

# **PAY POLICY STATEMENT 2026**

## **POLICY STATEMENT**

The Council aims to have remuneration packages that ensure appropriate and fair pay and benefits for employees in a diverse range of roles and responsibilities. The data reported in this statement is for the financial year 2024/2025.

### **1. Introduction and purpose**

Under section 112 of the Local Government Act 1972, the Council has the power to appoint officers on such reasonable terms and conditions as the authority thinks fit.

This Pay Policy Statement sets out the Council's approach to pay policy in accordance with the requirements of Sections 38 of the Localism Act 2011. The purpose of the statement is to provide transparency with regard to the Council's approach to setting the pay of its employees by identifying:

- The methods by which salaries of all employees are determined
- The detail and level of remuneration of its most senior staff i.e. 'Chief Officers' and their deputies, as defined by the relevant legislation.

#### **1.1 Accountability and decision making**

In accordance with the constitution of the Council, the Full Council meeting is responsible for staffing matters. The Head of Paid Service has delegated responsibility for the appointment and dismissal of staff, their management and the setting of their individual terms and conditions. There are some restrictions set out in the constitution as to the scope of this delegation.

#### **1.2 Responsibility and scale**

The Council is directly responsible for a pay budget of £17 million and 484 employees. In addition, the Council has responsibility for 113 zero hours occasional workers, who work for the Council at certain times throughout the year. The Council provides services to a total population of 115,000 residents across the borough.

### **2.0 The Council's pay strategy**

In determining its grading structure and the setting of pay and remuneration levels for all posts, the Council will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations. With regard to the Equal Pay Requirements contained within the Equality Act, the Council ensures that all pay arrangements can be objectively justified through the use of Job Evaluation methods.

The Council take the following approach (or equivalent) to assessing individual and overall pay levels:

- **Defining the role** – the Council will ensure the role is described and the activities, responsibilities, accountabilities and behaviours which relate to each job and helps ensure that the role and its requirements is fully understood by the individual and the manager. This allows the Council to assess the performance of its staff and so improves efficiency and effectiveness.
- **Determining the job size** – this process ranks all the Council's jobs by using job evaluation techniques in order to ensure fairness and transparency and to allow for direct comparison between roles.
- **Determining overall pay levels** – this allows the Council to assess the right pay policy and pay levels based on a number of key factors, including ability to pay, national pay comparators, local and regional pay comparators, etc.
- **Determining pay structure** – pay is frequently made up of a number of elements. This Council has adopted an approach which includes... (basic pay, incremental progression related to service and performance and non-financial benefits). The Council uses NJC pay scales. Where different pay arrangements apply to different groups of staff the reasons are clearly evidenced and documented. The Council's approach to pay is detailed below and where different arrangements are in place these are explained.
- **Recruiting the right staff** – where necessary the Council may apply market supplements or other individual pay levels for specific roles in order to ensure that it can recruit the best staff. This approach will only be adopted where there is clear evidence of recruitment difficulty and any such payments will be reviewed in accordance with Council policy.

The Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who can meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required.

## 2.1 Pay design

The Council's pay policy is based on a combination of two of the nationally negotiated pay schemes which apply to local government employees. The NJC scheme determines the salaries of the majority of the workforce and the JNC scheme determines the salaries of the Chief Officers.

## **2.2 Pay Structure**

### **2.2.3 Pay grades and progression**

To encourage employees to develop in their role and to improve their performance the Council has arranged its pay levels within Grade A – SCP 2 and Grade K SCP 46. Grades range between £24,027 (SCP 2) and £55,918 (SCP 46) for 2024/25 pay levels. Progression through the pay grade is based on a combination of meeting identified performance goals and service. New employees will usually be appointed to the minimum pay level for the relevant grade.

Managers have the discretion to recommend an employee for acceleration of increments within the grade when they have demonstrated exceptional performance.

### **2.2.4 Fixed pay rates**

The Council also uses fixed pay rates or points. These are used for short-term appointments or where the required duties are in a limited range, can be closely defined and easily implemented so that there is limited scope to undertake additional responsibility or to develop expertise.

### **2.2.5 Pay supplements**

From time to time it may be necessary to pay special allowances or supplements to individual employees as part of their employment contract where specific circumstances require this and where it can be justified in accordance with Council policies. Such allowances are negotiated nationally or locally through collective bargaining arrangements and determined by Council policy. The Council uses the following:

**2.2.6 Market supplements** are sometimes required to attract and retain employees with particular experience, skills and capacity, for example when there are skills shortages locally or nationally.

**2.2.7 Honorarium payments** are used where an employee has taken on additional duties and responsibilities for a defined period of time, for example covering a vacancy or taking on a special project.

The Council will ensure that the requirement for additional allowance or supplement is objectively justified by reference to clear and transparent evidence and where market supplements are considered and this is with reference to data available from within and outside the local government sector.

## **3.0 Other employment related arrangements**

### **Local government pension scheme**

Subject to qualifying conditions, employees have a right to belong to the Local Government Pension Scheme. The employee contribution rates, which are defined by statute, currently range between 5.5 per cent and 7.5 per cent of pensionable pay

depending on full time equivalent salary levels. The Employer contribution rates are set by Actuaries advising the Warwickshire LGPS funds and reviewed on a triennial basis in order to ensure the scheme is appropriately funded. The current average rate is 18.4 per cent.

### **3.1 Benefits schemes**

The Council believes that it has a responsibility to help support the health, wellbeing and welfare of its employees to ensure that they are able to perform at their best. As part of this approach, and in common with other large employers it provides or makes arrangements for many health, fitness and wellbeing benefits and discount schemes which support the local economy. Details of the Council's main benefits include:

- LGPS pension scheme
- Generous annual leave
- Agile working
- Learning & Development opportunities
- Support with health and wellbeing
- Access to sport and leisure

### **Employment arrangements**

Due to the nature and responsibilities of their role senior managers are normally employed on full time permanent employment contracts. The Council's policy and procedures with regard to recruitment of Chief Officers is set out within the Officer Employment Standing Orders as set out in in Part 3H of the Constitution.

When recruiting to all posts the Council will take full and proper account of its own Equal Opportunities, Recruitment and Redeployment Policies. The determination of the remuneration to be offered to any newly appointed Chief Officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment.

Where the Council is unable to recruit to a post at the designated grade, it will consider the use of temporary market forces supplements in accordance with its relevant policies.

In exceptional circumstances, where the Council remains unable to recruit to a Chief Officer or senior manager post or where there is a need for interim support to provide cover for a vacant post, the Council may consider engaging an individual through a 'contracts for service'. Such arrangements can be advantageous because they can reduce employment costs and are flexible because they can be used for short periods of time without the need to pay termination payments. Where these arrangements are used the Council will use relevant procurement processes to ensure that it can demonstrate value for money. Such arrangements will be kept under regular review by the Cabinet.

## 4.1 Pay arrangements

### Definition of Chief Officers and their deputies

For the purposes of this statement, senior management means 'Chief Officers' as defined within S43 of the Localism Act 2011. These currently include:

Chief Executive  
Deputy Chief Executive  
Chief Officers (Leadership Team)  
Service Managers who report directly to the Chief Executive, Deputy Chief Executive or Chief Officer.

Role	Salary Scale	Contract
Chief Executive	£110,251 - £116,616	Permanent Full Time
Deputy Chief Executive	£90,555 - £97,193	Permanent Full Time
Chief Officers	£61,265 - £72,033	Permanent Full Time
Service Managers	£46,731 - £55,918	Permanent Full Time

The Council does not apply any bonuses or performance related pay to its Chief Officers.

## 5.0 Policy on Remuneration of Chief Officers

### 5.1 Levels of Pay for Each Chief Officer

Chief Executive Officer, Deputy Chief Executive and Chief Officers (Leadership Team) are paid on a salary, which is considered a market rate within the local government sector.

The Chief Executive Officer and Deputy Chief Executive Officer are paid on a salary scale with three incremental levels. The Chief Officers (Leadership Team) salary scale has five incremental levels. External salary benchmarking undertaken in July 2023 confirms this approach fits with the salaries aim above.

The current levels of pay for Chief Executive, Deputy Chief Executive, Chief Officers, Monitoring Officer, Deputy Monitoring Officer, S151 Officer and Deputy S151 Officer are set out in Appendix 1.

### 5.2 Value for Money

Value for Money, to the whole of the public sector, is considered when setting Chief Officers' pay. The Council generally seek to match salaries at the lower quartile pay benchmark level or, where there are recruitment and retention difficulties, at the median level. There are currently no arrangements in place, for Chief Officers, which could be perceived as seeking to minimise tax payments.

### **5.3 Elements of Remuneration for Each Chief Officer**

In addition to basic salary, set out in Appendix 1, are details of other elements of 'additional pay' which are chargeable to UK Income Tax and do not solely constitute reimbursement of expenses incurred in the fulfillment of duties.

There are currently no Chief Officers in receipt of an Essential Car User allowance. This policy is for those employees that meet the business mileage requirements as set out in our Fair and Equal Payments Policy (section 4).

A supplement is paid on basic pay to remunerate the additional responsibilities of the Section 151 Officer, Monitoring Officer and their deputies. The supplement for the deputies is 50% of the supplement for the Section 151 Officer and the Monitoring Officer.

The Chief Executive, who is the Council's Returning Officer, receives an Election Allowance. This allowance is set by central government. It varies each year depending on the number and type of elections in the year. In previous years, this allowance has been partly shared with the Deputy Returning Officer.

For an exceptional piece of work or an exceptional achievement, a Chief Officer may be awarded an honorarium. An honorarium is either a one-off payment or can be a monthly allowance for a temporary period.

### **5.4 Pay Levels on Recruitment**

The pay level offered on recruitment is typically the bottom point of the salary grade. In situations, however, where the individual recruited has a high level of knowledge or skills, and/or previous relevant experience, a higher salary, up to the maximum salary for that post, may be authorised, by the recruitment appointment panel, who would be advised by Human Resources. For internal appointments, the new Chief Officer is appointed at the bottom of the new salary grade with a minimum of one increment increase on their previous salary.

From time to time, it may be necessary to take account of the external pay market to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within the wider public sector and the local government sector.

Where the Council is unable to recruit a post at the designated grade, it will consider increasing the salary scale to be closer to the 'market rate' for the job. For such posts, we may authorise a market forces supplement. Such supplements are reviewed, at least on a three-yearly basis.

Where the Council remains unable to recruit Chief Officers under a contract of service, or there is a need for interim support to provide cover for a vacant substantive Chief Officer post, the Council will, where necessary, consider and

engage individuals under ‘contracts for service’ (for example a consultancy contract or a contract with a sole trader/freelancer). 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.

## 5.5 Increases to Pay

Any cost-of-living increases agreed through the Joint National Council (JNC) or the National Joint Council for Local Government Services (NJC) are applied to Chief Officers pay, depending on whether the employee is covered by JNC or NJC conditions of service. This is typically on 1<sup>st</sup> April each year but is subject to pay offer negotiations and acceptance of the pay offer by recognised Trade Unions. Chief Officers will receive an incremental increase to their pay as follows:

- Chief Officers appointed between 1<sup>st</sup> October and 31<sup>st</sup> March will receive an increment after six months service.
- Chief Officers appointed between 1<sup>st</sup> April and 30<sup>th</sup> September will receive an increment on the following 1<sup>st</sup> April.

Thereafter, all Chief Officers will receive increments annually on 1<sup>st</sup> April until they reach the top of their grade.

All increments are subject to satisfactory performance and will be withheld if the Chief Officer has a live formal written warning for absence, conduct or performance issues.

Where a Chief Officer has given exceptional performance then they may be awarded additional increments in line with our policy on Accelerated Increments. This is subject to their pay not exceeding the maximum salary for their post.

As mentioned above, Chief Officers’ pay, for Chief Officers (Leadership Team) and above, will be measured against the market on, at least, a three yearly basis to ensure we maintain consistency with our peer local authorities. Where there are significant changes in market rates then a pay benchmarking assessment will be carried out for Chief Officers. Pay levels were benchmarked at the following times:

Posts	Date of Benchmarking Review
Chief Executive Officer	July 2023
Deputy Chief Executive Officer	July 2023
Chief Officer (Leadership Team)	July 2023
Section 151 Officer and Monitoring Officer allowances	July 2023

Where a Chief Officer is, for more than three months, temporarily working in a higher level role, then they receive the higher salary relevant to that role. Shorter periods of ‘acting up’ may be remunerated by an honorarium or the officer receives the higher salary of the new role for the specified period.

Exceptional performance of Chief Officers is recognised by either accelerated increments or an honorarium, as detailed previously. Poor performance may result in an increment being withheld.

## **5.6 Termination Payments**

In the case of redundancy, a redundancy payment would be made to a Chief Officer in line with our Organisational Change Policy.

In the case of termination due to ill-health, then there would be no termination payment, but a higher pension benefit may be approved by the pension scheme. The pension benefit may include a lump sum in addition to an on-going pension payment.

Any contractual payments such as outstanding annual leave are usually included in payments on termination of employment. Similarly, any monies owing to the Council would be deducted from payments made on termination.

The Council's approach to [statutory and] discretionary payments on termination of employment of Chief Officers, prior to reaching normal retirement age, is set out within its policy statement 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.

The Council may choose to make a payment under a Settlement Agreement to protect against compensation claims that could be expensive or bring the Council into disrepute. These are not frequently used and will always be less than two years' salary.

Following the Statutory Guidance on the making and disclosure of Special Severance Payments by local authorities in England, where there is a proposal that a settlement agreement is to be approved as follows:

- Payments of £100,000 or more will be referred to Full Council for determination.
- Payments of £20,000 and above, but below £100,000, will be personally approved and signed off by the Head of Paid Service, with a clear record of their consultation with the Leader indicating their approval and that of any others who have signed off the payment.
- Payments up to £20,000 will be approved by the relevant member of the Leadership team, with a clear record of their consultation with the Chief Officer for Finance and Performance and the Chief Officer Legal and Governance indicating their approval and that of any others who have signed off the payment.

In the event that the proposed payment is to the Chief Executive but is less than £100,000 it will be personally approved and signed off by the Chief Officer Legal and Governance under their delegation to settle legal proceedings, with a clear record of their consultation with the Leader, all other group Leaders and the Chief Officer for

Finance and Performance indicating their approval and that of any others who have signed off the payment. Where the Council has appointed Independent Persons under the Officer Employment Standing Orders they shall also be consulted.

Where a Section 151 Officer or Monitoring Officer or their deputies cease carrying out these statutory roles, or a supplement is no longer considered appropriate at that level of role, then the supplements paid will be ended by giving three months' notice. Consideration will be given to waive this notice period at the request of the individual.

## **6.0 Policy on Remuneration of our Lowest Paid Employees**

### **6.1 Definition of Lowest Paid Employees**

The lowest paid persons employed under a contract of employment with the Council could potentially be on a full time [37 hours] equivalent salary at the bottom of our Grade A, which currently is £24,027 per annum. A pay review will be due from 1 April 2026. For information, the National Living Wage increased in April 2025 to £12.21 and is due to rise to £12.71 (4.1% increase) in April 2026.

While we may employ apprentices on a lower wage, they are on a training agreement with the Council, rather than a full employment contract. We also enter into work contracts with zero-hours occasional workers who will be paid at the Grade A salary quoted above. Apprentices and zero-hours occasional workers have been excluded from our pay data.

Our lowest paid employees' salary is determined by the grade for their post, which is underpinned by a job evaluation scheme, rather than being paid a market rate for their job. Market supplements are given to some posts where there are recruitment and retention difficulties. Currently none of our lowest paid employees receive a market supplement on their salary.

Those apprentices aged under 23 years, are paid at the relevant National Minimum Wage level.

In other aspects, there is equity of remuneration policy across all our employees. The same policies set out above apply to our lowest paid employees.

There are some differences for zero hours occasional workers, but these differences are due to their different contractual working relationship and not due to the difference in seniority of role.

## **7.0 Relationship between Remuneration of our Chief Officers and Other Employees**

As describe above the Council uses an established process of defining roles, Determining job size and salary levels. This process determines the relationship between the rate of pay for the lowest paid and senior manager post, including Chief Officers, described as the pay multiple.

The statutory guidance under the Localism Act 2011 recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton 'Review of Fair Pay in the Public Sector' (2011). The Hutton report was commissioned by the Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organisation. The report concluded that the relationship to median earnings was a more relevant measure and the Government's Code of Recommended Practice on Data Transparency recommends the publication of the ratio between highest paid salary and the median average salary of the whole of the authority's workforce.

Our current pay level multiples are as follows, using full time equivalent salaries for all posts:

Pay Level Multiple	As at March 2025	Policy for 2026 to maintain Chief Officers' pay within the following multiples
The lowest paid employee and the highest paid Chief Officer	1:5	1:7
The lowest paid employee and average (median) Chief Officer	1:3	1:4
The lowest paid employee and average (mean) Chief Officer	1:3	1:4
The average (median) pay for all employees and the highest paid Chief Officer	1:4	1:5

### Publication of Pay Statement and Access to Information

This policy including appendices will be available on our web site [www.rugby.gov.uk](http://www.rugby.gov.uk).

In addition, 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

## 7. Related Documents

Retirement Policy  
Organisational Change Policy  
Recruitment Policy  
Honoraria Policy  
Capability Procedure  
Disciplinary Procedure  
Absence Management Policy  
NJC Job Evaluation Scheme Outline  
Fair and Equal Payments Policy

Date last revised:	December 2025
Date of next review:	December 2026

## LEVEL AND ELEMENTS OF REMUNERATION FOR CHIEF OFFICERS

### Basic Pay

	Pay as at November 2024 (per annum)
Chief Executive Officer	£110,251 - £116,616
Deputy Chief Executive Officer	£90,555 - £97,193
Chief Officer (Leadership Team)	£61,265 - £72,033
Section 151 Officer and Monitoring Officer	Supplement of £5,832.84
Deputy Section 151 Officer and Deputy Monitoring Officer	Supplement of £2,917.08

### Essential Car User Allowance

Band	Mileage Bandings	Top Mileage	RAC/AA Mileage Rate (ppm)	Allowance (£)
1	500 - 1000	1000	0.61	610
2	1000 - 1500	1500	0.61	915
3	1500 - 2000	2000	0.61	1,220
4	2000 - 3000	3000	0.61	1,830
5	3000 and above (Typically up to 4000)	4000	0.61	2,440

### Election Allowance Paid in 2024-25

Post:	Allowance
Chief Officer Legal & Governance (Returning Officer)	£5,680.00
Legal & Governance Manager and Deputy Monitoring Officer (Deputy Returning Officer)	£510.00

**Honorarium Payments:** None