Appendix 1

# THURROCK COUNCIL PAY POLICY STATEMENT 2023/24 Revised November 2023



# **VERSION CONTROL SHEET**

Title:	Pay Policy Statement 2023/24					
Purpose:	To advise on the Council's pay policy including requirements under Section 38 of the Localism Act 2011.					
Owner:	Human Resources & Organisational Development					
Approved by	Council					
Date:	November 2023					
Version:	0.2.2					
Review frequency:	Annually – in accordance with Section 38 of the Localism Act 2011					
Next review date:	January 2024					

# Thurrock Council Pay Policy Statement 2023/24

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#### 1. Introduction

- 1.1 This Statement complies with Section 38 of the Localism Act 2011, which requires local authorities to produce a pay policy statement for each financial year in order to improve transparency and accountability within Local Government.
- 1.2 It may be adapted and/or updated by agreement at a full Council meeting.
- 1.3 Thurrock Council reserves the right to review, revise, amend or replace the content of this Statement from time to time to reflect service delivery needs and to comply with new legislation.

#### 2. Scope

- 2.1 This Statement is applicable to both Council and school-based employees covered by the Council's Collective Agreement, and to senior officers. Youth workers, those on Soulbury contracts of employment and employees covered by TUPE are also included but their pay is determined by separate processes. This Statement does not apply to teachers, who are employed under separate terms and conditions.
- 2.2 For the purposes of this Statement, Thurrock's senior officers are the chief executive, corporate directors, directors and assistant directors.

#### 3. Determination of pay grades and salary levels

#### Senior officers

- 3.1 The chief executive's and other senior officers' remuneration was determined in 2009. It was based on the median pay point of a market salary and reflected remuneration levels for comparable jobs in unitary authorities and London boroughs.
- 3.2 The 11 senior pay bands are shown in Appendix 1. Assistant directors are paid on the AD bands, ranging from points 1 to 15; directors and corporate directors are placed on a DIR pay band points 16 to 30 while the chief executive is on the CEX pay band: points 31 to 33.
- 3.3 Since 2010 annual, independent pay reviews have been conducted to reassess the salary levels that these pay bands should attract. These assessments take account of:

- (a) **The type and size of Thurrock Council**: Thurrock is a medium sized, unitary council with a significant degree of complexity due to its location, its changing demographics, its regeneration agenda and its complex external relations.
- (b) **The geographical location of Thurrock Council**: Located on the eastern boundaries of London and within easy commuting distance of London, the Council is competing in the same labour market as many London boroughs as well as Essex County Council and other unitary local authorities.
- (c) The market for senior posts in Local Government: In recent years many posts have become more demanding as a result of changes in legislation and public demand. This has led to a position whereby significant differences now exist regarding the remuneration attached to certain posts.
- (d) **Affordability**: Producing an affordable pay structure for senior managers is a principal aim of this policy.
- (e) **Transparency and clarity**: Thurrock Council is committed to establishing a pay structure which is clear, rational and able to withstand challenge.

#### Employees who are not senior officers

- 3.4 Employees other than senior officers are subject to the pay levels set out in the Council's Human Resources Framework Collective Bargaining Agreement which contains a single 'Thurrock Living Wage' grade for the lowest paid employees (excluding apprentices), plus 9 pay grades. Posts have been allocated to a pay band through a process of job evaluation, using the GLPC job evaluation scheme.
- 3.5 All new or revised posts must be evaluated. This is done by trained evaluators in-house, as is common in other local authorities, using the GLPC job evaluation scheme. The results of any such evaluation are subject to moderation by the Council's Trade Union Board, which comprises of officers and trade union representatives.
- 3.6 As agreed with General Services Committee in October 2018, the pay structure has bands of 6 points, meaning staff can progress through in 5 years, in line with the Equalities and Human Rights Commission guidance on having no more than 5 increments (6 points within each Band). The pay structure in Appendix 1 reflects the final year of this transition.

#### 4. Pay Progression

#### Senior officers

- 4.1 Senior officer pay bands contain three pay levels:
  - i. A lower point for a post-holder with sufficient competence or experience but with some development needs. This is expected to apply to some appointments at the time of recruitment.
  - ii. A median point for a fully competent and appropriately experienced/qualified post-holder. This is expected to apply to most appointments.
  - iii. An upper point for an exceptional post-holder. The difference between the median point and upper point will only be paid as an additional non-consolidated payment for 'exceptional' performance. Few post-holders will be rewarded at this level, which is based on the 75<sup>th</sup> percentile of the market data.
- 4.2 The award of an annual increase to points (ii) or (iii) above is subject to satisfactory job performance.

#### Employees who are not senior officers

- 4.3 New starters are paid in accordance with Section 15.5 of the council's recruitment policy which states; 'normally the pay point will be the minimum point of the band. Exceptions to this rule may be considered where the minimum point is below the candidate's current salary.'
- 4.4 Employees will receive an increase of one incremental point each year, effective from 1<sup>st</sup> April, providing they (i) have performed their role entirely satisfactorily; (ii) have 6 months' service before 1<sup>st</sup> April; (iii) are not already at the top point of their pay band. Performance objectives will be linked to service delivery plans and priorities.
- 4.5 Employees who are protected under TUPE arrangements will be paid according to their contract of employment.

#### 5. Cost of living pay increases

#### **Senior Officers**

- 5.1 The annual independent market assessment conducted in December 2022 recommended a 4% pay increase for senior officers in 2023/24. This was reviewed and endorsed by General Services Committee.
- 5.2 General Services Committee also agreed a review of senior officer pay, including arrangements for annual pay awards.

#### Employees who are not senior officers

- 5.3 Under the Human Resources Framework Collective Bargaining Agreement 2019, the Council agreed to remove the historical link to National Joint Council for Local Government (NJC) pay increases and for the pay increases to be determined via "a locally agreed decision with reference to the National Negotiating committee (NJC) recommendations, an independent pay review (commissioned annually by the Council), budget availability and the UK Living Wage". This applies to all employees covered by Thurrock bands A to I.
- 5.4 The annual independent assessment conducted in December 2022 recommended a pay increase of 4% for bands A to I for 2023/24.
- 5.5 Thurrock Council is not part of the national negotiation process however as part of the local Collective Agreement between Thurrock Council and the Trade Unions we have a 'no detriment' clause which guarantees pay equity over the five-year term of the agreement. Additionally, our lowest pay point should not be below the lowest pay point on the NJC.
- 5.6 In 1 November 2023 the unions agreed to accept the NJC employers revised pay offer which increased each pay point by £1925.00 or 3.88% if higher.
- 5.6 In order to ensure Thurrock Council staff do not suffer a detriment the Pay Policy and pay scales were revised to incorporate the NJC award and increase Thurrock Living Wage (TLW) to match the lowest pay point on the NJC scale at £11.59 per hour.

#### 6. Lowest paid employees

- 6.1 For the purposes of this Statement, employees on the lowest grade of the Council's pay structure are classed as the lowest paid employees. The only employees paid at a lower rate than the Thurrock Living Wage are apprentices (see paragraph 7).
- 6.2 The Thurrock Living Wage pay point and scale point one are the Council's minimum pay point with hourly pay set to £11.59 from the 1<sup>st</sup> April 2023.

#### 7. Apprentices

7.1 The starting pay for Council apprentices is the national minimum wage or national living wage according to their age at the point of recruitment. The lowest pay rate for apprentices aged 16 - 17 years old will be £5.28 from 1 April 2023. The full range of NLW rates for 2023/24 are set out at Appendix 2.

#### 8. Pay Multiple

8.1 Calculations were made using 2023/24 pay scales which show the pay ratios between the chief executive's salary and the average salary of the workforce on grades A-I are as follows:

Chief Executive: mean salary of the workforce = 1:5.2

Chief Executive: median salary of the workforce = 1:5.6

8.2 These ratios were calculated from the median chief executive salary level of £193,500; the mean salary of all staff other than the chief executive of £37,258 and the median salary of all staff other than the chief executive of £34,631.

#### 9. Acting up payments

- 9.1 For acting up or additional duties arrangements, an individual will be paid at the lowest point of the band being acted into, or one pay point higher than their substantive pay point if pay bands overlap.
- 9.2 Management do however have the discretion to award an acting up or additional duties allowance up to a maximum of 3 additional points from the employee's substantive pay point. The rationale for payment is subject to approval by the Councils Trade Union Board and evidence should be clearly documented on the employee's personal file.
- 9.3 Secondments are subject to the same pay allowances as stated above, however managers can make secondment arrangements according to the needs of their service are these are not subject to approval. Further details can be found in the Secondment policy.

#### 10. Other payments

- 10.1 The Council has an employee relocation package, available to all new employees, subject to eligibility criteria.
- 10.2 The Council does not operate a bonus scheme for any employees, nor does it offer any other informal benefits to its senior officers
- 10.3 On occasions, for posts below senior officer level, temporary market supplements may be paid where difficult market conditions lead to recruitment and retention problems. Such supplements must be agreed by the Council's Trade Union Board.

#### **11.** Contractors and consultants

11.1 Should the Council engage the services of an individual at senior officer level under a contract for services (i.e. not on the Council's payroll), the level of remuneration paid to the contractor, consultant or agency

employing them will not exceed the equivalent salary points outlined in Appendix 3.

11.2 In exceptional circumstances, and with the express approval of the Chief Executive, a contractor or consultant at senior officer level may be engaged at a pay rate outside of the equivalent salary point in Appendix 3.

#### **12.** Appointment of senior officers

- 12.1 The appointment of senior officers will be conducted in accordance with the Employment Procedure Rules as defined by the Council's Constitution.
- 12.2 The appointment of individuals, including those receiving salaries in excess of £100k, is in accordance with the pay structure and the principles outlined in this policy.

#### 13. Payment on termination, and re-engagement of officers

- 13.1 In the event of redundancy or the early retirement of any employee, the Council will pay its standard severance payments within the discretions of the Local Government Pension Regulations.
- 13.2 In exceptional circumstances and where it represents best value for the Council, additional payments may be made to comply with the terms of a settlement agreement. These will be subject to the delegated powers and processes outlined in the Council's Constitution.
- 13.3 The Council will not normally re-engage, either in a contract of employment or a contract for services, any officer who has previously been paid a discretionary payment (via a settlement agreement or retirement package) on leaving the Council's employment. Only in exceptional circumstances, and with the agreement of the Chief Executive and the General Services Committee, will such an arrangement be sanctioned.

#### 14. Mandatory Gender Pay Reporting

14.1 As of April 2017, all organisations with more than 250 employees must produce data on the gender pay gaps of their employees. The deadline for the Council to report this date is 30 March each year.

#### 15. Transparency code

15.1 In accordance with Government guidelines<sup>1</sup>, the council publishes details of senior managers' pay on its website.<sup>2</sup>

#### **16.** Publication of information

16.1 This Statement will be published on the Council's website. Any in-year changes to this Statement will be published in the same way following Council approval.

#### 17. Appendices

- **1.** Pay Scales 2023/2024
- 2. National Living Wage Rates 2023/24
- 3. Senior Manager Pay Scales 2023/24

<sup>&</sup>lt;sup>1</sup> 'Local Government Transparency Code 2014' published by DCLG: <u>Transparency Code</u> <sup>2</sup> <u>https://www.thurrock.gov.uk/what-we-publish/local-government-transparency-code</u>

Appendix	:1:	Pay	Scales	2023/2024
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Grade	Pay Point	2023/24 rat	-	2023/24	
	54		£42.65		£82,275
	53		£41.43		£79,935
	52		£40.25		£77,661
I	51	2023/24 rate           2020/201           20	£39.10		£75,441
	50		£42.65         Image: state		£73,287
	49		£36.90		£71,193
	48	£35.85		£69,165	
	47	£34.83	$\pounds 42.65$ $\pounds 41.43$ $\pounds 40.25$ $1$ $\pounds 39.10$ $1$ $\pounds 37.99$ $1$ $\pounds 37.99$ $1$ $\pounds 36.90$ $1$ $5.85$ $\pounds 69,16$ $4.83$ $\pounds 65,28$ $2.88$ $\pounds 63,43$ $1.96$ $\pounds 61,65$ $1.06$ $\pounds 59,92$ $\pounds 30.20$ $\pounds 29.34$ $\pounds 22.9.34$ $1$ $\pounds 22.6.18$ $1$ $\pounds 22.6.18$ $1$ $\pounds 24.6.52$ $1$ $\pounds 44,10$ $\pounds 44,238$ $2.86$ $\pounds 44,10$ $2.24$ $\pounds 44,291$ $\pounds 21.08$ $1$ $\pounds 21.08$ $1$ $\pounds 21.08$ $1$ $\pounds 19.97$ $1$ $\pounds 18.93$ $1$ $\pounds 18.93$ $1$ $\pounds 14.97$ $1$	£67,191	
	46	£33.84		£65,286	
Н	45	£32.88		£63,435	
	44	£31.96		33	
	43	£31.06		£59,925	
	42		£30.20		£58,266
H G F D C	41				£56,607
0	40		£28.51		£55,005
G F E D	39				£53,463
	38		£26.95		£51,990
	37				£50,511
	36	£25.47		£49,133	
	35	£24.79		£47,831	
	34				
	33				
	32				
	31				
	30		£21.66		£41,792
E	29				£40,667
	28				£39,602
	27				£38,537
	26		£39.10          £37.99          £36.90          33       £669,165         33       £67,191         34       £65,286         38       £63,435         36       £61,653         36       £61,653         36       £61,653         36       £29,34         £29,34          £22,34          £26,95          £26,95          £26,18          47       £449,133         79       £447,831         12       £446,529         14       £445,284         36       £44,102         24       £442,917         £21.08          £21.08          £21.08          £19.97          £19.97          £19.97          £19.97          £19.97          £19.97          £19.97          £19.97          £19.97          £19.97	£37,529	
	25				£36,524
	24	£18.44		£35.579	
H G F D C	23				
	22				
	21				
	20				
	19				
	18		£15.77		£30,428
H G F D C B	17				£29,660
	16				£28,889
С	15				£28,178
Ū.	14				£27,470
	13				£27,053
	13	£13.78	211.02	£26 579	221,000
	11				
	10				
В	9				
	8				
	7				
A	6	~12.01	£12.45	227,470	£24,029
	5				£23,612
	4				£23,012 £23,195
	3				£23,195 £22,841
	2				£22,641 £22,484
A	 TLW / 1				£22,484 £22,360

### Appendix 2: National Living Wage Rates 2023/24

	Age 23 and over	Age 21 to 22	Age 18 to 20	Age under 18	Apprentice Rate
Rates from April 2023	£10.42	£10.18	£7.49	£5.28	£5.28

# Appendix 3 - Senior Manager Pay Scales 2023/24

		50/50% Lower Base Pay		50/50% Median Base Pay		50/50% Higher Base Pay
	SCP	Annual Pay £	SCP	Annual Pay £	SCP	Annual Pay £
CEO	31	176,500	32	193,500	33	207,000
DIR5	28	137,500	29	150,500	30	160,000
DIR4	25	128,000	26	142,500	27	150,000
DIR3	22	119,000	23	133,000	24	136,000
DIR2	19	106,500	20	117,000	21	122,500
DIR1	16	100,000	17	111,500	18	114,000
AD5	13	96,000	14	106,500	15	111,000
AD4	10	94,000	11	103,000	12	106,500
AD3	7	88,500	8	99,000	9	102,000
AD2	4	83,000	5	91,500	6	96,000
AD 1	1	78,500	2	83,000	3	91,000