

Erewash Borough Council Pay Policy Statement 2025/2026

1. Introduction

The following Pay Policy Statement has been prepared in accordance with Section 38 to 43 of the Localism Act 2011. This Pay Policy Statement details Erewash Borough Council's policies towards a range of issues relating to the pay of its workforce, including the pay of senior officers. The Pay Policy Statement may be amended by resolution, including after the beginning of the financial year to which it relates.

2. Purpose

The purpose of this Pay Policy Statement is to comply with the requirement under the Localism Act 2011 for all relevant authorities to prepare an annual Pay Policy Statement for each financial year.

3. Senior Pay

3.1 Senior officers

In this policy the senior pay group within Erewash Borough Council as of 6 March 2025 are as follows:

Chief Executive

Director of Resources

Director of Environmental and Community Services

Head of Regulatory and Housing Services

Head of Operational Services

Head of Law and Governance

Head of Planning and Regeneration

Head of Property and Leisure Services

- 3.2** Under the relevant provisions of the Localism Act 2011, the Pay Policy Statement must include the remuneration of the council's three statutory officers namely the Head of Paid Service (Chief Executive), Section 151 Officer (Director of Resources) and the Monitoring Officer (Head of Law and Governance).

- 3.3 The remuneration of the Chief Executive is determined using a locally agreed salary structure. The remuneration of the Directors is determined using a job evaluation process as prescribed by the Joint Negotiating Committee (JNC) for Chief Officers of Local Authorities.
- 3.4 Salary details are published on the council's internet site and senior officers' remuneration is disclosed in the council's Annual Statutory Accounts. The salary scales, as of 1 April 2024, for the senior pay group of the council are as follows:

Chief Executive

Spinal Column Point 315 to 317 £125,321.00 to £131,482.00.

Director of Resources

Spinal Column Point 80 to 82 £94,266.00 to £99,057.00

Director of Environmental and Community Services

Spinal Column Point 80 to 82 £94,266.00 to £99,057.00

Head of Law and Governance (Monitoring Officer)

Spinal Column Point 53 to 58 £64,796.00 to £72,485.00

Heads of Service

Spinal Column Point 53 to 58 £64,796.00 to £72,485.00

The salaries detailed include the nationally agreed pay awards effective from 1 April 2024.

- 3.5 There are no other additional elements of remuneration in respect of overtime, flexi time, bank holiday working, standby payments etc. paid to the above senior officers, as they are expected to undertake duties outside their contractual hours and working patterns without additional payment. All the senior officer posts listed receive an annual essential car user allowance of £1,239.00 per annum (2024/25 £1,239.00 per annum).
- 3.6 Senior officers do not receive performance related pay or bonuses.

4. Pay Structure

- 4.1 The remuneration of employees (except the Chief Executive, Directors, and Heads of Service) within Erewash Borough Council is currently determined using the salaries and pay scales established by the National Joint Council (NJC) for Local Government Services Salary Award Scheme.
- 4.2 The council adopted the National Joint Council (NJC) Pay Scale and therefore, the lowest paid employees can be defined as those staff on the Spinal Column Point (SCP) 2 of the pay scale for the NJC for Local Government Services staff. It should be noted that the Local Government Services Pay Agreement for 2022-2023 confirmed the deletion of Spinal Column Point (SCP) 1 with effect from 1 April 2023. Therefore, the NJC pay scale commences on SCP 2.
- 4.3 The lowest graded established post within Erewash Borough Council is graded at Grade A, which currently consists of Spinal Column Point (SCP) 2 and attracts a basic annual salary, as of 1 April 2024, of £23,656.00 per annum.
- 4.4 The salary includes the pay award for NJC staff effective from 1 April 2024 agreed as part of the Local Government Services Pay Agreement for 2024 - 25. The previous year's salary figure for Grade A was £22,366.00 per annum (1 April 2023 to 31 March 2024).
- 4.5 The government introduced the National Living Wage (NLW) for workers aged over 25 on 1 April 2016. This was amended to apply to workers aged over 23 on 1 April 2021 and amended further with effect from 1 April 2024 to apply to workers over the age of 21.
- 4.6 The Council does not differentiate pay on the grounds of age and the nationally agreed NJC pay scales and pay award for 1 April 2024 have therefore been applied to all relevant employees and workers regardless of age.
- 4.7 In accordance with best practice, equality legislation and the National Single Status Agreement, Erewash Borough Council reviewed its pay, grading and terms and conditions of employment and implemented a Single Status pay and grading scheme and terms and conditions on 1 April 2013.

5. Multipliers

5.1 In respect of calculating the pay multiples, the Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act 2011 and Local Government Transparency Code 2015 have been followed. The pay multiples are defined as the ratio between the highest paid taxable earnings for the given year (including base salary, variable pay, bonuses, and allowances) and:

- a) The median earnings figure of the whole of the authority's workforce.
- b) The average earnings figure of the whole of the authority's workforce.
- c) The lowest paid employees.

The median earnings figure has been calculated using the taxable earnings figure separating the higher half of the whole of the authority's workforce taxable earnings figure from the lower half. The average (or mean) earnings figure is calculated using the full time equivalent taxable earnings of the authority's workforce and dividing this total figure by the number of the authority's workforce included in the count.

5.2 The earnings of the highest paid employee, the Chief Executive, in 2024 was £132,795.74 including essential car user allowance and mileage expenses.

5.3 The median full time equivalent earnings for all employees of the Council in 2024 was £29,685.75 (2023 - £28,418.02).

5.4 The mean (average) full time equivalent earnings for all employees of the Council in 2024 was £34,724.68 (2023 - £33,320.23).

5.5 The council's pay ratio demonstrating the relationship between the council's highest paid senior officer (the Chief Executive) and the rest of the workforce uses the base annual full time equivalent salary for the employees engaged on the council's agreed pay scales. Any variable pay elements and mileage allowances are also included, as required, to calculate the total earnings figure.

- 5.6 The following shows the relationship between the Chief Executive and the lowest paid employees (as defined in paragraph 4.3 above) expressed as a ratio.

Chief Executive: Lowest Graded Established Post

Ratio 6:1 (2023 6:1)

- 5.7 The following shows the relationship between the Chief Executive and the median full time equivalent salary of employees expressed as a ratio.

Chief Executive: Median Full Time Equivalent Salary

Ratio 4:1 (2023 5:1)

- 5.8 The following shows the relationship between the Chief Executive and the mean full time equivalent salary expressed as a ratio.

Chief Executive: Mean Full Time Equivalent Salary

Ratio 4:1 (2023 4:1)

- 5.9 The ratios in paragraph 5.6 to 5.8 are calculated using employee data in post as at 31 December 2024.

- 5.10 The above tables show that the ratios for Erewash Borough Council are lower than the pay multiple of 20:1 top pay to lowest pay for public services as considered by the Hutton Review of Fair Pay.

- 5.11 The Hutton Fair Pay Review also noted that most top to bottom pay multiples in the public sector were in the region of 8:1 to 12:1.

- 5.12 The ratios give an indication of the cost to the employer; however, it should be noted that the earnings figure stated for employees is the gross value. The actual income received by an individual is subject to the tax system.

5.13 The council does not have a target for the ratio of lowest to highest gross pay. The ratio will reflect national pay policies, evaluation schemes, market forces and guidance that may emerge from time to time.

5.14 The general relationship between senior officers' and non-senior officers' remuneration follows the principles of 'one work force' but reflecting particular responsibilities and delegations.

6. Policies relating to the elements of remuneration for each senior officer

6.1 New Appointments to the Council

Senior officers will normally commence on the minimum point for that grade in common with the normal practice for all staff. However, on occasion and in common with other staff, when seeking to recruit externally to a senior officer role there may be the need to offer more than the minimum starting salary point for the grade where necessary.

6.2 Such circumstances may arise in the event of difficulty and/or failure to recruit to the post. Any decision regarding the starting salary will be based on factors including the relevant experience of the candidate, their potential value to the organisation, the salaries of current staff performing a similar role and the normal pay range for the role.

6.3 The decision on the starting salaries of the Chief Executive, Director of Resources, and the Director of Environmental and Community Services are reserved to the Members' Appointment Panel.

6.4 Removal, Lodging and Associated Expenses

Such allowances may be considered (subject to certain qualifying conditions) for new senior appointees who were previously employed outside Erewash Borough Council's service, who reside more than 30 miles from their place of work and who are required by the council to move their home as a direct consequence of the appointment.

7. Increases and additions to remuneration

7.1 Honorarium Payments

On occasion, Erewash Borough Council may consider granting a discretionary honorarium to a senior officer or other employees who perform duties outside the scope of their duties over

an extended period, or where the additional duties and responsibilities taken on by employees are exceptionally onerous. The level of such honorarium will be assessed on a case-by-case basis having due regard to equal pay legislation. Honoraria are non-contractual discretionary payments and are subject to regular reviews and annual reviews to ensure that they remain necessary to meet their original aim.

7.2 Recruitment and Retention Payments

The Council will consider applying recruitment and retention payments to address recruitment and retention difficulties where these arise, in accordance with the council's policy and subject to the appropriate approval. Market supplements may also be considered where there is strong evidence that pay for a specific role(s) is impacted by an inability to recruit or is a cause of a high level of turnover.

7.3 Car User Allowance

As stated in paragraph 3.5 senior officers are entitled to receive an essential car user allowance. The amount of the allowance is determined nationally through the NJC for Local Government Services. Senior officers along with all employees in receipt of essential or casual car allowance are eligible to access the council's car loan scheme.

7.4 Electoral Returning Officer Fees

The Deputy/ Returning Officer's fees are payments made to a nominated senior officer (at Erewash Borough Council, this is the Chief Executive) for being in charge of the running of Local and Parliamentary elections, Police and Crime Commissioner elections and National Referenda. Returning Officer fees are paid in addition to the Chief Executive's remuneration and reflect the personal responsibility for the proper conduct of the elections/referenda.

7.5 National Referendum and Parliamentary elections are funded by central government and are therefore not related to Erewash Borough Council's terms and conditions. The council does not govern the fee payable to the Returning Officer for these elections. Fees payable for Borough and County elections are set on a county wide basis.

7.6 Professional Fees

Reimbursement of professional membership fees will be considered by Erewash Borough Council in circumstances where it is a requirement that the senior officer holds such professional membership to be able to effectively undertake the duties of their role.

7.7 Employee Assistance Programme

Erewash Borough Council offers a confidential and impartial advice service to provide advice and support for all employees through an external employee assistance programme.

7.8 Childcare Salary Sacrifice Scheme

Erewash Borough Council currently offers a salary sacrifice scheme to employees through an external Childcare Voucher Provider to help with the costs of childcare for employees. It should be noted that following the introduction of a national scheme, the salary sacrifice childcare vouchers closed to new entrants with effect from 4 October 2018 and therefore this provision only applies to employees who had joined the scheme prior to this date.

7.9 Fit for Work Scheme

Erewash Borough Council's Fit for Work scheme offers staff a discount on leisure membership at the council owned leisure centres. The scheme gives all employees access to gyms, swimming pools and other exercise classes.

7.10 Local Government Pension Scheme (LGPS)

The Council offers all its employees access to the Local Government Pension Scheme in accordance with the Local Government Pension Scheme (LGPS) scheme regulations. New employees eligible for membership of the LGPS will be enrolled automatically into the scheme, although employees may choose to opt out.

As permitted by the LGPS regulations, the Council exercises the various discretions provided by the Local Government Pension Scheme including consideration of applications for flexible retirement. Any requests for flexible retirement would be considered and determined in accordance with the council's approved policy. Details of the Local Government Pension Scheme can be found at [Local Government Pension Scheme](#)

7.11 Salary Sacrifice Shared Cost AVCs

Erewash Borough Council currently offers a salary sacrifice shared cost AVC scheme to employees who are members for the Local Government Pension Scheme, through an external AVC provider.

7.12 Employee Benefits Platform

The Council currently offers an employee benefit platform, in partnership with an external organisation, to provide a range of employee benefits designed to improve employees mental, physical, and financial wellbeing.

8. The approach to the payment of senior officers on their ceasing to hold office or to be employed by the authority.

8.1 Erewash Borough Council complies with the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006. The council's policy for the award of discretionary payments is the same for all staff regardless of their pay level.

8.2 In exceptional circumstances, the council may determine the appropriateness of negotiated exit settlements for employees including senior officers where it is considered to be in the council's best interests. Any such negotiated exit settlements will be subject to legal confidentiality agreements and be determined and approved in accordance with the council's relevant policies.

8.3 As recommended by the Openness and Accountability in Local Pay Supplementary Guidance, Full Council will be given the opportunity to vote on any severance payments at the level of £100,000 or above (including any components such as any salary paid in lieu, redundancy compensation, pension entitlements, holiday pay and any bonuses, fees or allowances paid).

8.4 Re-employment

The council's policy is that generally it will not re-employ senior officers made redundant except for cases of redeployment. Were an exceptional circumstance to arise, a potential appointment would then be referred to a member committee e.g., General Purposes Committee or the Members' Appointment Panel for a decision.

- 8.5 The council adheres to the requirements of the statutory guidance on the making and disclosure of Special Severance Payments by local authorities in England. The council will have due regard to any legislative changes implemented during the financial year 2025/26.

9. Disclosure

- 9.1 The Pay Policy Statement will be published on the council's website and copies will also be available on request from Erewash Borough Council's offices at Long Eaton Town Hall and Ilkeston Town Hall.