

Pay Policy Statement 2024/25

1.0 INTRODUCTION AND POLICY STATEMENT

- 1.1 The Council aims to ensure that its remuneration packages are fair, equitable and transparent, leading to the employment of professional staff who have appropriate skills and experience to provide high quality services to its residents and visitors.
- 1.2 Under section 112 of the Local Government Act 1972, the Council has the "power to appoint officers on such reasonable terms and conditions as the authority thinks fit". This Pay Policy Statement (the 'statement') sets out the Council's approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011.
- 1.3 The purpose of the statement is to provide transparency with regard to the Council's approach to setting the pay of its employees by identifying:
 - The methods by which salaries of employees are determined;
 - The detail and level of remuneration of its most senior staff, i.e. 'Chief Officers', as defined by the relevant legislation; and
 - The committee responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to the full Council.
- 1.4 Once approved by the full Council, this policy statement will come into immediate effect, superseding the 2023/2024 Pay Policy Statement, and will be subject to review in accordance with the relevant legislation prevailing at that time, currently annually.

2.0 LEGISLATIVE FRAMEWORK

- 2.1 In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, The Agency Workers Regulations 2010, and where relevant, the Transfer of Undertakings (Protection of Employment) Regulations 2006.
- 2.2 With regard to the equal pay requirements contained within the Equality Act, the Council ensures there is no pay discrimination in its pay structures and that all pay differentials are objectively justified through the use of an equality-proofed job evaluation mechanism, which directly relates salaries to the requirements, demands and responsibilities of the role.

3.0 PAY STRUCTURE (National Joint Council Employees, NJC)

- 3.1 Based on the application of the job evaluation process, the Council uses the nationally negotiated, National Joint Council (NJC) pay spine as the basis for its local grading structure.
- 3.2 The Council is committed to adherence with national pay bargaining in respect of the national pay spine and any annual cost of living increases negotiated in the pay spine.
- 3.3 All other pay-related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and/or as determined by Council Policy.

- 3.4 In determining its grading structure the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees, who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required.
- 3.5 The Council's current grading structure was implemented in 2005, following a single status exercise, when the Council also adopted a job evaluation scheme. There were four key objectives considered in adopting the grading structure, and these were fairness, motivation, effective resourcing and affordability. It was agreed by the Council in 2003, that the preferred quartile of pay in relation to the local authority market was the second quartile (50 74 percentile). This was in part due to the cost of housing in the District and the desire to recruit and retain high quality staff. With this in mind, the Council adopted a structure, which began at spinal column point (scp) 11 of the NJC pay scales. The grading structure was renegotiated nationally, removing the lower scps and re-numbered with effect from 1 April 2019, and so the Council's grading structure now begins at scp1.
- 3.6 The spinal column points which are within the grading structure are nationally negotiated annually as part of a collective bargaining arrangement between the National Joint Council for Local Government Services (NJC) and the recognised unions.
- 3.7 The most recent NJC pay agreement was made in October 2023 and agreed a annual flat rate award of £1925 on all spinal column points (scp) to scp 43 with locally agreed scp's from scp 44 to scp 57 to be increased by 3.88%, backdated to 1 April 2023. The pay negotiations for 2024/25 have not yet commenced.
- 3.8 The grading structure, is shown in **Appendix 1**.
- 3.9 New appointments will normally be made at the minimum of the relevant grade, although this can be varied where necessary to secure the best candidate with the agreement of the Head of Paid Service. From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector.

4.0 POLICY ON REMUNERATION AND PAY STRUCTURE OF SENIOR MANAGEMENT

- 4.1 For the purposes of this statement, senior management means 'Chief Officers' as defined by s43 of the Localism Act 2011. The definition of Chief Officers is not limited to the Head of Paid Service, Deputy Chief Executive or statutory Chief Officers (in SDC's case the Chief Executive, Head of Law and Governance and Head of Financial Services). It also includes other Heads of Service (non-statutory Chief Officers) and their direct reports: in SDC's case 'Service Managers' (deputy Chief Officers). This designation under the Council's pay policy does not affect existing job evaluations for the posts. The Localism Act requires the Council to report on these officers' remuneration. The posts falling within the statutory definition are set out below, with details of their basic salary as at 1 April 2023 (subject to pay award):
 - a) Chief Executive

The current salary for this post is a band of £118,569 - £125,046. The band is split into three spinal column points as follows:

- 1) £118.59
- 2) £122,347
- 3) £,125,046

This is exclusive of any payments for Returning Officer or Deputy Returning Officer duties.

b) Deputy Chief Executive

The current salary for this post is a band of £93,743 - £99,140. The band is split into three spinal column points as follows:

- 1) £93,743
- 2) £96,444
- 3) £99,140

c) Heads of Service

The salaries of posts designated as Heads of Service fall within a range of four incremental points between £70,273 rising to a maximum of £77,510.

Where a Head of Service is also designated as a Statutory Officer a 7% supplement is paid in addition to the spinal column point.

c) Service Managers

The salaries of posts designated as Service Managers fall within a range of Grade G to Grade C on the Council's staff grading structure, the distribution is as follows:

Grade:	Number of Posts:
Grade G	3
Grade F	1
Grade E	2
Grade D	5
Grade C	13

Where posts are responsible for operating over two of more authorities the job evaluation score is increased in line with the Council's Job Grading Procedure.

It must also be clarified that, for day to day purposes, the Council operates a 'senior management' team of seven. This consists of a Chief Executive, Deputy Chief Executive and 5 heads of service, The agreed management structure is shown in **Appendix 2**.

Remuneration of the Chief Executive, Deputy Chief Executive and Heads of Service Remuneration for the Chief Executive is in accordance with the Joint National Committee for Chief Executives, and the Deputy Chief Executive and Heads of Service is in accordance with the Joint Negotiating Committee (JNC) Conditions of Service for Chief Officers. The JNC allows for local determination of Chief Executive and Chief Officer salaries, in accordance with a 'range appropriate to their type of authority and population'. The JNC benchmarking range has not been updated since 2001, and as such determination of 'appropriate' salary was last reviewed and agreed on 11 April 2023 by Employment Committee. The setting of the salary levels was informed by benchmarking data provided by West Midlands Employers.

In addition to the locally agreed grade, the JNC may also agree national 'cost of living' rises which the Council are required to implement. The pay award for 2023/2024 was an increase of 3.5%, and the negotiations for the pay award for 2024/2025 have not yet commenced.

- 4.3 The basic pay for these officers is reviewed locally at appropriate intervals. The recommended review period is three years.
- 4.4 Progression through the grade is subject to satisfactory performance, development and achievement of agreed targets, and is reviewed on an annual basis. If performance levels are achieved then progression is by one increment per annum, implemented on 1 April each year, until the individual reaches the top of the grade. The grade is set out in **Appendix 1**.
- 4.5 Remuneration of Service Managers

Remuneration for Service Managers is in accordance with the National Joint Council (NJC) National Agreement of Conditions of Service. The NJC provides the spinal column points, and the Council determines locally the staff grading structure around it. Grades are determined using the local government job evaluation scheme.

Progression through the grade is subject to satisfactory performance and is reviewed on an annual basis. If performance levels are achieved then progression is by one increment per annum, implemented on 1 April each year, until the individual reaches the top of the grade. The staff grade structure is set out in **Appendix 1.**

4.6 Recruitment of Head of Paid Service, Chief Executive, Deputy Chief Executive and Heads of Service

The Council's policy and procedures with regard to recruitment of the Chief Executive, Deputy Chief Executive and Heads of Service is set out within the Officer Employment Procedure Rules in Part 4/Section (10) of the Constitution. When recruiting to all posts the Council will take full and proper account of its own recruitment policies. The determination of the remuneration to be offered to any newly appointed officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment. Where the Council is unable to recruit a post at the designated grade, it will consider the use of temporary market forces supplements in accordance with the Market Forces Procedure.

4.7 Where the Council remains unable to recruit under a contract of employment, or there is a need for interim support to provide cover for a vacant substantive post, the Council will, where necessary, consider and utilise engaging individuals under 'contracts for service'. These will be sourced through a relevant procurement process ensuring the Council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service. The Council does not currently have any Officers engaged under such arrangements.

4.8 Recruitment of Service Managers

Service managers are recruited under the Council's usual officer recruitment procedures and are not elected member appointments.

4.9 Re-employment / Re-engagement of former Chief Officers

Where a former Chief Officer applies for employment with the Council, and they have been previously made redundant from either this Council, or another public body under the Redundancy Modifications Order, their application will be treated on its own merits and taking into account the financial benefits to the Council.

4.10 Additional Remuneration Elements for Chief Officers

The Council does not apply any bonuses or performance related pay to its Chief Officers.

In addition to the basic salary, set out below are details of other elements of 'additional pay' which are chargeable to UK income tax and do not solely constitute reimbursement of expenses incurred in the fulfilment of duties.

4.10.1 Returning Officer Fees

For elections the Council is required to appoint an officer to be the Returning Officer. The position of Returning Officer is currently held by the Chief Executive. The Returning Officer has delegated responsibility to appoint 'elections inspectors' for the day on which elections take place. This role is usually fulfilled by Heads of Service and Service Managers. Some Heads of Service and Service Managers also accept special duties to help ensure the effective operation of elections. Such duties are the subject of a separate fee.

Fees for Parliamentary, European and Police and Crime Commissioner elections and referenda are set nationally. Fees for District and Parish elections are increased in line with national pay awards although the Returning Officer is authorised to negotiate a countywide scale of fees in relation to Presiding Officers and Poll Clerks for Warwickshire.

The Council is reimbursed for all elections apart from those relating to district elections.

4.10.2 Car Allowances

The Chief Executive, Deputy Chief Executive and Heads of Service are entitled to receive a car allowance, which is currently equivalent to the maximum National Joint Council (NJC) essential car user lump sum of £1,239 per annum. Service Managers are subject to the Council's Essential Car User Scheme, and if they meet the set criteria are entitled to receive essential car user lump sum of between £846 and £1,239 per annum, dependant upon car engine size.

At present two Chief Officers (Chief Executive, Heads of Service and Service Managers) receive a car lease contribution, instead of a car allowance. The car lease scheme has been phased out for new members of staff, and existing users have been given notice that the scheme will cease at the end of current lease agreements. The car lease scheme provides Chief Officers with a maximum monthly contribution towards their lease car of £282. The Council's contribution was reduced by 10% in 2011, and rates have been frozen since this point. Vehicles are limited to those with emissions at a maximum level of 150g/km - this is reviewed regularly with a reduction in the emissions limit being introduced as technology improves.

In all instances, the Chief Officer receives reimbursement for mileage completed on work-related activities (not home to office mileage), at either the essential car user rate, which is paid at the HMRC rate, currently 45p per mile; or at the Council's lease car user mileage rate, which is currently between 10.875p and 12.395p per mile (this rate has been frozen since 2008).

4.10.3 Local Government Pension Scheme

Employees have a right to join the Local Government Pension Scheme. The contribution rates for 2023/2024 are as:

Contribution bands for 2023/24

If your actual pensionable pay is:	You pay a contribution rate of:
Up to £16,500	5.5%
£16,501 to £25,900	5.8%
£25,901 to £42,100	6.5%
£42,101 to £53,300	6.8%
£53,301 to £74,700	8.5%
£74,701 to £105,900	9.9%
£105,901 to £124,800	10.5%
£124,801 to £187,200	11.4%
£187,201 or more	12.5%

The Employer contribution rates are set by Actuaries advising the Warwickshire Pension Fund and reviewed on a triennial basis to ensure the scheme is appropriately funded. The rate for 2023/24 is 20%.

4.10.4 Honoraria and Ex-Gratia Payments

Where a Chief Officer completes an exceptional piece of work, or provides an 'acting up' role, they may be awarded either a one off or monthly honorarium. Honorarium

can be approved by the appropriate Head of Service for staff within their service area. Honorarium for Heads of Service can be approved by the Chief Executive.

Where an honorarium payment is proposed for the Chief Executive then the decision must be made by the Employment Committee. Where the financial implications of an honorarium for the Chief Executive are outside of the approved budget framework, then appropriate approval must also be sought in accordance with the Council's Constitution.

4.11 Termination Payments and Special Severance Payments

4.11.1 Redundancy or Interests of Efficiency

Where the Council terminates a Chief Officer's employment by reason of redundancy, then they are entitled to a redundancy payment, in accordance with the Council's Discretionary Payments and Severance Policy. The redundancy policy applies to all employees regardless of grade.

In accordance with the Local Government Pension Scheme, a Chief Officer made redundant, who is also aged 55 years or over, will receive automatic unreduced access to their pension.

Where a Chief Officer is granted early retirement in the interests of efficiency, they will receive unreduced access to their pension, subject to being aged 55 years or over.

4.11.2 Ill Health Retirement

Where an individual leaves the Council's employment through ill health retirement, there is no immediate pension strain cost to the Council, as all costs are met by the Local Government Pension Scheme. However, it may affect costs following the routine actuarial review.

4.11.3 Pav in Lieu of Notice

Where it is not possible or otherwise appropriate for the Chief Officer to serve their contractual notice period, then the Council may make a lump sum payment in lieu of notice.

4.11.4 Other Contractual Payments upon Termination

Where an individual leaves due to redundancy or ill health, the Council may pay any outstanding contractual payments such as annual leave, car allowances etc. In addition, the Council will reclaim any monies owed.

4.11.5 Special Severance Payments

In exceptional circumstances the Council may make a payment to an employee under a Settlement Agreement.

Where this is the case the following authorisation process will apply to all staff:

- a. Payments of £100,000 and above must be approved by a vote of Full Council.
- b. Payments of £20,000 and above, but below £100,000 must be personally approved and signed off by the Head of Paid Service, with a clear record of approval from the Leader and the S151 Officer.
- c. Payments of below £20,000 must be personally approved and signed off by the Head of Paid Services, with a clear record of approval from the S151 Officer.

d. Where the proposed payment is to the Head of Paid Service, the payment will be approved by an Independent Panel, made up of two Independent Persons appointed under the provisions of section 28 of the Localism Act 2011.

5.0 POLICY ON REMUNERATION OF OUR LOWEST PAID EMPLOYEES

5.1 <u>Lowest Paid Employees</u>

The definition of 'lowest paid employees' is a matter for local determination. The Council has agreed that the definition of 'lowest paid workers' will be those employed under a contract of employment with the Council employed on full time (37 hours) equivalent, in accordance with the minimum grade of the Council's agreed grading structure, i.e. Grade M, spinal column point 1.

6.0 THE RELATIONSHIP BETWEEN THE REMUNERATION OF CHIEF OFFICERS AND OTHER EMPLOYEES

- 6.1 The relationship between the rate of pay for the lowest paid employee and Chief Officers is determined by the processes used for setting pay and grading structures as set out earlier in this policy statement.
- 6.2 The published pay multiples report the current position as of the 1 January 2024 and are factual representations rather than a statement of policy. Pay multiples will be reviewed and published annually.
- 6.3 The current pay levels within the Council can be defined in the following ratios:-
 - Chief Executive to the lowest paid (full time equivalent) employee 5.5:1
 - Average Chief Officer to lowest paid employee 2.6:1
 - Chief Executive to the median (mid point) of full time equivalent earnings 3.7:1
 - The average Chief Officer to the median (mid point) of full time equivalent earnings 1.7:1.
- 6.4 As part of its overall and ongoing monitoring of alignment with external payments, both within and outside the local government sector, the Council will use available benchmark information as appropriate.

7.0 PUBLICATION

- 7.1 Upon approval by the Full Council, this statement will be published on the Council's website. In addition, for posts where the full time equivalent salary is at least £50,000, the Council's Annual Statement of Accounts will include a note setting out the total amount of:
 - Salary, fees or allowances paid to or receivable by the person in the current and previous year;
 - Any bonuses so paid or receivable by the person in the current or previous year;
 - Any sums payable by way of expenses allowance that are chargeable to UK income tax;
 - Any compensation for loss of employment and any other payments connected with termination;
 - Any benefits received that do not fall within the above.

8.0 ACCOUNTABILITY AND DECISION MAKING

8.1 In accordance with the Constitution of the Council, the Employment Committee is responsible for decision making in relation to the recruitment, pay, terms and conditions, and severance arrangements in relation to employees of the Council subject to those matters that are delegated to the Head of Paid Service or which by law cannot be determined by the Committee. Further details of these matters are set out in the Council's Constitution under the Scheme of Delegation to Officers and also in the Officer Employment Procedure Rules.

Grading Structure 1 April 2023

Including deletion of scp1, as agreed in 2022/23 pay award Including CE, JNC and NJC pay awards

	01 April 2023	
Grade	with pay award	Hourly Rate
Grade M		
	DELETED	DELETED
2		
3		
4		
- 4	223,114	211.90
Grade L		
5	£23,500	£12.18
6		
7		
8		
	,	
Grade K		
9	£25,119	£13.02
10		
11		
12	£26,421	£13.69
13		
14		
Grade J		
15	£27,803	£14.41
16	£28,282	£14.66
17	£28,770	£14.91
18	£29,269	£15.17
19	£29,777	£15.43
Grade I		
20	£30,296	£15.70
21	£30,825	£15.98
22	£31,364	£16.26
23	£32,076	£16.63
24	£33,024	£17.12
Grade H		
25	£33,945	£17.59
26	£34,834	£18.06
27	£35,745	£18.53
28	£36,648	£19.00
Grade G		
29	£37,336	£19.35
30	£38,223	£19.81
31	£39,186	£20.31
32		
Grade F		
33	£41,418	£21.47
34		
35	,	
36		

 $[\]boldsymbol{*}$ - Overtime undertaken by officers on scp 28 or above will be subject to an automatic reduction of 10%



Stratford-on-Avon District Council

Management Arrangements - from December 2023



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Richard Burrell

Community Safety

Democratic Services

Information Governance

Joint Legal Service



Emergency Planning & Business Continuity

Environmental Health & Licensing

Markets & Events (inc Road Closures)

Parking Services

Personal Assistant Team

Sports and Leisure

Streetscene



(Inc. Visitor Information Centre)

Health and Wellbeing

Housing

Print and Design Team

Revenues & Benefits

Safeguarding



Development Management

Economic Development & Tourism (inc. Venture House)

Land Charges

Local Plans & Planning Policy

Strategic Housing & Housing Enabling

Street Naming and Numbering



Head of Resources and s151 Officer

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Finance

ICT

Internal Audit

SDC/0059/01DEC23