

Pay Policy Statement

2024/25



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1.0 Introduction and Purpose

This Pay Policy Statement sets out the Council's approach to pay policy in accordance with the requirements of Section 38 to 43 of the Localism Act 2011 and takes account of the final guidance for 'Openness and Accountability in Local Pay' as issued by the Department for Levelling Up, Housing and Communities. 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 base remuneration of its most senior employee's i.e. 'chief officers', as defined by the relevant legislation.
- The detail and level of base remuneration of the lowest paid employees
- The relationship between the remuneration for highest and lowest paid employees
- The Committee(s)/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 Meeting, this policy statement will come into immediate effect for the 2024/25 financial year and will be subject to review again for 2025/26 in accordance with the relevant legislation prevailing at that time. If the pay policy needs to be amended during the current financial year, any amendments will be subject to approval.

2.0 Legislative Framework

In determining the pay and base remuneration of all its employees, the Council will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favorable Treatment) Regulations 2000, Fixed Term Employees (Prevention of Less Favorable Treatment) Regulations 2002, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations.

The Council remains committed to pay due regard to the Equal Pay requirements contained within the Equality Act, the Council seeks to ensure there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of an equality proofed job evaluation scheme that directly relates an employee's salary to the requirements, demands and responsibilities of the role they perform. Birmingham City Council is undergoing a pay review program to ensure future parity of jobs via a full job re-evaluation exercise.

3.0 Senior Management Remuneration Policy

For the purposes of this statement, senior officer means 'chief officers' as defined within S43 of the Localism Act 2011. The Chief Executive is employed under the terms and conditions of the Joint

National Council for Chief Executives and all other senior officers are under the terms and conditions for Joint National Council for Chief Officers.

The Council currently determines pay levels through a job evaluation process and grading structure that has been specifically designed for senior positions that determines the pay range for senior officers as defined by the Localism Act 2011. The annual cost-of-living rise of 2.50 % has been applied to the Senior Officer Pay Structure, as a result of pay bargaining undertaken by Joint Negotiating Committee for Chief Officers of Local Authorities, with effect from 1st April 2024. See Annex 1 for the senior officer pay structure effective as of 1st April 2024.

Those employees working in senior positions do not receive overtime payments and 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.

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.

In particular, it is the Council's policy that no Chief Officer or Deputy Chief Officer (subject to JNC conditions of service for Chief Officers) is paid a supplement for Returning Officer duties, whether in respect of local elections or national elections (e.g. General Elections, elections for European Parliament, national referenda etc.). Fees paid in respect of these elections by Government are used to supplement the pay of non-senior officer employees who have worked on the relevant election.

3.1 Senior Management Positions

JNC Chief/ JNC Deputy Officers

The senior officer positions will continue to be reviewed on a regular basis as part of the overall savings that have to be made by the Council due to the savings targets faced by local authorities in general over the next few years and those specific to Birmingham City Council. See Annex 1 for full details.

3.2 Recruitment to Senior Management Positions (Chief Officer/ Deputy Chief Officer)

When recruiting to all posts the Council will take full and proper account of its own equal opportunities, recruitment, and redeployment policies. Appointments made to Chief Officer (CO) and JNC Deputy Chief Officer (DCO) positions are all made by the Employment Committee.

The Council's Commissioners have authority to make appointments to Chief Officer (CO) and JNC Deputy Chief Officer (DCO) positions, Tiers 1, 2 and 3 under the terms of the Statutory Direction dated 5 October 2023. When appointments are made by the Commissioners, they will be noted by the Chief Officers and Deputy Chief Officers Appointments Dismissals and Service Conditions Sub-Committee.

The determination of the remuneration to be offered to any newly appointed Chief Officer or Deputy Chief Officer will be in accordance with the local JNC (Senior) pay spine (further details can be found in Annex 1) and relevant policies in place at the time of recruitment. Where the Council is unable to recruit or retain at the designated grade, it will consider using, on a temporary basis, market supplements and retention payments in accordance with its relevant policies.

Where the Council remains unable to recruit under an employment contract, or there is a need for interim support to provide cover for a vacant substantive senior management position, the Council will, where necessary, consider and utilise engaging individuals under 'contracts for service'. These will be sourced through the relevant procurement process ensuring the Council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service.

3.3 Additions to Salary of Chief Officers/ Deputy Chief Officers

The Council does not apply any bonus to the salary of Chief Officers/Deputy Chief Officers, however progression within the salary scales is currently performance related as determined by the Employment Committee and/or Head of Paid Service. There is no element of earn back for senior manager's salaries and any pay progression is currently consolidated into basic pay.

In addition to basic salary, set out below are details of other elements of 'additional pay' which are chargeable to UK Income Tax and do not solely constitute reimbursement of expenses incurred in the fulfilment of duties;

The following are applicable to all senior manager positions

- A mileage allowance is paid to all employees using their own vehicle for work purposes and the payments are linked to the approved HMRC rates ([to view current HMRC mileage expenses rates](#)).
- There are currently no salary supplements or additional payments for undertaking additional responsibilities such as shared service provision with another local authority or in respect of joint bodies.
- Market supplements/recruitment allowances are paid where it is justified to recruit and fulfill a role or to retain an officer within a role.

3.4 Payments on Termination

The Council's approach to severance and discretionary payments on termination of employment, prior to reaching retirement age, is set out in accordance with regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and regulation 12 and 13 of the Local Government Pension Scheme Regulations 2013.

The Council applies this policy to all employees and in all cases. Any changes to this policy, whether permanent or time limited, will be agreed by the Council's Employment Committee. The City Solicitor

has the authority to settle, if appropriate and in the interests of the Council, any actual or threatened legal proceedings as set out in Part E Section 8.1 of the Council's Constitution.

Any other payments falling outside the Public Sector Exit Payments regulations, or the relevant periods of contractual notice shall be subject to a formal decision made by the full Council or the relevant elected members, committee or panel of elected members or officer with delegated authority to approve such payments, dependent on the post.

Any severance packages with a value in excess of £100,000 (including any Pension Strain costs) will be approved by Council before they are agreed. This procedure applies to severance packages pursuant to a settlement agreement. However, it does not apply in relation to the cost of early access to, and/or enhancement of a retirement pension, where the employee's employment is terminated on grounds of ill health.

The Council has adopted [the statutory guidance on Special Severance Payments](#) where non-contractual exit payments above certain thresholds are subject to additional scrutiny, approval and disclosure processes. This is to comply with our best value duty as set out in section 3 of the Local Government Act 1999. Further details are set out in the Council's Constitution, Part C, Section C7.

Provisions in the Finance (No.2) Act 2017 changed the rules on the taxation of termination payments to remove the distinction between contractual and non-contractual payments in lieu of notice, effective from April 2018. The Council continues to comply with these requirements.

Employers are liable to pay Class 1A national insurance contributions on termination payments above £30,000 that are subject to income tax by the employee. The Council is fully compliant with this requirement.

3.5 Comparators Influencing Pay Levels

For context on pay levels in the local government sector, Birmingham City Council is not only the largest local authority in the UK, but also the largest unitary authority in Europe serving over one million residents and has a revenue budget of c.£3.5bn. The Council needs to maintain competitive pay levels to attract suitable candidates for senior positions that can demonstrate sufficient skills, experience and capacity required at this level as would be evidenced, for example, by fulfilling a comparable role in a large complex local authority. There is often a very small pool from which to recruit candidates with other authorities offering very competitive salaries in relation to their size.

As a consequence, it may be necessary, from time to time, to review senior pay scales by benchmarking Chief Officer remuneration with the Core Cities Group which is comprised of councils that represent the largest eight economies outside London, to ensure alignment with external pay markets, both within and outside the sector, which may result in the review of JNC salaries and/or temporary additions of market supplements (as per 3.3), as appropriate.

4.0 Non-Chief/Deputy Chief Officer Employees

Based on the application of an analytical job evaluation process, the Council uses the nationally negotiated NJC pay spine as the basis for its local grading structure with additional spine points. This determines the salary of most of the non-school based workforce, together with the use of other nationally defined rates such as Soulbury and JNC Youth and Community Workers. The Council presently adheres to national pay bargaining in respect of the national pay spine with the most recent increase effective 1st April 2023. The NJC pay award for 2024/25 has not, as at 31 August 24, been agreed and implemented.

Progression within the grading structure for 2024/25 is automatic incremental progression within the grade, in line with agreed defined criteria effective from 1st April. Once the maximum spinal column point (as seen in annex 2) has been reached there will be no further progression.

4.1 Recruitment

New appointments will normally be made at the minimum of the relevant grade, although this can be varied where necessary to secure the best candidate. From time to time, it may be necessary to take account of the external pay market to attract and retain employees with the experience, skills, and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector.

4.2 Lowest Paid Employees

The lowest paid employees under a contract of employment with the Council are employed on full time equivalent (FTE) salary in accordance with the minimum spinal column point (SCP) currently in use within the Council's grading structure. The minimum SCP is £22,366 (SCP2). See Annex 2 for the BCC NJC Pay Structure, effective 1st April 2023, and currently still in place as the NJC pay award for 2024/25 has yet to be agreed.

The Council has chosen to pay the Living Wage Foundation's UK Living Wage equivalent of £12.00 per hour. For the purpose of this pay policy statement the lowest paid employees will be defined as those on a FTE salary of £22,837 based on the hourly rate of £12.00.

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. Whilst the ratio between the highest and lowest paid employees within the Council does not exceed 20 times, the Council does not set a ratio ceiling within its pay policy for senior officers.

The following tables illustrate various pay differentials between the salary of the Chief Executive and the lowest paid full time equivalent employee, median employee pay, and average employee pay based on base pay, and does not include any pension benefits, or any other variable elements of pay (e.g. non contractual overtime, allowances etc.)

The pay data in this section is based on salaries as at 31 August 24; which includes the pay award for JNC Chief Officers for 24/25. The pay awards for Chief Executives and NJC employees for 24/25 have yet to be agreed or implemented. As and when national agreements on these pay awards are reached and implemented, this will be reflected in the Council's pay and grading structure appended to this statement.

Pay Differential between Chief Executive and lowest paid full time equivalent employees	CEX salary	£231,802
	Lowest FTE salary	£22,837
	Pay Multiple	10.2:1

Pay Differential between Chief Executive and the median pay for full time equivalent employees	CEX salary	£231,802
	Median salary	£30,825
	Pay Multiple	7.5:1

Pay Differential between Chief Executive and the average pay for full time equivalent employees	CEX salary	£231,802
	Average salary	£33,308
	Pay Multiple	7:1

The following tables illustrate the various pay differentials between Chief/Deputy Chief Officers and the lowest paid full time equivalent employee, median employee pay and average employee pay based on

base pay, and does not include any pension benefits, or any other variable elements of pay (e.g. non contractual overtime, allowances etc).

Pay Differential between the average of Chief Officers pay and the lowest paid full time equivalent employee	Average Chief Officer salary	£126,705
	Lowest FTE salary	£22,837
	Pay Multiple	5.5:1

Pay Differential between the median of Chief Officers pay and the median pay for a full-time equivalent employee	Median Chief Officer salary	£120,822
	Median salary	£30,825
	Pay Multiple	3.9:1

Pay Differential between the average of Chief Officers pay and the average pay for a full-time equivalent employee	Average Chief Officer salary	£126,705
	Average salary	£33,308
	Pay Multiple	3.8:1

4.3 Accountability and Decision Making

In accordance with the Constitution of the Council, Employment Committee is responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to the terms and conditions of employment for all Officers as contained within the Birmingham Contract.

5 Publication

The Pay Policy 2024/25 will be submitted to the full Council and upon approval, will be published [on the Council's Website](#). Other formats will also be made available on request.

In addition, for employees where the full-time equivalent salary is £50,000 or more, excluding employer superannuation contributions, the Councils Annual Statement of Accounts will include the number of employees in bands of £5,000.

1. Annex 1 Birmingham City Council - Senior Pay Spine (Chief/Deputy Chief Officers)

Pay structure effective as at 1st April 2024

Job Level	Grade	Minimum £	Maximum £
Chief Executive	B04	227,000	295,093
Strategic Director	B03	174,250	226,662
Director	B02	131,200	169,980
Assistant Director	B01	85,004	126,484

The posts falling within the statutory definition for Chief Officers of the Local Government and Housing Act 1989, which covers the statutory officers and those others that report to the Chief Executive, are set out below:

- a) Chief Executive -
The head of paid service defined under section 4(1) of that Act. The salary for the above post falls within a range from £227,000 rising to a maximum of £295,093. There is no additional supplement paid for returning officer duties incorporated into this role.
- b) Director of Finance (Section 151 Officer) –
A statutory chief officer defined under section 2(6) of that Act. The salary for the above post falls within a range between £131,200 rising to a maximum of £169,980.
- c) City Solicitor & Monitoring Officer –
A statutory chief officer defined under section 5(1) of that Act. The salary for the above post falls within a range between £131,200 rising to a maximum of £169,980.
- d) Strategic Director of Adult Social Care –

A statutory officer defined under section 2(6) of that Act. The salary for the above post falls within a range between £174,250 rising to a maximum of £226,662.

e) Strategic Director of Children & Families –

A statutory officer defined under section 2(6) of that Act. The salary for the above post falls within a range between £174,250 rising to a maximum of £226,662.

f) Director of Public Health –

A statutory post under section 73A (7) of the NHS Act 2006. The salary for the above post falls within a range between £131,200 rising to a maximum of £169,980. There are also two statutory payments made in relation to this role.

g) Strategic Director of City Operations –

A non-statutory chief officer defined under section 2(7) of that Act. The salary for the above post falls within a range between £174,250 rising to a maximum of £226,662.

h) Strategic Director of City Housing -

A non-statutory chief officer defined under section 2(7) of that Act. The salary for the above post falls within a range between £174,250 rising to a maximum of £226,662.

i) Strategic Director Places, Prosperity & Sustainability -

A non-statutory chief officer defined under section 2(7) of that Act. The salary for the above post falls within a range between £174,250 rising to a maximum of £226,662.

j) Director of Strategy, Equalities & Partnerships -

A non-statutory chief officer defined under section 2(7) of that Act. The salary for the above post falls within a range between £131,200 rising to a maximum of £169,980.

k) Director of People Services

A non-statutory chief officer defined under section 2(7) of that Act. The salary for the above post falls within a range between £131,200 rising to a maximum of £169,980.

l) Director of Intervention Response

A non-statutory chief officer defined under section 2(7) of that Act. The salary for the above post falls within a range between £131,200 rising to a maximum of £169,980.

Annex 2 Birmingham City Council – Pay Spines

NJC Pay Spine effective as at 1st April 2023.

SCP 2023	Salary 2023	Hourly Rate 2023 (£)
1	Deleted wef 1 April 2023	
2	22,366	11.75
3	22,737	11.95

SCP 2023	Salary 2023 (£)	Hourly Rate 2023 (£)
3	22,737	11.95
4	23,114	12.14
5	23,500	12.35
6	23,893	12.55
7	24,294	12.76
8	24,702	12.98

SCP 2023	Salary 2023	Hourly Rate 2023
9	25,119	13.20
10	25,545	13.42
11	25,979	13.65
12	26,421	13.88
13	26,873	14.12
14	27,334	14.36
15	27,803	14.61
16	28,282	14.86

17	28,770	15.12
18	29,269	15.38
19	29,777	15.65
20	30,296	15.92
21	30,825	16.20
22	31,364	16.48

SCP 2023	Salary 2023	Hourly Rate 2023
23	32,076	16.85
24	33,024	17.35
25	33,945	17.84
26	34,834	18.30
27	35,745	18.78
28	36,648	19.26
29	37,336	19.62
30	38,223	20.08
31	39,186	20.59

SCP 2023	Salary 2023	Hourly Rate 2023
32	40,221	21.13
33	41,418	21.76
34	42,403	22.28
35	43,421	22.81
36	44,428	23.34
37	45,441	23.88

38	46,464	24.41
39	47,420	24.92
40	48,474	25.47

SCP 2023	Salary 2023	Hourly Rate 2023
41	49,498	26.01
42	50,512	26.54
43	51,515	27.07
44	53,111	27.91
45	54,720	28.75
46	56,326	29.60
47	57,945	30.45
48	59,546	31.29
49	61,269	32.19

SCP 2023	Salary 2023	Hourly Rate 2023
50	62,986	33.09
51	64,725	34.01
52	66,755	35.07
53	68,866	36.18
54	71,051	37.33
55	73,308	38.52
56	75,654	39.75
57	78,076	41.02
58	81,154	42.64

2. Annex 3 JNC Deputy Chief Officers

The positions in the table below are core establishment, JNC deputy chief officers as mentioned in section 2(8) of the Local Government and Housing Act 1989, i.e. JNC officers that report directly to any of the JNC chief officers listed in Annex 1:

Designation	Directorate	Grade	Range
Assistant Director Audit	Council Management	B01	£85,004 - £126,484
Assistant Director Financial Strategy (Deputy s.151 Officer)	Council Management	B01	£85,004 - £126,484
Assistant Director Financial Performance & Insight (Deputy s.151 Officer)	Council Management	B01	£85,004 - £126,484
Assistant Director Development & Commercial (Deputy s.151 Officer)	Council Management	B01	£85,004 - £126,484
Assistant Director Legal Services – Governance (Deputy MO)	Council Management	B01	£85,004 - £126,484
Assistant Director Legal Services – Litigation Law (Deputy MO)	Council Management	B01	£85,004 - £126,484
Assistant Director Legal Services – Corporate Law (Deputy MO)	Council Management	B01	£85,004 - £126,484
Director Digital & Customer Services	Council Management	B02	£131,200 - £169,980
Assistant Director Digital & Technology Services and CIO	Council Management	B01	£85,004 - £126,484
Assistant Director Customer Services & Business Support	Council Management	B01	£85,004 - £126,484
Assistant Director Revenues, Benefits & Rents	Council Management	B01	£85,004 - £126,484
Assistant Director People Operations & Shared Services	Council Management	B01	£85,004 - £126,484
Assistant Director HR Improvement & Organisational Development	Council Management	B01	£85,004 - £126,484
Assistant Director Procurement	Council Management	B01	£85,004 - £126,484

Assistant Director Health Protection & Environmental Health	Strategy, Equalities & Partnerships	B01	£85,004 - £126,484
Assistant Director Knowledge, Evidence & Governance	Strategy, Equalities & Partnerships	B01	£85,004 - £126,484
Assistant Director Healthy Behaviours & Communities	Strategy, Equalities & Partnerships	B01	£85,004 - £126,484
Assistant Director Adults & Older People	Strategy, Equalities & Partnerships	B01	£85,004 - £126,484
Assistant Director Children's & Families	Strategy, Equalities & Partnerships	B01	£85,004 - £126,484
Deputy Director Public Health	Strategy, Equalities & Partnerships	B01	£85,004 - £126,484
Consultant Public Health Parks & Neighbourhoods	Strategy, Equalities & Partnerships	B01	£85,004 - £126,484
Assistant Director Communications	Strategy, Equalities & Partnerships	B01	£85,004 - £126,484
Assistant Director Strategic Partnerships, External Affairs & Corporate Leadership	Strategy, Equalities & Partnerships	B01	£85,004 - £126,484
Assistant Director Insight, Policy & Strategy	Strategy, Equalities & Partnerships	B01	£85,004 - £126,484
Director of Council Programmes, Performance & Improvement	Strategy, Equalities & Partnerships	B01	£85,004 - £126,484
Assistant Director Population	Strategy, Equalities & Partnerships	B01	£85,004 - £126,484
Director of City Housing Solutions & Support Services	City Housing	B02	£131,200 - £169,980
Director of City Housing Management	City Housing	B02	£131,200 - £169,980
Director of City Housing Asset Management	City Housing	B02	£131,200 - £169,980
Assistant Director Strategic & Enabling	City Housing	B01	£85,004 - £126,484
Director of Street Scene	City Operations	B02	£131,200 - £169,980

Director of Regulation & Enforcement	City Operations	B02	£131,200 - £169,980
Assistant Director Community Safety & Resilience	City Operations	B01	£85,004 - £126,484
Assistant Director Highways & Infrastructure	City Operations	B01	£85,004 - £126,484
Assistant Director Neighbourhoods	City Operations	B01	£85,004 - £126,484
Director Planning, Transport & Sustainability	Place, Prosperity & Sustainability	B02	£131,200 - £169,980
Director Property & Investment	Place, Prosperity & Sustainability	B02	£131,200 - £169,980
Assistant Director Children & Young People's Travel Service	Children & Families	B01	£85,004 - £126,484
Director of C&F Strategy, Transformation & Commissioning	Children & Families	B02	£131,200 - £169,980
Director of SEND & Inclusion	Children & Families	B02	£131,200 - £169,980
Director of Thriving Children & Families	Children & Families	B02	£131,200 - £169,980
Director of Schools and Employability	Children & Families	B02	£131,200 - £169,980
Director of Community and Operational Services	Adult Social Care	B02	£131,200 - £169,980
Director of Adult Social Care Commissioning	Adult Social Care	B02	£131,200 - £169,980
Assistant Director Community Services & Equality, Diversity & Inclusion	Adult Social Care	B01	£85,004 - £126,484
Assistant Director Quality & Improvement	Adult Social Care	B01	£85,004 - £126,484
Assistant Director Early Intervention & Prevention	Adult Social Care	B01	£85,004 - £126,484