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**Nottingham
City Council**

Nottingham City Council Appointments and Conditions of Service Committee

Date: Tuesday, 6 February 2024

Time: 2.00 pm

Place: Ground Floor Committee Room - Loxley House, Station Street, Nottingham,
NG2 3NG

Councillors are requested to attend the above meeting to transact the following business

Director for Legal and Governance

Governance Officer: Jane Garrard

Direct Dial: 0115 8764315

- 1 Apologies for Absence**
- 2 Declarations of Interests**
- 3 Minutes** 3 - 4
To confirm the minutes of the meeting held on 3 October 2023
- 4 Pay Policy Statement 2024/25** 5 - 30
Report of the Director of HR and Equality, Diversity and Inclusion
- 5 Exclusion of the Public**
To consider excluding the public from the meeting during consideration of the remaining item in accordance with Section 100A(4) of the Local Government Act 1972, under Schedule 12A, Part 1, Paragraphs 2 and 4 on the basis that, having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
- 6 Exempt Minutes** 31 - 32
To confirm the exempt minutes of the meeting held on 3 October 2023

If you need any advice on declaring an interest in any item on the agenda, please contact the Governance Officer shown above, if possible before the day of the meeting

Citizens attending meetings are asked to arrive at least 15 minutes before the start of the meeting to be issued with visitor badges

Citizens are advised that this meeting may be recorded by members of the public. Any recording or reporting on this meeting should take place in accordance with the Council's policy on recording and reporting on public meetings, which is available at www.nottinghamcity.gov.uk. Individuals intending to record the meeting are asked to notify the Governance Officer shown above in advance.

Nottingham City Council

Appointments and Conditions of Service Committee

Minutes of the meeting held at Loxley House, Nottingham on 3 October 2023
from 2.01 pm - 3.11 pm

Membership

Present

Councillor Neghat Khan (Chair)
Councillor Devontay Okure (Vice Chair)
Councillor Kevin Clarke
Councillor Angela Kandola
Councillor David Mellen
Councillor Sajid Mohammed
Councillor Sarita-Marie Rehman-Wall
Councillor Audra Wynter

Absent

Colleagues, partners and others in attendance:

Daljit Singh Nijran - Organisational HR Manager
Colin Parr - Corporate Director for Community, Environment and Residents Services
Phil Wye - Governance Officer

1 Appointment of Vice Chair

The Chair of the Committee agreed that this item, although not on the agenda, could be considered as a matter of urgency in accordance with Section 100B(4)(b) of the Local Government Act 1972, on the basis that it supports effective operation of the committee.

Resolved to appoint Councillor Devontay Okure as Vice-Chair of this Committee for this municipal year.

2 Apologies for Absence

None.

3 Declarations of Interests

None.

4 Minutes

The Committee confirmed the minutes of the meeting held on 4 April 2023 as a correct record and they were signed by the Chair.

5 Dates of future meetings

The Chair of the Committee agreed that this item, although not on the agenda, could be considered as a matter of urgency in accordance with Section 100B(4)(b) of the Local Government Act 1972, on the basis that it supports effective operation of the committee.

Resolved to meet on the following dates at 2pm:

7 November 2023

5 December 2023

2 January 2024

6 February 2024

5 March 2024

2 April 2024

6 Exclusion of the public

The Committee decided to exclude the public from the meeting during consideration of this/ the remaining agenda item(s) in accordance with Section 100A(4) of the Local Government Act 1972 on the basis that, having regard to all the circumstances, the public interest in maintaining the exemption outweighed the public interest in disclosing the information, as defined in Paragraph(s) 2 and 4 of Part 1 of Schedule 12A to the Act.

7 Revised Senior Officer Structure within the Communities, Environment and Resident Services Directorate

Colin Parr, Corporate Director for Communities, Environment and Resident Services, presented the exempt report.

Resolved to approve the recommendations as set out in the exempt report

Appointment and Conditions of Service Committee – 6 February 2024

Title of paper:	Pay Policy Statement 2024/25	
Director(s)/ Corporate Director(s):	Lee Mann, Strategic Director of HR and EDI Ross Brown, Corporate Director of Finance and Resources	Wards affected: All
Report author(s) and contact details:	Sheena Yadav-Staples, HR Consultant sheena.yadav-staples@nottinghamcity.gov.uk	
Other colleagues who have provided input:	Deepa Venkatesan, HR Consultant, Management Information Daljit Nijran, Organisational HR Manager Alexa McFadyen, Solicitor Alfred Ansong – Strategic Finance Business Partner	
Date of consultation with Portfolio Holder(s)	23 January 2024	
Does this report contain any information that is exempt from publication? No		
Relevant Council Plan Outcome:		
Green, Clean and Connected Communities	<input type="checkbox"/>	
Keeping Nottingham Working	<input type="checkbox"/>	
Carbon Neutral by 2028	<input type="checkbox"/>	
Safer Nottingham	<input type="checkbox"/>	
Child-Friendly Nottingham	<input type="checkbox"/>	
Living Well in our Communities	<input type="checkbox"/>	
Keeping Nottingham Moving	<input type="checkbox"/>	
Improve the City Centre	<input type="checkbox"/>	
Better Housing	<input type="checkbox"/>	
Serving People Well	<input checked="" type="checkbox"/>	
Summary of issues (including benefits to citizens/service users):		
This report introduces the Council’s Pay Policy Statement for 2024/25 as required by the Localism Act. The Statement sets out information on pay and conditions for Chief Officers in comparison to the bulk of the workforce employed on ‘Local Government Services’ (LGS) terms and conditions.		
Recommendation(s):		
1	To note the Council’s Pay Policy Statement for 2024/25, which will be presented to Full Council on 26 February 2024.	

1. Reasons for recommendations

- 1.1 The Council is required to approve a Pay Policy Statement each year and this report presents the 2024/2 Pay Policy Statement to ACOS for endorsement prior to putting the matter before Full Council.

2. Other options considered in making recommendations

2.1 No other options have been considered in the writing of this report, as the production of a Pay Policy Statement is a statutory requirement under the Localism Act.

3. **Consideration of Risk**

3.1 None.

4. **Background (including outcomes of consultation)**

4.1 The Localism Act requires local authorities to prepare and publish a Pay Policy Statement.

4.2 The Act requires that the statement must be approved formally by Full Council itself, it cannot be delegated to a sub-committee. The statement must be approved and published by 31 March each year; and produced using the definitions as prescribed by the Act, including posts classified as 'Chief Officer'.

4.3 In more detail, the matters that must be included in the statutory Pay Policy Statement are as follows:

- The Council's policy on the level and elements of remuneration for Chief Officers.
- The Council's policy on the remuneration of its lowest-paid employees (together with its definition of 'lowest paid employees' and its reason for adopting that definition).
- The Council's policy on the relationship between the remuneration of its Chief Officers and other Officers.
- The Council's policy on other specific aspects of Chief Officers' remuneration such as remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments, and transparency.

4.4 The Act defines remuneration widely to include not just pay but also charges, fees, allowances, benefits in kind, increases in enhancements of pension entitlements, and termination payments.

4.5 The data for this Pay Policy Statement is taken as at 31 October 2023. At that time, the national pay award for 2023/24 for the Chief Executive and LGS colleagues had not yet been agreed or implemented.

4.6 Sections 1, 2, 5 and Appendix 3 uses retrospective pay information from the period 1 April to 31 October as in previous years to ensure consistency and comparability.

4.7 The relationship between the Chief Executive's pay (£184,435) to that of the Council's non-Chief Officer average (mean) earner, excluding allowances (£30,441.96), is a pay multiple of 6.06:1, which is lower compared to last years (2023/24) pay statement and has narrowed the gap from 6.59:1.

4.8 The pay multiple of the average (mean) Chief Officer's pay (£92,885.74) to that of the non-Chief Officer average (mean) earner (£31,010.66), including guaranteed payments, has reduced this year to 3.00:1 (last year 3.12:1).

4.9 Comparing the City Council's median pay multiple (7.62:1) from last years (2023/24) pay policy statement, with those published by the Core Cities in England in their 2023/24 statement, figures range from the widest gap at 8.79:1 to the narrowest gap at 5.46:1.

Nottingham City Council ranked sixth from the narrowest to the widest behind Bristol, Sheffield, Leeds, Manchester, and Liverpool. (Bristol 5.46:1, Sheffield 7.01:1, Leeds 7.07:1, Manchester 7.08:1, Liverpool 7.44:1, Nottingham 7.62:1, Birmingham 8.79:1, Newcastle – not published).

- 4.10 It is not currently Council policy to pay bonus payments, performance related pay and other pay entitlement for overtime, weekend, evening, night working, etc. to Chief Officers. However, as part of changes implemented to SLMG pay in October 2023, incremental pay progression became subject to satisfactory performance review.
- 4.11 The national pay negotiations for 2023/24, that covers Local Government staff under the NJC Local Government Services Green Book Pay and Conditions of Service, was agreed on 1 November 2023, however this pay statement is based on pre-pay award salaries as at 31 October 2023.
- 4.12 The Council committed as part of its single status journey, to undertake a review of the grading structure for the Chief Executive, Corporate Director and Strategic Director roles to ensure it was fit for purpose; this has been undertaken and recommendations to move away from 'fixed spot' salaries to a performance assessment led incremental based structure were approved by the Appointment and Conditions of Service committee at its meeting on 21 November 2022. These recommendations remain under review.

5. Finance colleague comments (including implications and value for money)

- 5.1 This report summarises Nottingham City Council pay policy for 2024/25. The pay figures in the report are based on 2023-24 salary figures before the pay award was agreed. There have been recommendations for the departure from 'fixed spot' salaries to a performance assessment led incremental based structure. Finance would need to be closely involved in discussions on how this would be implemented when agreed. This is required to correctly assess how salary costs would be estimated when building the Medium-Term Financial Plan (MTFP). The 2023-24 salary figures within this report including subsequent pay awards have been funded within the current MTFP and similar provision will be made in 2024/25 MTFP. There is no additional financial implication as a direct or indirect result of this report.

Alfred Ansong
Interim Strategic Finance Business Partner.
17 January 2024

6. Legal colleague comments

- 6.1 Under section 38 of the Localism Act 2011, for each financial year, the Council is required to prepare a pay policy statement relating to the following:
- the remuneration of its chief officers;
 - the remuneration of its lowest-paid employees; and
 - the relationship between:
 - the remuneration of its chief officers, and
 - the remuneration of its employees who are not chief officers.
- 6.2 The statement must also set out:
- the definition of "lowest-paid employees" adopted by the Council for the purposes of the statement; and
 - the authority's reasons for adopting that definition.

- 6.3 The statement must also include the Council's policies relating to:
- the level and elements of remuneration for each chief officer;
 - remuneration of chief officers on recruitment;
 - increases and additions to remuneration for each chief officer;
 - the use of performance-related pay for chief officers;
 - the use of bonuses for chief officers; and
 - the approach to the payment of chief officers on their ceasing to hold office under or be employed by the authority; and
 - the publication of and access to information relating to remuneration of chief officers.
- 6.4 A pay policy statement for a financial year may also set out the Council's policies for the financial year relating to the other terms and conditions applying to the Council's chief officers.
- 6.5 Under section 39 of the Localism Act 2011:
- The pay policy statement must be approved by a resolution of the authority before it comes into effect.
 - The statement must be approved by 31 March 2024 for the forthcoming financial year.
 - A relevant authority may by resolution amend its pay policy statement (including after the beginning of the financial year to which it relates).
 - As soon as is reasonably practicable after approving or amending a pay policy statement, the authority must publish the statement or the amended statement in such manner as it thinks fit (which must include publication on the authority's website).
- 6.6 Under section 40(2) of the Localism Act 2011, the relevant authority must comply with its pay policy statement for the financial year in making the determination.

Alexa McFadyen
Senior Solicitor (Employment)
15 January 2024

7. **Other relevant comments**

7.1 **HR**

The Pay Policy Statement is a factual document that sets of key remuneration related data, as at 31 October 2023, for the Council, and fulfils our statutory obligations under the Localism Act 2011. Individual colleagues' names or pay (excluding the Chief Executive's) are not disclosed.

Sheena Yadav-Staples
HR Consultant
19 December 2023

8. **Crime and Disorder Implications**

8.1 Not applicable

9. **Social value considerations**

9.1 Not applicable

10. Regard to the NHS Constitution

10.1 Not applicable

11. Equality Impact Assessment (EIA)

11.1 Has the equality impact of the proposals in this report been assessed?

No
An EIA is not required because the report does not contain proposals or financial decisions.

Yes

12. Data Protection Impact Assessment (DPIA)

12.1 Has the data protection impact of the proposals in this report been assessed?

No
A DPIA is not required because the report is produced in accordance with the Localism Act 2011.

Yes

13. Carbon Impact Assessment (CIA)

13.1 Has the carbon impact of the proposals in this report been assessed?

No
A CIA is not required because the report does not contain proposals or financial decisions.

Yes

14. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)

14.1 None

15. Published documents referred to in this report

15.1 Communities and Local Government, Openness and Accountability in Local Pay: Draft guidance under section 40 of the Localism Act.

15.2 Local Government Association and Association of Local Authority Chief Executives (ALACE), Localism Act: Pay Policy Statement Guidance for Local Authority Chief Executives.

15.3 Department for Communities and Local Government, 2013. Openness and Accountability in Local Pay: Guidance under section 40 of the Localism Act 2011. Supplementary Guidance. London.

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Nottingham City Council

Pay Policy Statement 2024-2025

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Appendix 1	Nottingham City Council's Chief Officer Structure Chart (to 31 October 2023)
Appendix 2	Senior Leadership Management Group (SLMG) and Local Government Scheme (LGS) Pay Scale
Appendix 3	Matrix of Terms and Conditions

1 INTRODUCTION AND SCOPE

- 1.1 Section 38 (1) of the Localism Act 2011 requires English and Welsh local authorities to produce a pay policy statement for each financial year (since 2012/13).
- 1.2 Pay Policy Statements must articulate the Council's own policies on a range of issues relating to the pay of its workforce, particularly its senior employees (or 'Chief Officers' as defined by the Local Government and Housing Act 1989) and its lowest paid employees.
- 1.3 The Act requires the Statement to be considered by a meeting of Full Council and cannot be delegated to any sub-committee. All decisions on pay and reward made in 2024/25 must comply with the Pay Policy Statement. The statement may be amended in year but must be agreed again by a meeting of Full Council.
- 1.4 This Pay Policy Statement provides information on Nottingham City Council's pay, terms and conditions for Chief Officers in comparison to the bulk of the workforce employed on 'Local Government Scheme' (LGS) terms and conditions. It also sets out the approach that will be taken during 2024/25.
- 1.5 Sections 1, 2 and 5 and Appendix 3 uses retrospective pay information from the period 1 April to 31 October as in previous years to ensure consistency and comparability.
- 1.6 The data presented in this statement is based on the Council structure as at 31 October 2023 (Appendix 1) which consisted of four main departments; People, Growth & City Development, Communities, Environment and Resident Services and, Finance and Resources, with each delivering distinct and specific functions for Nottingham's citizens. Changes to the Council's structure were made on 1 November 2022, following changes to the Senior Management Structure which resulted in a more streamlined Chief Officer structure.
- 1.7 This Pay Policy Statement covers 'Chief Officers,' as defined by the Localism Act 2011 (Section 43 (2)) and established in accordance with the Local Government and Housing Act 1989, as detailed below.
 - (a) Head of Paid Service
 - (b) Chief Finance Officer (Section 151)
 - (c) Monitoring Officer
 - (d) Director of Children's Services
 - (e) Director of Adult Social Services
 - (f) Director of Public Health
 - (g) Non-Statutory Chief Officers as defined under Section 2(7) of the Act:
 - (i) a person for whom the Authority's Head of Paid Service is directly responsible;

- (ii) a person who, as respects all or most of the duties of his post, is required to report directly or is directly accountable to the Authority's Head of Paid Service; and
 - (iii) any person who, as respects all or most of the duties of this post, is required to report directly or is directly accountable to the local authority themselves or any committee or sub-committee of the Authority.
- (h) Deputy Chief Officer as defined under Section 2(8) of the Act:
- (i) a person who, as respect all or most of the duties of his post, is required to report directly or is directly accountable to one or more of the Statutory or Non-Statutory Chief Officers.

Appendix 1 provides a structure chart of all the Chief Officers employed at the Council as at 31 October 2023.

1.8 'Lowest Paid' Employee

The majority of the workforce is employed on Local Government Service (LGS) terms and conditions. The 'lowest paid employee is on Nottingham City Council (NCC) Grade B, Level 1, equating to a basic salary of £22,366. This is the lowest pay point and salary offered for a substantive post at the Council excluding Level 2 apprentices, who are paid at the National Minimum Wage.

1.9 In accordance with the Localism Act 2011, the Pay Policy Statement excludes:

- Apprentices;
- Colleagues on NHS terms and conditions;
- Colleagues on East Midlands Council's terms and conditions;
- Colleagues on protected terms and conditions under TUPE;
- Colleagues on Teachers' terms and conditions;
- Non-Chief Officer Heads of Services and managers on Senior Leadership Management Group (SLMG) terms and conditions; and
- Colleagues on Soulbury and Hay terms and conditions;
- Colleagues on the House Agreement for the Theatre Royal and Royal Concert Hall (TRCH).

The reason for excluding these groups is because apprentices are not on permanent contracts, the majority of Heads of Services are not Chief Officers as defined by the Local Government and Housing Act, and there are a small number of colleagues employed on the other types of terms and conditions.

1.10 Schools' Employees

As specified in the Localism Act, the Pay Policy statement does not include information on, or apply to, employees based in schools.

1.11 Councillors

The Pay Policy statement does not include information on, or apply to, Councillors. However, under the Local Authorities (Councillor Allowances) (England) regulations 2001, local authorities are required to publish details of payments made to Councillors which can be found on the [Council's website](#).

2 PAY, TERMS AND CONDITIONS AT NOTTINGHAM CITY COUNCIL

- 2.1 The majority of Chief Officers working at Nottingham City Council belong to a group referred to internally as the 'Senior Leadership Management Group (SLMG)'. Colleagues employed as Heads of Services and other senior managers are also part of SLMG and its associated terms and conditions, however, the majority are not Chief Officers as defined by the Local Government and Housing Act.
- 2.2 The Matrix of Terms & Conditions (Appendix 3) provides a comprehensive breakdown of all the terms and conditions offered to the Council's various groups of Chief Officers in comparison to LGS employees as at 31 October 2023, including pay range, allowances, fees and other benefits in kind. The table also outlines contractual and non-contractual pay and conditions for the different groups. The table highlights that many of the terms and conditions offered to LGS employees, such as overtime and travel expenses within the County of Nottinghamshire etc. are not available to the Council's Chief Officers
- 2.3 The Chief Executive is paid on an all-inclusive fixed spot salary of £190,890, inclusive of the 2023/24 national pay award. Corporate Directors and Strategic Directors are also paid on all-inclusive fixed spot salaries drawn from the respective salary ranges.
- 2.4 Chief Executive and Chief Officer pay and grading matters are ratified by the Council's Appointment and Conditions of Service (ACOS) committee. The responsibility for this function is set out in Article 9 of the Council's Constitution. Local pay, terms and conditions for all other Council employees are ratified by the Head of Paid Service.
- 2.5 A new senior management structure has been in place since 1 November 2022, to ensure the Council is able to deliver its aims and objectives in the most effective way and the roles remain fit for purpose.
- 2.6 The Council committed, as part of its single status journey, to undertake a review of the grading structure for Chief Executive, Corporate Director, and Strategic Director roles to ensure it was consistent with the rest of the Council and fit for purpose, which included a move away from 'fixed spot' salaries towards a performance assessment led incremental based structure.

- 2.7 This commitment was incorporated into a wider review of the pay policy, with the Appointment and Conditions of Service committee, at its meeting on 21 November 2022 and Executive Board, at its meeting on 20 December 2022, approving a number of recommendations that included the broadening and enhancing of LGS and SLMG pay grades, reviewing the need for additional grade(s) and the benchmarking of senior pay.
- 2.8 Recommendations regarding the broadening and enhancing of LGS and SLMG pay grades, were finalised over summer 2023 and were implemented through September and October 2023 – this new pay structure is outlined in Appendix 2. Further options regarding recommendations for senior pay remains under review.
- 2.9 As part of the Council’s improvement journey to simplify its organisational arrangements to improve its overall cost effectiveness and efficiency, staff employed by Nottingham City Homes and Nottingham Revenue and Benefits were transferred into the Council’s organisational structure under a TUPE arrangement with effect from 1 April 2023. The new Revenue and Benefits Service forms part of the Customer Service division, whilst the housing management service provided by Nottingham City Homes forms part of the new Housing Services division. As detailed in paragraph 1.9, employees on protected terms and conditions under a TUPE arrangement are excluded from this statement.
- 2.10 The total additional payments made to the Council’s Chief Officers between 1 April and 31 October 2023 are listed in the table below. Further information in relation to market supplements can be found in section 5.13 of this statement.

Payment Element	Amount
Additional Responsibility	£3,592.32
First Aid Allowance	£52.02
Market Supplement	£17,554.29
Mileage Net	£10.80
Miscellaneous (phone line)	£318.78
Standby Payment	£315.80
Standby Retroactive	£378.96
Total for Chief Officers*	£22,222.97

* as defined by the Local Government and Housing Act 1989

3 ELECTION DUTY PAYMENTS

- 3.1 The Returning Officer’s fee is a payment made to a nominated Chief Officer (at Nottingham City Council, this is the Chief Executive) for being responsible for the proper conduct and administration of relevant elections in accordance with all statutory and other requirements.

- 3.2 The Parliamentary elections and elections for the Police & Crime Commissioner and any national referenda are funded and paid for by central government and are, therefore, not related to Nottingham City Council's terms and conditions. The Council does not set the fee payable to the Chief Executive for these elections and the Chief Executive retains any fee paid to them for these duties.
- 3.3 The funding for local elections comes from local authority funds. The Chief Executive is responsible for the proper conduct and administration of local elections in accordance with all statutory and other requirements. The Chief Executive is not contractually entitled to a payment for local elections. One local election to appoint City Councillors took place during the reporting period for which the Chief Executive received no returning officer fee.
- 3.4 Following the 'Devolution Deal' agreed with the government in August 2023 and the formation of the East Midlands Combined County Authority (EMCCA), an election for the Mayor has been proposed to take place on 2 May 2024 to run alongside the election for the Police and Crime Commissioner. Funding for the EMCCA Mayoral election will be funded by central government. The proposal is that the Chief Executive for Nottingham City Council will act as the Combined County Authority Returning Officer and, as such, will receive a fee, which is yet to be determined.

4 PAY RELATIONSHIPS

The pay data in this section is based on salaries as at 31 October 2023; the 2023/24 national pay award for the Chief Executive and LGS colleagues had not, at that time, been agreed and implemented, however the Chief Officer pay award had been agreed on 5 May 2023 and is reflected in the pay data.

Without Allowances

- 4.1 The relationship between the Chief Executive's basic pay (£184,435) to that of the Council's non Chief Officer¹ average (mean) earner, excluding allowances (£30,441.96) is a pay multiple of 6.06:1 which is lower compared to last year and has narrowed the gap from 6.59:1 (in 2023/24 pay statement).
- 4.2 The pay multiple of the Chief Executive's basic pay (£184,435) to that of the Council's non Chief Officer median earner excluding allowances (£26,845) is 6.87:1. In last year's (2023/24) pay statement, the pay multiple for the Chief Executive basic pay multiple to that of the median earner was 7.62:1. The Council is ranked 6th (out of 7) when compared with figures reported by Core Cities in last years (2023/24) pay statements where pay multiples ranged from 5.46:1 to 8.79:1.

¹ The definition of 'non-Chief Officer' in section 5 includes colleagues on Greater London Provincial Council (GLPC), non -Chief Officers on Senior Leadership Management Group (SLMG) pay scales and Local Government Service (LGS) pay scales. It excludes the Chief Executive (CEX) and Corporate Directors' (CDIR). The ratio has been calculated using basic FTE pay, not actual pay.

With Guaranteed Payments²

- 4.3 The relationship between the average (mean) Chief Officer's pay including guaranteed payments (£92,885.74) and to that of the Council's non Chief Officer average (mean) earner including guaranteed payments (£31,010.66) is 3.00:1. In last year's pay statement (2023/24), the pay ratio was 3.12:1.
- 4.4 The relationship between the median pay of Chief Officers including guaranteed payments (£92,653) and to that of the Council's non Chief Officer median earner including guaranteed payments (£28,371.68) is 3.27:1. In last year's pay statement (2023/24), the pay ratio was 3.50:1.
- 4.5 The relationship between the average (mean) Chief Officer's pay excluding guaranteed payments (£92,263.53) and that of the Council's (non-Chief Officer) average (mean) earner excluding guaranteed payments (£30,441.96) is 3.03:1. In last year's pay statement (2023/24), the pay ratio was 3.14:1.
- 4.6 The relationship between the median Chief Officer's pay excluding guaranteed payments (£92,653) and that of the Council's (non-Chief Officer) median earner excluding guaranteed payments (£26,845) is 3.45:1. In last year's pay statement (2023/24), the pay ratio was 3.41:1.
- 4.7 The Council's 2022/23 Gender Pay Gap report showed an average pay gap of minus 1.5%, which means that on average women earned just over £1.02 for every pound earned by men. The Ethnicity Pay Gap showed an average pay gap of 5.1%, which means on average Black, Asian and Minority Ethnic (BAME) employees earned just over 95 pence for every pound earned by White British employees. The Disability Pay Gap showed an average pay gap of 0.0%, which means on average disabled employees earned the same as non-disabled employees.

5 THE COUNCIL'S STATEMENT ON PAY AND CONDITIONS FOR CHIEF OFFICERS FOR 2024/25

This section sets out the Council's approach to determining pay and conditions for Chief Officers for 2024/25.

5.1 Remuneration of Chief Officers on recruitment

The basic all-inclusive pay for Chief Officers (Corporate Directors and Strategic Directors) falls within the bandings for their job as set out below (salaries are as

² Includes basic FTE salary, pension – employer contribution on FTE basic pay, salary protection, market supplements, allowances and enhancements paid between 01/04/2023 to 31/10/2023.

applicable on 31 October 2023). The Chief Executive and Chief Officers roles are currently paid on a fixed spot salary drawn from the respective salary range (Refer to Appendix 3 - Matrix of Terms and Conditions). This is subject to review, as outlined in paragraph 2.6 and 2.8 above.

Posts falling within the statutory definition for Chief Officers of the Local Government and Housing Act 1989, which covers the Statutory Officers and those others that report to the Chief Executive, are set out in Appendix 1.

The Appointment and Conditions of Service Committee (ACOS) is responsible for carrying out the recruitment and appointment of the Head of Paid Service and a number of Chief Officer roles as set out in Article 14 of the [Council's Constitution](#).

5.2 The level and elements of remuneration for each Chief Officer

All changes or amendments to SLMG pay grading are subject to consultation with Chief Officers, their trade union representatives and ratification by the Head of Paid Service. Any decision to pay market supplements or acting up allowances to Chief Officers are subject to a business case being put forward to the Strategic Director of HR and EDI for approval in accordance with the Council's Pay Policy.

5.3 Increases and additions to remuneration for each Chief Officer

The Council's 'chief officer' cohort comprises of three staff categories - Corporate Directors, Strategic Directors and SLMG. A comparison of Pay, Terms and Conditions for these three categories are contained in Appendix 3. Prior to October 2018, all three categories were paid on all-inclusive fixed spot salary points; following a review and effective from 1st October 2018, a two-point progression grading structure was introduced for the SLMG category only. As outlined in paragraph 2.8, a further review of the Council's pay structure was undertaken in 2022/23 and implemented in September and October 2023, providing a three-point progression for LGS colleagues on grades B-D and a four-point progression grading structure for LGS and SLMG colleagues on grades E to SLMG1; with a performance assessment led incremental based pay progression for those on SLMG pay bands.

Corporate Directors and Strategic Directors have remained on all-inclusive fixed spot salaries, however, the proposals to extend incremental based pay were approved by the Executive Board and the Appointment and Conditions of Service Committee in December 2022 and remains under review, as outlined at paragraph 2.6 and 2.8.

Annual pay awards are negotiated nationally with the trade unions. The pay award for Chief Officers for 2023/24 was agreed on 5 May 2023, which provides all officers in scope an increase of 3.50 per cent with effect from 1 April 2023. The pay award for

Chief Executives for 2023/24 was agreed on 1 November 2023 and provides an increase of 3.50 per cent with effect from 1 April 2023.

5.4 The use of performance related pay for Chief Officers

The Council does not offer 'performance related pay' to Chief Officers, however, as part of the changes implemented to SLMG pay in October 2023, incremental pay progression became subject to satisfactory performance review.

5.5 The use of bonuses for Chief Officers

The Council does not offer bonus payments to Chief Officers.

5.6 Earn-Back Pay

At the time of writing, the Council is not intending to introduce the policy of 'earn back pay' which requires Chief Officers to have an element of pay 'at risk' to be earned back each year through meeting pre-agreed objectives.

The Council's Individual Performance Review system requires a number of mandatory competencies and objectives (team and individual), which contribute to the Council's priority outcomes (short, medium or long term), to be met and are reviewed throughout the year, by way of annual self-evaluation, regular 'check-in's' and, periodically, 360-degree feedback. In addition to this, Chief Officers are not excluded from the application of the Council's formal policies on Performance Management and Discipline and will be managed under the appropriate procedures should there be sufficient underperformance or misconduct concerns, up to and including dismissal, should this be necessary.

5.7 The payment to Chief Officers on their ceasing to hold office or to be employed by the Council

The Council's payment to Chief Officers leaving the Council under the following types of termination is set out below:

- **Redundancy Dismissal** – Contractual notice and redundancy pay as set out in the Council's Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (DCR Policy).
- **Efficiency** - Efficiency payment as set out in the Council's Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (DCR Policy).

In accordance with the Local Government Pension Scheme regulations, employees aged 55 or over who are members of the local government pension scheme with at least two years qualifying membership in the pension scheme or transferred pension rights from another scheme, are also entitled to receive and must take immediate payment of an unreduced pension if they are dismissed by reason of redundancy or if their employment is terminated by mutual consent on grounds of business efficiency.

- **Retirement** – Under pension regulations, anyone can access their pension benefits from age 55 when they leave employment. The early payment of pension will be actuarially reduced if taken before normal pension age.
- **Early Retirement** – Under pension regulations anyone can access their pension benefits from age 55 when they leave employment. Under the council’s Pension Discretions Statement of Policy, the council will not exercise the discretion to waive actuarial reductions or to “switch on” the 85-year rule.
- **Flexible Retirement** – Officers of the Council may apply to access their pension from age 55 but remain working at the Council either under reduced pay or reduced hours under the employers Flexible Retirement Policy. ACOS determines any decisions relating to the Head of Paid Service, Statutory Chief Officers and Chief Officers where the post is at Corporate Director level or above in this regard. For Deputy Chief Officers, the Head of Paid Service is responsible for any decisions taken in regard to flexible retirement.

All flexible retirement requests are subject to the consent of the City Council and there is a requirement to produce a business case before any request can be approved.

The Council will not award additional pension to Officers in the SLMG pay profile who are dismissed by reason of redundancy or efficiency.

The Government cap on Public Sector exit payments came into force on 4 November 2020 and was formally revoked on 19 March 2021 via The Restriction of Public Sector Exit Payments (Revocation) Regulations 2021. The government has indicated that it intends to bring back future legislation at some point, and the requirements under any future regulations will be incorporated into this statement at the appropriate time.

5.8 Re-employment of former Chief Officers

Former Chief Officers are permitted to apply for vacancies at the Council via the normal competitive recruitment process.

Where former Chief Officers are applying for work under a contract for services with the Council (e.g., as a consultant or casual worker), the Leader of the Council along with the Strategic Director of HR and EDI will scrutinise and decide whether to approve such requests following a consideration of the skills required and an assessment of value for money.

5.9 The appointment of former Chief Officers in receipt of a pension (pension abatement)

The Council is not in a position to abate pension payments (the act of reducing or suspending pension payments) if a Chief Officer is re-engaged or re-employed. The Council's pension fund is administered by Nottinghamshire County Council who set the rules for employers to follow on abatement.

Therefore, until the policy is amended by Nottinghamshire County Council, the City Council cannot enforce pension abatement for current or former employees.

5.10 Tax Avoidance

The Council takes its obligations for ensuring compliance with relevant taxation legislation very seriously and does not actively engage in or endorse any form of tax avoidance. Therefore, the Council has policies and procedures in place to ensure that the correct amount of taxes is accounted for and paid at the correct time.

All individuals employed or engaged by the Council are treated equally and the level of seniority does not allow for differential treatment in the engagement process, or in the method of remuneration.

The Council recognises that by paying employees through private companies it allows the individual to manage their own tax arrangements and potentially reduce the amount of tax and national insurance they are obliged to pay thus implicating the Council in tax avoidance schemes. Therefore, the Council does not and will not remunerate any employee at any level through a private company; all payments will be made through the Council payroll system and PAYE applied accordingly.

In addition, the Council has processes and policies in place in order to check the employment status of individuals who are engaged by the Council, ensuring that all such engagements, whether direct or through an intermediary are compliant with the off payroll rules (also known as IR35) for the public sector introduced in April 2017. This ensures that the Council is meeting its obligations in regard to Employment Tax as established by HMRC and, thereby reducing the risk of potential tax avoidance. All deemed contracts of employments as per HMRC regulations will be remunerated through the payroll system and the required deductions for Income Tax and National Insurance made and paid over to HMRC.

5.11 Shared Senior Management

Currently, the Council has no shared management arrangements with other organisations.

5.12 Pay and Conditions of Lowest Paid Employees

The pay and conditions of lowest paid employees are set out in the Council's Pay Policy. The Council's current pay structure for all staff covered by the National Joint Council for Local Government Services is as detailed in Appendix 2, with the lowest rate of hourly pay exceeding the National Minimum and Living wage rate. The Council uses the Greater London Provincial Council (GLPC) system as its method to evaluate the pay and grading of jobs covered by the Green Book.

Grades consist of three pay points for grades B-D and four pay points for grades E-SLMG1 with progression to Level 2 of the grade on the one-year anniversary in their job, subject to successful completion of a six-month probationary period or review period for existing staff. Employees on LGS pay bands will have annual incremental progression through the pay levels until they reach the top of the grade. Pay progression for those on SLMG pay bands is performance assessment led.

Employees are normally appointed to level 1 of the grade; appointments above level 1 are subject to robust governance arrangements and the manager completing a business case outlining the rationale.

5.13 Market Pay

It is recognised that a single approach to pay may not always be suitable for the organisation; and the job evaluation outcome can result in a salary range which is below the market rate, particularly where there are recruitment and retention difficulties and national skills shortages. Where there are specific business needs that our pay policy does not accommodate, managers may put forward a business case to the Strategic Director of HR and EDI, who will consider the rationale and market data to determine whether it is appropriate to award a market supplement. Market Supplements are reviewed annually, or every two-years and business cases are subject to robust governance and control procedures. There are, as at 31 October 2023, three Chief Officer posts in receipt of a market supplement, as detailed below:

Service Area	Job Title
Public Health	Consultant in Public Health
Adult Social Care and Health	Director for Adult Social Care and Health
Legal Services	Team Leader - Conveyancing

In May 2022, in order to address acute and urgent recruitment and retention challenges faced by services for a number of roles within the People's directorate, the scope of

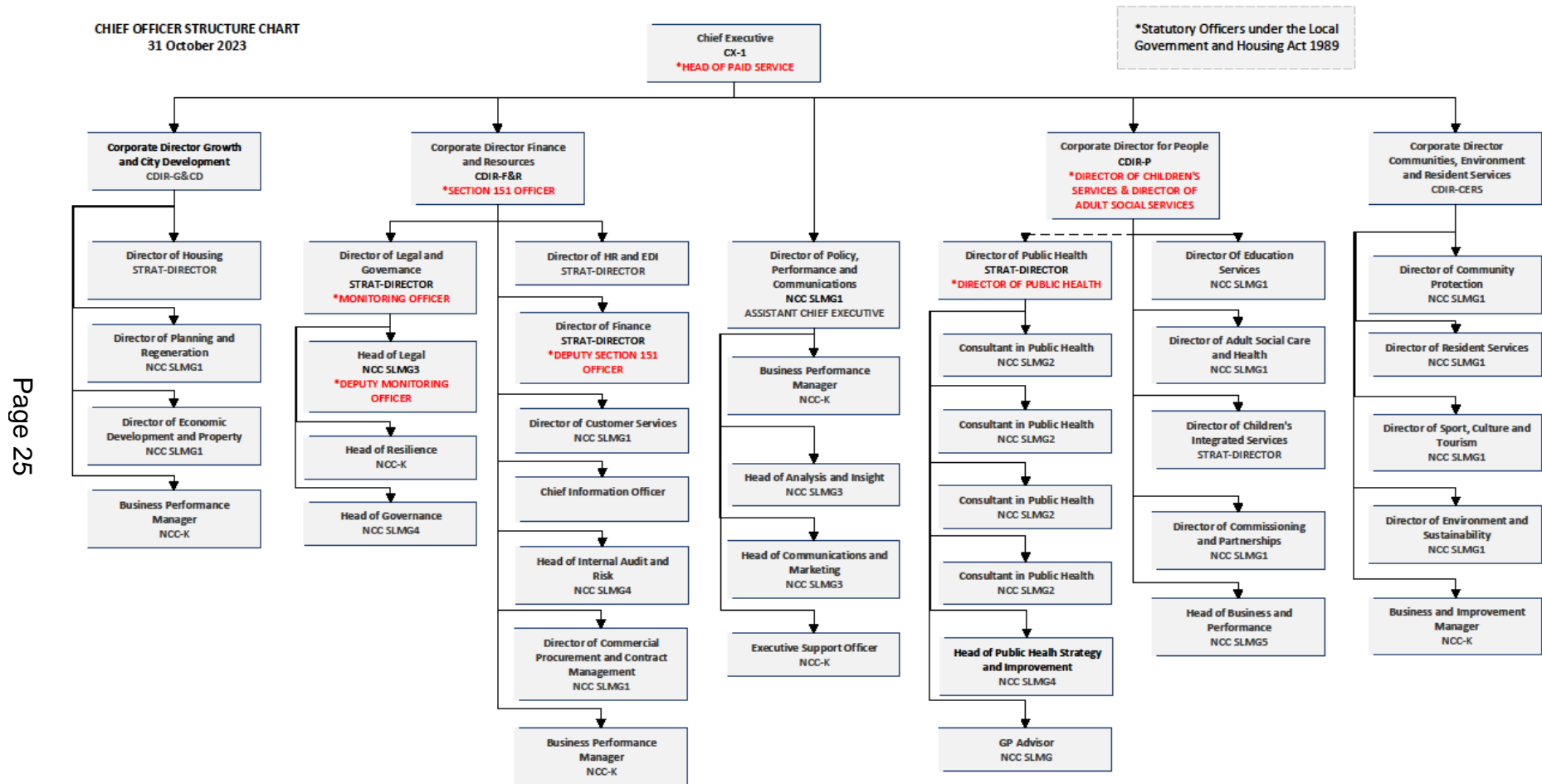
one-off special payments as part of market supplements was widened for certain roles to include 'golden hello' and 'commitment and retention payments.' As at 31 October 2023, 142 employees (headcount) (133.3 FTE) were in receipt of such payments. The roles receiving these payments are detailed below:

Title	Payment type
Advanced Practitioner - Various	Retention
Principal Manager	Retention
Senior Practitioner - Various	Retention
Service Manager - Various	Retention
Social Worker Level 2	Retention
Social Worker Level 3 - Various	Retention
Supervising Social Worker	Retention
Team Manager - Various	Retention

5.14 Local Government National Pay Award

The national pay award for 2023/24 that cover local government staff under the NJC Local Government Services Green Book Pay and Conditions of Service, was agreed on 1 November 2023, however this pay statement is based on pre-pay award salaries as at 31 October 2023.

Appendix 1 – Structure chart (effective up to 31 October 2023)



Appendix 2 – Pay Scales

Pay Grading Structure effective from 1 July 2023

Tier	Grade	Level	NJC point	Salary	Hourly Rate
6	B	1	2	£22,366	£11.59
		2	3	£22,737	£11.79
		3	4	£23,114	£11.98
	C	1	5	£23,500	£12.18
		2	6	£23,893	£12.38
		3	7	£24,294	£12.59
	D	1	8	£24,702	£12.80
		2	9	£25,119	£13.02
		3	10	£25,545	£13.24
	E	1	12	£26,421	£13.69
		2	14	£27,334	£14.17
		3	15	£27,803	£14.41
		4	17	£28,770	£14.91
	F	1	20	£30,296	£15.70
		2	21	£30,825	£15.98
		3	23	£32,076	£16.63
4		24	£33,024	£17.12	
5	G	1	25	£33,945	£17.59
		2	26	£34,834	£18.06
		3	27	£35,745	£18.53
		4	28	£36,648	£19.00
	H	1	30	£38,223	£19.81
		2	31	£39,186	£20.31
		3	32	£40,221	£20.85
		4	33	£41,418	£21.47
	I	1	35	£43,421	£22.51
		2	36	£44,428	£23.03
		3	37	£45,441	£23.55
		4	38	£46,464	£24.08
4	J	1	40	£48,474	£25.13
		2	41	£49,498	£25.66
		3	42	£50,512	£26.18
		4	43	£51,515	£26.70
	K	1	Local	£53,630	£27.80
		2	Local	£54,676	£28.34
		3	Local	£55,740	£28.89
		4	Local	£56,840	£29.46

3	SLMG5	1	Local	£58,082	£30.11
		2	Local	£58,900	£30.53
		3	Local	£59,717	£30.95
		4	Local	£60,535	£31.38
	SLMG4	1	Local	£61,356	£31.80
		2	Local	£63,249	£32.78
		3	Local	£65,143	£33.77
		4	Local	£67,036	£34.75
	SLMG3	1	Local	£68,933	£35.73
		2	Local	£71,701	£37.16
		3	Local	£74,468	£38.60
		4	Local	£77,236	£40.03
2	SLMG2	1	Local	£80,009	£41.47
		2	Local	£83,259	£43.16
		3	Local	£86,508	£44.84
		4	Local	£89,758	£46.52
	SLMG1	1	Local	£93,013	£48.21
		2	Local	£96,262	£49.90
		3	Local	£99,510	£51.58
		4	Local	£102,758	£53.26
1	SDIR	Min	Local	£110,664	£57.36
		Max	Local	£122,223	£63.35
	CDIR	Min	Local	£139,463	£72.29
		Max	Local	£162,375	£84.16
	CX	Min	Local	£180,095	£93.35
		Max	Local	£201,683	£104.54

Appendix 3: Matrix of Terms and Conditions

Terms and Conditions (as at 31 October 2023 – based on 2022/23 pay rates and new pay structure)	Chief Executive	Chief Officers			LGS Employee
		Corporate Director	Strategic Director	SLMG	
Basic Pay ³	✓ Contractual Fixed Spot salary point £184,435 Range £174,005 - £194,863	✓ Contractual Fixed Spot Salary point Range £139,463 - £162,375	✓ Contractual Fixed Spot Salary point Range £110,664 - £122,223	✓ Contractual Four point grades £58,082 - £102,758	✓ Contractual Four point grades Range £20,441 - £54,717
Performance Related Pay	X	X	X	X	X
Incremental progression (available after one year in grade, conditional on successful completion of six month review period (excludes Corporate Director and Strategic Director roles))	X	X	X	✓	✓
Annual cost of living increase (nationally negotiated). Pay award for 2022-24 agreed 1 November 2023 and backdated to 1 April 2023.	✓	✓	✓	✓	✓
Market Supplement Payment (Restricted - based on business case requiring evidence).	✓ Nil in operation	✓ Nil in operation	✓ Nil in operation	✓ As at 31 Oct 2023 Paid only to certain roles on approval of a business case - three Chief Officer roles have attracted a payment	✓ Paid only to certain roles on approval of a business case. 31 agreed variations – as at 31 Oct 2023
Overtime and night working payments	X	X	X	X	✓ Contractual (employees Grade F and below, plain time to 42 hours and 1.5 x above 42hr. Employees above Grade F plain time for all additional hours)

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³ See Appendix 2 for pay bandings

Terms and Conditions (as at 31 October 2023 – based on 2022/23 pay rates and new pay structure)	Chief Executive	Chief Officers			LGS Employee
		Corporate Director	Strategic Director	SLMG	
Evening and weekend payments	x	x	x	x	x
Out of hours, recall to work, standby payments, critical incidents, sleep in duty, shift working, client holidays payments	x	x	x	x	✓ Contractual
Acting up allowances, honoraria and ex gratia payments	x	x	x	✓ Nil in operation	✓
Monitoring Officer Payment (statutory duty)	x	x	No additional payment. Is part of the all-inclusive fixed salary of the Director of Legal and Governance.	x	x
Returning/Counting Officer Payment (to run elections) ⁴ or Election Duty Payments	✓ Nil payment made in this pay policy statement period - one local election was held	x	x	✓ If working on elections. (If acting as deputy, this payment is paid out of the Returning Officer's personal fee)	✓ If working on elections
Bonus payments	x	x	x	x	x
Redundancy Payment (same multiplier criteria used for all groups)	✓	✓	✓	✓	✓
Efficiency Payment (same criteria used for all groups) ⁵	✓	✓	✓	✓	✓
Relocation Payments	x	x	x	x	x

⁴ This is a bulk payment made to a nominated chief officer to fulfil the duties of running National Referendum, Local, European or Parliamentary elections.

⁵ This is covered in the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (DCR) Policy.

Terms and Conditions (as at 31 October 2023 – based on 2022/23 pay rates and new pay structure)	Chief Executive	Chief Officers			LGS Employee
		Corporate Director	Strategic Director	SLMG	
Essential Car User Allowance (The Council removed ECU in September 2014 so this is no longer available to any colleagues)	x	x	x	x	x
Company Car	x	x	x	x	x
Car Parking Allowances (restricted and dependant on role; the majority of employees pay for their own parking)	x	x	x	x Other than Authorised Business Users. Nil payment made as at 31 Oct 2023	✓ Authorised Business Users Only ⁶
Travel expenses within County of Nottinghamshire	x	x	x	x	✓ 1 Chief Officer received payment of £10.80 as at 31 Oct 2023
Travel expenses outside of County of Nottinghamshire (Must use standard rail fare. mileage capped at 40p per mile for 10,000 miles and 25p per mile thereafter)	✓	✓	✓	✓ Nil expenses claimed as at 31 Oct 23	✓
Disturbance Allowance (paid up to one year for significant changes to work location)	x	x	x	x	✓
Payment for home telephone line for work purposes	x	x	x	x	✓ Only for posts where a clear business case has been identified. 1 Chief Officer received payment of £318.78 as part of emergency planning duties– as at 31 Oct 2023

⁶ Authorised Business Users are job roles for whom it is essential to have a car to discharge their role.

Terms and Conditions (as at 31 October 2023 – based on 2022/23 pay rates and new pay structure)	Chief Executive	Chief Officers			LGS Employee
		Corporate Director	Strategic Director	SLMG	
Reimbursement of reasonable expenditure (limits apply equally to all groups and receipts must be provided)	✓ Nil expenses claimed as at 31 Oct 23	✓ Nil expenses claimed as at 31 Oct 23	✓ Nil expenses claimed as at 31 Oct 23	✓ Nil expenses claimed as at 31 Oct 23	✓
Sickness Pay entitlement linked to length of service – applied equally to all groups	✓ Contractual	✓ Contractual	✓ Contractual	✓ Contractual	✓ Contractual
Notice Period	✓ Contractual 3 months	✓ Contractual 3 months	✓ Contractual 3 months	✓ Contractual 3 months	✓ Contractual 1-2 months
Payment of Membership Fees	x	x	x	x Paid only to certain roles on application	x Paid only to certain roles on application
Access to the Local Government Pension Scheme – employer and employee contribution ⁷ (Employer rate contribution equal for all groups at 17.9%)	✓ Contractual Employee rate: 12.5%	✓ Contractual Employee rate: 11.4%	✓ Contractual Employee rate: 10.5% – 11.4%	✓ Contractual Employee rate: 8.5%-9.9%	✓ Contractual Employee rate: 5.8%-8.5%
Discretion to enhance pension entitlements	x	x	x	x	x
Salary Sacrifice Benefits allowing NI and Tax relief (purchase of annual leave, bike, childcare, mobile phones etc)	✓	✓	✓	✓	✓
Other employee discounts through works perks (e.g. retail discounts etc) applies to all groups equally	✓	✓	✓	✓	✓

⁷ NCC operates a monthly pension banding, so pay is assessed each month. If an employee earns extra that month it could raise their band for that month and revert back to being based on contractual rate.

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