

Senior Pay Policy Statement – 2021-2022

General Principles

This Policy Statement has been compiled to comply with the requirements of section 38 (1) of the Localism Act 2011, which requires local authorities to state their policy on the level and elements of remuneration for each Chief Officer (as defined by the Act).

1. Appointment and increments

- 1.1 The Appointment of Senior Managers is governed by the Employee Employment Procedure Rules detailed in the Constitution of the City of Wolverhampton Council. A Special Appointment Committee will be established to appoint the Head of Paid Service, Section 151 Officer, Monitoring Officer and roles graded 15 and above, on a politically balanced basis and will usually comprise of the Leader and Deputy Leader of the Council, any appropriate Cabinet Member, the Cabinet Member with lead responsibility for Human Resources and their opposition counterparts or their substitutes. The recommendation of the Special Appointments Committee for these posts must be confirmed by Full Council.
- 1.2 To comply with the guidance from the Secretary of State, Full Council approval is required, to agree appointment packages including salary, bonus, fees allowances and benefits in kind, to posts exceeding a pay range of £100,000. For existing posts where the salary range exceeds £100,000 (Directors and above currently), the Council is reaffirming its approval to the current and any future appointment to these already established roles. These posts are detailed in appendix 4. Where the creation of a comparable post (salary range exceeding £100,000) is required, this will need the approval of Full Council. To appoint to any already established role, a Special Appointments Committee will be established on a politically balanced basis and will usually comprise the Leader of the Council, Deputy Leader of the Council, Leader of the opposition, appropriate Cabinet Member and appropriate Scrutiny Panel chairs or their substitutes and with the Chief Executive as a non-voting member. These appointments will not require Full Council approval.
- 1.3 All other Senior Manager roles are subject to appropriate HR recruitment policy and process.
- 1.4 The salary scale upon appointment will usually be at the “minimum point of advantage”, in certain circumstances it may be appropriate to appoint at a higher pay point within the grade. This must be agreed by the Chief Executive and the Deputy Director of People & Change.
- 1.5 Senior Management roles who meet the eligible criteria, received the appropriate increment, normally backdated to 1 April.
- 1.6 The Senior Management pays scales for 2021-2022 are detailed in appendix 2.

2. Annual Pay Award

- 2.1 All annual pay awards are set in line with nationally negotiated rates. The last nationally agreed pay award for JNC Chief Officer and Chief Executives was a 2.75% pay award and applied to salaries on 1 April 2020. The JNC Chief Officer and Chief Executive pay award applies to Senior Managers on Grade 12 and above. The pay award for April 2021 is yet to be agreed.
- 2.2 Employees at Grade 11 and below receive the pay award agreed through collective bargaining with the National Employers and the relevant Trade Unions (NJC). The last nationally agreed pay award for NJC Local Government Employers was 2.75% and applied to salaries on 1 April 2020. The pay award for April 2021 is yet to be agreed.

3. Market forces supplements

- 3.1 The City of Wolverhampton Council has a policy to offer market forces supplements in instances where the substantive grade of the post is insufficient to attract or retain post holders in skill shortage areas. Market forces supplements are awarded for a defined period and subject to regular review. Currently there are no senior managers receiving Market Force Supplements.

4. Cessation of Employment

- 4.1 If made redundant, post holders covered by this policy will be compensated in the same way as other Council employees and within the confines of the Council's approved redundancy scheme. The extent of any payment will depend on the individual's age, length of service and whether the redundancy is voluntary or compulsory.
- 4.2 The Council retains provision to make additional payments, or payments for some reason other than redundancy. Approval for payments under £100,000, is delegated to the Leader of the Council, in consultation with the Head of Paid Service. This is approved through an Independent Executive Decision Notice (IEDN) and reported to Cabinet.
- 4.3 Section 40, a supplement to the original Localism 2011 Act, stated that we should have regard for any guidance issued or approved by the Secretary of State. Guidance issued recommends that Full Council should be given the opportunity to vote on salary packages and severance payment of £100,000 and over. Appointment processes are detailed in 1.1 of the Pay Policy and have been agreed by Full Council. Any severance packages in excess of £100,000, (not inclusive of pension capital costs), will be agreed by Full Council.

5. Re-engagement of senior employees in receipt of a local government pension

- 5.1 The City of Wolverhampton Council recognises that the re-employment of retired local government officers is likely to be perceived negatively and bring into question the use of retirement packages in the public sector. The Council's Voluntary Redundancy Scheme makes clear that employees, regardless of salary level, should not seek re-

employment into council roles for 12 months after accepting early retirement/ voluntary redundancy. Appointment of former employees as either agency staff or consultants is also prohibited if the arrangement could have been foreseen at the time of retirement. The Council is, however, not averse to appointing senior staff who have retired from other public sector employers. This is because the City of Wolverhampton Council has no control over the decision-making of other employers and could potentially benefit from the skills and experience of the individual concerned.

6. Payments made in recognition of election responsibilities

6.1 In accordance with the regulations, at times of General or Mayoral Elections the council appoints an Acting Returning Officer, by convention, the Head of Paid Service, whose fee for overseeing the election process, is paid by central government. The fee is set nationally. However, at times of a Local Election the fee for acting as a Returning Officer for City Council elections forms part of the Head of Paid Services' contract of employment.

7. Pension Contributions and other elements of remuneration

7.1 Employer pension contributions have been included in the pay data included in this policy; this is in line with the definitions of remuneration in the Local Government Transparency Code 2015. The employer contribution rate for LGPS in 2020 – 2021 was 26.04% and for Teachers Pension was 23.68%. The employer contribution rate for LGPS for 2021 – 2022 is 26.16%, the Teachers Pension is not yet confirmed.

8. Interim Senior Managers

8.1 There is a requirement from time to time to appoint senior managers on an interim basis in response to short term vacancies or skill shortages, the engagement of all interim senior managers is subject to the necessary approvals and council processes.

9. Pay comparison between the highest and the lowest paid

9.1 In setting the requirement that the policy statement includes a comparison between the highest and the lowest paid, the Act gives no definition of 'lowest paid' and specifies that authorities should set their own and explain why it has been chosen.

9.2 For the purposes of this policy statement, to comply with the Localism Act, the identification of the lowest paid role has been identified as a full-time job, performed all year round, with the exclusion of posts that include an on-going training requirement, such as an apprenticeship.

9.3 The lowest pay point is pay point 1 currently £17,842. This point is part of City of Wolverhampton Council's Grade 2. Grade 2 is from pay point 1 £17,842 – pay point 3 £18,562 per annum.

- 9.4 The type of roles that fall within Grade 2 are Catering and Cleaning roles, School Crossing Patrol and Passenger Assistant. There are currently 645 employees on Grade 2.
- 9.5 The City of Wolverhampton Councils pay ratio of 9.25:1 falls below the City of Wolverhampton Councils pledge to keep the pay ratio below 10:1.

City of Wolverhampton Council's Pay Multiple	Difference between highest and lowest paid	Highest and Lowest paid roles
9.25:1	£165,068 £17,842	Chief Executive Cleaner

- 9.6 In addition to reporting the above as part of the Localism Act, there is a requirement under the Transparency Code 2015, to report the pay multiple, defined in this case, as the ratio between the highest taxable earnings for a given year (2019-2020 as 2020-2021 is not yet available) and the median figure for the whole authority's workforce. The median figure should be calculated using all employees on a fixed date each year. The date of 1 March 2021 has been used to provide the most current data. The highest salary is the Chief Executive on Grade 16 £165,068 and the lowest pay is an apprentice on £17,620. The median earning figure used as the denominator is £27,041, giving a pay ratio of 6.1:1.
- 9.7 Fairness and inclusivity underpin all council priorities. This is why the council has made significant efforts in recent years and now has one of the lowest pay gap ratios in the West Midlands region in terms of the difference between the council's highest and lowest salaries and median and lowest salaries. This is based on the latest data available from each local authorities website at the time of this report and detailed in the table below.

Local Authority	Lowest to highest ratio	Median to Highest Ratio
Wolverhampton	9.25:1 (statement 2021/22 for pay as of March 2021)	6.1:1 (statement 2021/22 for pay as of March 2021)
Birmingham	10.2:1 (statement 2020/21 for pay as of April 2019)	7.59:1 (statement 2020/21 for pay as of April 2019)
Coventry	11.1:1 (statement 2018/19 for 2018/19)	7.38:1 (statement 2018/19 for 2018/19)
Dudley	11:1 (statement 2018 for pay as of April 2017)	8:1 (statement 2018 for pay as of April 2017)

Sandwell	8:1 (statement 2020 for the period 1 Feb 2019 to 31 Jan 2020)	6:1 (statement 2020 for the period 1 Feb 2019 to 31 Jan 2020)
Solihull	8.6:1 (Statement 2020 for the pay as of April 2019)	5.5:1 (Statement 2020 for the pay as of April 2019)
Walsall	Not available	7:1 (statement 2020/21 for pay as of 31 October 2019)

10. Publication

- 10.1 The Pay Policy Statement 2021-2022 will be published on the City of Wolverhampton Council's website, alongside the data published under the Local Government Transparency code, at <http://www.wolverhampton.gov.uk/article/1889/Corporate>
- 10.2 As good practice the actual remuneration of Chief Officers (as defined by the Localism Act) for the 2020-2021 will also be published on the City of Wolverhampton Council's website.