

SANDWELL MBC

PAY POLICY STATEMENT 2025

Introduction and Purpose

Under section 112 of the Local Government Act 1972, Sandwell Council has the power to appoint officers on such reasonable terms and conditions, including remuneration, as authority thinks fit. This Pay Policy Statement (the 'statement') sets out the Council's approach to pay policy in accordance with the requirements of Section 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 (excluding those working in local authority schools) 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', as defined by the relevant legislation;
- the Committee or Panel responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to the full Council.

Once approved by the full Council, this policy statement will come into immediate effect, subject to review on a minimum of an annual basis in accordance with the relevant legislation prevailing at that time.

Salaries and ratios in this statement cover the period 1 February 2024 to 31 January 2025.

Legislative framework

In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Workers (Prevention of Less Favourable Treatment) Regulations 2000, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Employment) Regulations 2006. With regard to the Equal Pay requirements contained within the Equality Act, the Council ensures there is no pay discrimination within its pay structures and that all pay differentials can be objectively

justified through the use of equality-proofed Job Evaluation mechanisms which directly relate salaries to the requirements, demands and responsibilities of each role.

Pay Structure

The Council has adopted and applies the Local Government Single Status Job Evaluation Scheme and uses the nationally negotiated pay spine as the basis for its local grading structure. This determines the salaries of the vast majority of the Council's non-teaching workforce. In common with the majority of authorities, the Council is committed to the Local Government Employers national pay bargaining framework in respect of the national pay spine and any annual associated cost of living increases negotiated nationally with the trade unions.

All other pay-related allowances are the subject of either nationally or locally negotiated rates, having been determined from time-to-time in accordance with collective bargaining machinery and/or as determined by council policy.

Market Supplements are applied to posts in exceptional circumstances and are always time limited. They are only considered where there is clear evidence that recruitment and/or retention difficulties are caused by the total remuneration package available to the Council being too low when compared to packages offered by other employers for comparable posts.

In determining its grading structure and setting remuneration levels for all posts, 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 are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required.

New appointments are normally be made at the minimum of the relevant grade, although this may be varied, where necessary, to secure the best candidate.

Employees of the local authority's schools and those on teachers' terms and conditions of service who are not attached to a school, do not fall within the scope of this policy.

Senior Management Remuneration (Chief Officers)

For the purposes of this statement, senior management means 'chief officers' as defined within s43 of the Localism Act. The posts falling within

the statutory definition, together with details of their basic salaries as at 31 December 2024 (full time equivalent) are set out below;

a) Chief Executive (one post)

The annual salary of the post designated as the Chief Executive falls within a range of three incremental points between £196,262 rising to a maximum of £206,871. This amount is inclusive of Returning Officer duties.

b) Executive Directors (three posts, one is currently vacant pending appointment / commencement)

The annual salary of Executive Director posts falls within a range of three incremental points between £128,125 rising to a maximum of £138,375.

c) Assistant Chief Executive (one post)

The annual salary of the post designated as the Assistant Chief Executive falls within a range of three incremental points between £96,350 rising to a maximum of £101,475.

d) Directors (three posts)

The annual salary of Director posts falls within a range of six incremental points between £104,436 rising to a maximum of £121,447.

Chief Officer and Deputy Chief Officer salaries are based on benchmarked salaries, and are increased annually in accordance with nationally negotiated pay awards under relevant terms and conditions of service: Joint National Council for Chief Officers (Executive Directors), Joint National Council for Chief Executive Officer (Directors of Adult Social Care, Children and Education, and Public Health), and National Joint Council for all other officers, including Deputy Chief Officers (including Assistant Directors and Service Directors).

With the exception of progression through the incremental scale of the relevant grade being subject to an annual assessment of performance, the level of remuneration is fixed.

Recruitment of Chief Officers

The Council's policy and procedures with regard to the recruitment and appointment of chief officers is set out within the Officer Employment Procedure Rules under Part 4 of the Constitution. 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.

Payments on Termination of Chief Officers

The Council's approach to discretionary payments on termination of employment of chief officers, prior to reaching normal retirement age, is set out within its Pensions Policy Statement in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and Regulation 31 of the Local Government Pension Scheme (Membership, Contribution and Benefits) Regulations 2013.

In appropriate circumstances, any other payments falling outside the provisions, or the relevant periods of contractual notice shall be dealt with by the Committee established by the Council to deal with Chief Officers' Terms and Conditions of Employment.

When making payments to Chief Officers on their termination, the Council will follow any relevant exit pay regulations should particular circumstances dictate.

Publication

Upon approval by the full Council, this statement will be published on the Council's Website. (www.sandwell.gov.uk). In addition, for chief officers, 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.

Lowest Paid Employees

The lowest paid persons employed under a contract of employment with the Council are employed on full time (37 hours per week) equivalent salaries in accordance with the minimum Spinal Column Point currently in use within the Council's grading structure.

In the period 1 February 2024 to 31 March 2024 the minimum annual full-time salary was £22,366. In the period 1 April 2024 to 31 January 2025, the minimum annual full-time salary was £23,656.

The relationship between the rate of pay for the lowest paid and chief officers is determined by the processes used for determining pay and grading structures as set out earlier in this Pay Policy Statement.

The statutory guidance under the Localism Act 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' (2010). The Hutton report was asked by 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.

On 31 January 2025, the median Full Time Equivalent (FTE) salary was £35,235.

The pay level ratios within the Council as of 31 January	2025	2024	2023	2022	2021	2020	2019	2018
a) between the lowest paid FTE employee and the Chief Executive's pay	1:9	1:9	1:8	1:8	1:8	1:8	1:9	1:9
b) between the lowest paid FTE employee and median Chief Officers' pay	1:5	1:5	1:6	1:6	1:6	1:6	1:6	1:7
c) between the median FTE earnings and the Chief Executive's pay	1:6	1:6	1:5	1:5	1:5	1:6	1:6	1:5
d) between the median FTE earnings and median Chief Officers' pay	1:3	1:4	1:4	1:4	1:4	1:4	1:4	1:4

Ratios have been rounded to the nearest whole figure.

As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available benchmark information as appropriate.

Accountability and Decision Making

In accordance with Part 3 (Responsibility for Functions) of the Council's Constitution, the Council's executive is responsible for making recommendations and/or determining issues relating to the Council's Corporate Pay, Terms and Conditions and Grading Structure and severance arrangements in relation to employees of the Council, with the exception of posts which are defined as Chief Officer posts in accordance with Sections 2 (6), (7) and (8) of the Local Government and Housing Act 1989.

The Council each year will establish a committee responsible for determining matters in relation to the employment, remuneration and terms and conditions of employment of the Head of the Paid Service and Chief Officers of the Council as defined in Sections 2 (6), (7) and (8) of the Local Government and Housing Act 1989.

Main Pay Scale, plus Hay Grades and Chief Officers

Local Government Services Pay Scales - 1 April 2024		
Grade Band	Spinal Column Point	Annual Value
Grade A	2	£23,656
Grade B	3	£24,027
	4	£24,404
Grade C	5	£24,790
	6	£25,183
	7	£25,584
	8	£25,992
Grade D	9	£26,409
	11	£27,269
	12	£27,711
	13	£28,163
	14	£28,624
	15	£29,093
	16	£29,572
	17	£30,060
	18	£30,559
Grade E	19	£31,067
	20	£31,586
	21	£32,115
	22	£32,654
	23	£33,366
	24	£34,314
	25	£35,235

[ILO: UNCLASSIFIED]

Grade F	26	£36,124
	27	£37,035
	28	£37,938
	29	£38,626
	30	£39,513
	31	£40,476
Grade G	32	£41,511
	33	£42,708
	34	£43,693
	35	£44,711
	36	£45,718
	37	£46,731
Grade H	38	£47,754
	39	£48,710
	40	£49,764
	41	£50,788
	42	£51,802
	43	£52,805
Grade I	44	£53,885
	45	£54,971
	46	£56,077
	47	£57,195
Grade J	48	£58,327
	49	£59,489
	50	£60,672
	51	£61,853
Hay Manager - Level 1	1	£72,145
	2	£74,149
	3	£76,152
	4	£78,156
	5	£80,160
	6	£82,163
Hay Manager - Level 2 & Assistant Director	1	£84,529
	2	£86,890
	3	£89,255
	4	£91,620
	5	£93,981
	6	£96,343
Assistant Chief Executive	1	£96,350
	2	£97,888
	3	£101,475
Director	1	£104,436
	2	£108,313
	3	£112,193
	4	£116,074
	5	£120,017
	6	£121,447
Executive Director	1	£128,125
	2	£133,250
	3	£138,375

[ILO: UNCLASSIFIED]

Chief Executive	1	£196,262
	2	£201,566
	3	£206,871