



City of
Stoke-on-Trent

Stoke-on-Trent City Council **Pay Policy Statement** **2019 - 2020**



Pay Policy Statement – Stoke-on-Trent City Council – 2019/20

Introduction and Purpose

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 its pay policy in accordance with the requirements of Section 38 of the Localism Act 2011. The purpose of the statement is to provide transparency with regard to the Council’s approach to setting the pay of its employees (excluding those managed by local authority schools).

This policy statement will come into effect from 1 April 2019 and will be subject to review on a minimum of an annual basis in accordance with the relevant legislation prevailing at that time.

1. The City Council

- 1.1 The Council remains committed to adherence with national pay bargaining in respect of the national pay spine and any annual cost of living increases negotiated.
- 1.2 The City Council adopted the Living Wage Foundation recommendation as an hourly rate in April 2013 and raised the minimum hourly rate of employees (as applicable excluding apprentices) annually to the current agreed amount of £8.75 per hour. The increase to £9.00 per hour, in line with the Living Wage Foundation recommendation, will be effective for this Council from 1 April 2019 and is included in the new national pay scale.
- 1.3 For the majority of its employees the Council’s 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 new national scale comprises 43 spinal column points split across the Council’s 15 grade levels.
- 1.4 The Joint National Council provides the Terms and Conditions for Chief Officers of Local Authorities on the Constitution, Conditions of Service, and Salaries. Basic salary for senior management has been determined by job evaluation modelled on Hay principles.
- 1.5 The current salary structure and salaries for senior managers and Tier 1 and Tier 2 posts are outlined in Appendix 1.

2 Level and elements of remuneration for each chief officer

2.1 *For the purposes of this statement, senior management means ‘chief officers’ as defined within S43 of the Localism Act as follows:*

- (a) the head of its paid service designated under section 4(1) of the Local Government and Housing Act 1989;*
- (b) its monitoring officer designated under section 5(1) of that Act;*
- (c) a statutory chief officer mentioned in section 2(6) of that Act;*
- (d) a non-statutory chief officer mentioned in section 2(7) of that Act;*
- (e) a deputy chief officer mentioned in section 2(8) of that Act.*

In relation to this section and specifically sub section (e) the definition of a ‘deputy chief officer’ as per the Local Government and Housing Act 1989 is as follows:

“deputy chief officer” means, subject to the following provisions of this section, a person who, as respects all or most of the duties of his post, is required to report directly or is directly accountable to one or more of the statutory or non-statutory chief officers.

The management structure of the organisation at a senior level is as set out in Part 7 of the Council’s Constitution. The remunerations policies for these staff are as follows and included in Appendix 1:

2.1.1 Senior Management

There are 5 senior management grade levels, which are SM1 to SM5 and cover a range of 16 spinal column points and salaries with monetary value of £49,312 to £72,338.

2.1.2 Assistant Directors / Second Tier Posts: Second tier officers are paid on evaluated Senior Management levels SM1 to SM5 or Divisional Head levels DH1 to DH4 ranging in salary between £49,312 and £100,204.

2.1.3 Directors: The Directors’ pay scale is £127,357 to £140,093 per annum as set out in Appendix 1. The post of City Director (Head of Paid Services) with a spot salary of £168,129.

2.1.4 Chief Officers’ Remuneration: The pay for Chief Officers as defined in the Localism Act 2011 will be in accordance with whether they are Senior Management, 2nd Tier, Directors, or the Head of Paid Service as defined above.

2.2 As a result of the transfer of certain public health functions from the National Health Service a number of employees, including those in senior management positions, transferred from the NHS to the Council. In accordance with the Transfer of Undertakings (Protection of Employment) Regulation 2006, these employees continue to be employed on their existing NHS terms rather than on Council pay scales.

2.3 When recruiting to all posts the Council will take full and proper account of its own policies on equal opportunities, recruitment and redeployment. The Council’s policy and procedures with regard to the recruitment are set out within the Councils Constitution.

2.4 The remuneration offered to any newly appointed officers, including senior managers and above, will be in accordance with the pay structure as set out in Appendix 1 and the relevant policies in place at the time of recruitment and the councils constitution. New appointments will normally be made at the minimum of the relevant grade, although this can be varied by offering a higher scale point within the grade when the best candidate needs to be secured or where a salary grade match is required.

2.5 Incremental Progression

- 2.5.1 Tiers 1 and 2: Incremental progression through the scale of the relevant grade is subject to an annual review of performance. Tiers 1 and 2 posts may be accelerated i.e. advanced within their existing evaluated grade. This will be supported by a written statement justifying the case for acceleration and ensuring it is for objective business reasons.
- 2.5.2 Senior Management Level and Below: Annual salary increments are automatic for appointments below tier 2.¹
- 2.6 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 this is necessary, the Council will follow its Market Supplement Procedure in determining any such payments, and ensure that 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.
- 2.7 All Council staff are eligible to join the Pension scheme applicable to their Terms and Conditions and will be contractually enrolled on appointment. All employees will be assessed under the Auto Enrolment Legislation and brought into one of the approved schemes if they satisfy the criteria.
- 2.8 Acting up payments are paid where existing employees “act up” to cover a more senior post. The amount of such payments is determined in relation to the grades and salaries of the jobs in question. Where applicable this is done in consultation with the Human resources team and will depend on the scale of the acting up, i.e. if all or part duties are being covered.
- 2.9 Fees paid for returning officer duties will depend on what type of election or poll is taking place. Fees for national elections (Parliamentary, European, national referenda etc.) will be determined by statute via a “Fees Order” and are fully reclaimed from Central government.
- 2.10 Fees paid for statutory officer duties will depend on what type of role the officer undertakes. Current statutory roles within the City Council are City Director (in their statutory capacity of Head of Paid Service), Assistant Director – Finance (in their statutory capacity of Section 151 Officer – Finance); Assistant Director – Governance (in their capacity of Monitoring Officer); Director – Children and Family Services (in their statutory capacity of Director of Children’s Services), Director of Social Care Health Integration (in their capacity of Director of Adult Services) and the Assistant Director - Wellbeing (in their statutory capacity of Director of Public Health).
- 2.11 HMRC rates are paid to claimants at a rate of 45p per mile for first 10,000 miles and 25p per miles thereafter.
- 2.12 Relocation and commuter allowances may be made in accordance with the Council’s Relocation and Commuter Scheme.

¹ *Officers with less than six months’ service in the grade by 1st April shall be granted their first increment six months after their appointment, promotion or regrading.*

2.13 Travel and other expenses, otherwise referred to as 'out of pocket expenses', incurred by officers in the course of their duties are reimbursed on the production of receipts in accordance with the City Council's local agreements, normal procedures and financial regulations.

3 Payments on Termination

3.1 The Council's approach to discretionary payments on the termination of employment of senior management and above is the same as that applies to all its employees and is set out in the Council's Redundancy and Termination Payment Policy and Local Government Pension Scheme – Discretionary Powers Policy, which are attached as Appendices 2 and 3, respectively.

4 Relationship between the pay of Chief Officers and that of other Employees

4.1 For the purposes of this statement and the Localism Act 2011 Section 38, the lowest paid employees employed by the Council are defined as being those employed on the minimum spinal column point currently in use within the Council's grading structure. As at 1 April 2019 this is equivalent to the Living Wage Foundation recommendation for a full time equivalent salary of £17,364 per annum.²

4.2 There are, on occasions, externally funded (often Government-led) schemes used by the City Council where it remains appropriate to pay the National Minimum Wage suitable to the age group e.g. short term work programmes to encourage employment of the long-term unemployed. These are not used for the purposes of this section.

4.3 As at January 2019 the median pay of Council officers who are not Chief Officers was £23,111 per annum per full time equivalent (FTE).

4.4 The relationship between the remuneration of chief officers and that of other staff is determined by their position on their respective pay scales. In accordance with the above, the current basic pay levels within the Council produce a multiple between the highest paid member of staff and the median full time equivalent (FTE) earnings as [1:7.13].

5 Publication

5.1 This Pay Policy statement will be published on the Council's website.

5.2 In addition, for posts where the full time equivalent salary is at least £50,000, in accordance with the Accounts and Audit (England) Regulations 2011 and CIPFA Code, the Council's Annual Statement of Accounts will include a note setting out the total amount of number of employees, whose remuneration falls in each bracket of a scale in multiples of £5,000, starting with £50,000.

5.3 The Annual Statement will also include a note of the total amount of remuneration for Senior Officers defined as Tier 1 Officers whose fulltime equivalent is £150,000 or that is inclusive of any additional payments or benefits including any compensation for loss of employment.

² Note that the Council is committed to recruiting apprentices. Apprentices are not employed on the Local Government Sector grading structure as they receive the appropriate national apprentice rate of pay according to their age group. The Council has not included them within their definition of employees for these purposes as they are engaged to receive work experience and training.

City of Stoke on Trent Pay Scales

SCP	2018/2019* £	2019/2020 £
SENIOR MANAGER (SM1)		
1	48,345	49,312
2	49,642	50,635
3	50,953	51,972
4	52,263	53,308
SENIOR MANAGER (SM2)		
5	53,645	54,718
6	55,049	56,150
7	56,470	57,599
SENIOR MANAGER (SM3)		
8	57,969	59,128
9	59,488	60,678
10	61,031	62,252
SENIOR MANAGER (SM4)		
11	62,677	63,931
12	64,322	65,608
13	65,974	67,293
SENIOR MANAGER (SM5)		
14	67,629	68,982
15	69,274	70,659
16	70,920	72,338
ASSISTANT DIRECTOR / DIVISIONAL HEAD (DH1)		
1	75,655	77,168
2	77,564	79,115
3	79,743	81,338
4	81,786	83,422
ASSISTANT DIRECTOR / DIVISIONAL HEAD (DH2)		
5	82,955	84,614
6	85,087	86,789
7	87,244	88,989
ASSISTANT DIRECTOR / DIVISIONAL HEAD (DH3)		
8	87,819	89,575
9	90,131	91,934
10	92,444	94,293
ASSISTANT DIRECTOR / DIVISIONAL HEAD (DH4)		
11	93,615	95,487
12	95,927	97,846
13	98,239	100,204
DIRECTOR (DIR)		
1	124,860	127,357
2	129,022	131,602
3	133,184	135,848
4	137,346	140,093
HEAD OF PAID SERVICES		
1	164,832	168,129

* 2018/2019 rates above reflect current rates of pay following the Chief Officer pay award which was confirmed after last year's Pay Policy Statement was agreed by full Council.