



Town Clerk: Caroline Leet

EDENBRIDGE TOWN COUNCIL

EDENBRIDGE TOWN COUNCIL

Payroll and Salaries Procedures (addendum to Financial Regulations)

Adopted 03 October 2022

1. Introduction

- 1.1. The purpose of these procedures is to ensure the prudent financial controls for the salaries bringing together procedures in the Financial Regulations and Personnel Committee Terms of Reference.
- 1.2. "There are no rules for fixing the amount of a clerk's salary and councils vary widely in the amounts paid and in the methods by which they are calculated.... A council may wish to take into account (i) its population (ii) its population density... (ii) the scope of the clerk's responsibility, which may range from more routine, to work requiring leadership and versatility; and (iv) the range and balance of services which the council operates".¹
- 1.3. "National Association of Local Council (NALC) has attempted to introduce some order into the payment of clerks. Since 1958 this has taken the shape of formulae agree with the Society of Local Council Clerks (SLCC). In the view of the two organisations, clerks should be paid by reference to scales based upon four particular posts evaluated as of typical councils. In each size, number of meetings, of delegated functions and of staff are taken into account. The salary range is that which is closest to a typical case. If it exactly matches it, the amount should be in range. If the match is not exact, that amount should be set in accordance with a range above, below or overlapping it. The points are derived from the numbered positions on the spinal column chart salaries in the 'Green Book', issued by the National Joint Council (NJC) of Local Government Services".²
- 1.4. The Council uses NJC pay agreements and scales for its staffs' level of pay. These also included protected allowances for outer fringe London Weighting rates.
- 1.5. The Council is part of the Kent Pension Fund scheme for its employees. Permanent employees are invited to join the scheme.
- 1.6. The Council contracts with an external Employment Law, HR and Health and Safety company to ensure legal compliance.
- 1.7. The Council uses an HMRC recognised payroll package (currently SAGE).

¹ 9.24. Arnold Baker on Local Council Administration Eleventh edition

² 9.24. Arnold Baker on Local Council Administration Eleventh edition

2. Salaries

- 2.1. The Council will ensure it complies with its statutory requirements placed on all employers by PAYE and National Insurance legislation.³
- 2.2. The Council uses the NJC Model employment contracts and NJC payment scales for its employees.
- 2.3. Employees job roles are linked to the appropriate NJC scales.
- 2.4. The NJC pay negotiations are reported to Personnel Committee. These are reported the Personnel Committee accordingly.
- 2.5. The Personnel Committee are responsible for the terms and conditions of employment regarding all employment and occupational pension issues.⁴ Salary scales/rates shall be as agreed by Committee and approved by full Council.
- 2.6. Subject to satisfactory performance which will be linked to the staff appraisal, employees will progress through the scale range (set with the agreed salary scale) by annual increments until they reach the maximum within their salary range. *NB: 'Satisfactory performance' will include continuous development by means of gaining additional/improved abilities and skills through training, experience, achieving target or other means.*
- 2.7. Annual increments will be payable on 01 April of each year until the maximum of the scale. The Town Clerk may make recommendation to the Personnel Committee to withhold an increment if it is considered that performance fell below the level expected, following an annual appraisal or award an additional increment for exemplary performance if it chooses to do so. The Personnel Committee can make recommendation to the full Council to raise an employee's scale range.
- 2.8. In line with the NJC and SLCC recommendations, an employee's pay should be raised by the recommended increments for successful passing of sector recognised qualifications (refer to SLCC or Arnold Baker on Local Council Administration for details)⁵.
- 2.9. Appraisals are carried out annually by the Town Clerk (and in the case of the groundstaff in conjunction with the Head Grounds person). The outcome is reported to the Personnel Committee.
- 2.10. The Town Clerk's appraisal is carried out by the Chairman of the Council.
- 2.11. Annual salaries budget forms part of the Council's budgeting process which includes:
 - The Town Clerk prepares the staffing and salaries budget presented to the Personnel Committee for consideration

³ Financial Regulations section 7 Payment of Salaries

⁴ Personnel Committee Terms of Reference

⁵ For example: CiLCA – 1 increment; Certificate in Higher Education Level 1 – 2 increments

- Personnel Committee confirm the positions and number of employees
- Personnel Committee confirm the required annual salaries budget and make recommendation to the Finance Committee and full Council to support and approve.

3. Payroll and payment procedures

- 3.1. The annual/monthly salaries are recorded on an Excel spreadsheet and inputted on to the online payroll software by the Town Clerk (as part of the HR responsibilities). The RFO confirms these calculations.
- 3.2. The payroll is prepared by the Town Clerk. This includes monthly salaries, new starters and leavers, P45s, end of year submissions, P60s and P11 returns.
- 3.3. The Town Clerk ensures the pensions contributions are correctly inputted, monthly and annual pension returns are submitted to Kent Pension Fund, as well as completing necessary forms for new starters and leavers.
- 3.4. Any NJC pay scale adjustments are calculated by the Town Clerk and confirmed by the RFO.
- 3.5. The RFO will check the monthly figures and prepare the salary payments inline with the Councils Financial Regulations.⁶ Adhering to the payments and authorisations procedures, the monthly payroll payments will be checked and signed by two councillors.
- 3.6. Salaries are paid monthly direct into the employees' nominated bank accounts.
- 3.7. Salary payments form part of the financial reporting process to the Finance Committee.⁷

4. Record keeping

- 4.1. The nominated payroll software provider will comply with GDPR including Cloud security.
- 4.2. Electronic report records are kept on the Council's server (Cloud) with restricted access (Town Clerk and RFO). These include monthly payroll, end of year, P11 records etc.
- 4.3. Pension payments will be submitted using the secure Kent Pension Fund portal.
- 4.4. Payroll records will be kept in compliance with Council's Retention and Disposal Policy and current GDPR regulations.

⁶ Financial Regulations section 5 Banking and authorisation of payments

⁷ Finance Committee Terms of Reference and Financial Regulations 7.5