



Hartlepool Borough Council

Pay Policy Statement 2024/25

HR Service

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1. INTRODUCTION

- 1.1 This Pay Policy Statement sets out Hartlepool Borough Council’s policies in relation to the remuneration of its employees in accordance with Section 38 of the Localism Act 2011¹ and associated Government guidance.^{2 3} This Pay Policy Statement applies equally to all employees with the exception of those employed by schools with delegated budgets) regardless of status and seniority. This Pay Policy Statement is subject to annual review and must be approved by Full Council each financial year. The Pay Policy Statement will be published on the Council’s website⁴ as soon as reasonably practicable after approval or amendment.
- 1.2 Hartlepool Borough Council (the ‘Council’) is committed to transparency and fairness in its payment and remuneration of all of its employees and will comply with all relevant employment legislation.
- 1.3 In 2024/25, the Council has an overall pay budget of £79.9m (excluding school staff) including on-costs for its workforce. It employs 2,044 people excluding those who are employed directly by schools in Hartlepool, in a variety of diverse roles.
- 1.4 The Council’s values give us a desire to increase the standard of living for everyone. Given that the Council is the largest employer in Hartlepool and that approximately 77% of employees live in the town, it has a major influence on the economic wellbeing of the town and a direct impact on levels of inequality. The Council wants to do all in its power to make Hartlepool a fairer town and is committed to reducing inequality by leading by example and doing so through the way it operates as an organisation.

2. NATIONAL AND OTHER CONTITIONS OF SERVICE

- 2.1 The appropriate National Conditions of Service (as detailed in Table 1) are automatically incorporated into employee contracts of employment.

Table 1 – National Conditions of Service in use in the Council

Condition of Service	Type of Employees
Joint Negotiating Committee (JNC) for Local Authority Chief Executives	Managing Director
Joint Negotiating Committee (JNC) for Chief Officers in Local Authorities	Directors, Assistant Directors and some other senior managers

1 Available at: <http://www.legislation.gov.uk/ukpga/2011/20/contents>

2 Available at: [Openness and accountability in local pay: guidance - Publications - GOV.UK](#)

3 Available at: [Openness and accountability in local pay: supplementary guidance - Publications - GOV.UK](#)

4 Available at: https://www.hartlepool.gov.uk/downloads/download/305/pay_policy

The Soulbury Committee	Educational Improvement Professionals, Educational Psychologists and Young People's/Community Service Managers
Conditions Of Service for School Teachers in England And Wales ⁵	Head Teachers, Deputy/Assistant Head Teachers, all Leadership, Leading Practitioners, Teachers, Qualified and Unqualified Teachers
Joint Negotiating Committee for Youth and Community Workers	Youth and Community Workers
National Joint Council (NJC) for Local Government Services ('Green Book')– Part 2 only	All other employees

For legal and other reasons, some employees are employed on other conditions of service, for example as a result of TUPE transfers into the Council.

- 2.2 The Council's Single Status Agreement is automatically incorporated into the employment contract of NJC for Local Government Services employees.
- 2.3 Sections 1 (paragraphs 1.1.3 and 1.1.4 only), 3 (sub section 3.5 only), 5-9 and 12-16 of Part 2 of the Council's Single Status Agreement apply to all employees where their national conditions of service are silent.
- 2.4 For Youth & Community terms and conditions, an agreement was reached for an increase of £1,925 on all spinal column points applicable from 1st September 2023. For Soulbury the National Employers had not reached any agreement with the staff side for the last two years. An agreement was finally reached for an increase of £1925 for 1st September 2022 to 31st August 2022 and 4% on all spinal column points for 1st September 2023 to 31st August 2024.
- 2.5 NJC Local Government Services (Green Book) National Employers made an offer of £1,925 across all spinal column points relevant to Hartlepool Borough Council from 1st April 2023 which was agreed. Chief Executives and Chief Officer National Employers made a final pay offer of 3.50% which was accepted.

3. PAY STRUCTURE

- 3.1 The Council uses nationally negotiated pay rates included in the above national conditions of service as the basis for its local pay structure, which determines the pay bands of its workforce.

⁵ The Conditions of Service for School Teachers In England And Wales August 2000 is supplemented by the statutory School Teachers' Pay and Conditions Document available at <https://www.gov.uk/government/publications/school-teachers-pay-and-conditions>

- 3.2 National pay awards are automatically applied to the national and local pay rates where employees are employed under the national conditions of service detailed in Table 1. Employees who continue to be employed under their pre transfer conditions of service following their TUPE (or similar) transfer to the Council are:
- not entitled to receive 'green book' pay awards where the value of the maximum of the employees pre transfer pay band is greater than the pay they would receive at the maximum of the pay band if they were employed under the appropriate Council conditions of service and/or if the employees are entitled to increments within their TUPE pay band as they are not at the maximum of their TUPE (or similar) pay band.
 - entitled to receive 'green book' pay awards in all other circumstances.
- 3.3 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.
- 3.4 In determining its grading structure and setting remuneration levels for any posts which fall outside the scope of nationally set pay grades, the Council takes account of the need to ensure value for money in respect of the use of public expenditure. This is balanced against the need to recruit and retain employees who are able to deliver high quality services to the community and the need to comply with pay related legislation e.g. in relation to equal pay, national minimum wage and the national living wage.
- 3.5 In line with good employment practice, JNC for Local Authority Chief Executives and JNC for Chief Officers in Local Authorities jobs have been evaluated using the LGA Senior Managers job evaluation scheme and NJC for Local Government Services jobs have been evaluated using the bespoke NJC job evaluation scheme. This is to ensure that jobs are graded fairly and equitably. Both job evaluation schemes used are substantial schemes. For legal and other reasons, a limited number of employees pay is not consistent with the current grading structures, for example, as a result of TUPE transfers.
- 3.6 No job evaluation scheme exists for the remainder of jobs i.e. those on Teachers, Youth and Community workers and Soulbury conditions of service, however, those employees are placed within nationally defined grading structures.
- 3.7 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.
- 3.8 Periodic equal pay audits will be undertaken and pay structures and allowances will be reviewed as necessary.

4. REMUNERATION ON APPOINTMENT

- 4.1 New appointments are subject to the Council's Recruitment and Selection Policy and will generally be made to the agreed pay structures at the bottom spinal column point of all pay bands unless there are special circumstances and payment at a higher level can be objectively justified. Appointment of all officer posts, with the exception of those identified in paragraph 5 below, is the responsibility of the Managing Director as Head of Paid Service or his/her nominee, and may not be made by Elected Members.
- 4.2 Where employees are redeployed into a lower graded post because of ill health (where this is supported by the Council's Occupational Health Advisor) or as an alternative to redundancy they will generally be appointed to the highest spinal column point within the lower grade so as to minimise financial loss and where eligible, receive salary protection in line with the terms and conditions of employment negotiated in the Council's Single Status Agreement. From time to time, it may be necessary to take account of external pay levels in the labour market in determining starting salary levels and the use of market forces supplements in order to attract and retain employees with particular experience, skills and capacity.
- 4.3 The Council does not make any "golden hello" payment or any other incentive payments at recruitment other than market forces supplements where these are determined in accordance with the provisions in Table 3.

5. SENIOR MANAGEMENT REMUNERATION

- 5.1 The definition of 'Senior Management' in this statement mirrors the definition of 'Chief Officer' as detailed in Section 42(2) of the Localism Act 2011 i.e.
- the head of its paid service designated under section 4(1) of the Local Government and Housing Act 1989;
 - its monitoring officer designated under section 5(1) of that Act;
 - a statutory chief officer mentioned in section 2(6) of that Act;
 - a non-statutory chief officer mentioned in section 2(7) of that Act;
 - a deputy chief officer mentioned in section 2(8) of that Act.

Within Hartlepool, the above definition includes employees on JNC for Local Authority Chief Executives, JNC for Chief Officers in Local Authorities and NJC for Local Government conditions of service plus employees employed on other terms and conditions of employment as a result of TUPE (or similar) transfers.

- 5.2 Appointments to the posts of Managing Director, Directors and other Chief Officer posts are subject to the Council's Officer Employment Procedure Rules.⁶

⁶ Available at https://www.hartlepool.gov.uk/info/20004/council_and_democracy/370/hartlepool_borough_councils_constitution

In accordance with Government guidance⁷ the Council has agreed a salary structure for its senior posts and will make any appointment to a vacancy on this structure at the salaries referred to in this statement. In the case of the appointment of the Managing Director/Head of Paid Service, the appointment is made by Full Council. Directors and other Chief Officers are appointed by the Council's Appointments Panel. The number of senior posts attracting salaries of £100,000 or higher will not be increased without the prior approval of full Council.

5.3 The 'Senior Management' salary bands for implementation as at 1 April 2024 are set out in Table 2 below.

5.4 Any increments due are implemented automatically on an annual basis.

5.5 In respect of Chief Officers (those posts below the Managing Director and Directors), the Council operates with a number pay bands to provide operational and strategic flexibilities, whilst providing a robust and competitive pay strategy to retain and attract high calibre staff.

Table 2 – Salary bands of 'Senior Management'

Role	Annual Salary Band as at 1 April 2024	No of Points in Pay Band
Managing Director	£162,375	1
Executive Directors	£116,552 - £128,007	6
Directors	£98,325 - £102,983	3
Director of Public Health	£90,398 - £96,714	3
Chief Officer – Band A	£90,398 - £96,714	3
Chief Officer – Band B	£80,928 - £87,242	3
Chief Officer – Band C	£68,298 – £77,771	4
Chief Officer – Band D	£62,407 - £65,045	3

5.6 Information on 'Senior Management' responsibilities and remuneration will be published on the Council's website⁸ in line with Local Government Transparency Code 2015⁹ and the Accounts and Audit Regulations 2015¹⁰.

6. ADDITIONAL BENEFITS

6.1 Employees receive/have access to additional benefits (in addition to basic salary) as outlined in the Table 3 below.

⁷ Link to [Openness and Accountability in Local Pay: Guidance under section 40 of the Localism Act](#) published in February 2012

⁸ Available at: https://www.hartlepool.gov.uk/info/20004/council_and_democracy/430/local_government_transparency_code

⁹ Available at: <https://www.gov.uk/government/publications/local-government-transparency-code-2015>

¹⁰ Available at: <http://www.legislation.gov.uk/ukxi/2015/234/contents/made>

Table 3 – Additional Benefits

Employees	Additional Benefit
All officers involved in delivering local, Parliamentary and/or European elections and/or referenda	Duty payments in connection with elections as determined locally in consultation with the other Tees Valley Councils and/or by statute depending on the duties concerned.
Employees in Development Scheme posts	Progression through pay bands where pre-determined progression criteria are met.
All employees whose pay reduces as a consequence of organisational change, job evaluation or redeployment	The pay protection arrangements detailed in the Council’s Single Status Agreement apply to all employees as a means of assisting employees to adjust to a reduction in pay arising from organisational change, job evaluation or redeployment. At the end of the year protection period the standard pay arrangements apply.
All employees who are members of public sector pension schemes	<p>The Council operates the Local Government Pension Scheme (LGPS), the Teachers’ Pension Scheme (TPS) and the NHS Pension Scheme (PHPS) and makes employer pension contributions, as required, for all employees who elect to participate in one of the above schemes.</p> <p>The employer pension contributions from 1 April 2024 are as follows:</p> <p>Local Government Pension Scheme -12.4% of pensionable pay</p> <p>Teachers’ Pension Scheme - 28.68% of pensionable pay</p> <p>NHS Pension Scheme – 20.68% of pensionable pay</p> <p>The contribution rates are regularly reviewed and set by actuaries advising the various Pension Funds.</p>
All employees in posts where there are particular recruitment and/or retention difficulties	As a general rule, the pay bands provide relevant and adequate compensation to attract and retain employees for the vast majority of posts and the necessity to apply a salary supplement should not exist. There

	<p>may be specific circumstances, however, where an additional market forces supplement may be required to either attract hard to recruit categories of employees or to retain such employees within the employment of the Council.</p> <p>In all circumstances a business case will need to be developed (and reviewed regularly) to support the payment of market supplements which will be approved by members in relation to posts subject to the Council's Officer Employment Procedure Rules¹¹ and by the Managing Director in relation to all other posts.</p> <p>The market forces supplement arrangements detailed in the Council's Single Status Agreement apply to all employees.</p>
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Table 3 (cont.) – Additional Benefits

Posts/Employees	Additional Payment
Employees registered and in receipt of Childcare Vouchers via the Council run Scheme on 5 April 2018.	Able to continue to access the Council's Childcare Voucher scheme through a salary sacrifice arrangement in accordance with His Majesty's Revenues and Customs (HMRC) rules and at no cost to the Council.
All employees who are members of the Local Government Pension Scheme	Able to access a Shared Cost Salary Sacrifice AVC scheme.
All employees (excluding those with less than 6 months service with the Council and those without the appropriate fixed term contract length)	<p>Able to access via Vivup, the Council's Employee Benefits Platform, a range of schemes through a salary sacrifice arrangement in accordance with His Majesty's Revenue and Customs (HMRC) rules and at no cost to the Council.</p> <p>Home and Electronics Cycle to Work Bike Shop</p>
All employees	The Council pay a range of allowances/premium payments as detailed in National Conditions of Service (see Table 1).
All employees employed under the National Joint Council	The Council pay a range of allowances/premium payments as detailed in the Council's Single Status

¹¹ Available at https://www.hartlepool.gov.uk/info/20004/council_and_democracy/370/hartlepool_borough_councils_constitution

(NJC) for Local Government Services conditions of service	Agreement subject to employees meeting the criteria for payment.
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7. CHANGES TO SALARIES

7.1 Changes in salary for employees will occur only as a result of

- the application of the provisions in Table 3.
- promotion.
- significant changes to an employee's role which results in a different pay band being appropriate (as confirmed by the outcome of an appropriate job evaluation process, where appropriate).
- an honorarium or ex-gratia payment being appropriate to recognise circumstances or events not covered by conditions of service.
- progression of a maximum of one increment each year within previously agreed pay bands based on service.
- changes in the working arrangements of employees. .

7.2 The Council does not currently award any performance related pay or bonuses to any of its employees or require them to have an element of their basic pay 'at risk' to be 'earned back' through meeting pre agreed objectives.

8. PAYMENTS TO ALL EMPLOYEES UPON TERMINATION OF EMPLOYMENT

8.1 Employees who cease to hold office or be employed by the Council will receive payments based on entitlement within their contract of employment, their general terms and conditions and existing policies in relation to the Local Government Pension Scheme¹², specifically the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 and Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011¹³.

8.2 In accordance with the Council's Constitution, the determination of voluntary redundancy or early retirement applications which do not generate sufficient savings to ensure that the costs of the application (including salary paid in lieu, redundancy compensation, strain on the pension fund, holiday pay and any bonuses, fees or allowances paid) are recovered within a pay-back period of 3.05 years or less are considered by members of the Personnel Sub Committee and only approved in exceptional circumstances. Officers determine all other early retirement applications in accordance with the pay-back period of 3.05 years. This arrangement complies with previous Audit

¹² Available at: <http://www.lgpsregs.org/>

¹³ Available at: <http://timeline.lge.gov.uk/regidx.html>

Commission guidance, has worked very well for a number of years and is an effective and efficient way of dealing with early retirement applications.

- 8.3 The Localism Act 2011 and associated guidance, identifies that all severance packages for employees leaving the Council over £100,000 must be voted on by Full Council before they can be approved.
- 8.4 On 22nd May 2022 the Government published ‘Statutory Guidance on the making and disclosure of Special Severance Payments by Local Authorities’¹⁴.

The wording of the guidance is based on a Leader and Cabinet System and therefore isn’t wholly applicable/relevant to our Committee system of governance. In Hartlepool, Special Severance payments will be approved according to the following process:

- payments of £100,000 and above will be approved by a vote of Full Council, as set out in the Localism Act 2011
- payments of £20,000 and above, but below £100,000, will be personally approved and signed off by the Managing Director as Head of Paid Service, with a clear record of the Monitoring Officer and s151 Officers approval, in consultation with the Leader of the Council.
- payments below £20,000 will be approved according to the Council’s scheme of delegation.

All payments will be recorded on an Officer Decision Record.

In accordance with the guidance, severance payments to the Head of Paid Service will only be made with the approval of a panel including two independent persons.

9. LOWEST PAID EMPLOYEES

- 9.1 The Council defines lowest paid employees from 1st April 2023 as employees remunerated at NJC for Local Government Services spinal column point 3 (equivalent to £22,737 per annum, £11.79 per hour) subject to any National Agreement on the pay award.
- 9.2 The Council introduced its Single Status Agreement on 1st April 2007. The lowest paid employees within the Council are appointed to jobs which have been evaluated using the NJC Job Evaluation Scheme and are remunerated accordingly.
- 9.3 The relationship between the rates of pay for the lowest paid and for senior management is determined by the processes used for determining pay and grading structures as set out earlier in this Policy Statement.
- 9.4 The Council’s ‘median pay multiple’, which complies with the Local Government Transparency Code 2015¹⁵, is the ratio between the taxable

¹⁴ Available at: <https://www.gov.uk/government/publications/special-severance-payments>

¹⁵ Available at <https://www.gov.uk/government/publications/local-government-transparency-code-2015>

earnings of the highest paid employee and the median taxable earnings of the whole of the Council's workforce. The Managing Director is the highest paid employee.

9.5 The 2023 'pay multiple' with comparative data is detailed in Table 5.

Table 5 – 'Pay Multiple'

Date	Taxable earnings of the highest paid employee	Median taxable earnings of the whole of the Council's workforce	Pay multiple based upon the taxable earnings of the highest paid employee
31 March 2019	£134,288	£19,325	6.95
31 March 2020	£138,855	£19,988	6.95
31 March 2021 *	£122,548	£20,487	5.98
31 March 2022	£137,173	£20,014	6.53
31 March 2023	£138,879	£22,659	6.13

N.B. The pay multiple changes each year as a consequence of a combination of the taxable earnings of the highest paid employee increasing due to incremental progression within the pay band, the time they are in post and the median taxable earnings of the whole of the Council's workforce changing.

* The pay multiple at 31 March 2021 reflects total taxable pay paid to the highest paid employee, which includes a part year impact at the Managing Director pay level. If the post holder has been Managing Director for the full year the pay multiple would be 6.6

9.6 The Council will aim to ensure that the basic pay 'pay multiple' does not exceed a value of ten.

10. EMPLOYMENT OR ENGAGEMENT OF FORMER EMPLOYEES

10.1 The Council will generally not re-employ or engage any individual under a contract of service or a contract for services whom has previously been employed by the Council and left that employment with the benefit of a severance, early retirement or redundancy payment under voluntary arrangements, unless it is in the best interests of the Council to do so or there are exceptional circumstances which would justify doing so.

The Council is mindful of its obligations under equality legislation and as such is limited in its ability to adopt a policy that it will not employ people of an age that has entitled them to pension access on leaving former employment in the public sector or to propose that such applicants be employed on less favourable terms than other applicants. It expects all applicants for any posts to compete and be appointed on merit.

Any proposed appointment under this provision will only be made following exhaustion of all recruitment policies and procedures and in accordance with the Officer Employment Procedure Rules¹⁶ Elected Members will approve all appointments for Head of Paid Service, Directors and Chief Officers reporting to a Director or Head of Paid Service. In respect of all other posts the Managing Director (in her/his role as Head of Paid Service) will formally approve any appointments.

10.2 The approach to the employment of individuals already in receipt of a local government pension is set by the Teesside Pension Fund.

11. EMPLOYMENT OF INDIVIDUALS ALREADY UNDER A CONTRACT FOR SERVICES

11.1 The Council does not generally support engaging individuals under a 'contract for services' where the Council is not required to make either pension or national insurance contributions for such individuals as it supports the Government's commitment to tackling all forms of tax avoidance and recognises that public appointments that involve arrangements whereby savings in tax and National Insurance contributions are made may be at the expense of other taxpayers or other parts of the public sector. However there may be exceptional circumstances where engaging an individual under these terms is the most effective and efficient way of meeting the Council's needs. If this situation applies formal approval will be sought from members in relation to posts subject to the Officer Employment Procedure Rules¹⁸ and from the Managing Director (in his/her role as head of the paid service) in respect of other posts and individuals will be sourced through an appropriate procurement process, including IR35 checks, and in accordance with the Council's Contract Procedure Rules which ensure the Council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service.

12. INCOME TAX AND NATIONAL INSURANCE

12.1 The Council does not enter into arrangements with individual employees to minimise their tax and national insurance contributions other than via salary sacrifice schemes in accordance with His Majesty's Revenues and Customs (HMRC) rules.

13. USE OF AGENCY WORKERS

13.1 The Council does not generally support using agency workers. However there may be circumstances where engaging agency workers is the most efficient and effective way of meeting the Council's needs. If this situation applies, formal approval will be sought from the relevant Assistant Director. Agency

¹⁶ Available at:

https://www.hartlepool.gov.uk/downloads/file/5261/hartlepool_borough_councils_constitution_2019-20 Part 4, p109.

workers operating in the Council will be remunerated on the pay of comparable employees after 12 weeks of qualifying service.

14. APPRENTICES

- 14.1 Apprentices are paid the appropriate national minimum wage (depending upon individual circumstances).
- 14.2 Employees with substantive jobs who undertake apprenticeships within their current duties and responsibilities will continue to be paid in accordance with their contract of employment.

15. USE OF ZERO HOUR CONTRACTS

- 15.1 The Council does not generally support the use of zero hour contracts and has acted to end such contracts, with the exception of where an individual employee has specifically requested to remain on such a contract. There may be circumstances where an individual employee requests the use of a zero based hour contract. The Director of Legal, Governance and Human Resources **must** consult with the Managing Director before the use of any such contracts are approved. Where employees are employed on a zero hour contract they are employed on a permanent or fixed term basis, are entitled to request a review of their contracted hours at any time after six months in post and are not prevented from working for other employers.

16. CONTRACTORS

- 16.1 The Council requires that contractors comply with the national minimum wage and national living wage legislation. All new and extended Council contracts are encouraged to pay NJC for Local Government Services spinal column point 3 (see 9.1 above) and avoid the use of zero hour contracts (see 15.1 above).
- 16.2 The Council will encourage all local employers employing 250 or more employees to publish their pay multiple.

17. GENDER PAY GAP INFORMATION

- 17.1 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires all local authorities with more than 250 employees to publish gender pay gap data based on a 'snapshot' date of 31 March of the previous year to the year in which the data is published. This is published annually on the Council's website.
- 17.2 The gender pay gap is defined as the average pay gap between male and female staff in hourly pay. The council is required to publish the mean and median differences between male and female employees and the proportions of each gender in each pay quartile.

17.3 Further requirements stipulate the need to publish information related to bonuses received by each gender, however the council does not pay bonuses, and as such the council does not report under these headings.