



Hartlepool
Borough Council

Pay Policy Statement

2026/27

HR Service

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1. INTRODUCTION

- 1.1 This Pay Policy Statement explains Hartlepool Borough Council's approach to employee pay, as required by Section 38 of the Localism Act 2011 and associated Government guidance. It applies to all employees except those working in schools with delegated budgets. The Statement is reviewed and approved by Full Council each year and is published on the Council's website as soon as possible after approval.
- 1.2 Hartlepool Borough Council is committed to ensuring that all employees are paid fairly and transparently, in line with relevant employment legislation.
- 1.3 For 2026/27, the Council's total pay budget is £89.2m (excluding school staff) including on-costs. The Council employs 2116 staff, not including those directly employed by schools, across a wide range of roles.
- 1.4 As Hartlepool's largest employer and with around 78% of staff living in the town the Council plays a significant role in the local economy and in reducing inequality. The Council is ambitious, fit for purpose and reflects the diversity of its community.

2. NATIONAL AND OTHER CONDITIONS OF SERVICE

- 2.1 The relevant National Conditions of Service, as set out in Table 1, form part of employees' contracts of employment.

Table 1 – National Conditions of Service

Condition of Service	Type of Employees
Joint Negotiating Committee (JNC) for Local Authority Chief Executives	Chief Executive
Joint Negotiating Committee (JNC) for Chief Officers in Local Authorities	Executive Directors, Directors, Assistant Directors and some senior managers
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 ¹	Head Teachers, Deputy/Assistant Head Teachers, all Leadership, Leading Practitioners, Teachers, (Qualified and Unqualified)
Joint Negotiating Committee for Youth and Community Workers	Youth and Community Workers

Condition of Service	Type of Employees
National Joint Council (NJC) for Local Government Services ('Green Book') – Part 2 only	All other employees

Some employees remain on different conditions of service where this is required for legal reasons, such as following TUPE transfers.

- 2.2 The Council's Single Status Agreement applies automatically to NJC employees. Sections 1 (paragraphs 1.1.3 and 1.1.4), 3 (sub-section 3.5), 5–9 and 12–16 of Part 2 of that Agreement apply to all employees where their national conditions do not address a particular matter.
- 2.3 The 'Youth and Community Workers' national agreement confirmed a 3.2% increase to all spinal column points from 1 September 2025. For Soulbury staff, a 3.2% offer from 1 September 2025 has been made by National Employers but has been rejected by the Soulbury Officers' Side. The offer remains on the table and agreement has not yet been reached.
- 2.4 The 'NJC for Local Government Services' (Green Book) National Employers have agreed a 3.2% increase on all spinal column points from 1 April 2025. The same 3.2% increase has been agreed by the National Employers for Chief Executives and Chief Officers.

3. PAY STRUCTURE

- 3.1 The Council's local pay structure is based on the nationally negotiated pay rates set out in the relevant conditions of service.
- 3.2 National pay awards are automatically applied to employees covered by the national conditions of service listed in Table 1.
- 3.3 Employees who remain on pre-transfer (e.g. TUPE) terms and conditions are **not entitled** to Green Book pay awards where:
 - the maximum of their pre-transfer pay band is higher than the maximum of the equivalent Council pay band, and/or
 - they are still eligible for increments within their pre-transfer pay band because they have not reached the maximum point.
 - entitled to Green Book pay awards in all other circumstances.
- 3.4 All other pay-related allowances are set either nationally or locally, following the appropriate collective bargaining arrangements.
- 3.5 When determining grading structures and setting pay levels for posts not covered by national pay grades, the Council balances value for money with the need to attract and retain employees capable of delivering high-quality

services. The Council must also comply with pay-related legislation, including equal pay, the national minimum wage and the national living wage.

- 3.6 Senior roles covered by 'JNC for Chief Executives and JNC for Chief Officers' are evaluated using the LGA Senior Managers Job Evaluation Scheme. NJC roles are evaluated using the NJC Job Evaluation Scheme. Both schemes ensure fair and consistent grading. For legal or historical reasons, a small number of employees remain on pay arrangements that do not align with current structures (e.g., following TUPE transfers).
- 3.7 There are no job evaluation schemes for Teachers, Youth and Community Workers or Soulbury staff. These employees are placed within nationally defined grading structures.
- 3.8 The Council reviews external pay market information as appropriate to ensure its pay structures remain aligned with relevant labour market conditions.
- 3.9 Periodic equal pay audits are undertaken and pay structures and allowances are reviewed where necessary.

4. REMUNERATION ON APPOINTMENT

- 4.1 All new appointments are made in line with the Council's Recruitment and Selection Policy. Employees will normally be appointed at the lowest spinal column point of the relevant pay band unless there is an objectively justified reason to appoint at a higher point.
- 4.2 Appointments to all officer posts except those covered in Section 5 are the responsibility of the Chief Executive, as Head of Paid Service, or their nominee. These appointments cannot be made by Elected Members.
- 4.3 Where an employee is redeployed into a lower-graded role due to ill health (supported by Occupational Health) or as an alternative to redundancy, they will normally be placed on the highest spinal column point of the lower grade to minimise financial loss. Where applicable, salary protection will apply in accordance with the Council's Single Status Agreement.
- 4.4 In some circumstances, external labour market conditions may require the Council to take account of market pay levels when setting starting salaries or applying market forces supplements to attract or retain employees with specific skills or experience.
- 4.5 The Council does not offer "golden hello" or similar incentive payments on appointment. The only exception is the use of market forces supplements, where applicable, and where these have been approved in line with the provisions set out in Table 3.

5. SENIOR MANAGEMENT REMUNERATION

5.1 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:

- the Head of Paid Service (Section 4(1), Local Government and Housing Act 1989)
- the Monitoring Officer (Section 5(1), Local Government and Housing Act 1989)
- statutory chief officers (Section 2(6), Local Government and Housing Act 1989)
- non-statutory chief officers (Section 2(7), Local Government and Housing Act 1989)
- deputy chief officers (Section 2(8), Local Government and Housing Act 1989)

Within Hartlepool Borough Council, this definition includes employees on JNC for Chief Executives, JNC for Chief Officers and NJC for Local Government Services, as well as individuals on alternative terms and conditions where these apply following TUPE or similar transfers.

5.2 Appointments to the Chief Executive/Head of Paid Service, Directors, and other Chief Officer roles are made in line with the Council's Officer Employment Procedure Rules. Full Council must approve appointments to the Chief Executive/Head of Paid Service, the s151 Officer, and the Monitoring Officer. Directors and other Chief Officers are appointed by the Council's Appointments Panel. The Council will not create any new posts with a salary exceeding £100,000 without the prior approval of Full Council.

5.3 The salary bands for Senior Management, effective from 1 April 2026, are shown below.

Table 2 – Salary Bands of 'Senior Management'

Role	Annual Salary Band as at 1 April 2026	No of Points in Pay Band
Chief Executive	£171,760*	1
Executive Directors	£123,298 - £135,406	6
Directors	£108,936 - £118,680	4
Director of Public Health	£95,623 - £102,304	3
Chief Officer – Band A	£95,623 - £102,304	3
Chief Officer – Band B	£85,605 - £92,285	3
Chief Officer – Band C	£72,245 - £82,266	4
Chief Officer – Band D	£66,014 - £68,804	3

*upon appointment of the new Chief executive the salary will be £155,000

5.4 For Chief Officer posts below Director level, the Council operates a series of pay bands that provide flexibility while ensuring a competitive and transparent approach to attracting and retaining high calibre staff.

- 5.5 Increments are awarded automatically each year where applicable, in line with the relevant pay band.
- 5.6 Details of Senior Management roles and remuneration are published on the Council's website in accordance with the Local Government Transparency Code 2015 and the Accounts and Audit Regulations 2015.

6. ADDITIONAL BENEFITS

- 6.1 Employees receive or have access to a range of additional benefits, as set out in Table 3 below:

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 2025 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>

Employees	Additional Benefit
	<p>NHS Pension Scheme – 14.38% of pensionable pay via direct payroll deductions. An additional 5.6% contribution is paid on invoice by HBC and a further 3.8% is paid by DHSC.</p> <p>The contribution rates are regularly reviewed and set by actuaries advising the various Pension Funds.</p>
<p>All employees in posts where there are particular recruitment and/or retention difficulties</p>	<p>While standard pay bands are normally sufficient to attract and retain staff, in specific circumstances a market forces supplement may be applied.</p> <p>A business case must be prepared (and reviewed regularly) to support such payments. Supplements are approved by Members for posts covered by the Officer Employment Procedure Rules, and by the Chief Executive for all other posts.</p> <p>These arrangements follow the provisions of the Council's Single Status Agreement.</p>
<p>Employees registered and in receipt of Childcare Vouchers via the Council run Scheme on 5 April 2018.</p>	<p>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.</p>
<p>All employees who are members of the Local Government Pension Scheme</p>	<p>Able to access a Shared Cost Salary Sacrifice AVC scheme.</p>
<p>All employees (excluding those with less than 6 months service with the Council and those without the appropriate fixed term contract length)</p>	<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 Tuskers – Car Lease NHS Fleet – Car Lease Car Loan Scheme</p>

Employees	Additional Benefit
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 (NJC) for Local Government Services conditions of service	The Council pay a range of allowances/premium payments as detailed in the Council's Single Status Agreement subject to employees meeting the criteria for payment.

7. CHANGES TO SALARIES

7.1 Employee salaries will only change in the following circumstances:

- when provisions set out in Table 3 apply
- promotion
- significant changes to an employee's role that result in a different pay band (as confirmed through an appropriate job evaluation process, where applicable)
- the award of an honorarium or ex-gratia payment to recognise duties or circumstances not covered by existing conditions of service
- annual progression of up to one increment within an established pay band, subject to service
- changes to an employee's working arrangements

7.2 The Council does not operate performance-related pay or bonus schemes and does not place any element of basic salary 'at risk' to be earned back through performance or achievement of objectives.

8. PAYMENTS TO ALL EMPLOYEES UPON TERMINATION OF EMPLOYMENT

8.1 Employees who leave the Council will receive any payments to which they are entitled under their contract of employment, applicable terms and conditions, and relevant policies relating to the Local Government Pension Scheme. This includes any payments due under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 and the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011.

8.2 Under the Council's Constitution, applications for voluntary redundancy or early retirement that do not generate sufficient savings to recover all associated costs (including pay in lieu, redundancy compensation, pension strain costs, holiday pay, and any applicable fees or allowances) within a pay-back period of 3.05 years must, if Officers wish to pursue, be considered

by the Appeals Sub-Committee and will only be approved in exceptional circumstances.

- 8.3 All other early retirement applications are determined by officers, in line with the same 3.05-year pay-back requirement. This approach reflects previous Audit Commission guidance and has provided an effective and efficient framework for decision-making.
- 8.4 In accordance with the Localism Act 2011, any Special Severance Payment ² exceeding £100,000 must be approved by Full Council before it can be authorised.
- 8.5 The Government's Statutory Guidance on the Making and Disclosure of Special Severance Payments by Local Authorities (May 2022) applies to discretionary, non-statutory payments only. It does not apply to payments that an employee is legally entitled to receive, including statutory redundancy pay or contractual entitlements.
- 8.6 As the national guidance is framed around a Leader and Cabinet model, the Council has established the following local governance process for Special Severance Payments:
- payments of £100,000 and above must be approved by Full Council
 - payments of £20,000 and above must be approved and signed off by the Chief Executive as Head of Paid Service, with recorded approval from the Monitoring Officer and Section 151 Officer, and in consultation with the Leader of the Council
 - payments below £20,000 will be approved in accordance with the Council's Scheme of Delegation
- 8.7 In line with statutory guidance, any Special Severance Payment relating to the Head of Paid Service will require approval by a Panel that includes two independent persons.

9. LOWEST PAID EMPLOYEES

- 9.1 From 1 April 2025, the Council defines its lowest paid employees as those remunerated at spinal column point 3 of the NJC for Local Government Services pay structure (equivalent to £24,796 per annum or £12.85 per hour), subject to any nationally agreed pay award.
- 9.2 Since the implementation of the Council's Single Status Agreement on 1 April 2007, the lowest paid employees have been appointed to roles evaluated under the NJC Job Evaluation Scheme, ensuring they are remunerated fairly and consistently.

¹ Special severance payments are additional, discretionary sums paid on top of statutory or contractual redundancy or severance entitlements

- 9.3 The relationship between the pay of the lowest paid employees and senior management is determined through the processes set out in this Policy Statement for establishing pay and grading structures.
- 9.4 The Council’s median pay multiple, calculated in accordance with the Local Government Transparency Code 2015, is the ratio between the taxable earnings of the highest-paid employee (the Chief Executive) and the median taxable earnings of the overall workforce.
- 9.5 The 2025 ‘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 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
31 March 2024	£143,744	£24,942	5.76
31 March 2025	£147,341	£26,270	5.61

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 Chief Executive pay level. If the post holder has been Chief Executive for the full year the pay multiple would be 6.6.

10. EMPLOYMENT OR ENGAGEMENT OF FORMER EMPLOYEES

- 10.1 The Council will not normally re-employ or engage, under either a contract of service or a contract for services, any individual who has previously left the organisation with a severance, early-retirement or redundancy payment under voluntary arrangements, unless it is demonstrably in the Council’s best interests or there are exceptional circumstances to justify this, and the Chief Executive, as Head of Paid Service, has given approval.
- 10.2 The Council must also comply with equality legislation and therefore cannot operate a blanket policy preventing the re-employment of individuals who have accessed a pension on leaving previous public-sector employment, nor

can it apply less favourable terms to such applicants. All applicants will be assessed and appointed on merit.

- 10.3 Any proposed appointment under this provision will only be considered once all standard recruitment policies and procedures have been fully exhausted and must comply with the Officer Employment Procedure Rules.
- 10.4 Appointments to the posts of Head of Paid Service, Directors, and Chief Officers reporting to a Director or the Head of Paid Service must be approved by Elected Members.
- 10.5 For all other posts, the Chief Executive, in their capacity as Head of Paid Service, will formally approve the appointment.
- 10.6 The employment of individuals who are already in receipt of a local government pension is governed by the rules of 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 pension or National Insurance contributions are not required, as it aligns with the Government's commitment to preventing tax avoidance and recognises that such arrangements may disadvantage other taxpayers or parts of the public sector.
- 11.2 However, there may be exceptional circumstances where this type of engagement represents the most effective and efficient way of meeting the Council's needs. In such cases, formal approval will be sought from Members for posts covered by the Officer Employment Procedure Rules, and from the Chief Executive, in their capacity as Head of Paid Service, for all other posts.
- 11.3 Any engagement of individuals under a contract for services will be procured through the appropriate procurement process, will include all necessary IR35 checks, and will comply with the Council's Contract Procedure Rules to ensure value for money.

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 ordinarily support the use of agency workers. However, in certain circumstances this may be the most effective and efficient way to meet service needs. Where this applies, formal approval must be obtained from the relevant Assistant Director.
- 13.2 Agency workers engaged by the Council will receive pay equivalent to that of comparable employees once they have completed 12 weeks of qualifying service.

14. APPRENTICES

- 14.1 Apprentices are paid the appropriate national minimum wage (depending upon individual circumstances).
- 14.2 Employees who already hold a substantive post and undertake an apprenticeship as part of their existing duties will continue to receive their normal contractual pay.

15. USE OF ZERO HOUR CONTRACTS

- 15.1 The Council does not generally support the use of zero-hour contracts and has taken steps to discontinue them, except where an individual employee has expressly asked to remain on such a contract.
- 15.2 There may be situations where an employee requests to be employed on a zero-hour basis. In these cases, the Director of Legal, Governance and Human Resources must consult with the Chief Executive before any such contract is approved.
- 15.3 Employees engaged on zero-hour contracts are employed on either a permanent or fixed-term basis, may request a review of their contracted hours at any point after six months in post, and are not restricted from taking up employment with other organisations.

16. CONTRACTORS

- 16.1 The Council requires all contractors to comply with national minimum wage and national living wage legislation. All new or extended Council contracts will be encouraged to pay at least spinal column point 3 of the NJC for Local Government Services pay structure and to avoid the use of zero-hour contracts.
- 16.2 The Council will also encourage local employers with 250 or more employees to publish their pay multiple.

17. GENDER PAY GAP INFORMATION

- 17.1 Under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, all local authorities with more than 250 employees must publish annual gender pay gap data based on a snapshot date of 31 March from the previous year. This information is published on the Council's website each year.
- 17.2 The gender pay gap represents the average difference in hourly pay between male and female employees. The Council is required to publish both mean and median pay differences, as well as the proportion of men and women in each pay quartile.
- 17.3 Although the regulations require reporting on bonus payments by gender, the Council does not operate any bonus schemes. As a result, no reporting is required under these headings.