



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

COUNCIL

23 March 2022

**Report of the Managing Director & Director of Organisation Development
& Policy**

PAY POLICY STATEMENT 2022

1. Purpose

- 1.1 To approve the Pay Policy Statement (attached at Appendix 1) for publication on the Council's website on 1 April 2022.

2. Information and Analysis

- 2.1 Since 2012 the Council has published an annual Pay Policy Statement in accordance with Section 38 of the Localism Act 2011 setting out the Council's policies on pay and conditions for its most senior employees (defined as 'chief officers' in the Act) and employees. Teachers and staff employed in local authority schools are not covered by the Act.

- 2.2 The Pay Policy Statement sets out the methods by which salaries of all employees are determined, the detail and level of remuneration of its most senior employees (chief officers), the definition of the Council's lowest paid employees and the pay multiple (ratio) between the salary of the highest paid employee and the median full time equivalent salary in the Council. The Council's pay multiple is 7.4:1

- 2.3 The Act defines chief officers as:

- Head of Paid Service (Managing Director)
- Monitoring Officer (Director of Legal & Democratic Services)

- Statutory Chief Officers (Executive Director of Adult Social Care & Health, Director of Public Health, Executive Director of Children's Services, Director of Finance & ICT*)
- Non-Statutory Officers (Executive Director of Place and Executive Director of Corporate Services & Transformation)
- Deputy Chief Officer – direct reports to the above

**The statutory S151 responsibility has moved to the Executive Director Corporate Services & Transformation on an interim basis.*

- 2.4 Any amendments to the policy, other than minor updates to reflect the 2021/22* and 2022/23 pay agreements will require the approval of Full Council. **The Chief Executive's pay award for 2021/22 has been agreed and applied for the Managing Director post.*

3. Consultation

- 3.1 The Council has not amended the way employees are paid, therefore there has been no requirements to consult on the review of the Council Pay Policy Statement.

4. Alternative Options Considered

- 4.1 None

5. Implications

- 5.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

6. Background Papers

- 6.1 None

7. Appendices

- 7.1 Appendix 1 – Implications
- 7.2 Appendix 2 – Pay Policy Statement
- 7.3 Appendix 3 – Statutory and Non-Statutory Chief Officers and their direct reports.

8. Recommendation(s)

8.1 That Council approves the attached Pay Policy Statement for the financial year commencing 1 April 2022 and agrees that the Statement should be published on the website.

9. Reasons for Recommendation(s)

9.1 Publication of the Council's Pay Policy Statement is a requirement under section 38 of the Localism Act 2011.

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Implications

Financial

- 1.1 As outlined within the attached Pay Policy Statement

Legal

- 2.1 The requirement to publish a Pay Policy Statement and the information which must be included within the Statement is set out in section 38 of the Localism Act 2011. Section 43 of the Act specifies the officers who are considered to be chief officers for the purposes of the Statement.
- 2.2 In accordance with section 39 of the Localism Act, the Pay Policy Statement must be approved by a resolution of the authority before it comes into force and the Statement must be approved before the end of the 31st March immediately preceding the financial year to which it relates.

Human Resources

- 3.1 As outlined within the attached Pay Policy Statement

Equalities Impact

- 4.1 The Council's pay and grading structure is based on a "points to pay" relationship determined through Job Evaluation as a mechanism to ensure the consistent evaluation of the relative value of job roles across the Council. This ensures a fair, open and transparent pay and reward structure that is affordable and supports the equal treatment of all employees in respect of their pay, terms and conditions and is compliant with Equal Pay legislation and Single Status requirements.
- 4.2 The Council's policies on pay and terms and conditions apply equally to employees at all levels of seniority across the authority. There is therefore no direct impact on employees with any protected characteristic arising from the Council's pay and grading structure, salary structure or reward and remuneration policies.

Derbyshire County Council

Pay Policy Statement



April 2022

Introduction

The Council is committed to fairness and transparency of pay in employment.

This Pay Policy Statement sets out the Council's policy on pay for senior managers and employees for 2022/23 and is in accordance with the requirements of section 38 of the Localism Act 2011 and Guidance and Supplementary Guidance issued by the Department for Communities and Local Government in February 2012 and February 2013. For the purposes of this statement, senior managers means 'chief officers' as defined by section 43 of the Localism Act 2011. The posts falling within the statutory definition are set out at Appendix 1.

Under the Local Government Transparency Code 2015 additional organisational information is required to be published annually on the website. This consists of third tier organisation charts, senior salaries information, including functional responsibilities, budget amounts and numbers of staff responsible for, together with details of trade union facility time. Read about our current organisational data and trade union information [here](#).

This Pay Policy Statement was approved by Full Council on 23 March 2022 and comes into force on 1 April 2022.

Full Council will approve the appointment of the Managing Director (Head of Paid Service) and Executive Directors following the recommendation of such an appointment by a panel formed from the Appointments and Conditions of Service Committee, together with any appointments above £100k per annum.

Any amendments to this policy, other than minor updates to reflect the 2022/23 pay agreement, will require the approval of Full Council.

Scope

The statement applies to all Council employees, excluding teachers and staff of local authority schools.

About the Council

For 2022/23 the Council has a net budget requirement of £618.5m and will use these funds to provide approximately 807,000 residents with essential local services. By 31 March 2027 the Council needs to save £67m 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 £8.1m savings are planned in 2022/23 it is important that services provide excellent value for money and make the best use of our resources.

The Council has approximately 12,000 appointments across four departments. A Managing Director (Head of Paid Service) and four Executive Directors, together with the Director of Finance & ICT, Director of Public Health, Director of Legal & Democratic Services and Director of Organisation Development & Policy form the Council's Corporate Management Team leading the work that provides services across Derbyshire.

Pay arrangements

The Council uses the Korn Ferry Group's Job Evaluation Scheme to evaluate the elements of each job to provide an individual score line and total points score. The Council's pay structure is aligned to the scheme's points bandings and applies across the whole workforce (with the exception of Soulbury, Further Education Lecturers, Apprentices and centrally employed Teaching and Headteacher posts). Read about the Council's pay structure and pay progression [here](#). Read about information relating to the job evaluation scheme, including the elements assessed [here](#).

The Council has agreed to apply market rates to address recruitment and retention difficulties where these arise subject to strict criteria and approval through the Appointments and Conditions of Service Committee. Read about the Council Market Supplement Policy [here](#).

Performance related pay and bonuses, including lease cars, are not part of the remuneration package within the Council.

Chief Officers' Remuneration

The grade and salary range of the Managing Director, Executive Directors and statutory chief officers is set out below. *Senior Salaries shown reflect the 2020/21 salary rates and are subject to change following the 2021/22* and 2022/23 JNC pay agreement. *The JNC Chief Executive's pay award for 2021/22 has been agreed and applied to the Managing Director post.*

Job Title	Grade	Salary range 2020/21
Managing Director (<i>Head of Paid Service</i>)	21	£163,415- £178,568
Executive Directors: <ul style="list-style-type: none">• Adult Social Care & Health (<i>Statutory Chief Officer</i>)• Children's Services (<i>Statutory Chief Officer</i>)	20	£117,869- £129,655

<ul style="list-style-type: none"> • Place (<i>Non Statutory Chief Officer</i>) • Corporate Services & Transformation (<i>Non-Statutory Chief Officer</i>) 		
Director of Public Health (<i>Statutory Chief Officer</i>) Director of Finance & ICT (<i>Statutory Chief Officer</i>)* Director of Legal & Democratic Services (<i>Monitoring Officer</i>)	18	£92,402- £101,644

**The statutory S151 responsibility has moved to the Executive Director Corporate Services & Transformation on an interim basis.*

Read about chief officer salaries within the Council's open data and the Local Government Transparency Code data [here](#). Derbyshire salary scales including senior officer salaries are available [here](#).

Lowest Paid Employee

At 1 April 2022 pay point 1/2 on the Derbyshire Pay and Grading Structure in Grade 1/2 £18,327 (£9.50/hr), is the salary that is defined as the lowest within the Council. (The Council's pay structure is pending 2021/22 and 2022/23 pay award).

The Council employs apprentices who are not included within the definition of 'lowest paid employees' as they are employed on temporary contracts and paid the national minimum wage rate applicable for their age.

Pay Multiple

In accordance with the Hutton Review of Fair Pay in the Public Sector and the requirements of the Local Government Transparency Code 2015, based on the Council's pay structure, the pay multiple between the median salary (£21,999) and the highest salary (£163,415) is a ratio of 7.4:1. (The Council's pay structure is pending 2021/22* and 2022/23 pay award). (**The JNC Chief Executive's pay award has been agreed and applied to the Managing Director post*).

Starting Pay

All employees, including senior managers, 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 up duties within the job.

Pay Progression

Employees on Grades 1/2 to 4 are on single pay points. Employees on Grade 5 and above 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.

National Pay Agreement

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 increase, application will reflect the national agreement and read across to the Derbyshire Pay and Grading Structure. The statement will be updated once relevant pay agreements are finalised.

Terms and Conditions

All employees are covered by the Derbyshire Package terms and conditions of service. Read about the Derbyshire Package terms and conditions of service [here](#). Other conditions, such as disciplinary procedures and pay awards are negotiated by the National Joint Council for Local Government Services for employees up to Grade 16, the Joint Negotiating Committee for Chief Officers of Local Authorities for senior managers Grade 17 and above and the Joint Negotiating Committee for Local Authority Chief Executives for the Managing Director.

Protection of Earnings Policy

Read about the Council's policy on Protection of Earnings [here](#). This applies to all employees of the Council.

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

Termination of employment

No additional payments are made to any employee of the Council, including senior managers, at their point of leaving the employment of the Council,

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except in circumstances of redundancy and that is in accordance with the Council's published policy statements.

Local Government Pension Scheme

The Council is part of the Local Government Pension Scheme which provides pension benefits to eligible employees. Read about the Local Government Pension scheme [here](#).

The Council exercises the various discretions provided by the Local Government Pension Scheme. Read about the Derbyshire Pension Fund and Derbyshire County Council employer discretions [here](#).

Short Term Secondments

A temporary payment may be made for covering part of another job or taking on extra responsibilities. Read about the Secondment Policy [here](#).

Gender Pay Gap

In accordance with the Gender Pay Gap legislation which came into force on 31 March 2017, employers with at least 250 employees are required to publish their gender pay gap information by 31 March each year. Read about information relating to the Council's Gender Pay Gap [here](#). See information relating to Government Gender Pay Gap [here](#).

Senior Management Structure – Statutory and Non-Statutory Chief Officers and their direct reports

Managing Director (*Head of Paid Service*)

Executive Director Corporate Services & Transformation (*Non-Statutory Chief Officer*)

- Director of Legal & Democratic Services (*Monitoring Officer*)
 - Assistant Director of Legal Services x 2
 - Head of Democratic & Registration Services
- Director of Organisation Development & Policy
- Director of Corporate Property
- Director of Finance & ICT (*Statutory Chief Officer*)*
 - Assistant Director Finance x 2
 - Head of Pensions & Investments
 - Assistant Director ICT
 - Finance Manager x 2

**The statutory S151 responsibility has moved to the Executive Director Corporate Services & Transformation on an interim basis.*

Executive Director Adult Social Care & Health (*Statutory Chief Officer*)

- Director of Public Health (*Statutory Chief Officer*)
 - Deputy Director of Public Health (*temporary post*)
 - Assistant Director Public Health x 3
 - Public Health Lead (Public Health Policy)
- Director of Adult Social Care
- Director of Transformation

Executive Director Children's Services (*Statutory Chief Officer*)

- Service Director Early Help & Safeguarding
- Service Director Performance, Quality & Partnerships
- Service Director Schools & Learning
- Service Director Commissioning & Transformation

Executive Director Place (*Non-Statutory Chief Officer*)

- Highways Director
- Economy & Regeneration Director
- Environment & Transport Director

Senior Management Structure – Statutory & Non-Statutory Chief Officers and their direct reports

1 April 2022

