



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

COUNCIL

WEDNESDAY, 27 MARCH 2024

Report of the Managing Director

Pay Policy Statement 2024

1. Purpose

- 1.1 To approve the Pay Policy Statement (attached at Appendix 2) for publication on the Council's website on 1 April 2024.

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 employees 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 6.6:1.
- 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)
 - Non-Statutory Chief Officers (Executive Director of Place and Executive Director of Corporate Services & Transformation)

- Deputy Chief Officer – direct reports to the above.

A structure chart showing the Statutory and Non-Statutory Chief Officers and their direct reports is within the appendices of Appendix 2 Pay Policy Statement.

2.4 The Pay Policy Statement is reviewed and published annually on 1 April. A summary of the changes that have been applied to the Pay Policy Statement are outlined below:

2.4.1 About the Council (Appendix 2, Section 4)

The net budget required amount and the amount of savings planned have been amended to reflect the current financial position of the Council for 2024-2025.

The job title of the Director of Finance and ICT has been amended to Director of Finance within the Corporate Management Team composition.

2.4.2 Chief Officer Remuneration (Appendix 2, Section 6, Table 1)

The table has been updated to reflect the current senior management structure.

- Corporate Services & Transformation

The post of Director of Transformation & Strategy has been removed and the Director of People and Organisational Change now has the responsibility for Portfolio Management and Transformation and Strategy and Policy.

The post of Director of Finance and ICT has been adjusted to reflect changes within the CST senior leadership team structure. Two separate posts of Director of Finance and Director Digital are now included both at grade 18.

The job title of Head of Pension and Investments has been amended to Head of Pension Fund.

- Children's Services

The Commissioning and Transformation division was merged with Performance, Quality and Partnerships on a temporary basis to become Strategic Commissioning, Quality and Performance. The Director of Strategic Commissioning, Quality and Performance leads the new division and is known temporarily as Director of Strategic Commissioning, Quality and Performance.

- Adult Social Care and Health

The Public Health Lead (Public Health Policy) which reported directly to the Director of Public Health has been removed from the pay policy as the post now reports into a Group Manager.

2.4.4 Lowest Paid Employee (Appendix 2, Section 7)

Increase from £10.50/hr 2022/23 to £11.50/hr 2023/24 in Grade 1/2.

2.4.5 Pay Multiple (Appendix 2, Section 8)

Reduction in pay multiple ratio from 6.8:1 to 6.6:1 due to large percentage increase to lower grades from the 2023/24 pay award.

2.5 Any further amendments to the Pay Policy Statement, other than minor updates to reflect the 2023/24 pay agreement will require the approval of Full Council.

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 An alternative option could be to not publish an annual Pay Policy Statement however this would be in breach of Section 38 of the Localism Act 2011 meaning the Council would not be compliant with legislation, therefore this option is not recommended.

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

8. Recommendation(s)

That Council:

a) approves the Pay Policy Statement for the financial year commencing 1 April 2024 at Appendix 2 to this report and agrees that the Statement should be published on the Council's 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 There are no direct financial implications arising from this report. The annual revenue budget process provides for amendments to staffing budgets to reflect current levels of pay and any changes outside of this process are subject to separate decisions and consideration of the financial implications. The changes outlined in section 2 of the report relate to items that are either already reflected in 2024/25 revenue budgets, or proposals to review or implement changes in 2024/25 at which point those decisions will consider the financial implications.

Legal

- 2.1 Sections 38 to 43 of the Localism Act 2011 requires local authorities to prepare and publish annual pay policy statements that set out their policies on the pay of its workforce, particularly its senior staff (or ‘chief officers’) and its lowest paid employees. Pay policy statements must be prepared for each financial year and must be approved by Full Council. Not publishing an annual Pay Policy Statement would, therefore, be in breach of this legislative requirement.

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.

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.

Information Technology

- 4.1 None.

Equalities Impact

- 5.1 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.

- 5.2 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.

Corporate objectives and priorities for change

- 6.1 Maintaining policies that ensure fairness and equal pay across the organisation support the people priorities outlined in the Council's People Strategy in particular attracting and retaining the best people in the most effective way possible, promoting diversity and inclusion and enabling responsive workforce plans and the development of credible reward strategies.

Other (for example, Health and Safety, Environmental, Sustainability, Property and Asset Management, Risk Management and Safeguarding)

- 7.1 None.

Pay Policy Statement

April 2024



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Appendix 1: Senior Management Structure

Version	Date	Detail	Author
1	01/04/2024	Annual review	Helen Alden

1. Purpose

This pay policy statement outlines Derbyshire County Council's approach to the pay of its workforce including the pay of its senior officers.

2. Scope

This policy statement applies to all Council employees, excluding teachers and employees of local authority schools.



3. 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 2024/25 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 more about our [current organisational data and trade union information](#).

This Pay Policy Statement was approved by Council on 27 March 2024.

Full Council will approve the appointment of the Managing Director (Head of Paid Service) following the recommendation of such an appointment by a politically balanced panel in line with the requirements of the Council's Constitution.

A politically balanced panel will approve the appointment of Executive Directors and Directors. The appointment panel will be formed in line with the requirements of the Council's Constitution. Council will receive 'for information' reports as appropriate to note the appointment of Executive Directors.

Temporary appointments to Directors and Executive Directors of no more than 12 months at a grade whereby the annual salary does not total £100,000 or more or has been approved by Council will be approved by the Head of Paid Service in consultation with the Chair and Vice-Chair of the Appointments and Conditions of Service Committee.

Council will approve any salary packages for roles exceeding £100k per annum that have not already been approved by Council. The salary package offered for Chief Officer appointments are made in line with the Council's Senior Accountability Framework and pay and grading structure and are set out in the table below.

Any amendments to this policy, other than minor updates to reflect the 2024/25 pay agreement, will require the approval of the Council.

4. About the Council

For 2024-25 the Council has a net budget requirement of £714.8m and will use these funds to provide approximately 794,600 residents with essential local services. By 31 March 2029 the Council needs to save £66.6m due to inflation, including pay pressures, greater demands on many areas of the budget, particularly adults and children's social care.

As £40.1m savings are planned in 2024-25 it is important that services provide excellent value for money and make the best use of our resources.

The Council has approximately 11,981 appointments across four departments. The Managing Director (Head of Paid Service) and four Executive Directors, together with the Director of Finance, Director of Public Health and the Director of Legal and Democratic Services form the Council's Corporate Management Team leading the work that provides services across Derbyshire.

5. 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. Read more about information relating to the [job evaluation scheme](#). 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 more about the Council's [pay structure and pay progression](#).

The Council has agreed to apply recruitment and retention payments to address recruitment and retention difficulties where these arise subject to the appropriate approval including Market Supplement Payments. Read more about our [recruitment and retention payments policy](#).

Any pay supplements paid to Senior Officers are available within the Council's [senior management salaries data](#).

6. Chief Officers' remuneration

The grade and salary range of the Managing Director, Executive Directors and statutory chief officers, non-statutory chief officers and deputy chief officers is set out below. The table details the level and elements of remuneration for each chief officer and the remuneration that would be paid to chief officers on recruitment. *Senior Salaries shown reflect the 2023/24 salary rates and are subject to change following the 2024/25 NJC and JNC pay agreements.*

Table 1

Job Title	Grade	Salary range 2023/24
Managing Director (Head of Paid Service)	21	£171,127 - £186,810
Executive Directors: Adult Social Care & Health (Statutory Chief Officer) Children's Services (Statutory Chief Officer) Place (Non-Statutory Chief Officer) Corporate Services & Transformation (Non-Statutory Chief Officer)	20	£125,817 - £138,198
Director of Public Health (Statutory Chief Officer) Director of Finance (Statutory Chief Officer) Director of Legal & Democratic Services (Monitoring Officer) (Statutory Chief Officer) Director Digital (Deputy Chief Officer) Director of People and Organisational Change (Deputy Chief Officer) Director of Corporate Property (Deputy Chief Officer) Director of Adult Social Care (Deputy Chief Officer) Director of Early Help & Safeguarding (Deputy Chief Officer) Director of Schools & Learning (Deputy Chief Officer) Highways Director (Deputy Chief Officer) Environment & Transport Director (Deputy Chief Officer) Economy & Regeneration Director (Deputy Chief Officer)	18	£99,063 - £108,772

Director of Adult Social Care Transformation and Partnerships (Deputy Chief Officer) Director of Strategic Commissioning, Quality and Performance (Deputy Chief Officer)	17	£86,712 – £95,186
Assistant Director Public Health x 3 (Deputy Chief Officer) Assistant Director of Finance (Deputy Chief Officer) Assistant Director of Finance (Audit) (Deputy Chief Officer) Assistant Director of Legal Services x 2 (Deputy Chief Officer) Head of Pension Fund (Deputy Chief Officer)	16	£67,311 – £73,260
Finance Manager x 2 (Deputy Chief Officer) Head of Democratic & Registration Services	15	£59,559 – £65,327
Head of Performance, Governance & Improvement (Deputy Chief Officer) Department Service Relationship Manager (Deputy Chief Officer)	14	£51,869 – £57,639

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

7. Lowest paid employee

At 1 April 2024 pay point 1/2 on the Derbyshire Pay and Grading Structure in Grade 1/2 £22,183 (£11.50/hr), is the salary that is defined as the lowest within the Council. (The Council's pay structure is pending the 2024/25 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.

8. 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 (£26,871) and the highest salary (£176,200) is a ratio of 6.6:1. (The Council's pay structure is pending the 2024/25 pay award).

9. 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 at the discretion of the recruiting manager due to the candidate's current salary, experience or qualifications.

10. 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.

11. National pay agreement

Pay agreements 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.

The Derbyshire Pay 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.

Where national agreements include changes to Green Book terms and conditions, these will not be automatically applied to the Derbyshire Package terms and conditions. Should the Council wish to consider any proposed changes to Derbyshire Package terms and conditions relevant processes must be followed including consultation with the Joint Trade Unions as appropriate.

12. Terms and conditions

All employees are covered by the Derbyshire Package terms and conditions of service. Read more about the [Derbyshire Package terms and conditions of service](#).

13. Protection of earnings policy

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

14. Salary sacrifice schemes

The Council offers a range of salary sacrifice schemes. Read more about salary sacrifice schemes available in the [Derbyshire Package terms and conditions of service booklet](#).

15. Termination of employment

Payments made to employees including senior managers for circumstances of redundancy will be made in accordance with the Councils Redundancy, Redeployment, Protection of Earnings and Buy Out of Hour Policy. Read more about the [Redundancy, Redeployment, Protection of Earnings and Buy Out of Hour Policy](#).

In addition, the published Employer Discretions provides the Councils policies for Voluntary Early Retirement and Voluntary Redundancy, Read more about [Derbyshire County Council employer discretions](#). The Attendance Management and Ill Health Capability Procedure sets out the framework by which short-term, long-term and ill health capability is addressed. Read more about the [Attendance Management and Ill Health Capability Procedure](#).

16. Local Government pension scheme

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

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

17. Short term secondments

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

18. 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 more about information relating to the Council's [Gender Pay Gap](#). Read more about information relating to Government [Gender Pay Gap](#).

Appendix 1

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) (Statutory Chief Officer)
 - Assistant Director of Legal Services x 2
 - Head of Democratic & Registration Services
- Director of People & Organisational Change
- Director Digital
- Director of Corporate Property
- Director of Finance (Statutory Chief Officer)
 - Assistant Director Finance x 2
 - Head of Pension Fund
 - Finance Manager x 2

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

- Director of Public Health (Statutory Chief Officer)
 - Assistant Director of Public Health x3
- Director of Adult Social Care
- Director of Adult Social Care Transformation and Partnerships

Executive Director Children's Services (Statutory Chief Officer)

- Director of Early Help & Safeguarding
- Director of Strategic Commissioning, Quality and Performance
- Director of Schools & Learning

Executive Director Place (Non-Statutory Chief Officer)

- Highways Director
- Economy & Regeneration Director
- Environment & Transport Director
- Head of Performance, Governance & Improvement
- Department Service Relationship Manager

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

April 2024

