

# Pay Policy Statement

2023

## **1. Introduction and Purpose**

- 1.** Following the introduction of The Localism Act (2011) Councils and Fire and Rescue Authorities are required to determine and publish an annual Pay Policy Statement. The Pay Policy Statement must be approved by the Authority, i.e., not delegated as an executive or committee function, in advance of the financial year to which it relates.
- 1.2** Under Section 112 of the Local Government Act (1972), the Council is permitted to employ staff on such reasonable terms and conditions as the Authority deems fit. This Pay Policy Statement outlines the Council's pay strategy method in line with the requirements of Section 38 of the Localism Act (2011).
- 1.3** 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 working in local authority schools) by identifying;
  - ◆ The methods applied to determine salaries for all employees.
  - ◆ The remuneration packages of senior level staff. For the purposes of the Pay Policy Statement this includes senior managers and those employed on salaries on or in excess of £50,000 per annum.
  - ◆ Those responsible for ensuring that the Pay Policy Statement and its provisions are applied accordingly across the Council.
  - ◆ Those responsible for reviewing and accessing the Pay Policy Statement's validity and effectiveness and making recommendations for change to full Council.
- 1.4** The Pay Policy Statement must be approved by full Council before it can come into effect and should be reviewed on an annual basis as a minimum. The Pay Policy Statement must be approved for the following financial year by 31<sup>st</sup> March each year.

## **2. Legislation and Remuneration**

- 2.1** In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes legislation such as the Equality Act 2010, Part Time Employment (Prevention of Less Favorable Treatment) Regulations 2000, the Agency Worker Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations. The Council ensures there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of job evaluation mechanisms, which directly establish the relative levels of posts in grades according to the requirements, demands and responsibilities of the role.

### **3. Pay and Grading Structure**

- 3.1** The Council currently operates a pay structure in line with that agreed nationally for staff employed under National Joint Council (NJC), Soulbury, and School Teachers (STPCD) terms and conditions. In respect of those staff on NJC terms and conditions, a locally agreed 16 level grading structure is in place which assigns spines to specific grades.
- 3.2** It has been agreed locally that staff who have transferred to Wigan Council under Transfer of Undertakings (Protection of Employment) legislation (including Wigan And Leigh Housing (WALH), Wigan Leisure & Culture Trust (WLCT)/Inspiring Healthy Lifestyles (IHL), NPS, City Link, Association of Directors of Adult Services (ADASS), Turnpike Gallery, Wigan Borough Community Partnership (WBCP), Age UK, Together for Adoption (TFA), National Health Service (NHS), Mencap and Agilysis) and whose terms and conditions were protected from the point of transfer, will receive the nationally agreed NJC pay award on an annual basis.
- 3.3** Senior management are employed under a locally agreed pay and grading structure. This was reviewed during 2019 and the roles were benchmarked against other organisations of a similar size within the sector. The 2020 pay structure was presented to the Remuneration Committee and approved for implementation. Further detail can be found in 4.1.
- 3.4** The Council adopts the national pay bargaining arrangements in respect of the establishment and revision of all the above pay structures through any agreed annual pay increases negotiated with joint trade unions. The exceptions to this are Apprenticeship rates and Youth Employment Programme rates which are aligned to rates set by Government on an annual basis (see 10.3 and 10.4).
- 3.5** The rates of all paid allowances have either been agreed nationally or locally and have been determined through collective bargaining. Please refer to Section 5 of the Local Conditions of Service for further information about locally agreed allowance rates and the appropriate national conditions document for nationally agreed rates.

## 4. Senior Management Remuneration

(\*rates shown are 2022/23 pay rates – these pay rates are subject to change following settlement of 2023/24 pay award)

4.1 Details of senior management remuneration are included below:

Job Title	Point	Salary
AD Level 1 Senior Officer  (Third Tier reporting directly to a Director)  Note: incremental progression will apply within this grade	1   2  3  4	£88,729 £93,409  £98,197  £102,983
Director Level 1  Senior Officer  (Third Tier level reporting directly to the a Director Level 2 or 3)	Fixed	£110,430
Director Level 2  Chief Officer  (Second Tier level reporting directly to the Chief Executive)	Fixed	£132,130
Director Level 3*  Chief Officer  (Second Tier level reporting directly to the Chief Executive)	Fixed	£153,832
Chief Executive (Top Tier) **	Fixed	£193,404

\*see Section 6

\*\*The Chief Executive also acts as Place Lead for the Integrated Care Partnership (effective from 1 July 2022) – no additional remuneration is paid in respect of this role.

- 4.2** Where the Council is unable to recruit senior managers, or there is a need for interim support to provide cover for a substantive Chief Officer role, the Council will, where necessary, consider engaging individuals under a “contract for service”. These will be sourced through a relevant procurement process ensuring the Council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service. In assessing such it should be noted that in respect of such engagements the Council is not required to make either pension or national insurance contributions for such individuals.
- 4.3** The Council has 3 salary sacrifice employee benefit schemes in place, with a further 2 due for implementation later in the year. These are the cycle to work scheme, childcare voucher scheme (no longer open to new applicants), ‘buying’ of annual leave scheme, and in early 2023 a shared cost Additional Voluntary Contribution (AVC) scheme, and car lease scheme. All schemes and their operation are regulated by Her Majesty’s Customs and Excise and there are strict rules around the management of the schemes. The schemes permit employees to “sacrifice” part of their salary in exchange for a benefit; this means that Tax and National Insurance are not paid on the amount sacrificed effectively reducing the cost of the benefit to the employee. These schemes are open to all employees within the Council (subject to qualifying criteria) and are not restricted to senior management. More information about salary sacrifice schemes can be located at [HMRC Guidance on Salary Sacrifice schemes](#).
- 4.4** In addition to these schemes, the Council hosts an employee benefits platform (VIVUP) which provides employees access to discounts and savings from a number of local and national retailers and provides other employee benefits including access to an Employee Assistance Programme and Fast Track Physiotherapy service.

## **5. Recruitment of Senior Managers**

- 5.1** The Council’s policy and procedures with regards to the recruitment of senior managers are set out within the Council’s Constitution. When recruiting to all posts the Council will take full and proper account of all provisions of relevant employment law and its own equal opportunities, recruitment and redeployment policies as approved by the Council.
- 5.2** The determination of the remuneration to be offered to any newly appointed senior manager will be in accordance with the pay structure and relevant policies in place at the time of recruitment.
- 5.3** In accordance with the Localism Act (2011), where the proposed annual salary package is £100,000 or more the decision must be voted on by a meeting of members before the appointment is confirmed. The requirement to approve salary packages above £100,000 only applies to new appointments and does not apply to existing senior managers.
- 5.4.** With the exception of progression through the incremental scale of the relevant grade on annual basis, the level of remuneration is not variable dependent upon the achievement of defined targets.

- 5.5. To meet specific operational requirements, it may be necessary for an individual to temporarily take on additional duties to their identified role. The Council's arrangements for authorising any additional remuneration relating to temporary additional duties will need to comply with the Council's Senior Management Job Evaluation procedure.
- 5.6. The Council's arrangements for salary supplements or special responsibility payments for undertaking additional duties in order to comply with its statutory responsibilities are detailed overleaf.

## **6. Returning Officer / Electoral Registration Officer**

- 6.1 The Council is required to provide funding to the appointed Returning Officer / Electoral Registration Officer to discharge statutory functions relating to the administration of local government elections. The Officer will make payments to those officers who undertake specific duties in relation to the elections (including to chief officers) in accordance with their role.
- 6.2 It should be noted that any fees payable for duties undertaken in connection with national elections and referenda (Parliamentary and European Parliamentary elections, Police and Crime Commissioners Elections and national referenda) are funded by central government in accordance with Fees and Charges Orders made by Parliament, which prescribe a maximum recoverable amount payable to the Returning Officer for the administration of such polls as well as the maximum recoverable amount for services provided personally by the Returning Officer for the particular election. Consequently, any such payments made to those officers who undertake specific duties in relation to these elections and referenda (including to chief officers and to the Chief Executive as Returning Officer) are not funded by the Council.

### **Section 151 Officer and Deputy**

The Section 151 Officer and Deputy Officer roles are embedded within the roles of Director (Deputy Chief Executive) and Assistant Director –Finance respectively and no additional payment is received.

### **Monitoring Officer and Deputy**

The Monitoring Officer responsibility permanently sits with the Assistant Director – Legal. The Monitoring Officer's current allowance is £5,000 per annum. The Deputy Monitoring Officer responsibility permanently sits with the Assistant Director – Legal. The Deputy is undertaken by the Strategic Lawyer - Resources. The current allowance is £2,500 per annum.

### Special Responsibility Allowance

Where circumstances determine the need for interim, short-term cover, officers may be given additional responsibilities to maintain delivery of services. In these situations, the Council will consider awarding a special responsibility allowance. The Council currently has no senior roles in receipt of this additional payment.

## 7. Pension Contributions

- 7.1 Where employees have exercised their statutory right to become members of the Local Government Pension Scheme, both the Council and the employee are required to make a contribution to the scheme based on a percentage of the pensionable remuneration of that employee. The rate of contribution is set by Actuaries advising the Greater Manchester Pension Fund and reviewed on a triennial basis in order to ensure the scheme is appropriately funded. The current published rates are detailed in the table below:

**Table 1: Contribution table England and Wales 2022/23 (subject to review from April 2023)**

### Employee Contribution rates:

Band	Actual pensionable pay for an employment	Main section contribution rate for that employment	50/50 section contribution rate for that employment
1	Up to £15,000	5.50%	2.75%
2	£15,001 to £23,600	5.80%	2.90%
3	£23,601 to £38,000	6.50%	3.25%
4	£38,301 to £48,500	6.80%	3.40%
5	£48,501 to £67,900	8.50%	4.25%
6	£67,901 to £96,200	9.90%	4.95%
7	£96,201 to £113,400	10.50%	5.25%
8	£113,401 to £170,100	11.40%	5.70%
9	£170,001 or more	12.50%	6.25%

### **Employer Contribution rate**

The Council's contribution is currently 18.3%.

## **8. Payments on Termination**

- 8.1** The Council's approach to statutory and discretionary payments on termination of employment of senior managers, prior to reaching normal retirement age, is set out within the Organisational Change Policy in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and Regulations 12 and 13 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007.
- 8.2** In accordance with the statutory guidance on 'the making and disclosure of special severance payments by local authorities in England', the Council also has in place a process for ensuring that a robust business case is in place to support the approval of the making of any special severance payments upon termination. Such payments require approval by the relevant Director (or Assistant Director) if the value is under £20k, and will be reported to the Section 151 officer. Approval from the Section 151 officer will be required if the value of the payments is £20k or above (or the Chief Executive, if the payment is within the Section 151 officer's own directorate) and will be reported also to the Leader. An annual report provided to full Council detailing payments made.
- 8.3** The enabling provisions are set out in the Small Business, Enterprise and Employment Act which received Royal Assent in March 2015. The Council will ensure it is compliant with the Small Business, Enterprise and Employment Act.

## **9. Publication**

- 9.1** Upon approval by the full Council, this statement will be published on the Council's website and intranet pages.
- 9.2** For posts where the full-time equivalent salary is at least £50,000, the Council's 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.



## **10. Lowest Paid Employees**

- 10.1** The lowest paid persons employed under a contract of employment with the Council are employed on full time (37 hours per week) equivalent salaries in accordance with the minimum spinal column point currently in use within the Council's NJC pay and grading structure. As at 1st April 2023 (Note: 2023/24 pay award still pending), this is £20,441 per annum (excluding Apprentices and those on the Youth Employment Scheme).
- 10.2** Wigan Council has made a commitment to ensure that all directly employed staff (excluding Apprentices and those on the Youth Employment Scheme), and those who have been transferred under TUPE, receive a 'Real Living Wage' (rates set by the Living Wage Foundation) and so will pay a non-consolidated top up to those staff whose hourly rate falls below this amount. The 'Real Living Wage' rate that is set in November of each year will be applied from the following 1<sup>st</sup> April. From 1<sup>st</sup> April 2023 the rate will be £10.90 per hour.
- 10.3** Wigan Council has made a commitment to ensure that all Apprentices receive the 'National Living Wage' (rates set by Government), rather than Apprenticeship rate or National Minimum Wage for Age. From 1<sup>st</sup> April 2023 the rate will be £10.42 per hour.
- 10.4** Those employed on the Youth Employment Scheme (which is pre-Apprenticeship) will receive the 'National Minimum Wage' (rates set by Government'. From 1<sup>st</sup> April the rate will be £5.28 per hour (for those under 18), £7.49 (for those aged 18-20), £10.18 (for those aged 21-22), and £10.42 for those aged 23 and over.
- 10.5** The relationship between the rate of pay for the lowest paid and senior managers is determined by the processes used for determining pay and grading structures as set out earlier in this policy statement.
- 10.6** At 1 April 2023 the median full time equivalent salary within the Council is £25,878 (Note: 2023/24 pay award still pending)
- 10.7** The current pay levels within the Council define the multiple between the median full time equivalent earnings and the Chief Executive as [1:7.47].
- 10.8** The current pay levels within the Council define the multiple between the median full time equivalent earnings of all employees and that of senior management as [1:4.27].
- 10.9** As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will

use available benchmark information as appropriate.

**10.10** In order to comply with the Mandatory Gender Pay Gap Reporting – Public Sector Employers the organisation's Gender Pay Gap Report for March 2022 will be made available via [council website](#).

## **11. Accountability and Decision Making**

- 11.1** In accordance with Council policy, a specially convened remuneration committee is responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to the employment of Directors, Director (Deputy Chief Executive) and the Chief Executive.
- 11.2** The appointment of a Chief Officer or Deputy Chief Officer will be determined by the constitution at this time. Their pay, terms and conditions and severance arrangements in all cases will be in-line with the relevant Local and /or National Conditions of Service.

## **12. Re-employment / Re-engagement of Former Senior Managers**

- 12.1** The re-employment and /or re-engagement of former senior managers will be in-line with the national conditions of service as detailed in the Handbook for Joint National Council Chief Officers.
- 12.2** For the purposes of this policy statement former senior managers are those who earned above £50,000 per annum and were previously employed by Wigan Council, another Local Authority or other public body that the Redundancy Modification Order 1983 applies.

## **13. Shared Responsibility for Senior Management Remuneration**

- 13.1** In cases where senior managers are jointly employed by another organisation or public body then an assessment will be made to determine the percentage of time required to work for each organisation. This ratio will then determine how the remuneration costs associated to the post are shared between each organisation.

# 14. Corporate Senior Management Team Structure as at 1<sup>st</sup> March 2023

