



**High Peak Borough Council &
Staffordshire Moorlands Distirct Council**

PAY POLICY

2022 / 2023

1. Introduction and Purpose

In accordance with Section 112 of the Local Government Act (1972) High Peak Borough Council and Staffordshire Moorlands District Council have the “power to appoint officers on such reasonable terms and conditions as the authorities thinks fit”. The Pay Policy Statement sets out the Councils’ approach to pay in accordance with the Localism Act (2011) (Section 38) and provides transparency to the setting of pay for its employees by identifying:

- the methods by which salaries of all employees are determined;
- the detail and level of remuneration of its most senior staff i.e. ‘chief officers’, as defined by the relevant legislation;
- the committees responsible for ensuring the provisions set out in this statement are applied consistently and recommending any amendments to the full Council.

The pay policy will be approved by full Council. This policy statement will come into immediate effect and will be subject to review on an annual basis in accordance with the relevant legislation in place at that time.

Strategic Alliance

High Peak Borough Council and Staffordshire Moorlands District Council work together as a strategic alliance and the workforce is shared. The Chief Executive and Executive Directors are employed by both Councils. The remaining Chief Officers are employed by one of the Councils but are joint appointments and work across the two authorities. The majority of employees work flexibly across both Councils. The terms and conditions of employment have been harmonised across the two Councils and the costs are shared.

In determining the pay and remuneration of all its employees, the Councils will comply with all relevant employment legislation. This includes legislation such as the Equality Act (2010); Part Time Employment (Prevention of Less Favourable Treatment) Regulations (2000); The Agency Worker Regulations (2010) and where relevant the Transfer of Undertakings (Protection of Earnings) Regulations. The Councils will ensure there is no pay discrimination within its pay structures. Pay differentials are objectively justified through the use of equality proofed job evaluation schemes which directly relate to the requirements, demands and responsibilities of job role.

2. Basic Pay

Green Book Employees

Most employees are subject to the National Joint Council for Local Government Services (Conditions of Service) (“Green Book”). Pay and grading is determined by the Local Government Single Status Job Evaluation Scheme.

A local grading structure has been adopted which makes use of broad banding pay ranges and uses the basis of the nationally negotiated pay spine. The grading structure can be found on the Council’s website.

Incremental progression throughout the pay range is unrestricted in the lower zone of the pay scale. At present there is no incremental progression in the upper zone of the pay scale.

There is a commitment to review the local grading structure and implement a revised grading structure in 2022.

Craft Employees

Some employees are subject to Joint Negotiating Committee for Local Authority Craft & Associated conditions of service (Red Book). Red book employees are subject to set rates of pay. All other pay related allowances are subject to either nationally or locally negotiated rates having been determined from time to time in accordance with collective bargaining and/or by Council policy.

Apprenticeships

Apprentices are paid in accordance with the national apprenticeship rates of pay.

Senior Management Pay “Chief Officer”

The posts falling within the statutory definition of a “Chief Officer” their basic salary is:

| Position | Pay Range |
|----------------------------|---------------------|
| Chief Executive | £161,032 - £174,625 |
| Deputy Chief Executive | £116,148 - £128,548 |
| Executive Directors | £96,880 - £107,890 |
| Heads of Service - Grade 2 | £66,984 - £77,239 |
| Heads of Service - Grade 1 | £54,164 - £64,420 |

Pay and grading is determined for Chief Officers by the Hay Job Evaluation Scheme. A local grading structure has been adopted which has been previously approved by resolution of Council. The grading structure for these positions can be found at the end of this document.

Incremental progression throughout the pay range is unrestricted and paid on 1st April each year until the top of the pay scale is reached. Organisational structure identifying the numbers and positions at a senior level can be found at website.

There is a continued commitment to adhere with national pay bargaining in respect of the national pay spine and cost of living increases for employees.

3. Additional Salary Payments - Chief Officers

Additional payments for Chief Officers are as follows:-

Chief Executive

| | |
|------------------------|---|
| Lease Car | Contribution of £6,824 per annum toward the cost of providing a lease car. This comprises of: £2,700 (fixed basic contribution to all lease car users) £250 (further fixed basic contribution available to all lease car users subject to meeting certain emissions criteria) £3,070 (Payable to Chief Executive only) £804 (Business usage allowance). |
| Election Duties | Fees paid in respect of election duties in accordance with agreed County fee scale. |

Executive Directors – Other “Chief Officer” Payments

| | |
|---|---|
| Section 151 Officer Allowance | £5,353.44 per annum to an Executive Director in recognition of their role of Section 151 Officer. |
| Monitoring Officer Allowance | £5,353.44 per annum to an Executive Director in recognition of their role of Monitoring Officer. |
| Election Duties | Fees paid in respect of election duties in accordance with agreed County fee scale. |
| Lease Car (applicable to 1 postholder) | Contribution of £5,700 per annum toward the cost of providing a lease car. This comprises of: £2,700 (fixed basic contribution to all lease car users) £250 (further fixed basic contribution available to all lease car users subject to meeting certain emissions criteria). £1,950 (Payable to Executive Directors only). £800 (Business usage allowance). |

4. Car Mileage

Car mileage is payable to designated Essential Car Users who do not drive a lease car. Payments are in accordance with the NJC mileage rates with the removal of the top banding in accordance with locally agreed terms and conditions:

| Essential User Payment | 451-999cc range | 1000 – 1199cc range |
|--|------------------------|----------------------------|
| Lump Sum | £846 | £963 |
| Per mile (1 st 8,500 miles) | 36.9 p | 40.9 p |
| Per mile (after 8,500 miles) | 13.7p | 14.4p |

| Casual User Payment | 451-999cc range | 1000 – 1199cc range |
|--|------------------------|----------------------------|
| Per mile (1 st 8,500 miles) | 46.9 p | 52.2p |

5. Recruitment of Chief Officers

The policy and procedures with regard to recruitment of Chief Officers is set out within the Officer Employment Procedure Rules (part 4 of the constitution). When recruiting to all posts the Councils will take full and proper account of their own equalities and other recruitment policies. The determination of the remuneration to be offered to any newly appointed Chief Officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment. Where we are unable to recruit to a post at the designated grade, the use of temporary market supplements in accordance with relevant policies will be considered.

Where the Councils remain unable to recruit Chief Officers under a contract of service, or there is a need for interim support to provide cover for a vacant substantive chief officer post, the Councils will, where necessary, make use of 'contracts for service'. These will be sourced through a relevant procurement process ensuring the Councils are able to demonstrate the maximum value for money benefits from competition in securing the relevant service.

6. Payment of Termination of Chief Officers

The approach to statutory and discretionary payments on termination of employment of Chief Officers, prior to reaching normal retirement age are in accordance with agreed policies at the time.

Any other payments falling outside the provision, 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.

The Restriction of Public Sector Exit Payments Regulations 2020 implemented a £95,000 cap on public sector exit payments however in February 2021 the Restriction of Public Sector Exit Payments (Revocation) Regulations 2021 revoked the regulations with immediate effect.

The guidance on the removal of the exit pay cap states “For the avoidance of doubt, it is still vital that exit payments deliver value for the taxpayer and employers should always consider whether exit payments are fair and proportionate. HM Treasury will bring forward proposals at pace to tackle unjustified exit payments.” Therefore, it is anticipated the cap or similar will be re-introduced in some form and related further reforms will be made to the LGPS and local government redundancy terms.

7. Re-employment /Re-engagement of former Chief Officers

It is policy not to re-employ former employees who have been granted voluntary redundancy, including Chief Officers. In exceptional cases, and only where there is a clear benefit to the Councils, such former employees may be re-engaged on a short-term contract for services.

8. Relationship between the Highest Paid Employee and Lowest Paid Employee

At the point of this statement lowest paid employees employed under a contract of employment are employed on full-time (37 hours) rate of pay - £18,562 per annum (£9.62 per hour). This is above the UK Living Wage (April 2022 - £9.50 per hour). Modern apprentices are not included in this definition and are paid in accordance with national apprenticeship rates of pay.

The relationship between the rate of pay for the lowest paid employee and Chief Officer is determined by the processes used for determining pay and grading structures set out earlier in this policy statement.

The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton 'Review of Fair Pay in the Public Sector' (2010). The Hutton report was asked by Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organisation. The report concluded that the relationship to median earnings was a more relevant measure and the Government's Code of Recommended Practice on Data Transparency recommends the publication of the ratio between highest paid salary and the median average salary of the whole of the Authorities' workforce.

The current pay levels define the relationship between the lowest paid and the highest paid:

Lowest paid employee and Chief Executive

| Category | Ratio |
|---|-------|
| Highest paid employee (Chief Executive) | 1:8.8 |
| Lowest paid employee | |

Lowest paid employee and average Chief Officer

| Category | Ratio |
|-----------------------|-------|
| Average Chief Officer | 1:3.8 |
| Lowest Paid | |

Relationship between highest paid employees and median earnings

| Category | Ratio |
|---|-------|
| Highest paid employee (Chief Executive) | 1:6.3 |
| Median full-time equivalent earnings | |

Relationship between highest paid employees and median average Chief Officer

| Category | Ratio |
|--------------------------------------|-------|
| Average Chief Officer | 1:2.7 |
| Median full-time equivalent earnings | |

It is considered that the current pay multiples represent an appropriate, fair and equitable internal pay relationship between the highest salary and that which applies to the rest of the workforce. As part of its overall and ongoing monitoring of alignment with external pay markets both within and outside the sector, the available benchmarking information will be used as appropriate.

9. Publication

Following approval of full Council, this statement will be published on the website. In addition, for posts where the full-time equivalent salary is at least £50,000, the Councils' 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 and 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.

The Councils' already provide details on its website of the remuneration paid to, and the duties of, the Chief Executive and Executive Directors.

10. Accountability and Decision Making

In accordance with the agreed Constitution, the full Council is responsible for the appointment of the Chief Executive, following a recommendation from the Joint Appointments Sub-Committee.

The Joint Appointments Sub-Committee, which is made up of councillors from both High Peak Borough Council and Staffordshire Moorlands District Council, is responsible for appointing Executive Directors and Heads of Service. Appointments below Heads of Service level are the responsibility of the Chief Executive or his nominee.

Senior Management Grading Structure*Head of Service – Grade 1*

| Spinal Column Point (SCP) | Annual Salary |
|----------------------------------|----------------------|
| 51 | £54,164 |
| 52 | £56,728 |
| 53 | £59,292 |
| 54 | £61,856 |
| 55 | £64,420 |

Head of Service – Grade 2

| Spinal Column Point (SCP) | Annual Salary |
|----------------------------------|----------------------|
| 56 | £66,984 |
| 57 | £69,548 |
| 58 | £72,112 |
| 59 | £74,676 |
| 60 | £77,239 |

Executive Director

| Spinal Column Point (SCP) | Annual Salary |
|----------------------------------|----------------------|
| 71 | £96,880 |
| 72 | £99,632 |
| 73 | £102,385 |
| 74 | £105,138 |
| 75 | £107,890 |

Deputy Chief Executive

| Spinal Column Point (SCP) | Annual Salary |
|----------------------------------|----------------------|
| 81 | £116,148 |
| 82 | £119,248 |
| 83 | £122,348 |
| 84 | £125,448 |
| 85 | £128,548 |

Chief Executive

| Spinal Column Point (SCP) | Annual Salary |
|----------------------------------|----------------------|
| 91 | £161,032 |
| 92 | £164,430 |
| 93 | £167,828 |
| 94 | £171,226 |
| 95 | £174,625 |