

Localism Act: Pay Policy Statement

March 2024

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Introduction

This Pay Policy Statement sets out our approach to pay policy as required under Section 38 of the Localism Act 2011.

The purpose of this Pay Policy Statement is to increase accountability in relation to payments made to senior employees in the public sector by enabling public scrutiny.

We seek to deliver our organisational objectives through our People Strategy; by attracting talented people, encouraging a positive working environment and focusing on learning and development. We are also committed to ensuring a fair and transparent approach in determining pay policy.

Once approved by the full Council, this policy statement will come into immediate effect and will be subject to review annually as a minimum and in accordance with the relevant legislation at that time.

Our Pay Policy Statement

Our Pay Policy Statement for 2024-2025 will cover our policy on the following points:

- the level and detail of remuneration for each chief officer
- the remuneration of our lowest-paid employees (together with its definition of “lowest-paid employees” and our reasons for adopting that definition)
- the relationship between the remuneration of our chief officers and other officers
- other specific aspects of chief officers’ remuneration: remuneration on recruitment, increases and additions to remuneration, termination payments and transparency.

Our People Strategy Principles

- To develop a Pay & Reward strategy that enables us to attract and keep retain talented people to achieve our business aims.
- To ensure we are focusing on individual and team contribution and how we recognise performance in a positive and supportive working environment.
- To be fair, open and transparent and ensure we consider the impact of our Reward policies for all employees.

Pay and Grading

In determining the pay of employees, we will comply with all relevant and current employment legislation. With regards to equal pay, we will ensure that there is no pay discrimination within our pay structures and that all pay differentials can be objectively justified using our job evaluation system.

Under the Equality Act 2010 (Specific Duties & Public Authorities) Regulations 2017, we are required to publish an annual Gender Pay Gap report no later than 30 March annually. This report is a measure of the difference between the average hourly earnings of men and women.

NJC Pay structure

For most of our employees our policy is to implement the pay framework and terms and conditions, unless locally agreed otherwise, prescribed by the National Joint Council for Local Government Services ('NJC').

The NJC pay framework currently comprises 42 salary points, between spinal column point (SCP) 2 (£22,366 pa) and SCP 43 (£51,515pa) for a full-time employee (based on a 37 hour week).

Our pay and grading structure was implemented by collective agreement with the Green Book trade unions in 2019. We have an established pay and grading structure which is based on a current 'points to pay' relationship, determined through our job evaluation system.

We use an incremental spinal column point progression approach linked to length of service for Grades 1 to 16. Increments are due on 1 April each year, or 6 months after appointment if less than 6 months in the new

grade by 1 April, i.e., an increment is paid after 6 months if the employee is appointed between 1 October and 31 March.

We currently follow national pay bargaining in respect of the national pay spine and any annual cost of living increases negotiated in the pay spine. Pay spine values referred to in this document may be subject to ongoing national pay bargaining and updated pending any agreed pay award.

Although the pay spines are agreed nationally, pay structures and pay grades are determined locally.

Other Terms and Conditions

Other groups of employees are paid salaries or salary scales agreed by the relevant national negotiating bodies. These groups include such workers as NHS workers (statutory transfer from Primary Care Trusts), those falling within the group of the Soulbury Committee or School Teachers' Pay and Conditions agreements. There are also a small number of workers on different terms & conditions due to TUPE.

Salary on appointment

Appointments are usually made to the lowest point of each grade. It is possible from time to time there is a market force/retention reason that may require consideration when making an appointment. Where necessary, we will ensure that any decision is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources, including affordability, available from within and outside the local government sector.

Level and remuneration for each chief officer

For the purposes of this statement, senior management means 'chief officers' as defined within S43 of the Localism Act we define senior managers as

- the chief executive
- the deputy chief executive
- directors
- assistant directors and any other direct reports to the directors

Our Chief Executive is paid a basic spot salary as detailed in **Appendix 1**. This increases in line with JNC Chief Executives pay awards, negotiated annually.

JNC Chief Officers are paid on one of two incremental scales/grades (Grade 15: £78,275 – £83,995 pa or Grade 16: £92,764 - £97,302 pa) which are reviewed annually under the JNC for Chief Officers annual pay award.

Single 'spot' salaries for chief officers exist above this range aligned to market rates, which are also reviewed annually in line with the JNC for Chief Officers pay award.

Appointment and pay of Chief Officers

The process for the recruitment and appointment of chief officers is set out in the [Council's Constitution](#) document.

The salary levels of chief officers on appointment have been set by elected members, at the relevant council committee. The salary details for chief officers can be seen in Appendix 1 and will be updated as and when necessary, via the website (www.staffordshire.gov.uk).

Between annual approval of the pay policy statement and in respect of chief officer posts (as defined within S43 of the Localism Act):

- In accordance with the constitution, decisions made in relation to the variation in number and/or nature of posts are reserved for the Chief Executive in consultation with the Leader and Deputy Leader of the Council.
- Pay for chief officers other than those in the Senior Leadership Team must be dealt with in accordance with [Council's constitution and this Pay Policy Statement](#).
- We may agree through a Remuneration Committee, to resolve matters relating to pay for the Head of Paid Service and chief officers within the Senior Leadership Team including:
 - Resolution of any issues relating to remuneration and allowances during employment.
 - Agree changes to Senior Leadership Team remuneration strategy which may impact on remuneration.

Relationship between the highest and lowest paid employees

Our definition of our 'lowest paid', are employees on Grade 1, SCP 2 who currently receive £22,366pa, or on a pro-rata basis if they work for less than 37 hours per week. This definition does not include those working as apprentices who are paid in compliance with the National Minimum Wage guidelines.

The current pay levels define the multiple¹ between the lowest paid (full time equivalent) employee and the [Chief Executive] as [1:9] and between the lowest paid employee and average chief officer as [1:5]. The multiple between the median (average) full time equivalent earnings and the [Chief Executive] is [1:6] and between the median (average) full time equivalent earnings and average chief officer is [1:4].

Car Allowance

A car allowance is paid to JNC Chief Officers based on a 3-tier approach (Tier 3: £4,395, Tier 2: £5,483 or Tier 1: £8,375 pa). Chief Officers have the option use the allowance and enter the Councils Green Car Lease Car Scheme.

Chief officers in receipt of the car allowance are not authorised to claim business mileage.

Allowances

Green Book (NJC) allowances are applied to both NJC and JNC posts. On occasion, it may be agreed to pay other allowances to chief officers which will be objectively justified.

Honoraria

All honorarium payments are subject to local arrangements and criteria set out in the Green Book terms and conditions of service and will be objectively justified by reference to clear and transparent evidence, using appropriate data sources, including affordability, available from within and outside the local government sector.

All honorarium payments must be approved under the relevant scheme of delegation. Chief officer honorariums will be approved by the Chief Executive in consultation with the Cabinet member responsible for People Services (the Leader of the Council). All honorariums will be reviewed regularly.

¹ Note – multiple or ratio rounded up or down where applicable

Pay Protection

Employees who are displaced from their substantive post and redeployed to a lower graded role as a result of organisational change or for medical reasons receive pay protection (subject to meeting the eligibility criteria).

The period of pay protection is currently three years (Grades 1 to 11) or one year (Grades 12 and above) from the date of the change.

Market Supplements

Market supplements are not currently part of the Council's pay and reward strategy.

Pensions

All employees are entitled to join the Local Government Pension Scheme (LGPS). The LGPS is the occupational pension scheme available to Local Government Employers and other public sector employers such as colleges and academies. Employees are eligible to join LGPS provided they are not entitled to be a member of another Public Sector Scheme such as the Teachers, Police or Fire Pension Scheme. Eligible employees join the scheme automatically on commencement of their employment provided they are under age 75 and have a contract of more than 3 months.

Members have the right to leave the scheme or join the 50/50 Section of the scheme at any time. The benefits and contributions payable are set out in the Local Government Pension Scheme Regulations 2013. Both employees and employers contribute to the Pension Fund.

Further details of the employee and employer contribution rates can be found on the Staffordshire Pension Fund Web site:

<http://www.staffspf.org.uk/>

Employer Contribution Rates - <https://www.staffspf.org.uk/Finance-and-Investments/Actuarial-valuation-report/Actuarial-Valuation-Report.aspx>

Employee Contribution Rates - <https://www.staffspf.org.uk/Members/New-Members/Joining/How-muchwill-it-cost-me.aspx>

Payments on Termination

Our approach to (statutory and) discretionary payments on termination of employment of chief officers, prior to reaching normal retirement age, is set out under regulations five and six of the local government (Early Termination Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, and the Council's policy on increasing an employee's total pension scheme membership and on awarding additional pension under Regulations 31 of the Local Government Pension Scheme Regulations 2013.

Any other payments falling outside the provisions, or the relevant periods of contractual notice shall be subject to a formal decision made by the full Council or relevant elected members, committee or panel of elected members with delegated authority to approve such payments.

We will implement any proposed government changes to exit payments when they become law, however this may necessitate a review of current council policies.

Publication of and access to information relating to the remuneration of chief officers and other employees

Our policy is to provide information on the remuneration of our Chief Executive, Strategic Directors and Assistant Directors on our website (www.staffordshire.gov.uk) keeping to the Local Government Transparency Code 2015 and as required by s.7 of the Accounts and Audit (England) Regulations 2011.

We will publish our Gender Pay Gap report no later than 30 March annually. This information will be available at www.staffordshire.gov.uk and also <https://gender-pay-gap.service.gov.uk/Viewing/search-results>.

Policy Revisions

Revision Date	Summary of Changes
February 2015	Reviewed for 2015/16
February 2016	Reviewed for 2016/17
February 2017	Reviewed for 2017/18
February 2018	Reviewed for 2018/19
February 2019	Reviewed for 2019/20
February 2020	Reviewed for 2020/21
February 2021	Reviewed for 2021/22
February 2022	Reviewed for 2022/23
February 2023	Reviewed for 2023/24
February 2024	Reviewed for 2024/25

Appendix 1 – Chief Officer Remuneration 2023

Service	Position	Full Time Equivalent	Annual Salary	Honorarium (per annum) (i)	Car Subsidy Tier (ii)
	Chief Executive	1.00	£191,475		1
Children and Families	Director for Children and Families	1.00	£155,503		1
Children and Families	Assistant Director for Children's Social Care	1.00	£117,517		2
Children and Families	Assistant Director for Children's Wellbeing and Partnerships	1.00	£117,517		2
Children and Families	Assistant Director for Education Strategy and Improvement	1.00	£97,302		3
Corporate Services	Director for Corporate Services & Deputy Chief Executive	1.00	£155,503	£7,512	1
Corporate Services	Assistant Director for Commercial and Assets	1.00	£97,302		3
Corporate Services	Assistant Director for Communications and Marketing	1.00	£92,764		3
Corporate Services	Assistant Director for Corporate Operations	0.86	£83,680		3
Corporate Services	County Solicitor	1.00	£117,517		2
Corporate Services	Assistant Director for People	1.00	£97,302	£9,401	3
Corporate Services	Assistant Director for Strategy and Transformation	1.00	£92,764		3
Economy Infrastructure and Skills	Director for Economy, Infrastructure and Skills	1.00	£155,503		1
Economy Infrastructure and Skills	Assistant Director for Business and Enterprise	1.00	£97,302		3
Economy Infrastructure and Skills	Assistant Director for Connectivity and Sustainability	1.00	£92,764		3
Economy Infrastructure and Skills	Assistant Director for Culture, Rural & Safer Communities	1.00	£95,033		3
Economy Infrastructure and Skills	Assistant Director for Highways and Built County	1.00	£97,302		3
Economy Infrastructure and Skills	Assistant Director for Skills and Employability	1.00	£92,764		3
Finance	Director of Finance	1.00	£139,464		1

Finance	Assistant Director for Audit and Financial Services	1.00	£83,995		3
Finance	Chief Accountant	1.00	£92,764		3
Finance	Assistant Director of Finance Business Partnering	1	£97,302		3
Finance	Assistant Director for Treasury and Pensions	1.00	£97,302		3
Health and Care	Director for Health and Care	1.00	£155,503		1
Health and Care	Assistant Director for Adult Social Care and Safeguarding	1.00	£117,517		2
Health and Care	Assistant Director for Care Commissioning	1.00	£117,517		2
Health and Care	Head of Provider Services	1.00	£71,041		N/A
Health and Care	Assistant Director - Public Health and Prevention	1.00	£97,302		3
Children and Families	Chief Executive WME	1.00	£117,517		2
Finance	Chief Executive Midlands Engine	1.00	£139,464		1

- (i) Post holder is temporarily receiving an honorarium for undertaking additional responsibilities which is paid in addition to basic pay and approved.
- (ii) Car lease cash alternative is paid as a monthly allowance in addition to basic salary.