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Pay and Expenses Policy

March 2023

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Pay and Expenses Policy

Part One: Pay Structure, Salary information and Promotion

1 Policy Statement

The aim of this policy is to explain our pay scheme and how it operates. All MVDC employees are paid through this scheme. This policy draws together pre-existing local conditions. However it is recognised that due to a wide variety of roles that are undertaken for and, on behalf of, MVDC, there are local variations with regard to some additional payments e.g. call out rates, bank holidays and weekend working. This policy should not therefore be utilised to confer any new or additional rights.

Information about Overtime, Expenses & Other Allowances can be found in Part 2 of this document.

2 Pay Policy Objectives

- To be fair, equitable, open and readily understandable.
- To be sufficiently flexible to enable the council to recruit and retain staff of the required calibre to achieve its business aims.
- To enable effective pay-bill management reflecting affordability
- To enable efficient administration of Mole Valley District Council's policies and procedures relating to pay and conditions.
- To give employees and managers confidence in its operation
- To recognise and reward individual personal development which adds value and leads to improved service
- To give managers a framework facilitating the exercise of appropriate levels of discretion to enable effective performance management

3 Equality

Mole Valley District Council is committed to ensuring that its employment policies and practices comply with the requirements of the Equality Act 2010 (previously the Equal Pay Act 1970). The Equal Pay Policy is contained within Part 5 of this document.

4 Pay Structure

Jobs within MVDC are graded within a locally agreed pay scheme consisting of scales and incremental points. These scales can be found [here](#). Salary scales are based on full-time working hours (37 hours per week)¹ and are paid pro-rata for part-time employees. Part-time is defined as working less than 37 hours per week.

5 Allocation of Jobs to Scales

Roles up to and including Grade M6 are allocated to an appropriate pay scale using the job evaluation scheme where appropriate.

¹ Mole Valley Life typical working hours are up to 36 hours per week

Grade M7 and above are only applicable to members of SLT.

6 Starting Salary

6.1 New employees will normally begin their employment on the first incremental point in the job role's scale.

6.2 In some circumstances, managers can make a case for a new starter to begin on a higher point within the scale. These circumstances could include where an individual is extremely well-qualified and experienced or where it is required to match or close a gap with an existing salary for recruitment purposes, and where in the view of the hiring manager this is a condition of acceptance. However, this will only be appropriate where that individual is assessed more likely to contribute at a higher level than could normally be expected from a new starter.

7 Payment Intervals

Salaries are paid on 25th day of every month by BACS, unless this date falls on a bank holiday or a weekend in which case salaries will be paid on the preceding working day. The arrangements may alter at Christmas, with payment being made slightly earlier. The precise date will be notified by the HR department after confirmation from the payroll service.

8 Pay Progression

8.1 Subject to satisfactory performance, progression to the next incremental point of the scale will occur on 1st April each year until the final point of the scale is reached.

8.2 If employees have less than 6 months service on 1st April, they will not receive an incremental point until they have successfully completed their 6 month probation period.

8.3 Point 8.2 will normally also apply to an employee who has been transferred or promoted to a new role internally unless a manager is satisfied that the employee will contribute to the new post at a higher level than could normally be expected, e.g. because they have already been undertaking some of the responsibilities for the new post.

8.4 If an employee has received a formal warning under the Disciplinary Procedure within the last 12 months, or is undergoing a review through the formal Performance Capability Procedure they may forego the right to an incremental increase particularly if that warning is still live and unexpired. If they are currently in the investigation stage their incremental increase may be deferred until the investigation is complete.

8.5 In exceptional circumstances increments may be accelerated within the grade subject to the maximum of the grade not being exceeded. There must be a business case justifying acceleration, which will require collective SLT approval.

9 Cost of Living Increase

Mole Valley District Council has a commitment to award a cost of living rise equivalent to at least the Local Government national pay award each year. This is implemented on 1st April each year. Any cost of living rises (if agreed) are notified as soon as possible. This is usually after the appropriate Council meeting which gives authority for the annual budget setting process.

On occasion, national pay awards may not be finalised by 1st April, however in the event that the national cost of living rise awarded is higher than that awarded by the Council, the difference will be paid to all current employees once finalised. Salaries for those who have begun to take their pension and are still in employment will not be re-calculated for the purposes of pension entitlement.

10 UK Living Wage

All MVDC employees are paid at or above the UK Living Wage with the exception of those who have been recruited through a specific scheme with set pay criteria. Apprentices are paid at the higher rate of the National Apprentices Service pay scale

11 Re-grading job roles

11.1 All requests for re-grading must go through an employee's manager and will be considered in accordance with the Job Evaluation Guidance for [Managers](#) and [Employees](#). Further details on re-grading can be found in Part 4 of this document.

11.2 If the re-grading results in movement of the role into a new higher scale, the new salary will be paid from the date the re-grading exercise is completed. Normally, if a role moves into a new scale, the job holder will be placed on the first incremental point in the new scale.

11.3 If a re-grading results in a role moving to a lower scale, the employee will continue to be paid at their current rate for the pay protection period after which their salary will move into the re-graded scale.

12 Pay Protection

If an employee's role has been re-evaluated at a lower scale than their current scale, their salary will be frozen at whichever of the following is lower:

- a) their current spinal column point (prior to re evaluation), or
- b) the maximum point of the re-graded scale plus five spinal column points.

The pay protection period will apply for which ever is earlier:

- a) For a period of 2 years or,
- b) Until the maximum of the re-graded scale is equivalent to (or more than) the protected spinal column point.

More details about pay protection can be found in the [Policy to Manage Staff Changes](#).

13 Promotion

On promotion to a new post, employees will normally move to the lowest point of the new scale subject to the same considerations as outlined under clause 6.2.

14 Pensionable Payments

For guidance on whether any payments in this policy are pensionable, please refer to the section on [Pensions](#) on MyHR.

15 Consultation

This policy will be kept up to date in order to comply with new legislation and give further clarification as required. Where material changes are made staff will be consulted.

Part Two: Overtime, Expenses & Other Allowances

1. First Aiders

Payments for qualified corporate first aiders or those who have a job requirement to be first aid qualified are made on a monthly basis.

It is a condition of entitlement to this payment that the qualification is renewed as required through the requisite training and that there is sufficiently regular attendance at MV offices. In the absence of extenuating circumstances, consistent failure to attend the office may result in the withdrawal of the responsibility and pay supplement.

Although HR will usually notify the line managers of employees when they are due for further training, employees are expected to take ownership of this responsibility by ensuring that they are aware of their renewal date.

2. Flexitime

Many services operate a flexi-time scheme whereby the individual employee has flexibility on precise start and finish times providing they work the overall hours they are contracted to work.

In some cases the flexibility will be subject to service specific core hours such as the latest start time that the employee is required to commence work by and the earliest finish time they may stop work. This is in order to ensure appropriate resourcing at busier times during the working day.

Employee who are eligible for flexibility of working hours in this way are not expected to take time off in core hours for medical or childcare arrangements unless discussed and agreed with the manager in advance.

The ability to increase or decrease hours over a 4-week time period is to enable the employee to balance work demands with their personal lives. If there is a period during which work demands exceed contractual working hours, this can be smoothed out by taking some time back at a future point providing it is within the rules of the scheme.

Flexi-time cannot be accrued indefinitely and is subject to thresholds which cannot be exceeded. Managers must ensure services are sufficiently resourced at all times therefore it will not always be possible to authorise requests to take flexi-leave.

Further guidance on how this scheme operates is provided separately here ([link to Molly when updated](#))

3. Overtime

3.1 For many services/jobs, overtime as a general rule will not be payable unless there are extenuating circumstances.

Where an individual has been required or has chosen to work hours in addition to their contractual arrangement, the default arrangement will be to use the flexi-time scheme where relevant and appropriate.

3.2 Normally, employees will not be required to do more than their contractual hours, as varied by the flexi time scheme (for those who are part of this scheme, in which case the total hours can vary up or down proportionately according to the flexi time scheme rules).

3.3 If an employee is required to work additional overtime outside this scheme, this must be agreed in advance with their manager.

Any agreed additional hours that do not exceed 37 hours per week will be paid at plain rate.

There may however be specific arrangements which will vary from service to service.

3.4 In particular, overtime arrangements for Dorking Halls, Civil Enforcement Officers and Telecare employees may differ due to the ongoing requirement to work during these periods as an intrinsic part of their role. Employees should refer to their contract of employment or contact their line manager for further information.

3.5 If employees are required to work on a bank holiday, they may be paid double time. Alternatively, employees may be entitled to a paid day off if they are paid at standard time. If they wish to clarify their entitlement within their service area, they should approach their manager.

3.6 Arrangements for Saturday or Sunday working should be clarified with the rules for the relevant service. In the absence of contractual provision to the contrary or specific arrangements agreed in advance or reflecting emergency situations out of hours where the need for the relevant employee to work at that time is not in dispute, there is no entitlement to overtime.

3.7 Where payable, overtime should be claimed to the nearest half hour.

3.8 Other than situations referred to in clauses 3.2 and 3.3, senior employees of the Council (BMT level and above) are required under their contracts to work such hours as are necessary for the effective discharge of their responsibilities and are not generally expected to claim overtime payments other than for evening meetings. Additionally, unless contractual arrangements specify otherwise, they are entitled to the flexi time scheme to the extent that this is practicable bearing in mind work commitments and subject to discussion with the relevant line manager.

4. Evening Meetings

A payment is available for attendance (whether virtual or in person) at evening meetings. The requirement to attend the meeting should be agreed with (or expected by) the line manager in advance. The payment is subject to two different rates – a lower rate if the employee is intending to take the accrued time off in lieu, or a higher rate if the employee chooses (or needs) to work the hours additionally (i.e. cannot take the time off).

Evening meetings payments are essentially an allowance to reflect inconvenience/disturbance and payment rates are not commensurate with hourly rates of pay.

Employees should discuss their intentions with their manager as, depending on capacity constraints, it may not be possible to take the time off in lieu if they regularly attend evening meetings.

5. Call-outs

Some services operate a rota of employees who may be called out in non-working hours, paying a fixed amount over the relevant period to compensate for the inconvenience of being required to be on standby.

Additionally or instead, call out payments may be paid to compensate employees for the inconvenience if they are called out from (or at) home in an emergency during non-working time however this will depend on the nature and degree of the work required particularly if the individual is already being paid a flat rate for being on call.

Non-working hours will generally mean weekends, bank holidays or after 7 pm in the evening.

However, arrangements will differ depending on the nature of the service and the role. Services such as Mole Valley Life and Dorking Halls have different operational hours and this will already be reflected in the contracts and working arrangements of staff working for those departments.

Employees should contact their line manager if they wish to establish or clarify the position within their service area.

6. Emergency Rota

Emergency Planning Duty Officers (with the exception of Executive Heads, the Deputy Chief Executive and Chief Executive) are made a payment to compensate for being on call. This rate is usually paid weekly but it may vary during peak holiday periods, e.g. Christmas.

During times of significant disruption (e.g. due to extreme weather conditions), consideration will be given to making additional payments (i.e. in addition to the payments made under the emergency rota) to compensate for additional duties out of hours. Any such additional payments are authorised by SLT.

By holding senior responsibility and knowledge of MVDC services SLT and BMT managers are considered suitable to support and are expected, where reasonably practicable, to sign up to the Emergency Planning Duty Officer Rota.

7. Business Mileage

Employees are reimbursed for business mileage at rates that reflect the guidance and limits published by the HMRC at which no taxable benefit will accrue to the individual.

8. Passenger Allowance

In line with HMRC guidance, an additional 5p per passenger per business mile may be claimed. This is to encourage car sharing and greener business travel. Passengers must be MVDC employees on council business.

9. Public Transport

Reasonable travelling expenses necessarily incurred by employees in the performance of their official duties will be reimbursed on production of receipts.

Unless explicitly outlined in your Contract of Employment you will be reimbursed for the cheapest route from your place of travel (home or other) or work bases to appointment, whichever is the lesser.

10. Professional Subscriptions

Employees may be reimbursed the cost of one nationally recognised subscription each, provided that the subscription has relevance for the post and is considered necessary for the performance of their duties. Subscriptions include professional institutions or society subscriptions. Employees should discuss, and agree the necessity for the subscription with their manager before incurring the expenditure.

11. Office Moves and Change of Work Location

In recognition of the disruption and financial impact relocations and office moves may have, MVDC, may for a limited period, offer staff limited financial compensation. The amount of compensation will depend on the tangible financial impact the move causes. The impact will be assessed based on individual circumstances and any compensation must be agreed in advance of the move. Managers should contact HR for further information.

Part Three: Additional Payments

In exceptional circumstances there may be a need to make a payment to employees in addition to their salary.

All additional payments require agreement and approval from the relevant SLT lead as a minimum though many require collective SLT agreement as well as approval from the s151 Officer in conjunction with advice from the relevant service lead for HR & OD, and will only be authorised when the necessary criteria are met for an appropriate and pre-determined period and for the whole period during which those criteria continue to be met.

Typically, these payments are likely to include:

1. Market Supplements or One-off Joining Incentives

The policy on payment of market supplements is intended to recognise the need to reflect external job market pressures whilst ensuring internal equity.

A market supplement is an additional payment made to employees where the market value of their job is higher than the value placed on it by the internal pay structure. A joining incentive is a one-off sum paid upon joining MVDC in circumstances which merit this approach, in order to ensure the role is taken up swiftly by an applicant of the appropriate calibre. In some circumstances this may be paid in two parts based on successful completion of pre agreed conditions

Each case will need to provide a business rationale for (i) the recommendation to pay a market supplement/joining incentive and (ii) the amounts payable.

In addition, in each case of paying a market supplement, there must be a review period in order to ensure the rationale and amounts remain appropriate. How the rationale is determined will depend on the circumstances of each particular case.

SLT will agree any such additional payments, and review any market supplements paid on a regular basis in order to ensure their continued payment is justified.

2. Temporary Additional Responsibilities or 'Acting Up supplement'

If an employee is requested to provide full cover for the absence of another more senior employee for longer than four weeks, they will be paid at the rate attached to the post that they are covering.

If a more senior employee's job duties/responsibilities are temporarily shared between two or more employees, or where an employee takes on a proportion of a more senior officer's responsibilities, then consideration will be given to a commensurate pay increase, or alternatively, an additional incremental point (points) for those people depending on all the circumstances.

3. Special Responsibilities Allowance

A 'special responsibilities allowance' may be paid where there are additional responsibilities over and above the usual day to day responsibilities of the post holder (i) for responsibilities that are considered to be essential or integral to the smooth running of the Council and (ii) preferable to any other identified solutions in consideration of all the circumstances.

A special responsibilities allowance must be identified as necessary and the level of allowance determined by the Chief Executive with advice from the relevant service lead for HR and OD and s151 Officer as appropriate.

4. Retention Payments

Retention payments may be used to encourage key employees to remain working for MVDC. These payments are purely discretionary, based on the needs of the business, and employees should recognise that there is no entitlement to such payments.

Managers who identify a need to make a retention payment must submit a business rationale for (i) the recommendation and (ii) the amount payable. How this rationale is determined will depend on the circumstances of each particular case.

Generally retention payments will only be authorised in exceptional circumstances such as one off payments to retain key employees to complete key projects or tasks or loyalty payments where a service function will cease at a future date but there is a need to maintain current service levels and staffing until that date.

5. Recognition Awards Scheme

Recognition Awards provide a mechanism through which managers can recognise exceptional achievement by an individual, or a team, subject to SLT agreement.

A Recognition Award is a small, one-off, lump sum payment².

Managers who identify a need to make a Recognition Award must submit a business rationale explaining the need for the award and how the proposed payment has been calculated.

They will only be authorised in exceptional circumstances, generally in retrospective recognition of (and when an employee meets the following criteria):

- excellent, exceptional achievement over a sustained or specific period, or throughout the year in which performance is being assessed
- excellent, exceptional achievement for a particular task or project
- innovation that significantly enhances productivity or that notably contributes to organisational effectiveness

Recognition Awards should not be used to reward employees for meeting targets as part of routine business. Nor should they be used as bonus payments for employees on top of their scale. Consideration should be given to nominating an employee for alternative awards..

² A Recognition Award will not usually exceed £500 as a maximum – 8th February 2021

Part 4: Job Evaluation

Job Evaluation is 'a method of determining, on a systematic basis, the relative importance of a number of different jobs'. The Job Evaluation Guidance for [Managers](#) and [Employees](#) provides further information on evaluating new roles and about re evaluation of current roles.

1. Re Evaluation

An employee may request re evaluation of their job description under the circumstances outlined below. However it should be noted that all jobs can be expected to change their character, constituent tasks, and to have alterations in management responsibilities or reporting lines from time to time. This alone will not give grounds for re-evaluation unless the changes are to a reasonable degree of significance.

If a re-grading results in a role moving to a lower scale, the employee will continue to be paid at their current rate for the pay protection period after which their salary will move into the re-graded scale.

Within the context of the points made above, an employee may request that their job description is reviewed where they:

- Do not feel the job description reflects the role
- Have seen a job they believe to be comparable advertised elsewhere in the organisation that is afforded a higher salary scale

Please see the flowchart (Appendix 1) for details of the re-evaluation procedure for employees.

2. Appeal Procedure

An employee can appeal against the outcome of a re evaluation. The appeal must be:

- Made in relation to the scale of the post, not the point of the salary scale to which the post is to be assimilated.
- Based on the job description that was approved for evaluation (additional points may not be added to the job description at appeal stage).

Please see the flowchart (Appendix 2) for details of the appeals procedure.

Part 5: Equal Pay Policy

1. Principles

Mole Valley District Council is committed to ensuring that its employment practices comply with the requirements of the Equal Pay Act 1970 (now contained within the Equality Act 2010) and other relevant legislation.

Equal Pay legislation applies to all employees irrespective of contract type.

MVDC actively supports the principle of equal opportunities in employment and welcomes diversity within its workforce. The practice of awarding pay fairly and equitably sits alongside this principle.

2. Definitions

Equal pay provisions relate to all contractual terms. Under Equal Pay legislation, men and women have the right to be paid the same where they do the same or broadly similar work, work rated as equivalent or work of equal value.

3. Our Action Plan

In order to show commitment to equal pay in practice, MVDC will:

- discuss and agree pay practices with Staff
- publish the 'Pay Policy Statement' annually after agreement with full Council in accordance with the Localism Act
- use a Job Evaluation scheme to evaluate and grade job roles where appropriate
- appoint to vacancies on objective criteria
- provide training and guidance in equalities;
- undertake regular reviews of, and monitor pay practices

4. Complaints

Any complaints about a breach of the equal pay policy should, in the first instance, be made to the relevant line manager. If this informal approach does not satisfy the employee, the complaint may be dealt with through the [Grievance Procedure](#).

5. Monitoring

Any complaints regarding equal pay issues will be monitored on a regular basis by HR and shared with SLT as appropriate.

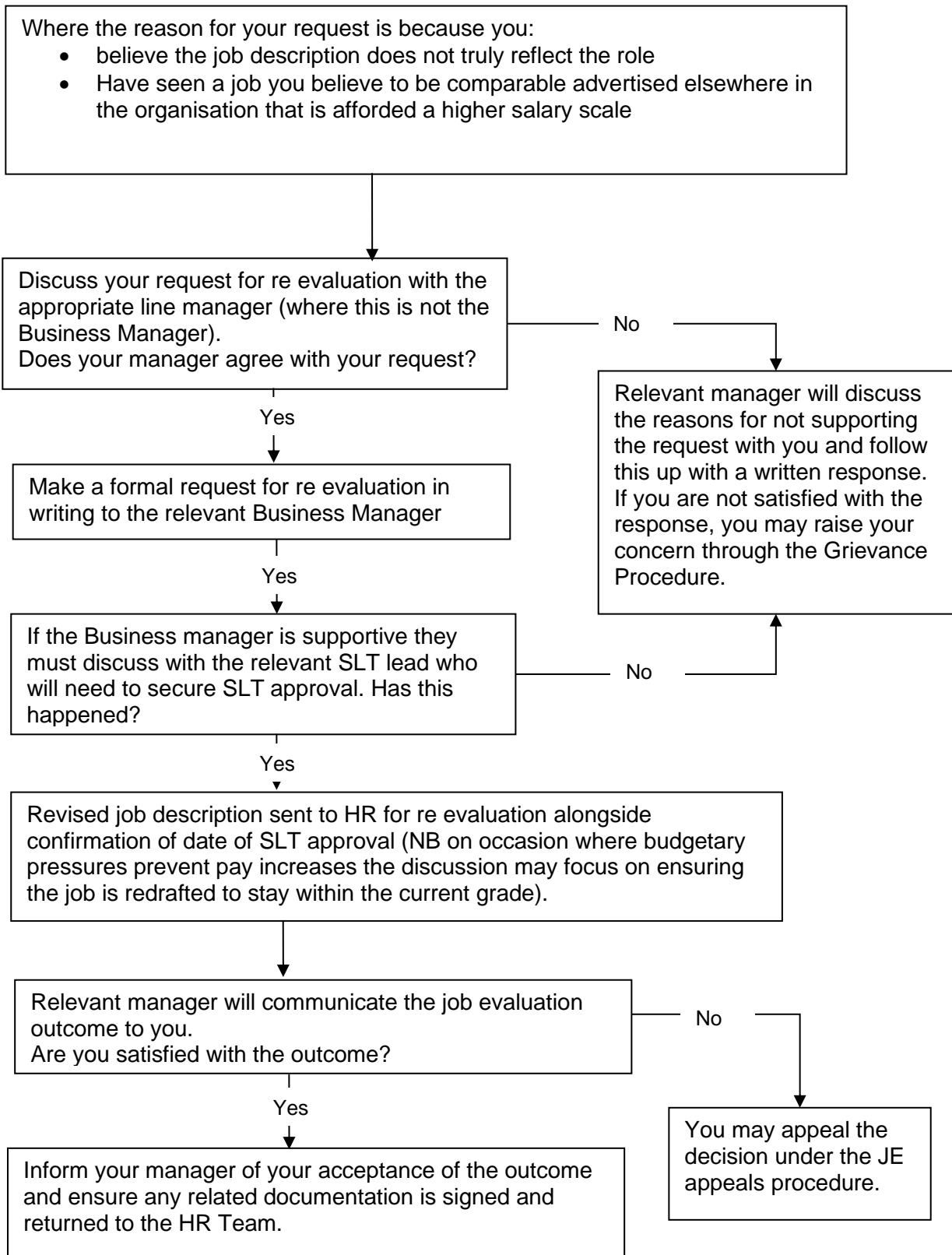
6. Responsibilities

MVDC has a responsibility to operate within the law.

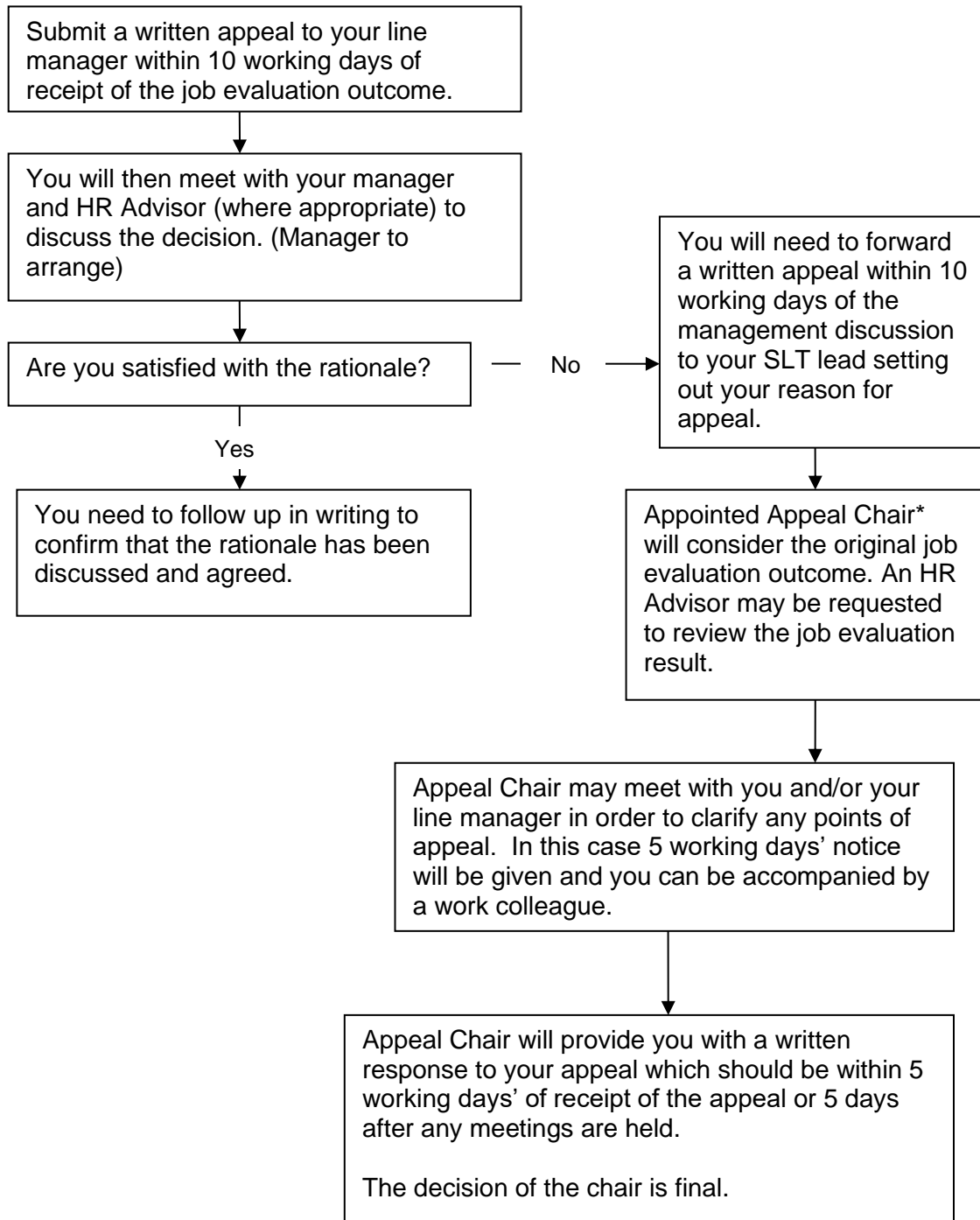
All managers have a responsibility to ensure that all pay related policies and practices are applied fairly and consistently.

It is a statutory duty of the Chief Executive to ensure that employees are treated fairly and equally under the Equal Pay Policy.

Appendix 1: Request for Re-evaluation - Employee Procedure



Appendix 2: Job Evaluation Outcome Appeal Procedure



* The SLT lead will identify a suitable senior manager not previously involved to chair the appeal and to give a final decision.

Alternative formats

If you would like this document in another format or language, please contact Customer Services on 01306 885001 or email info@molevalley.gov.uk

Document history

Version	Version Status (Draft, Approved /Published Internally or Externally)	Date	Version Comment	Version Author
V1	Published	03/04/2019	Original Pay Policy Statement	KI
V2.0	Draft for SLT approval	13/01/2022	To include clarifications of pre-existing anomalies and reflect custom and practice	KI
V2.1	Approved/published	13/01/2022	SLT approval	KI
V 3.0	Clarification of various points (flexi-time and overtime)	28/06/2022	Kate – first draft – for HR team initial consideration	KI
V 3.1	Review of KI revisions	16/12/2022	Charlie – first draft – for Exec Head consideration	CS/AD
V 3.1	Draft for SLT approval	19/01/2023	Amendment to Flexi working and clarification of Overtime for consideration	CS
V 3.1	Approved/published	02/03/2023	SLT approval	CS

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