



City of  
**Stoke-on-Trent**

# Stoke-on-Trent City Council **Pay Policy Statement** **2017 - 2018**



# **Pay Policy Statement – Stoke-on-Trent City Council – 2017/18**

## **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 7 September 2017 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 has raised the minimum hourly rate of employees (as applicable excluding apprentices) annually to the current agreed amount of £8.25 per hour. The increase to £8.45 per hour, in line with the Living Wage Foundation recommendation, was effective for this Council from 1<sup>st</sup> April 2017.
- 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’). This scale comprises 48 spinal column points, however, the City Council’s decision to introduce the Living Wage Foundation recommendation of £8.45 per hour (£16,302.51 per annum per full time employee) as the lowest rate payable, effective from 1st April 2017, eliminates the use of the LGPS points up to point 12 leaving 40 of the national spinal column points in use locally. These are then split across the City Council’s remaining 13 grade levels (3 to 15 inclusive) as already agreed locally with trade unions and published in previous Pay Policy Statements.
- 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 are 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 £47,397 to £69,529.

#### **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 £47,397 and £96,313.

#### **2.1.3 Directors:** The Directors' pay scale is £122,412 to £134,653 per annum as set out in Appendix 1. The post of City Director (Head of Paid Services) with a 'spot salary of £161,600.

#### **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, 2<sup>nd</sup> 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 recruitment are set out within the Council's 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 council's 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.<sup>1</sup>
- 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 Head of Paid Service, the Section 151 Officer – Finance; the Monitoring Officer; Director - Children and Family Services (in their capacity as Director of Children’s Services) and the Director of Public Health (in their capacity as Director of Adult Services).
- 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.
- 2.13 Travel and other expenses, otherwise referred to a ‘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.

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

### **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 B and C, 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<sup>st</sup> April 2017 this is the Living Wage Foundation recommendation for a full time equivalent salary of £16,302.51 per annum.<sup>2</sup>
- 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 Living 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 August 2017 the median pay of Council officers who are not Chief Officers was £21,268 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 [1:7.59].

### **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 total remuneration is £150,000 or that is inclusive of any additional payments or benefits including any compensation for loss of employment.

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<sup>2</sup> 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		£
SENIOR MANAGEMENT (SM1)		
1		47,397
2		48,669
3		49,954
4		51,238
SENIOR MANAGEMENT (SM2)		
5		52,593
6		53,970
7		55,363
SENIOR MANAGEMENT (SM3)		
8		56,832
9		58,322
10		59,834
SENIOR MANAGEMENT (SM4)		
11		61,448
12		63,061
13		64,680
SENIOR MANAGEMENT (SM5)		
14		66,303
15		67,916
16		69,529
ASSISTANT DIRECTOR / DIVISIONAL HEAD (DH1)		
1		74,172
2		76,043
3		78,179
4		80,182
ASSISTANT DIRECTOR / DIVISIONAL HEAD (DH2)		
5		81,328
6		83,419
7		85,533
ASSISTANT DIRECTOR / DIVISIONAL HEAD (DH3)		
8		86,097
9		88,364
10		90,631
ASSISTANT DIRECTOR / DIVISIONAL HEAD (DH4)		
11		91,779
12		94,046
13		96,313
DIRECTOR (DIR)		
1		122,412
2		126,492
3		130,573
4		134,653
HEAD OF PAID SERVICE		
1		161,600



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