

## **Derbyshire County Council**

### **Council**

**8 February 2017**

## **Report of the Chief Executive**

### **Pay Policy Statement**

#### **1 Purpose of the Report**

To agree the attached updated pay policy for Derbyshire County Council in accordance with the provisions of the Localism Act 2011 and Supplementary Guidance 2013.

#### **2 Information and Analysis**

Section 38 of the Localism Act 2011 requires English and Welsh local authorities to produce a Pay Policy Statement for each financial year. The Act does not apply to staff employed in local authority schools, including teachers. The Pay Policy Statement (Appendix A) also complies with the Code of Recommended Practice for Local Authorities on Data Transparency 2011 which requires the publication of certain pay data and defines senior employees' pay as those who have an annual salary of £58,200 (FTE) and above.

The Localism Act requires that Pay Policy Statements are approved formally at Council meetings. If necessary, the Pay Policy can be amended during the year, and if this is required a further report will be brought to Council.

Members will be aware that since April 2010 the majority of employees covered by the Pay Policy have enjoyed the same terms and conditions. The Chief Executive, Chief Officers, Soulbury and Local Government Services employees have different national negotiating bodies that determine other conditions of employment such as disciplinary procedures and pay awards. These posts have also been subject to Hay job evaluation and are paid in accordance with the same local pay spine. There are separate terms and conditions of employment, including pay and grading arrangements, for Public Health employees.

Legislative changes, such as the Public Sector Exit Payments Recovery Regulations, will be incorporated into the Statement as necessary.

The Pay Policy Statement reflects the pay for senior officers at 1 April 2017 and will be published on the Council's website in April 2017. The requirement for the Policy also reflects the concerns over low pay highlighted in Will Hutton's 2011 Review of Fair Pay in the Public Sector. This stated that the ratio between the highest paid salary and the median average, should provide a pay multiple of no more than 20:1. It is not a requirement to publish this ratio as part of the Council's Pay Policy Statement, but is a requirement of the Local Government Transparency Code 2014.

### **3 HR Considerations**

The Policy will continue to be developed and enhanced, especially around identifying potential areas of difficulty.

### **4 Considerations**

In preparing this report the relevance of the following factors have been considered: legal, prevention of crime and disorder, equality and diversity, environmental, health, property, social value and transport.

### **5 Background Papers**

Background papers are held by the Strategic Director Corporate Resources.

### **6 Officers' Recommendation**

That Council approves the attached Pay Policy Statement.

**Ian Stephenson**  
**Chief Executive**

# **Derbyshire County Council**

## **Pay Policy Statement**



**Judith Greenhalgh**  
**Strategic Director**  
**Corporate Resources**  
**April 2017**

## **1. Introduction**

The Council is committed to fairness, transparency and the principle of equal pay in employment.

This Pay Policy Statement sets out Derbyshire County Council's policy on pay for senior managers and employees for 2017-18 and is in accordance with the requirements of Section 38 of the Localism Act 2011 and Supplementary Guidance 2013.

The Policy was approved by Full Council on 8 February 2017 and is effective from 1 April 2017.

Any appointments or severance payments above £100k and any amendments to this Pay Policy will require the approval of Full Council. This figure may be affected by the Public Sector Exit Payment Cap and Recovery Regulations (set out in the Small Business, Enterprise and Employment Act 2015), currently deferred for further public consultation. The Pay Policy will be updated accordingly following any such legislative changes.

## **2. Scope**

The policy applies to all Council employees. As specified in the Act, the policy does not apply to staff of local authority schools.

## **3. About the Council**

For 2017-18 the Council has a net budget requirement of £486m and will use these funds to provide approximately 779,800 residents with essential local services. By 31 March 2022 the Council needs to save £80m due to reductions in Government grants, inflation and greater demands on areas of the budget for Adult Social Care, vulnerable children and waste disposal.

As £34m cuts are planned in 2017-18 it is important that services provide excellent value for money and make the best use of our resources.

The Council has 14,150 appointments across five departments. The Chief Executive and Strategic Directors with the Director of Finance & ICT and Assistant Chief Executive form the Council's Corporate Management Team leading the work that provides services across Derbyshire. Appendix 1 details the senior management structure across the Council.

## **4. Pay Structure**

The Council's pay structure for all employees, including senior employees (with the exception of Soulbury and Public Health), was determined using the principles of the Hay job evaluation scheme with pay ranges for each grade in the structure. The Derbyshire Pay and Grading Structure is attached at Appendix 2. The Structure was

introduced on 1 April 2010 and all new and changed jobs are evaluated using the Hay job evaluation scheme and the grades applied as appropriate.

The Council has agreed to apply market rates to specific posts to address recruitment and retention difficulties subject to strict criteria and Cabinet approval.

Median gross pay is £17,080 which represents an 8.1:1 ratio to that of the Chief Executive.

## **5. Senior Employee Pay**

The pay structure for senior employees follows the Hay job evaluation methodology. The pay details of senior employees covered by grades 16 to 21 are set out in Appendix 3.

Performance related pay and bonuses, including lease cars, are not part of senior employees' pay within the Council.

Public Health transferred to the Council in 2013 under a static transfer order. There are six Public Health employees paid above the senior officer threshold of £58,200 who are on NHS terms and conditions.

There are ten employees on Soulbury grades who fall within the scope of the pay policy and two employees on Headteacher grades.

## **6. Lowest Paid Employee**

The first pay point on the Derbyshire Pay and Grading Structure in Grade 1/2, £15,146 (£7.85/hr), is the salary that is defined as the lowest within the Council. However, the Council has agreed to pay the Living Wage allowance to 4,150 appointments earning below £8.45 per hour in 2017-18, which is equivalent to £16,302 per annum.

## **7. Starting Pay**

All employees, including senior employees, will normally be appointed to the minimum point of the pay grade for the job.

In certain cases it may be appropriate to appoint to a higher point in the pay grade. This may arise when, for example, the preferred candidate for the job is or has been, in receipt of a salary at a higher level than the grade minimum or has undertaken an extended period of acting duties within the job.

## **8. Pay Progression**

All employees, including senior employees, receive annual increments until the top of their salary grade has been reached. The first increment is paid when the employee has been in post for 12 months.

## **9. National Pay Award**

The Derbyshire Pay and Grading Structure is adjusted by any 'cost of living' increase agreed nationally by the relevant National Joint Committee. If the national agreement is not a flat rate the application of the award is agreed locally.

## **10. Terms and Conditions**

From April 2010 all employees covered by the Pay Policy Statement have enjoyed the same terms and conditions. The Chief Executive, Chief Officers, Soulbury and local government service employees have different national negotiating bodies that determine other conditions such as disciplinary procedures and pay awards.

## **11. Protection of Earnings Policy**

The Council's policy on Protection of Earnings applies to all employees of the Council and provides protection for an employee's basic pay where it is reduced as a result of:

- organisational restructuring
- redeployment into a suitable alternative vacancy where the individual is at risk of or under notice of redundancy
- redeployment into a suitable alternative vacancy on health grounds
- the introduction of a revised pay and grading system

The period of pay protection is for a maximum of two years from the date of the change of basic pay.

## **12. Termination and Re-employment**

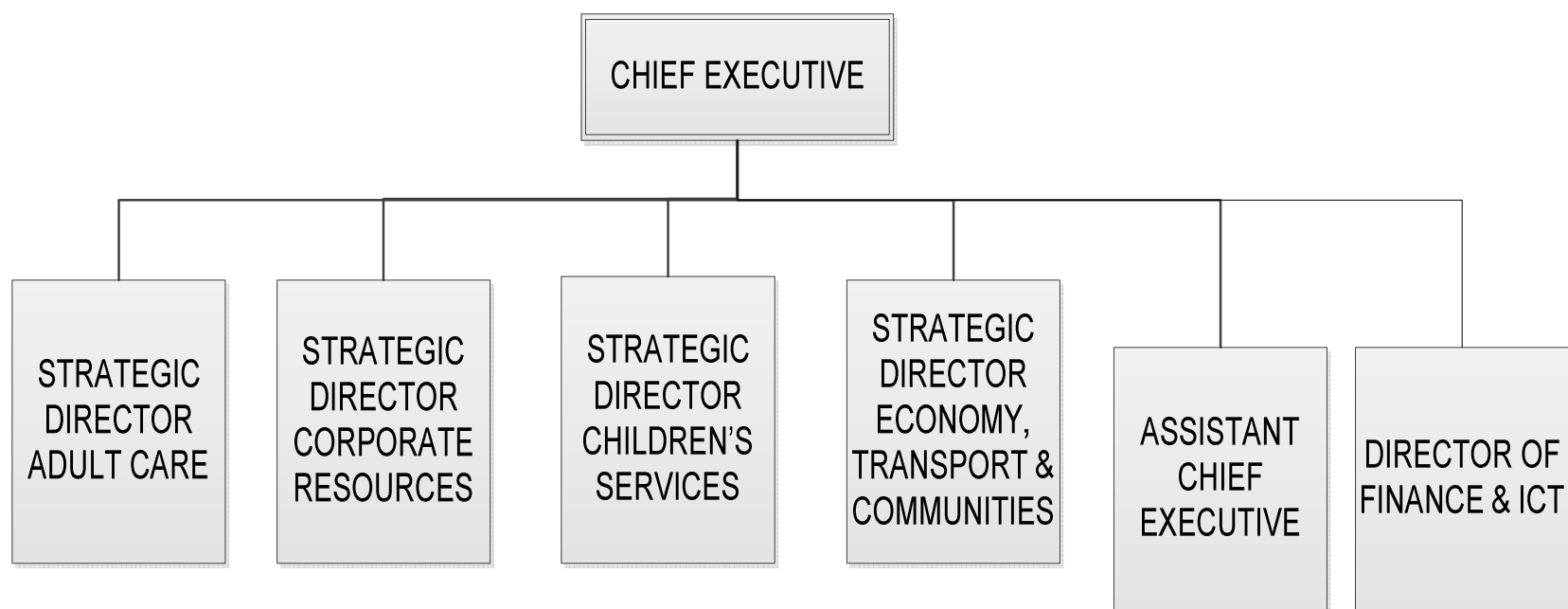
No additional payments are made to any employee of the Council, including senior employees, at their point of leaving the employment of the Council, except in circumstances of redundancy and that is in accordance with the Council's published Policy Statements. The Pay Policy will be updated following introduction of the Exit Payment Restrictions and Recovery Regulations in the Small Business, Enterprise and Employment Act 2015 currently deferred for further public consultation.

How the Council exercises the various discretions provided by the Local Government Pension Scheme can be accessed by the following link.

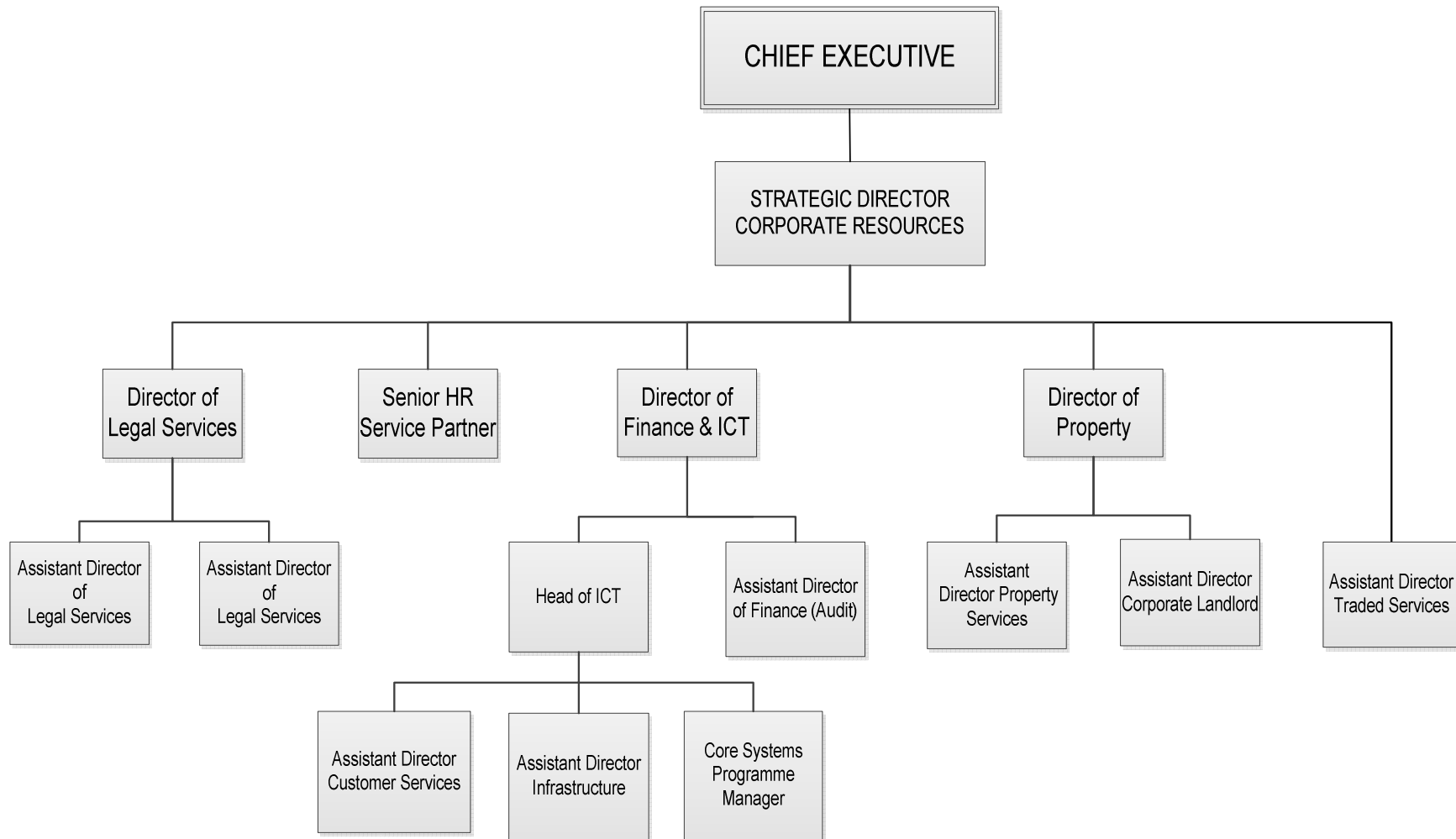
[www.derbyshire.gov.uk/working\\_for\\_us/pensions/governance/policy\\_statements](http://www.derbyshire.gov.uk/working_for_us/pensions/governance/policy_statements)

## Appendix 1 – Senior Management Structure

### Corporate Management Team

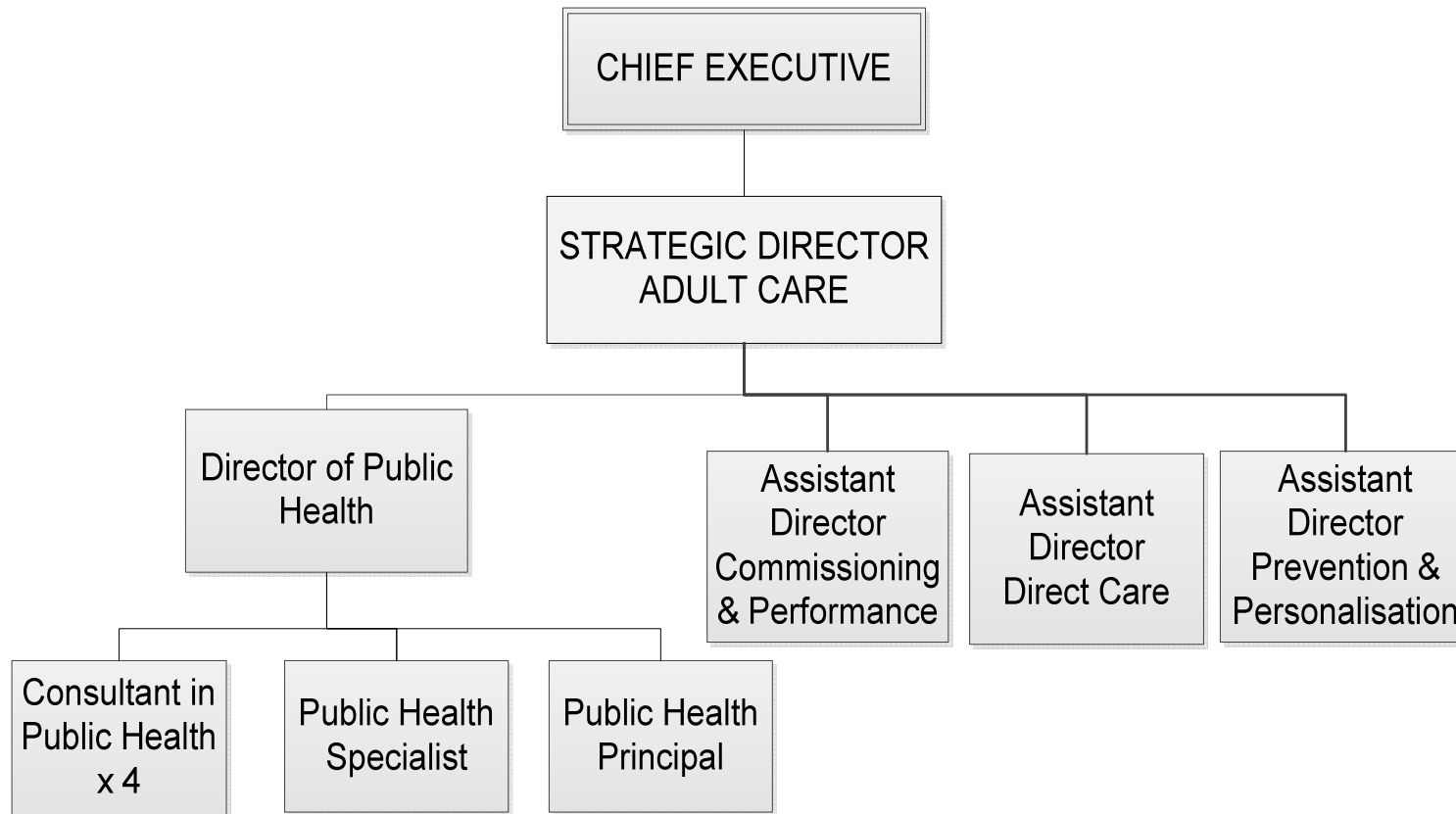


## Corporate Resources

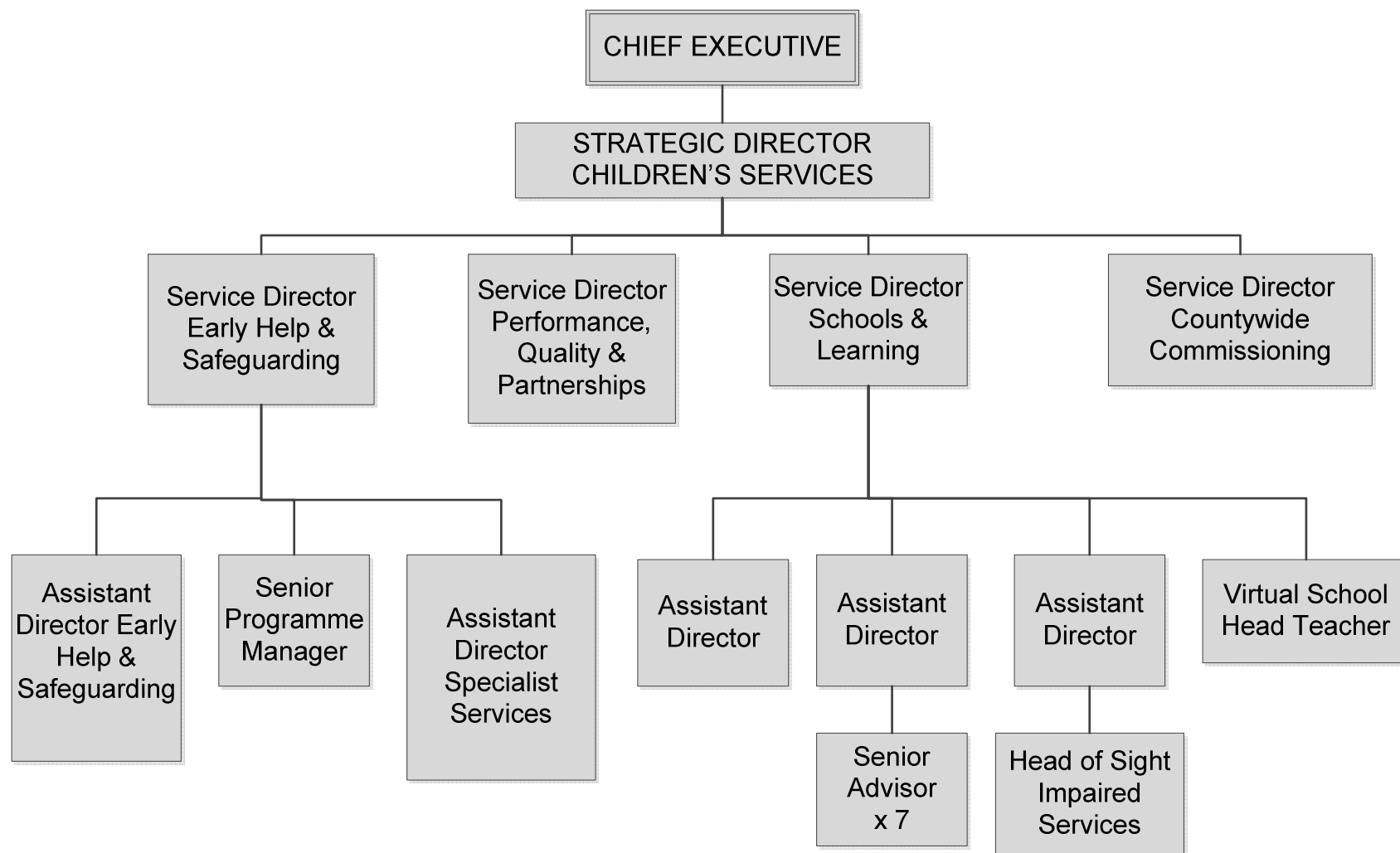




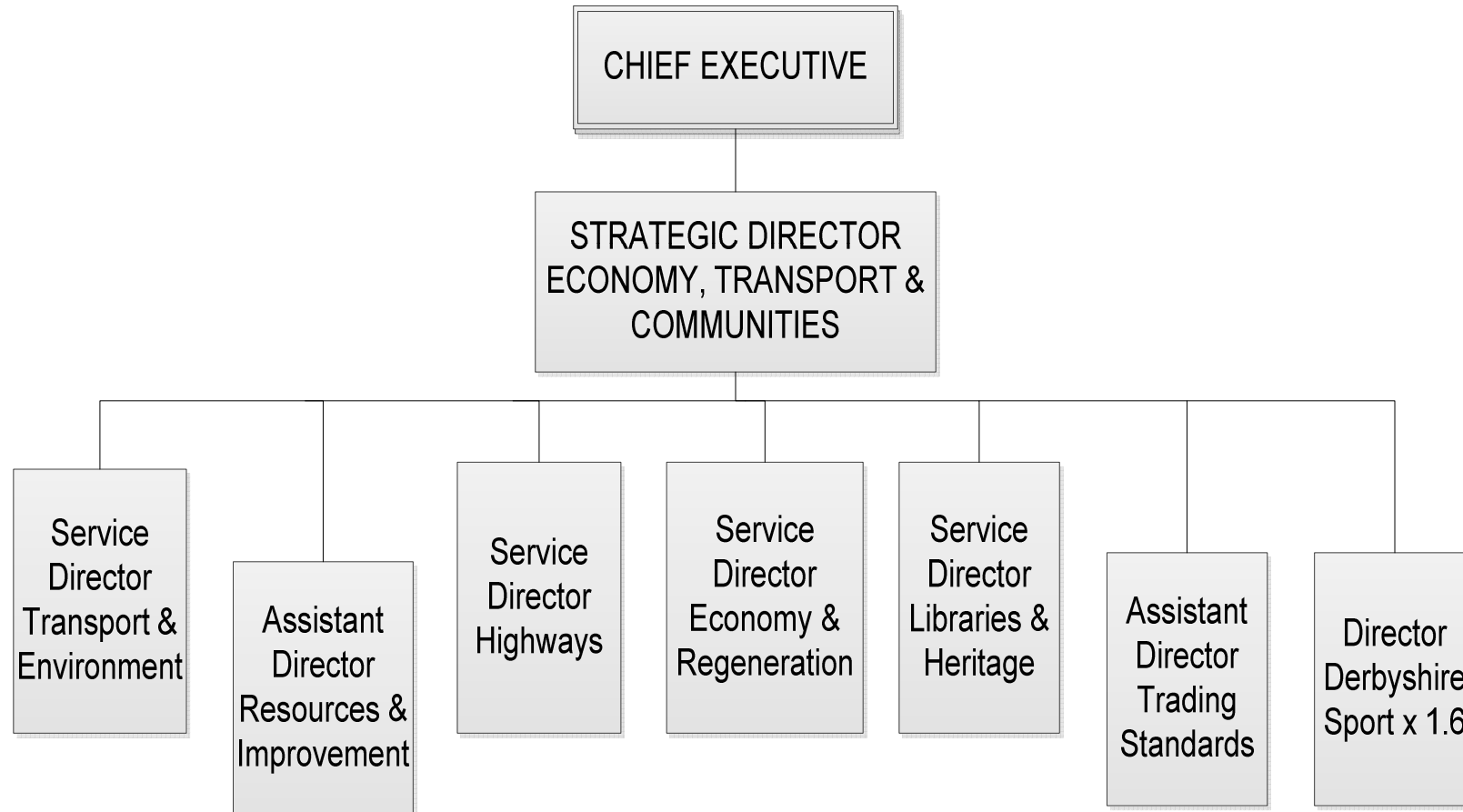
## Adult Care



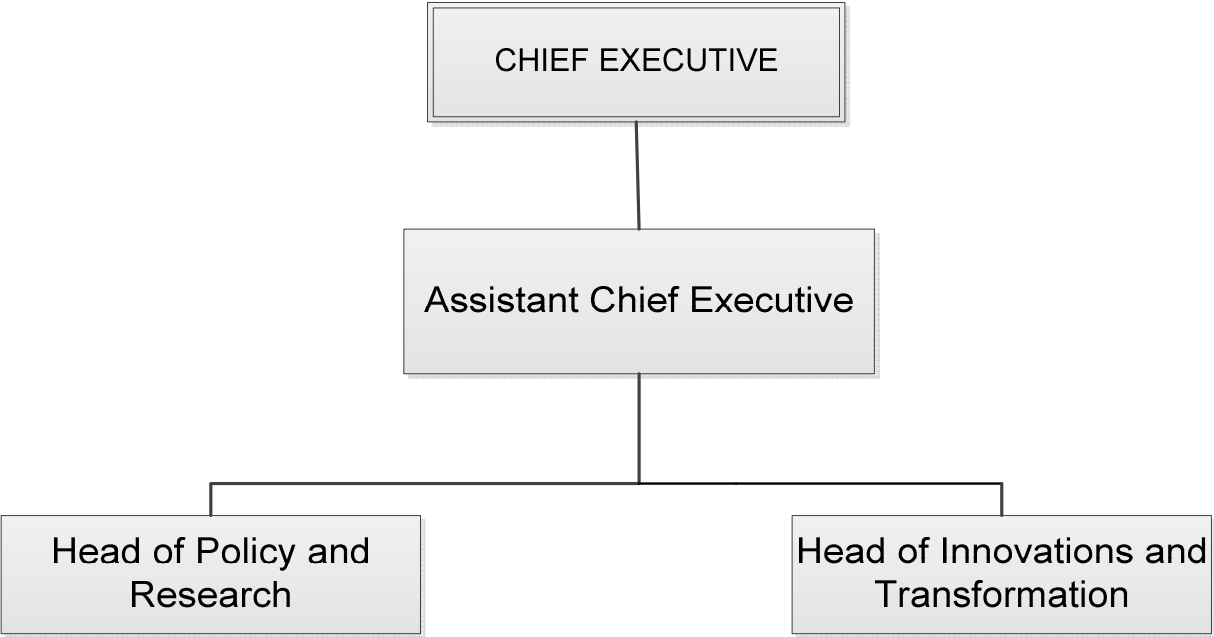
## Children's Services



## Economy, Transport and Communities



**Chief Executive's Office**



## Appendix 2 – Derbyshire Pay & Grading Structure

Grade	Pay Point	2017-18
1/2	3	£15,146
	4	£15,336
3	5	£15,424
	6	£15,504
	7	£15,632
4	8	£15,707
	9	£15,823
	10	£15,986
	11	£16,145
5	12	£16,264
	13	£16,502
	14	£16,816
	15	£17,080
6	16	£17,523
	17	£17,918
	18	£18,370
	19	£18,822
7	20	£19,407
	21	£19,993
	22	£20,578
	23	£21,164
8	24	£21,749
	25	£22,334
	26	£22,921
	27	£23,505
9	28	£24,091
	29	£24,676
	30	£25,262
	31	£25,846
10	32	£26,830
	33	£27,812
	34	£28,794
	35	£29,777
11	36	£30,788
	37	£31,799
	38	£32,810
	39	£33,821
12	40	£34,858
	41	£35,894
	42	£36,932
	43	£37,969

Grade	Pay Point	2017-18
13	44	£39,085
	45	£40,201
	46	£41,317
	47	£42,433
14	48	£44,135
	49	£45,836
	50	£47,538
	51	£49,241
15	52	£50,941
	53	£52,643
	54	£54,345
	55	£56,046
16	56	£57,802
	57	£59,558
	58	£61,312
	59	£63,067
17	60	£75,439
	61	£77,325
	62	£79,212
	63	£81,098
	64	£82,984
18	65	£86,437
	66	£88,599
	67	£90,761
	68	£92,921
	69	£95,082
19	70	£91,255
	71	£93,536
	72	£95,818
	73	£98,100
	74	£100,381
20	75	£110,260
	76	£113,016
	77	£115,772
	78	£118,529
	79	£121,285
21	80	£140,835
	81	£144,149
	82	£147,464
	83	£150,778
	84	£154,093

### Appendix 3 - Senior Employee Pay

<b>Chief Executive's Office</b>	<b>Salary</b>	<b>FTE</b>	<b>Grade</b>
<b>Chief Executive: Ian Stephenson</b> <i>Responsible for all aspects of the overall running of the council and schools services. The Chief Executive, along with the S151 Officer (the Director of Finance &amp; ICT) and Cabinet has overall responsibility for all Council Resources, amounting to a Net Budget Requirement of £486m. The Council employs ca 32,200 staff (ca 16,600 fte), including schools, serving a local population of 779,800.</i>	£150,778	1.0	21
<b>Assistant Chief Executive</b> <i>Responsible for policy and research, communications, public relations and Call Derbyshire contact centre, innovation and transformation and Members' support services. Net budget ca £6m</i>	£92,921	1.0	18
Head of Policy and Research	£63,067	1.0	16
Head of Innovations and Transformation	£59,558	1.0	16

<b>Corporate Resources</b>	<b>Salary</b>	<b>FTE</b>	<b>Grade</b>
<b>Strategic Director Corporate Resources</b> <i>Responsible for corporate support services, Legal, Human Resources, Transformation, Property, Finance and Traded Services. Net budget ca £30m</i>	£115,772	1.0	20
Assistant Director Traded Services	£61,312	1.0	16
<b>Senior HR Service Partner</b> <i>Responsible for the development and delivery of an effective, efficient and responsive HR service with a devolved structure.</i>		1.0	To be confirmed
<b>Director of Finance &amp; ICT</b> <i>Responsible for the management of the financial affairs of the Council, directly managing a number of key financial services including, pensions, audit, corporate accountancy, investments, insurance, payments, income. Responsible for the setting and delivery of the Council's ICT. As the S151 Officer for the Council, the Director of Finance &amp; ICT has a responsibility to manage all of the Council's affairs including the Net Revenue Budget Requirement of £486m, Capital Programme of £61m and Pension Fund of £3.7bn</i>		1.0	To be confirmed
Assistant Director of Finance (Audit)	£61,312	1.0	16
Head of ICT		1.0	To be confirmed
Assistant Director Customer Services	£63,067	1.0	16

Assistant Director Infrastructure	£31,534	0.5	16
Core Systems Programme Manager	£31,534	0.5	16
<b>Director of Property</b> <i>Responsible for property management including Valuation, Structural, Mechanical and Electrical Engineering, Energy Management and Design Services.</i>	£95,082	1.0	18
Assistant Director - Property Services	£63,067	1.0	16
Assistant Director of Property – Corporate Landlord	£63,067	1.0	16
<b>Director of Legal Services</b> <i>Responsible for the provision of legal advice on all aspects of the Council's functions and acts as the Monitoring Officer to ensure compliance with legal requirements.</i>	£95,082	1.0	18
Assistant Director of Legal Services	£63,067	1.0	16
Assistant Director of Legal Services	£63,067	1.0	16

<b>Adult Care</b>	<b>Salary</b>	<b>FTE</b>	<b>Grade</b>
<b>Strategic Director Adult Care</b> <i>Responsible for ensuring high quality, responsive adult care services, promoting wellbeing and ensuring better integration of adult social services with a range of partner agencies in the local community. Net budget responsibility ca £210m.</i>	£121,285	1.0	20
Assistant Director – Prevention & Personalisation	£81,098	1.0	17
Assistant Director – Commissioning & Performance	£79,212	1.0	17
Assistant Director – Direct Care	£79,212	1.0	17
<b>Director of Public Health</b> <i>Responsible for the delivery of health improvement, health protection and health services</i>	£86,437	1.0	18
Consultant in Public Health	£70,552	1.0	Public Health Scale 8D
Consultant in Public Health	£67,939	0.8	8D
Consultant in Public Health	£84,924	1.0	8D
Consultant in Public Health	£85,652	1.0	YC72
Public Health Specialist	£70,552	1.0	8C
Public Health Principal	£58,907	1.0	8B

<b>Children's Services</b>	<b>Salary</b>	<b>FTE</b>	<b>Grade</b>
<b>Strategic Director Children's Services</b> <i>Responsible for the delivery and promotion of services to children and families; for adult education and transition services for disabled persons aged 11-25 years. Net budget responsibility ca £91m.</i>	£113,016	1.0	20
Service Director – Early Help and Safeguarding	£86,437	1.0	18
Service Director – Schools & Learning	£90,761	1.0	18
Service Director – Performance, Quality and Partnerships	£77,325	1.0	17

Service Director - County-wide Commissioning	£77,325	1.0	17
Senior Programme Manager	£63,067	1.0	16
Assistant Director Early Help & Safeguarding	Vacant	1.0	16
Assistant Director Specialist Services	Vacant	1.0	16
Assistant Director	£67,725	1.0	S+3 2531
Assistant Director	£67,725	1.0	S+3 2531
Assistant Director	£67,725	1.0	S+3 2531
Senior Advisor	£63,367	1.0	S+3 2127
Senior Advisor	£63,367	1.0	S+2 2127
Senior Advisor	£61,239	1.0	S+3 2127
Senior Advisor	£61,239	1.0	S+1 2125
Senior Advisor	£60,160	1.0	S+3 2127
Senior Advisor	£61,239	1.0	S+1 2125
Senior Advisor	£60,160	1.0	S+2 2126
Head of Sight Impaired Services	£63,779	1.0	Head P21
Virtual School Head Teacher for Children in Care	£63,779	1.0	Head P21

<b>Economy Transport and Communities</b>	<b>Salary</b>	<b>FTE</b>	<b>Grade</b>
<b>Strategic Director Economy Transport and Communities</b> <i>Responsible for leading and managing the development and implementation of strategic policies and plans to ensure the provision of the Council's Economy, Transport and Communities Department, covering Highways, Transport and Environment, Economy and Regeneration, Libraries and Heritage, Trading Standards, Derbyshire Sport, Community Safety and Emergency Planning. Responsible for a net budget of circa £84m.</i>	£118,529	1.0	20
Service Director Transport & Environment	£82,984	1.0	17
Service Director Economy & Regeneration	£79,212	1.0	17
Service Director Highways	£79,212	1.0	17
Service Director Libraries & Heritage	£81,098	1.0	17
Assistant Director Resources & Improvement	£63,067	1.0	16
Director - Derbyshire Sport	£49,954	0.8	16
Director - Derbyshire Sport <i>(funded by Nottinghamshire County Council)</i>	£49,954	0.8	16
Assistant Director – Trading Standards	£63,067	1.0	16