



Northumberland

County Council

Pay Policy Statement April 2024 to March 2025

Introduction and Purpose

- 1.1 This Pay Policy Statement sets out the Council's approach to pay policy in accordance with the requirements of section 38-43 of the Localism Act 2011.
- 1.2 The purpose of such a statement is to articulate the Council's policies towards a range of issues relating to the pay of its workforce, particularly its senior staff and its lowest paid employees.
- 1.3 When developing our approaches to pay and reward, we are guided by the following principles;
 - Shaping policies which will enable the Council to recruit and retain high calibre employees to provide high quality services.
 - Maintaining levels of pay which are in line with the Council's financial policies and provide value for money.
 - Adopting an approach which is open, transparent and accountable.
 - Ensuring we apply our policies fairly and consistently, complying with all relevant employment legislation, including the Equality Act 2010.
- 1.4 This policy statement applies to the 2024-25 financial year and will be put forward for approval at a meeting of the Council which is open to the public and observers. It will be reviewed annually and is in accordance with new or proposed legislation to ensure that it remains relevant and effective.

Scope

2. This policy applies to all Council employees who are covered by Northumberland County Council's Chief Officer, Senior Manager or NJC for Local Government Service (Green Book) Terms and Conditions of Employment and also the relevant Terms and Conditions applying to employees listed in paragraph 9. This policy does not apply to school staff as it is the responsibility of each school to determine their own pay policies.

Publication

3. This policy will be published on the Council's website and will be made available to the community. This will enable local people to have an informed view of whether local decisions on all aspects of remuneration are reasonable and make appropriate use of public funds.

Definition of Chief Officer

4. Chief Officer is defined in s43 of the Localism Act 2011 as follows:
 - The head of the authority's paid service
 - The monitoring officer
 - Any statutory chief officer:
 - The person having responsibility for all statutory purposes (inc. s151 of the Local Government Act 1972), for the administration of the authority's financial affairs.
 - The Director of Children's Services appointed under s18 of the Children Act 2004.
 - The Director of Adult Social Services appointed under section 6 (A1) of the Local Authority Social Services Act 1970 (as amended by the Children Act 2004).
 - The Director of Public Health appointed under s73A (1) of the National Health Service Act 2006.
 - Any non-statutory officer:
 - A person for whom the head of the authority's paid service is directly responsible.
 - A person who, in respect of most of their duties, is required to report direct or is directly accountable to the head of paid service.
 - Any person who, in respect of most of their duties, is required to report direct or is directly accountable to the authority or its committees/sub-committees.

In the case of the Council these posts are:

- Chief Executive (Head of Paid Services)
- Statutory Chief Officers:
 - Executive Director of Children's, Young People and Education.
 - Executive Director of Adults, Ageing and Wellbeing.
 - Executive Director of Public Health, inequalities and Stronger Communities.
 - Executive Director of Transformation and Resources and section 151 Officer.
 - Director of Law and Corporate Governance and Monitoring Officer.

- Non-Statutory Chief Officers
 - Assistant Chief Executive, Corporate Strategy and Communications.
 - Executive Director of Place and Regeneration.
 - Director of Workforce and OD.
 - Chief Fire Officer.

The Council also considers the following posts to be Deputy Chief Officers for the purposes of this policy;

- Director of Finance and Procurement.
- Director of Stronger Communities.
- Director of Assessment and safeguarding.
- Director of Children, Young people and families.
- Director of Education, SEND and Skills.
- Director of Economic Development and Growth.
- Director of Environment and Transport.
- Director of Housing and Planning.
- Director of Digital and IT.
- Director of Strategic Change and service Improvement.
- Deputy Chief Fire Officer.
- Assistant Chief Fire Officer.

With the exception of the Chief Fire Officer, Deputy Chief Fire Officer and Assistant Chief Officer, all of the above officers are employed on Chief Officer terms and conditions.

There are some Deputy Chief Officers who are not employed on Chief Officer terms and conditions. However, the appointment of all Chief and Deputy Chief Officers must be approved by Staff and Appointments Committee (or Full Council for posts attracting salaries of £100,000 or above).

Chief Officer Pay Structure and Incremental Progression

- 5.1 Chief Officer posts are evaluated using the Local Government Employers (LGE) job evaluation scheme. The evaluation is conducted by senior HR professionals trained in the application of the scheme.
- 5.2 Pay levels are reviewed and locally agreed, taking into account any cost-of-living increase negotiated nationally by the JNC for Chief Officers of Local Authorities Conditions of Services.

- 5.3 The current pay structure for all Chief Officers staff is set out in **Appendix 1A**.
- 5.4 Each band contains several salary points, allowing for incremental progression up to the top of the grade.
- 5.5 Annual progression through the salary points within band boundaries is not automatic. Chief Officers (listed in Paragraph 4 above) have the opportunity to apply bi-annually to be considered for incremental progression within their pay band. This process is assessed based on meeting appraisal objectives and assessment criteria objectively reviewed by Executive Directors (or by the Head of Paid Service in the case of applications made by Executive Directors). The decision to award incremental progression will be reported annually to the Staff and Appointments Committee.
- 5.6 Chief Officers are not awarded bonuses and there is no “earn back” scheme in operation.

Governance arrangements for the appointment and salaries of Chief Officers

- 6.1 All Chief Officer appointments and their starting salaries must be formally approved at the Staff and Appointments Committee attended by elected members. The committee has access to appropriate independent expert advice where necessary.
- 6.2 In addition, notwithstanding any other requirement of the Constitution, any appointment within the Council that attracts a salary package of £100,000 or more will be considered and approved by a vote of Full Council. For these purposes, a salary package includes salary and any other fees, allowances, bonuses and benefits in kind that the post holder would routinely be entitled to. This does not include the employer's pension contributions should the post holder choose to join a pension scheme.

Bands 1 to 15 pay structure (including the lowest paid employees)

- 7.1 There are fifteen bands covering posts below those of Chief Officers. Each band has a number of spinal pay points with a differential falling within agreed parameters.
- 7.2 Posts aligned to bands 1-10 (spinal column point 1-43) are determined by the Council's job evaluation scheme, recommended by the NJC for Local Government Services.

- 7.3 Posts aligned to bands 11-15 (spinal column point 44- 63 inclusive) are evaluated using the LGE job evaluation scheme.
- 7.4 A panel of experienced trade union representatives and HR professionals evaluate each post using agreed job descriptions.
- 7.5 There is a right of appeal against the grade determined for the job in accordance with a locally agreed procedure. There is also an agreed procedure for consideration of individual re-grading requests.
- 7.6 Pay levels are reviewed and locally agreed, taking into account any cost-of-living increase negotiated nationally by the relevant NJC for Local Government Services.
- 7.7 The current pay structure for all staff below Band 16 is set out in **Appendix 1B**.

Incremental Progression

- 8.1 Annual incremental progression through the salary points within band 1 - 13 is automatic. Incremental progression within each pay band is normally applicable from 1 April each year up to the maximum of the band, subject to six months' service within the band. Where the service requirement is not met on 1 April, the increment will be paid on the six-month anniversary of the employee's start date on that band.
- 8.2 Annual incremental progression takes place until the maximum salary point within the band is achieved. Thereafter, the employee is only eligible to receive the annual cost of living award, negotiated by the appropriate bodies and implemented by the Council.
- 8.3 Annual incremental progression through the salary points within bands 14 to 15 is not automatic and staff aligned to these bands have the opportunity to apply bi-annually to be considered for incremental progression within their pay band. This process is assessed based on meeting appraisal objectives and an assessment criterion objectively reviewed by Executive Directors. The decision to award incremental progression will be reported annually to the Staff and Appointments Committee.

Salaries of other posts

- 9. There are a small number of other staff groups employed by the Council whose terms and conditions, including pay, are determined by applying the relevant rules applicable within their own nationally agreed terms and conditions. These include;

Youth and Community Workers, Tutors, 'Soulbury' employees (officers providing support to schools in areas such as school improvement and educational psychology), centrally employed Teachers, Coroners and Uniformed Firefighters whose terms and conditions, including pay, are determined by applying the relevant rules applicable within their own nationally agreed terms and conditions.

Salary on Appointment

10. It is the Council's policy to appoint employees at the bottom of the relevant pay band with agreed rules around appointment, promotion or re-grading to a post with a higher maximum salary. In exceptional circumstances where an employee is not appointed at the bottom of the pay band, appointing officers are required to provide clear evidence to Human Resources so that the principles of equal pay are not undermined.

Obligation to publish salaries

- 11.1 Under the Local Government Transparency Code 2015 the Council has an obligation to publish certain salary information. The Council publishes details of all salaries of £50,000 and above by job title only.
- 11.2 In addition, the Council also publishes the salaries of Heads of Service and above together with the postholder's name. The terms and conditions of service for Heads of Service and above require them to agree to the publication of such information.

Pensions

- 12.1 Staff of the council are eligible to join the Local Government Pension Scheme. All employees who have a contract of employment for at least 3 months are automatically enrolled into the LGPS. The benefits and contributions payable under the scheme are set out in the Local Government Pension Scheme Regulations 2013.
- 12.2 All Fire Authority employees are automatically enrolled into the appropriate Firefighters pension scheme.

Relationship between Senior Posts and Lowest Paid Posts

- 13.1 There is no formal mechanism for direct comparison between pay levels of the wider workforce with senior manager pay and there are no Council policies on reaching or maintaining a specific pay multiple.

- 13.2 The lowest paid employee is defined as those full-time employees in jobs paid at Band 1, spinal column point 2, which is £22,366. It excludes apprentices, whose pay remains subject to other regulations or conditions.
- 13.3 The pay multiple recommended by the Hutton Review of Fair Pay for the Public Sector to publish is the ratio between the salary of the highest paid employee and the median full-time equivalent (FTE) salary of the organisation.
- 13.4 The Council's current pay multiple (based on November 2023 salaries) from the highest pay (£207,487 per annum) to the median pay of the organisation (£30,729 per annum) is 1:6.75
- 13.5 This pay multiple is slightly higher than the previous year, which was 1:6.55. This pay multiple is considered to be appropriate and does not represent an excessive pay gap. The pay multiple is in line with other local authorities within the region. The increase from last year is minimal and the multiple is still lower than 2022/2023 when it was 1:8.73.

Market Forces Allowance

- 14.1 The Council recognises that at times it may be difficult to recruit new employees or retain existing employees in certain key posts. To ensure that the Council attracts and maintains a skilled and experienced workforce, supplements may be paid in addition to the grade of the post in accordance with the Council's Market Supplements Policy.
- 14.2 Market forces allowances will only be considered when all other means of satisfying recruitment and retention have been exhausted. Market forces allowances will only be considered in exceptional circumstances where a clear business case has been identified and the recruitment or retention issues are due to relative labour market pay and are adversely impacting on the Council's ability to retain or attract appropriate candidates. The business case must be reviewed and approved by the relevant Executive Director and Human Resources.
- 14.3 Market forces allowances will be agreed for a 12-month period whereupon a review will take place to confirm whether there is still a business a clear business case to continue with the payment and considering market forces.
- 14.4 Any market forces allowances proposed for Chief Officers must be approved by Staff and Appointments Committee.

Pay Protection

- 15.1 The Pay protection and detriment provision is to provide an initial period of protection during which an employee is able to adjust to a reduction in earnings or other detriment incurred during the course of their employment as a result of changes to their contract.
- 15.2 Eligible employees, in Bands 1-13, who are redeployed to a post with a lower salary or pay band, or whose hours of work are reduced by the Council, shall receive the rate of pay applicable to the new post plus 'protected pay' for a period of three years from the date of appointment to the new post.
- 15.3 'Protected pay' is up to the difference between the employee's current salary and the salary of new post subject to a limit of no more than 15% of the old salary.
- 15.4 Where both hours and pay rate have been reduced, protection will be based on the actual contractual cash loss (up to a maximum of 15% of the old contractual pay).
- 15.5 Where the pay rate has been reduced but hours have increased, protection will be based on the actual contractual cash loss (up to a maximum of 15% of the old contractual pay).
- 15.6 Protection is limited to 6 months for Senior Managers (Pay bands 14 and above), at the full difference between the old rate of pay and the new rate. Where an employee is redeployed from a Senior Management post into a post that is below band 14, they will receive pay protection as above i.e. the 15% rule.
- 15.7 Protected pay will only cover those elements of pay which are contractual.
- 15.8 A review of pay protection or detriment payments may take place, as necessary. This is not a review of the level of protection or the three-year period, but an effort to align employees to a post similar to their previous post as well as to minimise costs. This may involve redeployment to a different post as well as additional training, job enrichment, or additional duties.

Allowances

16. The Council's arrangements for overtime payments, allowances and working on a bank holiday are outlined in Northumberland County Council's Terms and Conditions of Employment.

Redundancy Payments

- 17.1 The Council's policy on redundancy and severance is reviewed regularly (in accordance with The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006. The Redundancy Policy is published on the Council's website. Any changes to this scheme are consulted upon with the relevant trade unions recognised by the Council for collective bargaining purposes. Any significant changes to the scheme must be approved by the Joint Consultative Committee (JCC). This scheme is not contractual, and the Council may vary the discretionary terms of the scheme. Payments must always be in the financial and managerial interests of the Council and all cases must be approved by the relevant Executive Director and the Head of Paid Service or their nominated representative.
- 17.2 Redundancy payments made to any Chief Officers will be published in the Council's Statement of Accounts as required.
- 17.3 The Staff and Appointments Committee has delegated authority from the Full Council to approve redundancy payments for Chief Officers. All exit packages of £100,000 or more must be approved by a vote of Full Council.

Special Severance Payments

- 18.1 Special severance payments will be considered in accordance with the "Statutory Guidance on the making and disclosure of special severance payments by local authorities in England" published in May 2022. This guidance clarifies that special severance payments are discretionary payments made on termination of employment on top of contractual, and statutory rights, and that such payments should be exceptional and subject to a control process.
- 18.2 The payment of special severance payments will only be considered in exceptional circumstances and where their application is fair, proportionate, lawful and demonstrates value for money for the taxpayer.
- 18.3 The following approval process is in place:
- Payments of £100,000 or above must be approved by a vote of the Full Council.
 - Payment of £20,000 to £100,000 must be approved by the Head of Paid Service who should engage with the Leader.
 - Payments of under £20,000 must be approved according to the Council's scheme of delegation.

- 18.4 Where the proposed payment is to the Head of Paid Service, to avoid a conflict of interest, it is expected that the payment should be approved by the Staff and Appointments Committee and at least two independent persons prior to a vote of Full Council.
- 18.5 Appropriate HR, legal and financial advice will be sought and considered in respect of all special severance payments. In accordance with the statutory guidance on Special Severance Payments, the Council's S151 Officer and, where appropriate, the Monitoring Officer, should take a close interest in and be able to justify any special severance payments made by the Council and in particular any payments that are made that are not consistent with the statutory guidance.

Payments to Returning Officer

19. The Returning Officer is currently the Head of Paid Service. The statutory role of Returning Officer carries a set fee at centrally funded polls such as Parliamentary, PCC elections and national referenda. At such polls this fee is set by order based on local authority size and previous authorised spend. At County Council, Combined Authority and Town & Parish elections (local elections), the Returning Officer's fee is not set by order and is subject to local discretion. The Returning Officer's fee at local elections was agreed as part of the terms and conditions of employment.

Contracts for services and appointment of consultants

- 20.1 Due to the nature and responsibilities of their role, Chief Officers are normally employed on full-time permanent employment contracts. In exceptional circumstances, where the Council remains unable to recruit to a Chief Officer post or where there is a need for interim support to provide cover for a vacant post, the Council may consider engaging an individual as a consultant through a "contract for service". Such arrangements can be advantageous because they can reduce employment costs and are flexible because they can be used for short periods of time without the need to make termination payments. Where these arrangements are used the Council will use the relevant procurement processes to seek value for money.
- 20.2 Such engagements will be approved by the Staff and Appointments Committee.

Re-employment of employees previously made redundant from the Council

21. Where a Council employee has been made compulsory redundant there is no general restriction on any future re-employment of the employee by the council, where such re-

employment occurs at a later date and as a discrete event unconnected with the redundancy, although in certain circumstances the return of pension and redundancy payments is a legal requirement. Where staff have requested voluntary redundancy, and this has been approved, then re-employment with the Council to a permanent, fixed term or temporary post within a period of 2 calendar years will only be with the express approval of the Director of Workforce and Organisational Development. If there are any exceptional circumstances regarding the re-employment of employees, who have been made compulsory redundant, either employed directly by the Council or via an agency/consultancy basis, these must be discussed and agreed in advance with the relevant Executive Director and together with the Director of Workforce and Organisational Development.

Secondary Employment

- 22.1 Chief Officers may undertake secondary employment if a declaration is made, formal approval is sought and approved by the Staff and Appointments Committee.
- 22.2 Other senior officers may undertake secondary employment if a declaration is made, formal approval is sought and approved by the Head of Paid Service.

Policy Review

- 23. This policy statement will be reviewed annually and any disputes relating to interpretation will be considered by the Head of Paid Service or a person nominated by the Head of Paid Service who will be the final arbiter. Where unforeseen circumstances require flexibility of this policy, the Head of Paid Service, or the Staff and Appointments Committee if the matter concerns a Chief or Deputy Chief Officer, will have the power to approve changes.

Appendix 1a – Chief Officer Salary Structure 2023/23

BAND	SCP	ANNUALSALARY
BAND 16	64	£100,157
	65	£103,133
	66	£106,107
	67	£109,081
BAND 17	68	£119,800
	69	£125,692
	70	£131,580
	71	£143,361
	72	£134,555
	73	£144,774
BAND 18	77	£156,672
	81	£168,582

Appendix 1b - Salary Structure 2023/24

BAND	SCP	ANNUALSALARY
BAND 1	1	
	2	£22,366
BAND 2	3	£22,737
	4	£23,114
BAND 3	5	£23,500
	6	£23,893
BAND 4	7	£24,294
	8	£24,702
	9	£25,119
	10	£25,545
	11	£25,979
BAND 5	12	£26,421
	13	£26,873
	14	£27,334
	15	£27,803
	16	£28,282
	17	£28,770
BAND 6	18	£29,269
	19	£29,777
	20	£30,296
	21	£30,825
	22	£31,364
	23	£32,076
BAND 7	24	£33,024
	25	£33,945
	26	£34,834
	27	£35,745
	28	£36,648
BAND 8	29	£37,336
	30	£38,223
	31	£39,186
	32	£40,221
	33	£41,418
BAND 9	34	£42,403
	35	£43,421
	36	£44,428
	37	£45,441
	38	£46,464
BAND 10	39	£47,420
	40	£48,474
	41	£49,498
	42	£50,512
	43	£51,515
BAND 11	44	£53,160
	45	£54,353
	46	£55,540
	47	£56,730
BAND 12	48	£60,299
	49	£61,489
	50	£62,680
	51	£63,869
BAND 13	52	£67,437
	53	£68,629
	54	£69,818
	55	£71,008
BAND 14	56	£76,364
	57	£79,336
	58	£82,315
	59	£85,286
BAND 15	60	£88,603
	61	£91,236
	62	£94,116
	63	£97,183