salary, and the point at which the appointment was recommended to be made.
- 6.4. No other payments or benefits are payable to the Head of Paid Service (e.g. bonus, performance related pay, health insurance, car lease) other than those referred to elsewhere in this policy statement as being applicable to all employees.
- 6.5. Unless otherwise determined on appointment, the salary for the Head of Paid Service is subject to annual review by the Personnel Committee (on the anniversary of the date of appointment), in accordance with the following principles:
 - That any salary progression is subject to a satisfactory annual appraisal;
 - That the salary / scale is uplifted by the pay award nationally agreed for the JNC for Chief Executives;
 - That these principles take effect on the anniversary of the date of appointment without need for Personnel Committee decision, unless an exception report is initiated by the Leader of the Council.
- 6.6. **Directors and Heads of Service:** Directors and Heads of Service are paid on locally determined incremental Reading Senior Management / Corporate Director (RSM / CD) salary scales. These scales were established and approved by Personnel Committee following an independent review of senior salaries carried out by the Hay Group in 2001/2, using relevant regional public sector salary benchmarks. These scales are uplifted by the pay award nationally agreed (if any) for the JNC for Chief Officers. Exceptionally, the JNC pay award is not implemented for the senior pay group in times of severe budget challenge.
- 6.7. There are no other additional elements of remuneration in respect of overtime, flexi-time, bank holiday working, stand-by payments, etc., paid to these senior staff, as they are expected to undertake duties outside their contractual hours and working patterns without additional payment.
- 6.8. No other payments or benefits are payable to Corporate Directors and Heads of Service (e.g. bonus, performance related pay, health insurance, car lease) other than those referred to elsewhere in this policy statement as being applicable to all employees.
- 6.9. Other provisions set out in this policy statement apply equally to the senior pay group as to other employees (incremental progression linked to performance; salary on appointment or promotion etc.)

7. POLICY ON REMUNERATING THE LOWEST PAID IN THE WORKFORCE

- 7.1. This policy statement reconfirms the Council's long-standing Low Pay Policy, through which the Council pays a minimum wage which is higher than the national (NJC) grade minimum, and is set at NJC spinal column point (scp) 11 (£15,207 / £7.88 per hr wef 1.1.15). This is the bottom of Grade RG2 and the top of Grade RG1. All staff earn on or above the low pay threshold, currently SCP 11 (except apprentices - see 7.2). The majority of increments within RG1 fall below the Council's low pay threshold. Where the job evaluation places a substantive post in this grade, the employee will be paid on spinal column point 11 in line with the Council's low pay policy, but will not be entitled to further increments, whilst they remain in that particular job, or until it is re-evaluated. Normally this grade will be for trainee posts, where knowledge and skill requirements are at a minimum level.

- 7.2. The Council also notes and welcomes the recent development of the Living Wage and commits to ensuring that staff (as defined in 7.1) receive as a minimum either scp 11 or the Living Wage rate (which ever is the higher).
- 7.3. Apprentices are paid the nationally recommended allowance rate of £101.01 pw for the first 12 months of employment and thereafter are paid the National Minimum wage (NMW) as applicable to the employee's age. These rates are updated as the national allowances are revised.
- 7.4. The new grade RG2 covers 5 spinal column points, rising to scp15 (£16,572 pa or £8.59per hour). As with all new grades, there is a performance gateway mid-way through the grade, at scp14 (£16,231 pa, or £8.41 per hour).
- 7.5. Reading Borough Council is also committed in 2015 to the development and publication of a local policy to promote and require, to the extent permitted by law, the application of the Council's low pay policy to staff working for the Council's contractors in addition to the application of TUPE. The Council is also committed to seek accredited Living Wage Employer status in 2015.

8. PAY MULTIPLES

- 8.1. The highest paid salary in this authority is £135,000 which is the annual salary paid to the Head of Paid Service (Managing Director). The current ratio between the lowest paid employee (scp 11 currently £15,207 per annum) and the highest paid employee is 1:9. The Council will work to maintain a ratio of no more than 1:10 between the lowest paid and the highest paid.
- 8.2. This authority does not have a policy on maintaining or reaching a specific highest / median 'pay multiple', however the authority is conscious of the need to ensure that the salary of the highest paid employee is not excessive and is consistent with the needs of the authority as expressed in this policy statement. The authority's approach to the payment of other staff is to pay that which the authority needs to pay to recruit and retain staff with the skills, knowledge, experience, abilities and qualities needed for the post in question at the relevant time, and to ensure that the authority meets any contractual requirements for staff including the application of any local or national collective agreements, or authority decisions regarding pay. The median salary paid by the Council is £23,945. Pay multiple therefore between the highest and median salary is 1:5.6.
- 8.3. Pay multiples will be monitored each year within the Pay Policy Statement, and will be benchmarked against comparable authorities as others' pay policy statements are published.
- 8.4. In terms of overall remuneration packages the Council's policy is to differentiate by setting different levels of basic pay to reflect differences in responsibilities (job evaluation) but not to differentiate on other allowances, benefits and payments it makes.

9. PAY AND GRADING STRUCTURE

- 9.1. The Council uses established formal job evaluation procedures to identify the relative worth of jobs within the council (including the senior pay group), and to allocate jobs to the appropriate pay grade.
- 9.2. For the senior pay group (RSM / CD Grades) RBC uses the Hay job evaluation scheme, for other jobs we use the national NJC for Local Government Employees JE scheme.
- 9.3. The NJC Job Evaluation Scheme, which is recognised by employers and trades unions nationally, allows for robust measurement against set criteria resulting in fair and objective evaluations and satisfies equal pay requirements
- 9.4. Pay grades are shown at Annex F.

10. PAY PROFILE

- 10.1. Annex D shows employees at 1 April 2014 by salary band and then by gender, ethnic origin and disability. Salary bands are based on the new RG pay scales introduced in May 2011.
- 10.2. The numbers of black and minority ethnic employees and disabled employees are shown as a proportion of employees who have made a positive declaration
- 10.3. Female employees continue to form the greater percentage across all salary bands. Each band has over 50% women, with the proportion reaching around 74% in bands 2 and 3.
- 10.4. This analysis shows that the level of BME staff in the higher earnings bands has increased to 7.84% (from 5.4%, 2014/15) in the highest earnings band, which is lower than the proportion of BME staff in the Council as a whole.
- 10.5. The overall number of employees who have declared a disability across salary bands ranges between 0% and 5.26%. The proportion of people with a disability is relatively even across most of the bands.

11. PAY PROGRESSION

- 11.1. Under the Council's Performance Related Progression Scheme the award of an annual increment is dependent upon an employee's achievement of performance targets and competency objectives. The scheme also links incremental progression with whether performance is improving or declining. No increment can be awarded if an employee is subject to formal disciplinary or capability (poor performance) procedures.
- 11.2. The following principles apply to pay progression for all RBC staff with effect from 1st April 2012:
 - No automatic annual incremental progression, only NJC/JNC 'cost of living' award (if any);
 - 'Gateways' will be established 2 or 3 increments from the top of each grade depending on its length. Progression within a grade beyond the gateway will be for wider responsibility which meets agreed competency levels, based on job evaluation (JE) factor levels;
 - Progression up to the gateway within the grade will be subject to a satisfactory assessment of performance and contribution based on management evidence throughout the year;
 - Progression between grades within career grades will be dependent on meeting competencies at the next grade level;
 - On progression matters, there will be one appeal level above the approving manager (i.e. designated officer or Head of Service);
 - Regular supervision and appraisal are fundamental to employee progression.
- 11.3. There should be no accelerated incremental progression, only an annual assessment of satisfactory performance.
- 11.4. The only exception to 11.3 would be the progression within an existing career grade structure where skills and competencies (including academic attainment) have been achieved which meet predetermined career grade progression criteria.
- 11.5. The acceleration of an employee to the next increment, grade, or through the gateway of their existing grade, needs to be evidenced and certified by the Service Manager as meeting pre-existing and defined career progression criteria and approved by the Corporate Director. Copies of the evidence to support such a decision need to be placed on the employee's personal file held by HR.
- 11.6. Any career grade progression is conditional upon budget provision being available.

- 11.7. Employees successfully moving posts within the Council will be subject to the principle of annual incremental progression assessment. They will no longer receive an automatic increment 6 months after being in their new post.

12. LOCAL PAY ARRANGEMENTS

- 12.1. **Child Care Solicitors** - This section, based in RBC's Legal Service, provides a service to the six Berkshire Unitary Councils. Staff who were employed by the former Berkshire County Council retain local pay and progression arrangements which were inherited by RBC as a result of Statutory Transfer Order / TUPE provisions.

13. REMUNERATION ON APPOINTMENT AND PROMOTION

- 13.1. The Council's policy is to not pay any form of "signing on" fee or incentive payment when recruiting.
- 13.2. The starting pay point for all new employees (including internally appointed or promoted employees) should normally be the first point of the appropriate grade. Any proposal to place a new employee on a point above the bottom of the grade needs to be objectively justified (by reference to a 'material factor' reason) to ensure employees are treated fairly. Any material factor which makes such a variation necessary needs to be established, evidenced and, where necessary, tested to ensure its robustness in the event of a challenge. This policy applies to all staff.
- 13.3. Where an employee has applied for, and been successful through an internal recruitment process and the grade for the new job is higher than their current grade then they will transfer to the bottom of the new grade. If this is at the same spinal column point (scp) as they are currently on then they will move to the next spinal column point.
- 13.4. At the point of any assimilation to a new grade, employees moving to a higher grade will be placed at the bottom of that new grade.
- 13.5. The Full Council will have the opportunity to vote before salary packages in excess of £100,000 are offered for new appointments.
- 13.6. **Relocation Expenses:** Where it is necessary for a newly appointed employee to relocate to take up appointment the Council may make a contribution towards relocation expenses. The same policy applies to Managing Director, chief officers and other employees in that payment will be made against a range of allowable costs for items necessarily incurred in selling and buying a property and moving into the area. The costs include estate agents fees, legal fees, stamp duty, storage and removal costs, carpeting and curtains, short term rental etc. If an employee leaves within three years of first employment they may be required to reimburse a proportion of any relocation expenses.

14. OTHER ELEMENTS OF THE REMUNERATION PACKAGE

- 14.1. **Pension:** Pension provision is an important part of the remuneration package. All employees may join the local government pension scheme (or the Teachers Pension Scheme for relevant staff). The scheme is a statutory scheme with contributions from employees and from employers. The current employer contribution rate for Reading Borough Council is 16.2%. This rate is reviewed and set every three years by the actuary. Reading Borough Council is part of the Berkshire scheme, administered by the Royal Borough of Maidenhead and Windsor. Neither the scheme nor the Council adopt different policies with regard to benefits for any category of employee: the same terms apply to the chief executive, chief officers and other staff.
- 14.2. **Election / Returning Officer Fees:** The Returning Officer is an officer of the Borough Council who is appointed under the Representation of the People Act 1983. Whilst appointed by the Borough Council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from his/her duties as an employee of the Borough Council. As Returning

Officer, he/she is paid a separate allowance for each election for which he/she is responsible.

- 14.3. Separate fees will be paid to the Head of Legal and Democratic Services for undertaking Returning Officer duties which are not part of the post's substantive role. These fees will be paid in line with the amount recommended by the Government or Electoral Commission for Parliamentary and European elections and referendums, or as set out in the Council's budget estimates for local elections.
- 14.4. The Returning Officer may appoint one or more Deputy Returning Officers, and pay a fee to them for undertaking the duties that the Returning Officer allocates to them.
- 14.5. **Market Supplements:** The Council may pay a market supplement, in addition to base salary, in order to recruit or retain staff with special skills experience or knowledge. Market supplements are applied, reviewed and withdrawn in accordance with the Council's market supplement policy, which is published on the Council's website. The Head of Paid Service has delegated authority to determine posts for which salary supplements will be paid, and the amount and duration of the supplement, in consultation with the Head of Human Resources and the relevant Director.
- 14.6. **Honorarium and other temporary additional Payments:**

Under the Council's scheme of delegation to officers, Directors and Heads of Service are authorised to approve additional payments in the circumstances described below:

(a) **'Acting-up'** - The employee will either receive the 'rate for the job' that they are covering if they are undertaking the full range of duties and responsibilities. As a minimum, this means that they will be paid at the first spinal column point of the grade of the post that they are acting up into. If the employee is not undertaking the full range of duties of a higher graded post, then an acting up allowance will be paid. The allowance will be a percentage of the difference between the first point on the grade of the post being covered and the employee's current salary equivalent to the percentage proportion of higher responsibility being undertaken.

(b) **Honorarium payments** - Where an employee is undertaking work on a project or discrete piece of work which would fall outside of the normal range of duties expected for his / her particular post, then the employee shall be eligible for an honorarium payment for the duration of the project.

The level of payment made should be determined with regard to the level of responsibilities being undertaken and this should be determined with regard to the Council's Job Evaluation Scheme.

The employee will be paid an amount appropriate to the proportion of their time being spent working at this higher level on a monthly basis for the duration of the project / programme.

15. NON-PAY ELEMENTS AND BENEFITS

- 15.1. **Annual Leave:** The following annual leave entitlements apply
 - The minimum annual leave allowance (on appointment) will be 24 days per year
 - There will be an additional 5 days at 5 years continuous local government service (granted from anniversary of start date).
 - There will be an additional 3 days at 10 years Reading Borough Council service (granted from following 1 April).
 - The minimum annual leave allowance (on appointment) will be 30 days per year for the senior pay group
 - The maximum annual leave allowance for all staff will be 32 days.
- 15.2. **Salary Sacrifice Schemes / Employee discount schemes:** All employees can access salary sacrifice schemes for childcare vouchers, bicycle purchase and bus to work scheme. There are also non-subsidised employee discount schemes.

- 15.3. **Flexible Working:** All employees can access flexible working arrangements subject always to the needs of the service.
- 15.4. **Car Allowances / Expenses:** The Council will meet or reimburse authorised travel, subsistence and (exceptionally) accommodation costs for attendance at necessary and approved meetings and training events. The Council does not regard such costs as remuneration but as non-pay operational costs. This policy is applied consistently to the Head of Paid Service, chief officers and other employees. The locally determined car allowance reimbursement rate for necessary and approved work-related travel is 45p per mile for all authorised car users. No other car allowance (e.g. monthly lump sum) is payable to any employee.

16. TERMINATION OF EMPLOYMENT

- 16.1. Under the Council's Officer Employment Procedure Rules, the decision to effect dismissal or retirement on the grounds of redundancy or efficiency of the service is a decision of Personnel Committee for posts at Head of Service level and above. The decision is delegated to the relevant Director for all posts below this level.
- 16.2. However, the final decision as to the compensation to be paid as a result of such dismissal decisions, for all posts, is a decision of Personnel Committee. Personnel Committee also need to approve any employee requests for early retirement which require employer consent and entail a cost to the Council.
- 16.3. Each of the proposals presented to the Committee must first be considered and agreed by an officer panel comprising the Head of Finance (S151 Officer), Monitoring Officer and HR & Payroll Services Manager. This panel is established to monitor applications on the basis of consistency, legality and financial prudence. In terms of financial prudence, each case must demonstrate a 'payback period' within one year, or, exceptionally, two years in 'efficiency of the service' cases if sufficient service and efficiency benefits to the Council can be demonstrated. This Panel also assesses associated questions e.g. exercise of exceptional discretion; reasonableness of alternative employment in redundancy cases etc.
- 16.4. In the event that the compensation to be paid exceeds £100,000 in total, then full Council will be offered an opportunity to vote on the matter prior to approval.
- 16.5. **Discretionary Enhancement of Redundancy Payments:** The policy for the award of any discretionary payments is the same for all staff regardless of their pay level. Redundancy payments under regulation 5 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England & Wales) Regulations 2006 provide discretion to pay up to an overall lump sum of 2 times the statutory redundancy payment formula based on actual weeks pay, capped at 52 weeks' pay. This is payable to employees made redundant with 2 or more years continuous service regardless of their age. Discretionary compensation can be reduced in cases where an offer of suitable alternative employment is deemed to have been unreasonably refused.
- 16.6. **Settlement Agreements:** In exceptional circumstances, and specifically so as to settle a claim or potential dispute the Head of Legal and Democratic Services can agree payment of a termination settlement sum (subject to a decision of Personnel Committee if outside the normal framework for termination payments as set out in this section).
- 16.7. **Policy on Re-Employment:** The policy for re-employment following redundancy / efficiency termination is the same for all staff regardless of their pay level. Employees in receipt of compensation payment for loss of employment which has had discretionary enhancements applied to it are not permitted to take up employment with Reading Borough Council within 12 months of the ending of their current employment.

16.8. **Flexible Retirement:** In accordance with Superannuation Regulations, rather than continuing in their current job to age 65 employees can, on or after age 55 and with Council consent, reduce their hours of work or the grade in which they are employed and draw (some or all of) their accrued pension benefits whilst continuing in employment and building up further benefits in the Scheme - enabling them to ease into retirement. Employees must be 55 or over and have 3 or more months' membership in the LGPS (including transferred rights) in order to be eligible to make a flexible retirement request following a reduction in hours or grade. Pension benefits will normally be reduced if paid before age 65. This policy is open to all employees, subject to financial requirements being met (net savings to the Council and a pay back period of no more than 2 years).

17. PENSION DISCRETIONS

17.1. The Council's current policy statement on the use of discretions under the relevant Superannuation Regulations is attached as **Annex E**.

18. PAY PROTECTION

18.1. The Council's pay protection policy is approved by the Personnel Committee as part of the Employment Stability Agreement. The policy provides a mechanism for assisting employees to adjust to a reduction in pay as a result of organisational change.

19. PUBLICATION OF INFORMATION ON THE REMUNERATION OF STAFF

19.1. This Pay Policy Statement will be published on the Council's website. In addition, details of all posts paid above £50,000 will be published.

20. AMENDMENTS TO THE POLICY

20.1. As the policy covers the period April 2015 - end March 2016, amendments may need to be made to the policy throughout the relevant period. As the Localism Act 2011 requires that any amendments are approved by the Council by resolution, proposed amendments will be reported to Personnel Committee for recommendation to the Council.

21. POLICY FOR FUTURE YEARS

21.1. This policy statement will be reviewed each year and will be presented to full Council each year for consideration in order to ensure that a policy is in place for the authority prior to the start of each financial year.

PAY POLICY STATEMENT – ANNEX A

The Secretary of State for CLG Code of Recommended Practice for Local Authorities on Data Transparency indicates that local authorities should publish the following data concerning staff:

- Salaries, names (with an option for individuals to refuse to consent to this), job descriptions, responsibilities, budgets (including overall salary cost of staff reporting), and numbers of staff for all staff in receipt of a salary of more than £58,200*
- An organisational chart of the staff structure of the authority including salary bands and details of currently vacant posts
- The 'pay multiple' - the ratio between the highest paid salary and the median average salary of the whole authority workforce

* an amended proposal to make the limit £50,000 is currently the subject of consultation.

The Accounts and Audit (England) Regulations (2011) require that the following data is included in the authority's accounts:

- Numbers of employees with a salary above £50k per annum (pro-rata for part-time staff) in multiples of £5k
- Job title, remuneration and employer pension contributions for senior officers. Senior officers are defined as Head of Paid Service, Statutory Chief Officers and Non-Statutory Chief Officers by reference to Section 2 of the 1989 Local Government & Housing Act.
- Names of employees paid over £150k per annum

For the above remuneration is to include:

- Salary, fees or allowances for the current and previous year
- Bonuses paid or receivable for the current and previous year
- Expenses paid in the previous year
- Compensation for loss of employment paid to or receivable, or payments made in connection with loss of employment
- Total estimated value of non-cash benefits that are emoluments of the person

For the above pension contributions to include:

- The amount driven by the authority's set employer contribution rate
- Employer costs incurred relating to any increased membership or award of additional pension

PAY POLICY STATEMENT – ANNEX B

GOVERNANCE ARRANGEMENTS FOR PAY AND CONDITIONS OF SERVICE

[Note: these provisions are subject to amendment as the source documents are amended]

1.1. Constitution of Reading Borough Council - 22 May 2013

Part 3.3 Responsibility for Council Functions (Schedule 1, Part 2):

37. Power to appoint staff, and to determine the terms and conditions on which they hold office (including procedures for dismissal)	Section 112 of the Local Government Act 1972.	Personnel Committee General Delegation to Directors and Heads of Service
40. Power to appoint officers for particular purposes (appointment of “proper officers”)	Section 270(3) of the Local Government Act 1972	Personnel Committee
43. Duty to designate officer as head of the authority’s paid service, and to provide staff, etc	Section 4(1) of the Local Government & Housing Act 1989 (c. 42)	Council

1.2. Constitution of Reading Borough Council - 22 May 2013: Article 4, 4.2 Functions of the full Council:

Only the Council will exercise the following functions:

[...] (g) confirming the appointment of the Head of Paid Service;

1.3. Constitution of Reading Borough Council - 22 May 2013: Article 12 - Officers:

12.1 Management structure

[...]

(b) Chief Officers

The full Council will engage persons for the following posts (or such other similar posts as it may decide from time to time), who will be designated chief officers:

[Managing Director] (Head of Paid Service)

Director of Education, Adults & Children’s Services

Director of Environment & Neighbourhood Services

(c) Head of Paid Service, Monitoring Officer and Chief Financial Officer and Deputies

The Council has designated the following posts as shown:

[Managing Director] - Head of Paid Service

Head of Finance - Chief Finance Officer and Section 151 Officer

Head of Legal and Democratic Services - Monitoring Officer

The Council has designated the following Deputy post as shown:

Chief Accountant - Deputy Chief Finance Officer and Deputy Section 151 Officer

12.2 Functions of the Head of Paid Service**(a) Discharge of functions by the Council**

The Head of Paid Service will report to full Council or the Policy Committee on the manner in which the discharge of the Council’s functions is co-ordinated,

the number and grade of officers required for the discharge of functions and the organisation of officers.

(b) Restrictions on functions

The Head of Paid Service may not be the Monitoring Officer but may hold the post of Chief Finance Officer if a qualified accountant.

[...]

12.7 Employment

The recruitment, selection and dismissal of officers will comply with the Officer Employment Rules set out in Part 4 of this Constitution.

1.4. The powers and duties of the **Personnel Committee** include the following:

"6. PERSONNEL COMMITTEE

(1) Subject to Officer Employment Procedure Rules set out in the constitution:

- a) to arrange for the appointment of the Council's Head of Paid Service, and make recommendations to Council in this respect
- b) to appoint Corporate Directors, the Monitoring Officer, Section 151 Officer and posts falling within the definition of Deputy Chief Officer in Section 2(1) of the Local Government & Housing Act 1989
- c) to dismiss Corporate Directors, the Monitoring Officer, Section 151 Officer and posts falling within the definition of Deputy Chief Officer in Section 2(1) of the Local Government & Housing Act 1989
- d) to settle all matters relating to the above appointments or dismissals

(2) To take any decisions affecting the remuneration, terms and conditions of service of the Head of Paid Service;

(3) To undertake performance appraisals of the Head of Paid Service and Corporate Directors; and to set annual targets against which performance can be measured.

[...]

(6) To determine the level of compensation to be paid in individual cases of voluntary redundancy and early retirement and other personnel matters where appropriate.

[...]

1.5. The **Officer Employment Procedure Rules** are in Part 4 of the Constitution. They are based on a mandatory Standing Order required by the Local Authority (Standing Orders)(England) Regulations 2001, by which local authorities must include a Standing Order on the appointment and dismissal of chief officers, the people who can or must be involved in the appointment or dismissal process, and the arrangements for taking disciplinary action against the Head of Paid Service, Chief Financial Officer and Monitoring Officer. They are written specifically for authorities with executive arrangements, and therefore some parts of them - in particular the requirement to notify the Leader and each Cabinet Member about individual chief officer appointments - are no longer relevant to Reading, as an authority which adopted a committee system form of governance in May 2013. The Government has now issued the Local Authority (Standing Order) (England) (Amendment) Regulations 2014, which come into force on 25 February 2014. These will require the authority to amend its Officer Employment Procedure Rules, and the Monitoring Officer will be reporting separately to Council in this regard.

PAY POLICY STATEMENT – ANNEX C

SUMMARY OF CONDITIONS OF SERVICE

Managing Director

The terms and conditions for the Head of Paid Service are as set out by the Joint Negotiating Committee (JNC) for Chief Executives, and as amended locally. Pay is determined locally.

Corporate Directors

The terms and conditions for the Corporate Management Team (excluding the Head of Paid Service) are in accordance with the Scheme of Conditions of Service agreed by the National Joint Negotiating Committee for Chief Officers, and as amended locally. Pay is determined locally.

Heads of Service (third tier - i.e. reporting directly to the Head of Paid Service or a Director)

The terms and conditions for Heads of Service are as set out by the Joint Negotiating Committee (JNC) for Chief Officers, and as amended locally. Pay is determined locally.

NJC Staff

The Terms and conditions for NJC staff are determined by the National Joint Council (NJC) for Local Government Services, and as amended locally.

Craft Employees

The Terms and conditions for NJC staff are determined by the National Joint Council (NJC) for Craft and Associated Employees, and as amended locally.

Teachers

The terms and conditions for Teachers are as set out in the School Teachers Pay and Conditions Document.

Soulbury Staff

The Soulbury Committee determines the national salary framework for Soulbury staff and terms and conditions, as amended locally.

Youth Workers

The terms and conditions for Youth Workers are as determined by the Joint Negotiating Committee (JNC) for Youth and Community Workers, and as amended locally.

Coroners

The terms and conditions for Coroners are set by the Joint Negotiating Committee for Coroners, and as amended locally.

PAY POLICY STATEMENT - ANNEX D

Council Employees in Salary Bands as at 01.04.14

		Women		BME			Disability			
Grade Bandings		Population	No	%	No	ND	%	No	ND	%
RG1*	Up to £14,880	18*	9	50.9%	3	1	17.65%	0	0	0.00%
RG2	£16,215	328	244	74.3%	99	23	32.46%	7	11	2.21%
RG3	£19,317	491	365	74.3%	71	25	15.24%	14	45	3.14%
RG4	£23,945	613	423	69.0%	95	2	15.55%	15	32	2.58%
RG5	£28,922	370	233	62.9%	53	19	15.10%	11	30	3.24%
RG6	£33,128	294	185	62.9%	40	15	14.34%	8	23	2.95%
RG7	£38,422	225	152	67.5%	29	10	13.49%	1	20	0.49%
RG8	£43,830	109	69	63.3%	10	10	10.10%	2	11	2.04%
RG9	£49,214	53	36	67.9%	8	5	16.67%	1	5	2.08%
RG10	£52,916	39	28	71.7%	1	1	2.63%	2	1	5.26%
	Above £52,916	52	31	59.6%	4	1	7.84%	0	5	0.00%
		2592	1775	68.3%	378	112	15.24%	61	178	2.53%

1 - Based on 2014 pay bands and earnings

2 - As a proportion of employees who have made a positive declaration

3 - Excludes schools

* All are Apprentices

PAY POLICY STATEMENT – ANNEX E

**LOCAL GOVERNMENT PENSION SCHEME REGULATIONS 2013
STATEMENT OF POLICY ABOUT EXERCISE OF DISCRETIONARY FUNCTIONS
SCHEME EMPLOYER DECLARATION**

The Scheme employer known as **Reading Borough Council** ('the Council') has prepared this written statement of policy in relation to its exercise of certain discretionary functions available under the Local Pension Scheme Regulations 2013. The Scheme employer declares that it will keep this statement under review and publish the statement (and any amendments made thereto) in a place that is easily accessible to all of its eligible Scheme employees and that it will provide to the administering authority the most up to date version of the statement at all times.

**PART A - Formulation of COMPULSORY policy in accordance with Regulation 60 of the
Local Government Pension Scheme Regulations 2013**

Regulation 16 – Additional Pension Contributions

The Scheme employer may resolve to fund in whole or in part any arrangement entered into by an active scheme member to pay additional pension contributions by way of regular contributions in accordance with *Regulation 16(2)(e)*, or by way of a lump sum in accordance with *Regulation 16(4)(d)*.

The Scheme employer may enter into an APC contract with a Scheme member who is contributing to the MAIN section of the Scheme in order to purchase additional pension of not more than the additional pension limit (£6,500 from 1st April 2014 subject to annual increase in line with the Pensions (Increase) Act 1971).

The amount of additional contribution to be paid is determined by reference to actuarial guidance issued by the Secretary of State.

Consideration needs to be given to the circumstances under which the Scheme employer may wish to use their discretion to fund in whole or in part an employee's Additional Pension Contributions.

Scheme Employer's policy concerning the whole or part funding of an active member's additional pension contributions

The Council has resolved not to adopt this discretion at this time.

Regulation 30(6) – Flexible Retirement

An active member who has attained the age of 55 or over and who with the agreement of their employer reduces their working hours or grade of employment may, with the further consent of their employer, elect to receive immediate payment of all or part of the retirement pension to which they would be entitled in respect of that employment as if that member were no longer an employee in local government service on the date of the reduction in hours or grade (*adjusted by the amount shown as appropriate in*

actuarial guidance issued by the Secretary of State - separate policy required under Regulation 30(8)).

As part of the policy making decision the Scheme employer must consider whether, in addition to the benefits the member may have accrued prior to 1 April 2008 (which the member must draw), to permit the member to choose to draw all, part or none of the pension benefits they built up after 31 March 2008 and before 1 April 2014 and all, part or none of the pension benefits they built up after 1 April 2014.

Due consideration must be given to the financial implications of allowing an employee to draw all or part of their pension benefits earlier than their normal retirement age.

Scheme Employer's policy concerning flexible retirement

The Council has resolved that it will give such an opportunity to its employees. Flexible Retirement under this discretion will be subject to an agreed policy framework. The Council has resolved that waiving actuarial reduction in full or in part will only be considered where there will be a sufficient financial or other benefit to the authority. An exception to this requirement is the employee's exceptionally difficult personal or domestic circumstances

Regulation 30(8) – Waiving of Actuarial Reduction

Where a Scheme employer's policy under regulation 30(6) (flexible retirement) is to consent to the immediate release of benefits in respect of an active member who is aged 55 or over, those benefits must be adjusted by an amount shown as appropriate in actuarial guidance issued by the Secretary of State (commonly referred to as actuarial reduction or early payment reduction).

A Scheme employer (or former employer as the case may be) may agree to waive in whole or in part and at their own cost, any actuarial reduction that may be required by the Scheme Regulations.

Due consideration must be given to the financial implications of agreeing to waive in whole or in part any actuarial reduction.

Scheme Employer's policy concerning the waiving of actuarial reduction

That the Council does not consent to waive any actuarial reduction for staff electing to retire at age 55 or over, unless there is a sufficient financial or other benefit to the Council. An exception to this requirement is the employee's exceptionally difficult personal or domestic circumstances.

Regulation 31 – Award of Additional Pension

A Scheme employer may resolve to award

- (a) an active member, or
- (b) a member who was an active member but dismissed by reason of redundancy, or business efficiency, or whose employment was terminated by mutual consent on grounds of business efficiency,

additional annual pension of, in total (including any additional pension purchased by the Scheme employer under Regulation 16), not more than the additional pension limit (£6,500 from 1st April 2014 subject to annual increase in line with the Pensions (Increase) Act 1971).

Any additional pension awarded is payable from the same date as any pension payable under other provisions of the Scheme Regulations from the account to which the additional pension is attached.

In the case of a member falling within sub-paragraph (b) above, the resolution to award additional pension must be made within 6 months of the date that the member's employment ended.

Scheme Employer's policy concerning the award of additional pension

The Council has resolved not to adopt this discretion at this time

Schedule 2 - paragraphs 2 and 3

Where a scheme member retires or leaves employment and elects to draw their benefits at or after the age of 55 and before the age of 60 those benefits will be actuarially reduced unless their Scheme employer agrees to meet the full or part cost of those reductions as a result of the member otherwise being protected under the 85 year rule as set out in previous Regulations.

So as to avoid the member suffering the full reduction to their benefits the Scheme employer can 'switch on' the 85 year rule protections thereby allowing the member to receive fully or partly unreduced benefits but subject to the Scheme employer paying a strain (capital) cost to the Pension Fund

Scheme Employer's policy concerning the 'switching on of the 85 year rule

That the Council does not consent to switch on the 85 year rule for staff electing to retire at age 55, unless there is a sufficient financial or other benefit to the Council. An exception to this requirement may be the employee's exceptionally difficult personal or domestic circumstances.

PART B - Formulation of RECOMMENDED policy in accordance with the

Local Government Pension Scheme Regulations 2013

Regulation 9(1) & (3) - Contributions

Where an active member changes employment or there is a material change which affects the member's pensionable pay during the course of a financial year, the Scheme employer may determine that a contribution rate from a different band (as set out in Regulation 9(2)) should be applied.

Where the Scheme employer makes such a determination it shall inform the member of the revised contribution rate and the date from which it is to be applied.

Scheme Employer's policy concerning the re-determination of active members' contribution bandings at any date other than 1st April

The Council shall re-determine contribution rates on 1st April each year only. Staff joining the scheme shall be placed in a contribution band consistent with their contracted, actual pay in the first instance except for casual staff who shall initially be placed on the lowest contribution band. The banding placement for individual staff shall be re-determined wef from the 1st April only in subsequent years following initial placement and adjusted as necessary in the light of the pensionable pay actually earned in the previous year (using a '12 month equivalent' calculation for staff who have not worked a full year).

Regulation 17(1) - Additional Voluntary Contributions

An active member may enter into arrangements to pay additional voluntary contributions (AVCs) or to contribute to a shared cost additional voluntary contribution arrangement (SCAVCs) in respect of an employment. The arrangement must be a scheme established between the appropriate administering authority and a body approved for the purposes of the Finance Act 2004, registered in accordance with that Act and administered in accordance with the Pensions Act 2004.

The Scheme employer needs to determine whether or not it will make contributions to such an arrangement on behalf of its active members.

Scheme Employer's policy concerning payment of Shared Cost Additional Voluntary Contributions

The Council has resolved not to adopt this discretion at this time.

Regulation 22 - Merging of Deferred Member Pension Accounts with Active Member Pension Accounts

A deferred member's pension account is automatically aggregated with their active member's pension account unless the member elects within the first 12 months of the new active member's pension account being opened to retain their deferred member's pension account.

A Scheme employer can, at their discretion, extend the 12 month election period.

Scheme Employer's policy concerning merging of Deferred Member Pension Accounts with Active Member Pension Accounts

The Council has resolved not to extend the time limit for election beyond 12 months.

Regulation 100(6) - Inward Transfers of Pension Rights

A request from an active member to transfer former pension rights from a previous arrangement into the Local Government Pension Scheme as a result of their employment with a Scheme employer must be made in writing to the administering authority and the Scheme employer before the expiry of the period of 12 months beginning with the date

on which the employee first became an active member in an employment (or such longer period as the Scheme employer and administering authority may allow).

Scheme Employer's policy concerning the extension of the 12 month transfer application period

The Council has resolved not to extend the time limit for election beyond 12 months.

Regulation 21(5) - Assumed Pensionable Pay

A Scheme employer needs to determine whether or not to include in the calculation of assumed pensionable pay, any 'regular lump sum payment' received by a Scheme member in the 12 months preceding the date that gave rise to the need for an assumed pensionable pay figure to be calculated.

Scheme Employer's policy concerning inclusion of 'regular lump sum payments' in assumed pensionable pay calculations

That the Council does include in such calculations an element for 'regular lump sum payment' where it is fair, equitable and justifiable to do so.

Regulation 74 - Applications for Adjudication of Disagreements

Each Scheme employer must appoint a person ("the adjudicator") to consider applications from any person whose rights or liabilities under the Scheme are affected by:

- (a) a decision under regulation 72 (first instance decisions); or
- (b) any other act or omission by a Scheme employer or administering authority,

and to make a decision on such applications.

Responsibility for determinations under this first stage of the Internal Disputes Resolution Procedure (IDRP) rests with "the adjudicator" as named below by the Scheme employer:

Name: Christopher Brooks
Job Title: Head of Legal and Democratic Services
Address: Civic Centre, Reading, Post RG1 7AE
Tel No: 0118 93772602
Email: chris.brooks@reading.gov.uk

Adjudicator's Signature: _____

Date: _____

SCHEME EMPLOYER CONFIRMATION

It is understood that the discretions contained within this statement of policy are applicable to all eligible members of the Scheme. The Scheme rules allow for a revised statement to be issued at least one month in advance of the date that any new policy takes effect. The revised statement must be sent to the administering authority and the employer must publish its statement as revised in a place that is accessible to all of its eligible scheme members.

The policies made above:

Have regard to the extent to which the exercise of the discretions could lead to a serious loss of confidence in the public service;

Will not be used for any ulterior motive;

Will be exercised reasonably;

Will only be used when there is a real and substantial future benefit to the employer for incurring the extra costs that may arise;

Will be duly recorded when applied.

Signed on behalf of the Scheme Employer: _____

Name in Block Capitals: ALAN CROSS

Position: HEAD OF FINANCE

Scheme Employer's Name: READING BOROUGH COUNCIL

Date:

PAY POLICY STATEMENT - ANNEX F

KEY PAY SCALES FOR COUNCIL STAFF

New NJC Pay Structure - January 2015									
GENERAL PAY SCALE					SOCIAL WORKERS & OCCUPATIONAL THERAPISTS				
SCP	P/A	P/H	Current Grades		SCP	Current Grades		SCP	
59	£54,080	£28.03			59			59	
58	£52,776	£27.36			58			58	
57	£51,473	£26.68			57			57	
56	£50,324	£26.08			56			56	
55	£49,174	£25.49			55			55	
54	£48,025	£24.89			54			54	
53	£46,875	£24.30			53			53	
52	£45,726	£23.70			52			52	
51	£44,794	£23.22			51			51	
50	£43,882	£22.75			50			50	
49	£42,957	£22.27			49			49	
48	£42,053	£21.80			48			48	
47	£41,140	£21.32			47			47	
46	£40,217	£20.85			46			46	
45	£39,267	£20.35			45			45	
44	£38,405	£19.91			44			44	
43	£37,483	£19.43			43			43	
42	£36,571	£18.96			42			42	
41	£35,662	£18.48			41			41	
40	£34,746	£18.01			40			40	
39	£33,857	£17.55			39			39	
38	£32,778	£16.99			38			38	
37	£31,846	£16.51			37			37	
36	£30,978	£16.06			36			36	
35	£30,178	£15.64			35			35	
34	£29,558	£15.32			34			34	
33	£28,746	£14.90			33			33	
32	£27,924	£14.47			32			32	
31	£27,123	£14.06			31			31	
30	£26,293	£13.63			30			30	
29	£25,440	£13.19			29			29	
28	£24,472	£12.68			28			28	
27	£23,698	£12.28			27			27	
26	£22,937	£11.89			26			26	
25	£22,212	£11.51			25			25	
24	£21,530	£11.16			24			24	
23	£20,849	£10.81			23			23	
22	£20,253	£10.50			22			22	
21	£19,742	£10.23			21			21	
20	£19,048	£9.87			20			20	
19	£18,376	£9.52			19			19	
18	£17,714	£9.18			18			18	
17	£17,372	£9.00			17			17	
16	£16,969	£8.80			16			16	
15	£16,572	£8.59			15			15	
14	£16,231	£8.41			14			14	
13	£15,941	£8.26			13			13	
12	£15,523	£8.05			12			12	
11	£15,207	£7.88			11			11	
10	£14,338	£7.43			10			10	
9	£14,075	£7.30			9			9	
8	£13,871	£7.19			8			8	
7	£13,715	£7.11			7			7	
6	£13,614	£7.06			6			6	
5	£13,500	£7.00			5			5	

Notes for SW & OT grades:
 1. Only Children's Social Workers and OTs and Adults Approved Mental Health Practitioners can progress above the gateway in RGSW 7
 2. Only Children's Social Workers and OTs and Adults Supervising Social Workers and OTs can progress above the gateway in RGSW 6
 3. For Social Workers (not OTs) progression to RGSW5b can only be attained by passing the Assisted Year of Supported Employment

NB28	JNC READING SENIOR MANAGEMENT	EFFECTIVE DATE	1-Apr-08
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PAYAWARD	2.450%	IMPLEMENTED	1-Dec-08
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GRADE		SCP	ANNUAL 01/04/2008
RSMD		1	49228
RSMD		2	50475
RSMD		3	51722
RSMD		4	52970
RSMD		5	54220
RSMD	RSMC	6	55467
RSMD	RSMC	7	56714
RSMD	RSMC	8	57961
RSMD	RSMC	9	59209
	RSMC	10	60456
	RSMC	11	61704
	RSMC	12	62953
	RSMC	13	64201
	RSMC RSMB	14	65448
	RSMC RSMB	15	66695
	RSMC RSMB	16	67943
	RSMC RSMB	17	69193
	RSMB	18	70437
	RSMB	19	71690
	RSMB	20	72941
	RSMB RSMA	21	74185
	RSMB RSMA	22	75432
	RSMB RSMA	23	76683
	RSMA	24	77927
	RSMA	25	79173
	RSMA	26	80427
	RSMA	27	81671
	RSMA	28	82919
	RSMA	29	84169
	RSMA	30	85414
	RSMA	31	86660
	CDIR	32	90651
	CDIR	33	93442
	CDIR	34	96433
	CDIR	35	99517
	CDIR	36	102512
	CDIR	37	105583
	CDIR	38	108653
	CDIR	39	114979

**READING BOROUGH COUNCIL
REPORT BY HEAD OF LEGAL & DEMOCRATIC SERVICES**

TO:	PERSONNEL COMMITTEE		
DATE:	5 MARCH 2015	AGENDA ITEM:	5
TITLE:	INTRODUCTION OF CHANGES TO FAMILY FRIENDLY LEGISLATION 2014/15		
LEAD MEMBER SERVICE:	CLLR LOVELOCK	PERSONNEL COMMITTEE CHAIR	
SERVICE:	CORPORATE RESOURCES	WARDS:	BOROUGHWIDE
AUTHOR:	WARREN KING	TEL:	74500/9374500
JOB TITLE:	INTERIM HR/PAYROLL SERVICES MANAGER	E-MAIL:	Warren.king@reading.gov.uk

1. PURPOSE OF REPORT

- 1.1 This report sets out a new Shared Parental Leave Policy, following changes in legislation.

2. RECOMMENDATIONS

- 2.1 That you note the changes to parental employment rights contained in this report;
- 2.2 That you endorse the Draft Policy for Shared Parental Leave attached, including CMT's recommendations and agree that the necessary amendments to other, relevant HR policies as set out in this report should be undertaken as necessary;
- 2.3 That you note that the HR / Payroll Service will bring forward a system to implement this Policy in March 2015;
- 2.4 That you note that the remaining work to put this Policy into effect will be subject to further consultation with CMT, JTUC and other stakeholders as necessary.
- 2.5 That the operation of this policy and the systems that underpin it be reviewed in 12 months.

3. INTRODUCTION & BACKGROUND

- 3.1 Shared Parental Leave (SPL) is a new legal entitlement for parents (including surrogate parents) of babies due, or children placed for adoption, on or after 5 April 2015.
- 3.2 SPL replaces additional paternity leave and pay. Parents remain entitled to take maternity, paternity and adoption leave. Shared parental leave is also available to surrogate parents.

3.3 This report contains -

- an outline of the new legislation;
- the key options for the Council to consider in implementing the legislation, and;
- a draft shared parental leave policy (**APPENDIX A**)

4. **SHARED PARENTAL LEAVE (SPL) / SHARED PARENTAL PAY (SPP) - SUMMARY**

4.1 SPL allows eligible partners to be able to share leave from work in the first year following the child's birth / adoption. Because it is shareable, there will also be cases where eligible mothers / adopters will return to work early because their partner is taking leave in their place.

4.2 SPL can be taken in either **continuous** or **discontinuous** blocks. This means that eligible parents will also be able to request to mix work with leave in the first year of their child's life and return to work between periods of leave if they wish. The leave can be taken in up to 3 separate blocks of time and can only be taken in whole weeks.

4.3 An eligible employee must inform their employer at least 8 weeks before they plan to take shared parental leave and/or pay. They are also entitled to ask a further two times to take more leave or to change the pattern of SPL they wish to take, again with 8 weeks' notice.

4.4 A signed declaration is required by both partners when applying to take SPL which states they meet the eligibility criteria and are entitled to take SPL and entitled to SPP.

5. **THE SCHEME IN OPERATION**

5.1 **Scope of SPL**

- The mother / adopter is able to take a maximum 52 weeks maternity / adoption leave and receive 39 weeks maternity / adoption pay as usual or choose to end maternity leave early and create an entitlement to SPL for themselves and their partner. The mother must take the minimum of 2 weeks compulsory maternity leave following the birth and the adopter must take at least 2 weeks of adoption leave. The **maximum** amount of SPL is 50 weeks, and the maximum shared parental leave pay (SPP) is 37 weeks.
- The Regulations allow for both parents to take SPL concurrently providing that the total continuous period available is reduced accordingly.

5.2 **Eligibility Criteria:**

- There are eligibility criteria for both the mother / adopter and partner to be entitled to SPL and SPP.

The legislation provides that to qualify for SPL, a mother must:

- Have a partner
- Be entitled to either maternity / adoption leave or to statutory maternity / adoption pay or maternity allowance
- Have curtailed, or given notice to reduce, their maternity / adoption leave or their pay / allowance

A parent intending to take SPL must:

- Be an employee
- Share the primary responsibility for the child with the other parent at the time of the birth or placement for adoption
- Have properly notified their employer of their entitlement and have provided the necessary declarations and evidence.
- In addition, a parent wanting to take SPL is required to satisfy the 'continuity of employment' test and their partner must meet the 'employment and earnings' test.
- CMT have recommended that the continuity of employment test be that which currently applies in the Council's existing occupational Maternity Leave Scheme.

5.4 Shared Parental Leave Pay (ShPP)

- SPP is available for a maximum of 37 weeks and is payable at the rate of £138.18 a week or 90% of average weekly earnings, **whichever is lower**.
- CMT have recommended that the level of ShPP should be that currently paid in the Council's occupational Maternity Leave Scheme.

5.5 Notification requirements

- The scheme operates on the basis of the following three notices:
 - A **maternity leave curtailment notice** from the mother which sets out when she proposes to end her maternity leave (unless she has returned to work)
 - A **notice of entitlement and intention** from the employee giving an initial, non-binding indication of each period of SPL and includes a declaration from both partners. The notice must be provided 8 weeks before the start date of the first period of SPL.
 - A **period of leave notice** from the employee which sets out the start and end dates of each period of SPL that he / she is

requesting. The notice must be provided 8 weeks before the first period of leave they wish to undertake and employees can provide up to 3 period of notices.

- Employees can provide more than one notice at the same time.
- The Council will need to consider whether the statutory notice requests can be combined into one shared parental leave request form to streamline the administrative process.

5.6 Evidence to be Provided by the Employee

- Following the notice to take Shared Parental Leave, further evidence can be requested by the employer including the name and address of the partner's employer, a copy of the child's birth certificate or documentary evidence of the adoption.

5.7 Cancelling or varying notices

Employees can cancel or vary their notices for SPL as follows:

- The mother / adopter may revoke her curtailment notice.
- An employee can vary or cancel their notice of entitlement.
- An employee can vary or cancel their SPL dates (a revoked SPL will count as a further notification (see above)).

5.8 Continuous SPL

- An employee may request to take a single block of SPL leave in their booking notice. An employer cannot refuse such a notification.

5.9 Discontinuous SPL

- Employee can submit a period of leave notice requesting discontinuous periods of leave. This starts a 2 week discussion period to talk to the employee about the pattern of leave that they have requested and propose alternatives, or to refuse the pattern.
- If agreement is reached within those two weeks the employee is entitled to take the leave on the dates agreed.
- If the leave pattern is refused or no agreement has been reached, the employee can either withdraw the notice, or can take the leave in a single continuous block.

5.10 Shared Parental Leave in Touch (SPLIT) Days

- Whilst on SPL an employee can agree to work (or to attend training) for up to 20 days without that work bringing the period of his/her shared parental leave and pay to an end. These are known as "shared-parental-leave-in-

touch" (SPLIT) days and are similar to the KIT (keeping in touch days) that previously existed.

5.11 Returning to work

- An employee has the right to return to the same job when returning to work after 26 weeks or less (this includes any shared parental leave, maternity leave, adoption leave or paternity leave).
- An employee returning after 26 weeks or more is entitled to return to the same job or if this is not reasonably practical, to another job which is both suitable and appropriate and on terms and conditions no less favourable.

5.12 Returning from SPL early

- If an employee wishes to return to work earlier than the expected return date, they may provide 8 weeks written notice. This will count as one of the employee's notifications.

5.13 Other changes to family friendly statutory legislation

- **With effect from October 2014:** Fathers and partners have the right to take unpaid time off work to accompany expectant mothers to up to 2 antenatal appointments.
- **With effect from April 2015:** Surrogate parents are eligible for adoption leave and pay as well as shared parental leave.
- **CMT are recommending that paid time off be allowed for partners to attend up to 2 antenatal appointments effective from 1st October 2014.**

6. OTHER IMPACTS

6.1 The following policies will need to be amended to take account of the legislative amendments set out in this report:

- Paternity - remove additional paternity leave and instead refer to SPL policy. Include right for Fathers and Partners to attend up to 2 antenatal classes (paid or unpaid).
- Adoption Policy - update to incorporate surrogate parents are now eligible for adoption leave and pay
- Maternity Policy - refer to SPL policy
- Work life balance policy - update and refer to SPL

6.2 HR / Payroll will review and bring forward the necessary amendments to the above procedures following agreement on the substantive SPL Policy and consultation with CMT, JTUC and other stakeholders.

7. RELEVANT LEGISLATION

- Shared Parental Leave Regulations 2014
- Statutory Shared Parental Pay (General) Regulations 2014
- Maternity and Adoption Leave (Curtailment of statutory Rights to Leave) Regulations 2014
- Statutory Maternity Pay and Statutory Adoption Pay (Curtailment) Regulations 2014

8. LEGAL IMPLICATIONS

8.1 Included in the report, where applicable.

9. FINANCIAL IMPLICATIONS

9.1 Difficult to project, but additional costs arising from partners taking SPL may be offset against a reduction in traditional maternity leave patterns.

10. BACKGROUND PAPERS

10.1 None

DRAFT 2

READING BOROUGH COUNCIL SHARED PARENTAL LEAVE (SPL) POLICY

1. SCOPE AND PURPOSE

- 1.1 This document sets out the Council's Policy for Shared Parental Leave (SPL) which has been agreed by the Council's Personnel Committee in consultation with its recognised trades unions.
- 1.2 This policy applies to all Council Employees (including those employed in Community Schools) whether they are the mother, adopter or the partner.

2. INTRODUCTION - WHAT IS SHARED PARENTAL LEAVE (SPL)?

- 2.1 Shared Parental Leave (SPL) is a new legal entitlement for parents of babies due, or children placed for adoption, on or after 5 April 2015. It is also available to surrogate parents.
- 2.2 SPL replaces additional paternity leave and pay. It enables mothers / adopters to end their maternity leave and pay at a future date, and to share the untaken balance of leave and pay as shared parental leave (and pay) with their partner, or to return to work early from maternity or adoption leave and opt in to shared parental leave / pay at a later date.
- 2.3 This policy should be read alongside the Council's maternity, adoption and paternity policies.

3. DEFINITIONS IN THIS POLICY

- 3.1 The following definitions are used in this policy:

- **Mother:** the mother or expectant mother of the child.
- **Adopter:** the person who is eligible for adoption leave and / or pay.
- **Partner:** the biological father or the partner of the mother / adopter. This can be a spouse, civil partner; or a partner who is living in an enduring relationship with the mother and the child.
- **Expected week of childbirth (EWC):** the week, starting on a Sunday, during which the mother's doctor or midwife expects her to give birth.
- **SPL:** Shared Parental Leave
- **ShPP:** Shared Parental Pay

Timescales are expressed in calendar day and weeks.

4. AMOUNT / FREQUENCY OF SHARED PARENTAL LEAVE

- 4.1 The mother / adopter is able to take 52 weeks maternity / adoption leave and receive 39 weeks maternity / adoption pay as usual or choose to end maternity leave early and create an entitlement to SPL for themselves and

their partner. The mother must take the minimum of 2 weeks compulsory maternity leave following the birth and the adopter must take at least 2 weeks of adoption leave. **Therefore the maximum amount of SPL is 50 weeks, whilst the maximum shared parental leave pay (ShPP) is 37 weeks.**

- 4.2 The amount of shared parental leave to which an individual is entitled will, therefore, depend on when the mother / adopter brings their maternity / adoption leave period to an end and the amount of leave that the other parent takes in respect of the child.
- 4.3 Employees can request to take shared parental leave in one continuous block (in which case the council is required to accept the request as long as the employee meets the eligibility and notice requirements), or as a number of discontinuous blocks of leave (in which case the employee needs the Council's agreement).
- 4.4 An employee taking shared parental leave can split their leave into a **maximum of 3** separate blocks instead of taking it all in one go, even if they are not sharing the leave with their partner. **Shared parental leave must be taken in blocks of at least one week.**
- 4.5 A period of shared parental leave at any time from the date of the child's birth / placement (but partners are still entitled to take up to two weeks' ordinary paternity leave following the birth / date of placement of a child under the current paternity policy).
- 4.5 The partner can take shared parental leave simultaneously while the mother /adopter is still on maternity / adoption leave, but this counts towards the total amount of leave available.
- 4.6 Shared parental leave must end no later than one year after the birth/placement of the child.
- 4.7 Any shared parental leave not taken by the first birthday or first anniversary of placement for adoption will be lost.

5. ELIGIBILITY FOR SHARED PARENTAL LEAVE

- 5.1 For employees to be eligible to take shared parental leave, both parents must meet the following eligibility requirements.

- **Mother's / Adopter's eligibility for shared parental leave**

The mother / adopter is eligible for shared parental leave if they:

- have, at the date of the child's birth / placement date, the main responsibility, apart from the partner, for the care of the child;
- are entitled to statutory maternity / adoption leave in respect of the child;

- comply with the relevant maternity / adoption leave curtailment and shared parental leave notice and evidence requirements (see below).
- there is no qualifying service for this leave
- **Partner's eligibility for shared parental leave**

The partner is eligible for shared parental leave if they:

- ✓ have, at the date of the child's birth / placement date, the main responsibility, apart from the mother / adopter, for the care of the child;
- ✓ comply with the relevant shared parental leave notice and evidence requirements.
- ✓ there is no qualifying service for this leave

6. NOTICE REQUIREMENTS FOR SHARED PARENTAL LEAVE

6.1 There are three forms of notice employees must give to be able to take shared parental leave as detailed below. In summary, these are:

- **A maternity leave curtailment notice** from the mother which sets out when she proposes to end her maternity leave (unless she has returned to work)
- **A notice of entitlement and intention** from the employee giving an initial, non-binding indication of each period of SPL and includes a declaration from both partners. The notice must be provided 8 weeks before the start date of the first period of SPL.
- **A period of leave notice** from the employee which sets out the start and end dates of each period of SPL that he / she is requesting. The notice must be provided 8 weeks before the first period of leave they wish to undertake and employees can provide up to 3 period of notices.

7. MOTHER'S / ADOPTER'S NOTICE CURTAILING MATERNITY / ADOPTION LEAVE

7.1 Before the parents can take shared parental leave, the mother / adopter must either return to work before the end of her maternity / adoption leave or provide a maternity / adoption leave curtailment notice.

7.2 The maternity / adoption leave curtailment notice must be in writing and state the date on which maternity / adoption leave is to end. That date must be:

- after the 2 week compulsory maternity leave period or 2 week adoption leave;
- at least eight weeks after the date on which the curtailment notice has been given;

- at least one week before the 52 weeks of maternity / adoption leave is due to end.

7.3 Revocation of maternity leave curtailment notice

The mother can withdraw her notice curtailing her maternity leave providing that she gives 8 weeks notice. The curtailment notice requirement may be set aside;

- If the maternity leave curtailment notice was given before the birth of the child and the mother withdraws that notice within six weeks of the child's birth; or
- If the partner has died, or
- In any other circumstance where these are significant difficult personal circumstances such a request will not be unreasonably refused.

8. INTENTION TO TAKE SPL - NOTIFICATION REQUIREMENTS

8.2 Part of the eligibility criteria requires the employee to provide the Council with correct notification. Notification must be in writing and requires each of the following:

- the name of the employee;
- the name of the other parent;
- the start and end dates of any maternity/adoption leave or pay, or maternity allowance, taken in respect of the child and the total amount of SPL available;
- the date on which the child is expected to be born and the actual date of birth or, in the case of an adopted child, the date on which the employee was notified of having been matched with the child and the date of placement for adoption;
- the amount of SPL the employee and their partner each intend to take
- an indication of when the employee expects to take the leave.

8.3 The employee must provide the Council with a signed declaration stating:

- that they meet, or will meet, the eligibility conditions and are entitled to take SPL;
- that the information they have given is accurate;
- if they are not the mother/adopter they must confirm that they are either the father of the child or the spouse, civil partner or partner of the mother/adopter;
- that should they cease to be eligible they will immediately inform the Council.

8.4 The employee must provide the Council with a signed declaration from their partner confirming:

- their name, address and national insurance number (or a declaration that they do not have a national insurance number);

- that they are the mother/adopter of the child or they are the father of the child or are the spouse, civil partner or partner of the mother/adopter;
- that they satisfy the 'employment and earnings test' and had at the date of the child's birth or placement for adoption the main responsibility for the child, along with the employee;
- that they consent to the amount of SPL that the employee intends to take;
- that they consent to the Council processing the information contained in the declaration form; and
- (in the case where the partner is the mother/adopter), that they will immediately inform their partner should they cease to satisfy the eligibility conditions.

9. REQUESTING FURTHER EVIDENCE OF ELIGIBILITY

9.1 The Council may, within 14 days of the SPL entitlement notification being given, request:

- the name and business address of the partner's employer (where the employee's partner is no longer employed or is self employed their contact details must be given instead)
- in the case of biological parents, a copy of the child's birth certificate (or, where one has not been issued, a declaration as to the time and place of the birth).
- in the case of an adopted child, documentary evidence of the name and address of the adoption agency, the date on which they were notified of having been matched with the child and the date on which the agency expects to place the child for adoption

9.2 The employee has 14 days from the date of the request to send the Council the required information.

10 VARIATION OR CANCELLATION OF NOTICE OF ENTITLEMENT AND INTENTION

10.1 The employee can vary or cancel his/her proposed SPL provided that he/she provides the Council with a written notice. The written notice must contain:

- an indication as to when the employee intends to take shared parental leave (including the start and end dates for each period of leave);
- details of any periods of shared parental leave that have been notified through a period of leave notice;
- details of any periods of statutory shared parental pay that have been notified in relation to periods where shared parental leave was not to be taken; and
- a declaration signed by the mother and the partner that they agree to the variation.

10.2 There is no limit on the number of variations of notice of entitlement and intention that the employee can make.

11. BOOKING SHARED PARENTAL LEAVE

- 11.1 In addition to notifying the employer of entitlement to SPL an employee must also give notice to take the leave setting out the start and end dates of each period of shared parental leave and can be a request for a continuous period of leave or discontinuous periods of leave. In many cases, notice to take leave will be given at the same time as the notice of entitlement to SPL.
- 11.2 A period of leave notice must be given at least eight weeks before the start date of the first period of shared parental leave requested in the notice.

12. VARIATION OR CANCELLATION OF PERIOD OF LEAVE NOTICE

- 12.1 The employee can vary or cancel his/her proposed shared parental leave dates following the submission of a period of leave notice, provided that he/she provides the Council with a written notice not less than eight weeks before any period of leave varied or cancelled by the notice is due to commence. The written notice can:
- vary the start date or the end date of any period of shared parental leave or cancel a request for leave;
 - request that a continuous period of leave become discontinuous periods of leave; or
 - request that discontinuous periods of leave become a continuous period of leave.

13. LIMIT ON NUMBER OF REQUESTS FOR LEAVE

- 13.1 The employee has the right to submit three notifications specifying leave periods they are intending to take.
- 13.2 If the employee submits a period of leave notice requesting one **continuous** period of leave, he/she will be entitled to take that period of leave.
- 13.3 If the employee submits a period of leave notice requesting **discontinuous** periods of leave, the Council, in the two weeks beginning with the date the period of leave notice was given, can:
- consent to the pattern of leave requested;
 - propose an alternative pattern of leave; or
 - refuse the pattern of leave requested.
- 13.4 If agreement is reached within those two weeks, the employee is entitled to take the leave on the dates agreed.
- 13.5 If the leave pattern is refused or no agreement has been reached, the employee can either withdraw the application within 15 days of giving it, or can take the leave in a single continuous block. The employee must notify the Council of that date within five days of the end of the two-week discussion period. If the employee does not choose a start date within five days of the end of the two-week discussion period, the period of continuous

leave will start on the date of the first period of leave requested in the period of leave notice.

- 13.6 A notice for discontinuous leave that has been withdrawn before it is agreed does not count towards the total number of requests for leave that an employee can make.

14. RESPONDING TO A SHARED PARENTAL LEAVE NOTIFICATION

- 14.1 On receipt of the shared parental leave booking notice, it will be dealt with as soon as possible, but a response will be provided no later than the 14th day after the leave request was made. All notices for continuous leave will be acknowledged in writing.
- 14.2 All requests for discontinuous leave will be carefully considered, weighing up the potential benefits to the employee and to the Council against any adverse impact to the service delivery. Each request for discontinuous leave will be considered on a case-by-case basis and will not be unreasonably refused.
- 14.3 The Council will set out the form and process for the application process under separate cover and will keep the administration processes under review to ensure that they are not unduly onerous and clear.

15. SHARED PARENTAL PAY (SHPP)

- 15.1 ShPP is available for eligible parents to share between them while on shared parental leave.
- 15.2 The Council will pay ShPP on no less favourable terms than those used for its occupational maternity pay.
- 15.3 Maternity /adoption pay or allowance will be paid to the mother / adopter from the start of their maternity / adoption leave and will be paid in accordance with the Council's maternity / adoption policy until such time as shared parental leave starts. From the date that SPL commences the sharing partners will receive the remaining weeks of ShPP at the rate that would have been paid had maternity pay continued. This principle will apply at whatever point in the 50 weeks the SPL commences.

16. ELIGIBILITY FOR SHPP

- 16.1 In addition to meeting the eligibility requirements for SPL, an employee seeking to claim ShPP must further satisfy each of the following criteria:
- the employee must intend to care for the child during the week/s in which ShPP is payable;
 - the employee must give proper notification in accordance with this Policy.

17. RIGHTS DURING SHARED PARENTAL LEAVE

17.1 During shared parental leave, all terms and conditions of the employee's contract except normal pay will continue. Employees should receive all non-pay related contractual benefits during their SPL. They shall be consulted about planned changes to their workplace in the same way as other staff as set out in the Council's Employment Stability Agreement.

18. ANNUAL LEAVE ENTITLEMENT

18.1 Annual leave continues to accrue during shared parental leave.

19. CONTACT DURING SHARED PARENTAL LEAVE

19.1 The Council reserves the right to maintain reasonable contact with employees during shared parental leave. This may be to discuss employees' plans for their return to work, to discuss any special arrangements to be made or training to be given to ease their return to work or to update them on developments at work during their absence.

20. SHARED PARENTAL LEAVE IN TOUCH (SPLIT) DAYS

20.1 An employee can agree to work (or to attend training) for up to 20 days during shared parental leave without that work bringing the period of his/her shared parental leave and pay to an end. These are known as "shared-parental-leave-in-touch" (SPLIT) days. Working part of a day counts as one day from the 20 allowed. An employee will only be paid for the hours worked; this can be offset against any SPP claimed.

20.2 The Council has no right to require employees to carry out any work and employees have no requirement to undertake any work during their shared parental leave.

20.3 SPLIT days replace the Keep In Touch Days (KITs) for those parents accessing SPL.

21. RETURNING TO WORK FOLLOWING SHARED PARENTAL LEAVE

21.1 The employee has the right to resume working in the same job when returning to work from SPL where reasonably practicable (for instance due to organisational change it may not be), to another job which is both suitable and appropriate and on terms and conditions no less favourable.

22. RETURNING FROM SPL EARLY

22.1 If the employee wishes to return to work earlier than the expected return date, they may provide a written notice to vary the leave and must give at least eight weeks' notice of their date of early return. The Council does not have to accept the notice to return early but may do if it is considered to be reasonably practicable to do so. Such requests will not be unreasonably refused.

23 SPECIAL CIRCUMSTANCES

23.1 Early birth

- If the child is born or placed before the expected due date or placement date and the employee had booked to take SPL within the first eight weeks of the due date, they may take the same period of time off after the actual birth without having to provide eight weeks' notice, by submitting a notice to vary their leave as soon as is reasonably practicable.
- Any leave arranged after the first eight weeks of the due date is still bound by the eight-week notice required to vary leave.
- If the child is born more than eight weeks before their expected due date and notice has not yet been given, then there is no requirement to give eight weeks' notice before the period of leave starts. The notices should be given as soon as is reasonably practicable after the actual birth.

23.2 Death of the child before or during birth, or within the first year

- Should the child die before the parents have submitted a notice of entitlement to take SPL then they cannot opt into SPL because a qualifying condition is caring for a child. The mother / adopter may remain entitled to maternity / adoption leave and the partner could still qualify for statutory paternity leave. Does this relate to after 24 weeks only? The legislation doesn't specify that this applies only after 24 weeks of pregnancy so might be best to say 'Please refer to the Council's maternity, adoption and paternity leave policies.'
- If the parents have opted into SPL and they have booked leave, they will still be entitled to take the booked leave. No further notice booking leave can be submitted and only one variation notice can be given to reduce a period of leave or to rearrange a discontinuous leave arrangement into a single block of leave.

23.3 Partner no longer caring for the child

- If the circumstances of an employee who has booked SPL change so that they will no longer be responsible for caring for the child (unless it is because the child has died), their entitlement to both SPL and ShPP will immediately cease and they must tell the Council.
- If the employee has any SPL arranged within eight weeks of their entitlement ceasing, the Council can still require them to take it as SPL if it is not reasonably practicable for the Council to have their employee in work, for example because cover has been arranged. Any weeks of SPL arranged after eight weeks of their entitlement ceasing must be cancelled.
- If the remaining parent will be continuing to care for the child then they will still be eligible to take their SPL entitlement. If the other parent, who is no longer caring for the child had any SPL leave entitlement outstanding, the

remaining parent will only be able to transfer it into their own entitlement if they can get the signed agreement of the other parent to a notice confirming a variation of leave entitlement or if the Council agrees to such a transfer in light of all the circumstances. Requests for a transfer of entitlement in such circumstances will be considered sensitively and will not be unreasonably refused.

23.4 Death of a parent during the child's first year

- If either parent dies and the other parent is taking, or is entitled to SPL then they will continue to be eligible. Any SPL that was due to be taken by the deceased parent may be transferred to the other parent if the other parent is eligible for SPL.

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