

## **Pay Policy 2024/25**

Under Chapter 8 of the Localism Act 2011 Local Authorities in England and Wales were required to produce a pay policy statement for 2012/13 and for each financial year and must also follow any additional guidance from the Secretary of State for Communities and Local Government. Information is also reported in compliance with The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (Policy Procedure paragraph 6).

This Policy must be agreed and signed off by the Full Council and be publicly available.

### **Objective**

The purpose of the Pay Policy is to provide transparency of the Council's approach to pay for all its employees. It provides information on:

- The methods used to determine the salaries of all employees.
- The details, levels of remuneration, and any other benefits of the Council's most senior staff.
- The relationship between the remuneration of its most senior staff and other staff within the Council.
- Details relating to the Council's lowest paid staff.
- Information on the Council's Gender Pay Gap.
- The person responsible for ensuring that the Pay Policy is consistently complied with throughout the Council.

The aim of the policy is to ensure that the Council's approach to determining pay for its employees is fair and transparent.

### **Chorley Borough Council's responsibility**

It is the Council's responsibility to ensure that:

- A policy is produced for each financial year.
- The policy complies with all relevant legislation.
- The policy is publicly available through its website.
- The policy is applied fairly and consistently.

### **Compliance**

It is the responsibility of the Council's Head of Human Resources to ensure that the Pay Policy is adhered to and is required to report any deviation from the Policy to the Leader of the Council.

This policy will be published on the Chorley Council website as soon as possible after it has been approved by Full Council.

## Policy Procedure

### Scope

The pay policy covers the remuneration of all employees of the Council including temporary employees. Individuals engaged through employment agency arrangements would also be covered by the policy in compliance with the Agency Workers Regulations 2010.

### Pay Structure

The Council uses the nationally negotiated pay spine. The Council also adheres to the national pay bargaining arrangements in respect of increases to the national pay spine.

The Council has two active pay spines, the Chorley Council Pay Spine at Appendix I(i) applies to all employees on historic Chorley Council contracts. The New Shared Pay Spine at Appendix I(ii) applies to employees at Chorley Council and South Ribble Borough Council who have accepted the councils' new shared terms and conditions through a process of consultation and agreement.

The pay spines for 2023/24 are attached. These pay spines will remain unchanged until the 2024/25 pay award is agreed.

The pay spines are used to determine the salaries of all Council employees apart from the Chief Executive, Directors, and Heads of Service.

All Council posts, apart from the Chief Executive, Directors, and Heads of Service, are job evaluated using an established job evaluation scheme. All roles on both pay spines have been evaluated using the National Joint Council (NJC) Job Evaluation Scheme, in agreement with UNISON.

### Shared Services

Several services are shared by Chorley Council and South Ribble Borough Council. The following are employed by one council or the other, but provide services to both:

| <b>Service</b>                     | <b>Employer</b>              |
|------------------------------------|------------------------------|
| Communications and Visitor Economy | South Ribble Borough Council |
| Transformation & Partnerships      | Chorley Council              |
| HR                                 | Chorley Council              |
| Audit and Risk                     | South Ribble Borough Council |
| Democratic Services                | South Ribble Borough Council |
| Financial services                 | Chorley Council              |
| Legal                              | South Ribble Borough Council |

The following have employees of both Councils working together to deliver services across the organisations:

- ICT Services
- Customer Services
- Property and Development
- Pest Control
- Building Control

Additionally, the following services, whilst not shared themselves, have shared management:

- Public Protection
- Operational Assets
- Economic Growth

### **Senior Management Remuneration**

The Localism Act requires that Councils report on the remuneration of Chief Officers and Deputies, however this definition is very broad and so to ensure compliance, all senior management pay information has been included. Senior Management is defined as:

- Chief Executive
- Deputy Chief Executive
- Director (Customer & Digital)
- Director (Change and Delivery)
- Director (Property and Planning)
- Director of Finance - S151 Officer
- Director (Governance) – Monitoring Officer
- Director (Communities)

All Senior Management posts are shared with South Ribble Borough Council and salaries are agreed by Full Council.

### **Senior Management pay increases.**

Senior Manager salaries are increased in line with agreed national pay awards. The most recent pay award was applicable from 1 April 2023.

### **Appointments**

All appointments to Senior Management positions are undertaken by the Shared Services Joint Committee Appointments Panel, the membership of which is agreed annually by the Full Councils of Chorley Council and South Ribble Borough Council.

Full Council must agree the appointment of the Chief Executive.

### **Elections**

The Chief Executive will also take on the role of Returning Officer for any Local and National elections, payment for which will be in accordance with the statutory calculation.

Should the Deputy Chief Executive or the other Directors participate in any of the electoral processes, they would also receive an additional payment. depending upon the role they undertake.

### **Chief Executive**

The Chief Executive has responsibility for both Chorley Council and South Ribble Borough Council, and the salary reflects those responsibilities. The post is currently employed by Chorley Council.

Prior to the appointment of a Chief Executive, Full Council will determine the salary of the post to be advertised.

The level of salary for the Chief Executive, who is the Head of Paid Services for both Chorley Council and South Ribble Borough Council, is a spot salary of £154,318.

### **Deputy Chief Executive**

Appointment to the position of Deputy Chief Executive is undertaken by the Shared Service Appointment Panel. The Deputy Chief Executive is a shared role, employed by South Ribble Borough Council.

The level of salary for the Deputy Chief Executive is a single spot salary of £109,934.

### **Directors**

All Directors are shared with South Ribble Borough Council. The following Directors are employed by Chorley Council:

|   |  |
|---|--|
| Director of Finance – Section 151 Officer | £86,034 plus a supplement of £7,500 for undertaking the responsibility of Section 151 Officer.   |
| Director of Customer and Digital – SIRO   | £86,539 plus a supplement of £10,000 for undertaking the responsibility of the Senior Information Risk Officer (SIRO) for both Chorley and South Ribble Borough Councils |
| Director of Change and Delivery           | £86,034  |

The remaining Directors are employed by South Ribble Borough Council and the detail of their remuneration is contained within the South Ribble Borough Council pay policy:

- Director of Governance
- Director of Property and Planning
- Director of Communities

The level of pay for the Directors is set, with regards to:

- The wide range of functions which the Directors are responsible for.
- Market analysis of similar posts within other local authorities.
- All Directors work for both Chorley Council and South Ribble Borough Council.

## Relationship between the remuneration of the most senior staff and other staff within the Council

The comparison of senior management salary level to the median salary level within Chorley Council (required under the Localism Act 2011) is detailed below. The median figure excludes casual employees who are only employed on an ad hoc or occasional basis.

The median salary of Chorley Council is SCP 19 which is £29,777.

| Role                                      | Ratio  |
|---|--------|
| Chief Executive                           | 1:5.18 |
| Deputy Chief Executive                    | 1:3.69 |
| Director of Finance – Section 151 Officer | 1:3.14 |
| Director of Customer and Digital – SIRO   | 1:3.24 |
| Director of Change and Delivery           | 1:2.90 |

## Heads of Service

Heads of Service were established by Full Council in August 2022 and salaries have increased annually in line with the nationally agreed pay award.

| Grade | Post                                    | Salary  |
|-------|---|---------|
| HoS1  | Head of Service post that is not shared | £64,328 |
| HoS2  | Shared Head of Service post             | £68,438 |

The following Head of Service and Project Director posts report into a Senior Manager. All Senior Managers are shared however only the Head of Service posts indicated are shared with Chorley Council.

| Head of Service                        | Shared services with South Ribble Borough Council | Salary                                      | Ratio  |
|--|---|---|--------|
| Head of ICT*                           | Yes   | £68,438                                     | 1:2.30 |
| Head of HR                             | Yes   | £68,438                                     | 1:2.30 |
| Head of Transformation & Partnerships* | Yes   | £68,438                                     | 1:2.30 |
| Head of Customer Services              | Yes   | £68,438                                     | 1:2.30 |
| Head of Planning and Enforcement       | No  | £64,328 plus a retention payment of £10,000 | 1:2.16 |

|                                 |                                       |         |        |
|---------------------------------|---------------------------------------|---------|--------|
| Head of Communities and Housing | No                                    | £64,328 | 1:2.16 |
| Head of Operational Assets      | Yes                                   | £68,438 | 1:2.30 |
| Head of Streetscene and Waste   | Yes (temporary for initial 12 months) | £68,438 | 1:2.30 |
| Head of Public Protection*      | Yes                                   | £68,438 | 1:2.30 |
| Head of Economic Growth         | Yes                                   | £68,438 | 1:2.30 |
| Head of Financial Services      | Yes                                   | £68,438 | 1:2.30 |

\*Indicates a post is vacant

The following Head of Service posts are employed by and shared with South Ribble Borough Council and are detailed in the South Ribble Borough Council pay policy:

- Head of Governance
- Head of Audit and Risk
- Head of Communications and Visitor Economy
- Head of Property and Development
- Head of Legal

The level of pay for the Heads of Service was agreed based on:

- The wide range of functions which the Directors are responsible for, thus requiring Heads of Service to operate independently at a senior strategic level.
- Market analysis of similar posts within other local authorities and public sector organisations.
- Those posts which work across Chorley Council and South Ribble Borough Council.

## **Other Pay Related Conditions**

### **Pension Arrangements**

All permanent and temporary employees, including senior management, are entitled to join the Local Government Pension Scheme if they so wish. No alternative options are available should employees not wish to join the scheme.

Enhancements to employee's pension entitlements will not normally be provided for any Council employee unless there are exceptional circumstances.

Employees have the option to pay shared Additional Voluntary Contributions (AVC's) to increase their pension on retirement, however, due to savings generated there is no cost to the Council for this.

### **Professional fees**

Where membership of a particular professional organisation is required by the postholder to undertake their duties these membership costs will be reimbursed by the Council.

### **Performance Related Pay**

Chorley Council does not have any scheme relating to performance related pay for any employees including Senior Management.

### **Market Supplements**

The Council may apply a supplement to the agreed job evaluated grade to enable the Council to recruit and retain talent where:

- There is a demonstrable differential between the market rate for a post and the Council salary.
- There is a market shortage of the skills necessary to the post.
- There is a business reason to apply a market supplement.

Market supplements must be agreed by the Chief Executive (Head of Paid Services) and are reviewed annually.

### **Bonuses**

Chorley Council does not have any schemes relating to the payment of bonuses for any employees including Senior Management, and therefore none are received.

### **Payments on the termination of employment**

An employee being made redundant would receive a payment in accordance with the Council's Change Policy which is applicable to all permanent and temporary employees. Payments are based upon the statutory redundancy ready reckoner and the employee's actual weekly wage. For employees on the councils' new terms and conditions, this is then subject to a further multiplier of 2.2.

Adherence will be made to any restriction on public sector exit payments that may be implemented during the period of this Pay Policy Statement.

### **Senior Managers returning to Chorley Council**

The relevant appointment panel would consider applications from former Senior Managers of either Chorley Council or another local authority who received either a redundancy payment or who were in receipt of a Local Government Pension, to determine whether it would be appropriate to appoint them to a Senior Management post within Chorley Council.

### **Health care**

Chorley Council pays for all employees, including senior managers to have level 1 access to a Health Care Plan. For all those employees participating in the scheme the value of the benefit is £66 per employee per annum. Anyone wanting to increase the level of cover or include partners or spouses on the Health Care Plan must pay any additional premium themselves, through their salary.

### **Car Allowance**

Employees subject to the Shared Pay Spine at Level 10 and above receive a 6% car allowance, excluding the Chief Executive, Directors, and Heads of Service.

Employees, for whom it is essential to drive their own vehicle in pursuance of their duties, are entitled to receive an essential user car allowance in accordance with National Conditions of Service. Employees for whom it is desirable to use their own vehicle in pursuance of their

duties are entitled to claim mileage payments in accordance with the casual mileage rates also within the National Conditions of service.

### **Reservists Leave**

The Council will grant up to an additional 10 days (pro-rata for part-time employees) of paid leave per annum to employees who are Reservists under ‘Special Leave for Public Duties’ to attend military training and annual camp.

### **Ex Gratia Payments**

Where an employee goes well beyond the expected responsibility of their role, this directly benefits the organisation and our community, and job evaluation is not appropriate, an ex gratia payment may be made to them. The business case for all payments must be agreed by the Head of Paid Services. Ex gratia payments must not undermine the effectiveness of the job evaluation scheme.

### **Overtime**

Employees are entitled to receive the same pay whilst on the four weeks of statutory amount of annual leave as they are whilst at work. To take into account overtime worked, an additional 7.69% is added to overtime payments to reflect overtime in holiday pay calculations for the 4 weeks of annual leave required.

### **Lowest Paid Employees**

Chorley Council has adopted the “Living Wage Foundation” rates for all its employees, excluding apprentices in their first year of employment (see below), to address the issue of low pay. The hourly rate is set by the Centre for Research in Social Policy and is based upon what it considers to be the basic cost of living to provide a minimum income standard. This differs from the National Living Wage (formerly known as Minimum Wage). Both rates are shown below.

|                                    | <b>2023-2024</b> | <b>2024-2025</b> |
|------------------------------------|------------------|------------------|
| Foundation Living Wage             | £10.90           | £12.00           |
| National Living Wage (23 and over) | £10.42           | £11.44           |

All employees on the Chorley Pay Spine commence on a minimum of Grade 2 Spinal Column Point (SCP) 3-6. From the 1<sup>st</sup> April all employees will be appointed at a minimum of SCP 5.

| <b>SCP</b> | <b>Annual salary</b> | <b>Hourly rate</b> |
|------------|----------------------|--------------------|
| 5          | £23,500              | £12.43             |
| 6          | £23,893              | £12.64             |

All employees on the New Shared Pay Spine commence on a minimum of Level 2, Spinal Column Points (SCP) 4-5.



| SCP | Annual salary | Hourly rate |
|-----|---------------|-------------|
| 4   | £23,114       | £12.29      |
| 5   | £23,500       | £12.43      |

Progression through the grade is by annual increments until the maximum of the scale is reached.

### **Apprenticeships**

Chorley Council employs an apprentice workforce with apprentices currently in post in Finance, ICT, Customer Services, and Streetscene. In shared services, apprentice posts are shared with South Ribble Borough Council. Chorley Council has agreed that all apprentices would be paid the top rate of minimum wage for year 1, and Foundation Living Wage rate for year 2.

|        |        |
|--------|--------|
| Year 1 | £11.44 |
| Year 2 | £12.00 |

### **Gender Pay Information**

This information is published in compliance with the The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and relates to the salary levels of employees at the 5<sup>th</sup> April 2023.

*Average hourly rates of pay for male and female employees (Regulations 8 and 9):*

|                    | Male   | Female | Difference |
|--------------------|--------|--------|------------|
| Mean hourly rate   | £17.43 | £18.12 | 3.8%       |
| Median hourly rate | £15.22 | £16.49 | 7.7%       |

*Bonus payments made to male and female employees (Regulations 10, 11 and 12):*

This information is not reported, as bonuses are not paid to any employee of Chorley Council.

*The proportions of male and female employees in the lower, lower middle, upper middle and upper quartile pay bands (Regulation 13).*

|                    | Male  | Female |
|--------------------|-------|--------|
| Lower quartile     | 64.6% | 35.4%  |
| Lower mid quartile | 42.3% | 57.7%  |
| Upper mid quartile | 48.7% | 51.3%  |
| Upper quartile     | 43.6% | 56.4%  |

## **Appendices**

Appendix I(i) – Chorley Council Pay Spine

Appendix I(ii) – New Shared Pay Spine