

Annual Pay Policy Statement 2025 - 2026

Date December 2024

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1 Purpose and Scope

1. Section 38 (1) of the Localism Act 2011 requires the Council to prepare an Annual Pay Policy Statement.
- 1.2 Supplementary guidance was published in February 2013 and May 2022 – “Openness and Accountability in Local Pay: Supplementary Guidance” and “Statutory Guidance on the making and disclosure of special severance payments by local authorities in England”. Due regard has been given to that guidance in preparation of this policy.
- 1.3 In dealing with staff pay it is the Council’s strategy to ensure that our Pay Policy facilitates the recruitment and retention of staff with the skills and capabilities the Council needs.
- 1.4 Arrangements for staff pay must comply with Equal Pay legislation.
- 1.5 Senior Officers – these are posts with specific responsibility such as Section 151 Officer and/or where the salary is above £50,000
- 1.6 This Pay Policy Statement is a supplement to Torbay Council’s overarching Pay and associated policies which form part of the terms and conditions of employees. These include but are not limited to:-
 - Torbay Council Pay Policy (includes details of market supplements, market forces, acting up and additional duties payments and also guidance on job evaluation processes)
 - Job Evaluation Scheme Policies (Greater London Provincial Councils Job Evaluation Scheme).
 - NJC Terms and Conditions of Employment (Green Book)
 - JNC Terms and Conditions for Chief Executives
 - JNC Terms and Conditions for Chief Officers (Directors within Torbay Council are appointed to these Terms and Conditions).
 - NHS Terms and Conditions
 - Torbay Council Local Government Pension Scheme Policy Discretions
 - Employment of Apprentices Policy
 - Expenses Policy
 - Staff Travel Plan
 - Key Skills Retention Policy
 - Key Skills Golden Hello Scheme
 - Key Skills Student Loans Allowance Scheme
 - Key Skills Referral Scheme
 - Key Skills Accommodation Allowance
 - Flexible Retirement
 - Retirement and Long Service Award
 - Re-organisation and Redundancy Policy
- 1.7 Guidance from the Secretary of State makes reference to the Hutton Review of Fair Pay. This indicated that the most appropriate metric for pay dispersion is the multiple of Chief Executive pay to median salary. Tracking this multiple will allow the Council to ensure that public services are accountable for the relationship between top pay and that paid to the wider

workforce. This annual pay policy statement will publish this multiple along with the following information:

The level of salary for each of the Officers as defined in 1.5 above.

The salary of the lowest paid employee - this information can be found in Appendix 1 of this policy.

2. Arrangements for officer pay

2.1 The general terms and conditions of employment are governed by the following national agreements:

- Chief Executive/Head of Paid Service - JNC for Chief Executives of Local Authorities
- Directors - JNC for Chief Officers of Local Authorities
- Divisional Directors/Senior Officers - NJC for Local Government Services
- Educational Advisors and Inspectors/ Educational Psychologists – Soulbury Pay and Conditions
- All other Employee Groups – NJC for Local Government Services
- Public Health – NHS Terms and Conditions of Service (for employees who have transferred under TUPE)

2.2 The Council uses two forms of Job Evaluation to identify officer pay. This is either through the Council's GLPC Job Evaluation Scheme or the Hay Evaluation Scheme. The Hay Evaluation scheme produces both a Know How Score and a total points score for each post evaluated. Torbay Council pays salary (with a pay band of 4 spinal points) on the basis of the Know How Score only (not the final points score). Know-How is the sum of every kind of knowledge, skill and experience required for standard acceptable job performance.

2.3 The Hay Job Evaluation scheme is used to evaluate the following roles within the Council:-

- Chief Executive/Head of Paid Service
- Directors and Divisional Directors
- Senior Officers

All Grade N and O roles are evaluated under GLPC and Hay (this is due to the cross over point of the two schemes).

Public Health posts are evaluated on the Council's GLPC Job Evaluation Scheme. Public Health posts can also be evaluated using the "Agenda for Change" evaluation scheme in order to ensure pay parity for similar clinical roles in the NHS.

All other posts within the Council are evaluated under the Torbay Council GLPC evaluation scheme in accordance with the agreed policies.

2.4 A review of Hay salary data was purchased in 2018, and salaries were reviewed in line with this and with South-West public and private sector data. Since 2018 there has been annual benchmarking of salary rates. This salary information, together with corresponding job descriptions, is available from the Council's internet page, link as follows: -
<http://www.torbay.gov.uk/council/finance/salary-levels/>

- 2.5 In determining the salary for the Chief Executive/Head of Paid Service within the Council, and in the absence of appropriate data from Hay, the Council will take advice from the Head of Human Resources. In such a scenario independent advice may be taken from South West Councils (HR and Employment Services) and other professional organisations to advise the Council as to the appropriate level of remuneration to be awarded.
- 2.6 The Chief Executive under the general scheme of delegation within the Council will determine the terms and conditions of employment of all officers. Advice will be sought from the Head of Human Resources as required.
- 2.7 Following significant changes in duties, any post can be re-evaluated. The evaluation will be based on a Job Evaluation Questionnaire which will be assessed by an independent panel of Job Evaluation trained assessors. External advice and benchmarking will also be undertaken if necessary to ensure that market conditions are considered for pay and grading.
- 2.8 Salary increases in relation to cost of living will be applied to all posts according to the awards made by the appropriate National Joint Council as described in paragraph 2.1.
- The Council's pay and grading structure is available from the Council's website:-
www.torbay.gov.uk/council/jobs/what-we-offer/salary-and-grades/
- 2.9 No additional payments are made to in respect of:
- Bonus payments or Performance payments to the Senior Officers defined in 1.5, unless where given as a result of protections under TUPE, i.e. a transfer from another employer.
 - Additional enhancements are paid to NJC Employees who are employed on SCP 23 or below of the Torbay Council Salary Scale. These enhancements were varied in accordance with a Collective Agreement with our Trades Unions, dated 13th December 2016.
- 2.10 Additional payments are made to any Council Officers who act as Returning Officers, Deputy Returning Officers and those who carry out specific duties at elections. These payments are calculated according to the approved scale or set by a government department depending on the nature of the election. This is treated as a separate employment as and when required.
- 2.11 In comparing the Chief Executive/Head of Paid Service pay with the wider workforce the Council will use the following definitions:
- The lowest-paid employee: the employee or group of employees with the lowest salary (full-time equivalent) employed by the Council at the date of assessment.
 - The median: the mid-point salary when full-time equivalent salaries are arranged in order of size (highest to lowest). Based on salary levels of staff on the date of assessment.

This excludes those employed on casual contracts of employment but includes part time employees where their salaries are normalised to the full-time equivalent. It also excludes Apprentices who are employed on the Torbay Council apprentice pay grade.

3. Pensions contributions and other terms and conditions

3.1 All staff who are members of the Local Government Pension Scheme make employee contributions to the scheme in accordance with the following LGPS contributions table. However, these figures represent the 2024/25 contribution rates and bandings which could be subject to change and have not yet been confirmed for 2025/2026.

Band	Salary Range	Contribution Rate Employee	50/50 Section Contribution Rate
1	£0 To £17,600	5.50%	2.75%
2	£17,601 To £27,600	5.80%	2.90%
3	£27,601 To £44,900	6.50%	3.25%
4	£44,901 To £56,800	6.80%	3.40%
5	£56,801 To £79,700	8.50%	4.25%
6	£79,701 To £112,900	9.90%	4.95%
7	£112,901 To £133,100	10.5%	5.25%
8	£133,101 To £199,700	11.4%	5.70%
9	£199,701 or more	12.5%	6.25%

3.2 The Torbay Council employer pension contribution rate is 18.4% from 1 April 2025.

3.3 All employees are currently able to apply for a Car Parking permit, which enables employees to park on Council property for a reduced daily rate.

4. Termination payments - Chief Officers

4.1 The Council's approach to statutory and discretionary payments on termination of employment of Chief Officers, at retirement age or prior to this, is set out within its Redundancy policy and is in accordance with Regulation 5 of the Local Government (Early termination of Employment) (Discretionary Compensation) Regulations 2006 and Regulations 8 and 10 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007. Final payment details are submitted to Full Council for approval.

5. Salary packages upon appointment

5.1 Any salary package offered in respect of a new appointment for a Chief Executive /Head of Paid Service will be approved by Full Council. This will include any new salary package equating to £100,000 or more.

5.2 In the case of salary packages for Directors and Divisional Directors, this will need to be approved by the Council's Employment Committee, acting on behalf of Full Council. This will include any salary package equating to £100,000 or more

6. Settlement agreements

6.1 Settlement agreements fall under the Special severance payments arrangements as a payment exceeding an employee's statutory and contractual entitlements on termination of employment.

6.2 Torbay Council will only enter into Settlement Agreements in exceptional circumstances where it is in the Council's overall commercial and financial interests to do so and in line with the [Statutory Guidance on the making and disclosure of special severance payments by local authorities in England.](#)

6.3 These agreements and associated pay are determined on a case-by-case basis.

6.4 Payments of £100,000 and above are subject to a formal decision made by Full Council, unless there is a good reason for departing from the Statutory Guidance.

6.5 Payments below £100,000 are subject to a formal decision of either:

- relevant elected members with delegated authority to approve such payments; or
- a suitable authorised senior officer with authority to approve such payments.

7. Gender pay gap reporting

7.1 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 requires Torbay Council to calculate and publish the pay gap between male and female employees every year. Pay data must be based on a 'snap-shot' of the pay situation as at 31st March the preceding year and must be published by 30th March annually to the Government and also on Torbay Council's website.

7.2 The Council's Gender Pay Gap Report will be reported separately on 30th March 2025 for the snapshot date of 31st March 2024: <https://www.torbay.gov.uk/council/information-and-data/transparency-and-data/annual-pay-policy-statement/#c7>

7.3 The Government publishes the results on their Gender Pay Gap Viewing Service: - [Find and compare gender pay gap data - GOV.UK](#)

8. Publication

8.1 Once approved by Full Council, this Policy and any subsequent amendment will be published on the Council's website. Human Resources Policy will be responsible for the annual review to ensure an accurate pay policy is published ahead of each financial year.

8.2 In accordance with the Code of Practice on Local Authority Accounting, the annual Statement of Accounts includes pay details of Senior Officers reporting directly to the Chief

Executive/Head of Paid Service and statutory posts where the salary is above £50,000 per annum.

8.3 Full Council decisions in relation to staff pay matters are available from the Council's internet page, link as follows: www.torbay.gov.uk/DemocraticServices/ieDocHome.aspx

9. Current Salary Levels for Chief Executive/Head of Paid Service, Directors, and other Senior Officers

Torbay Council publishes a Salary Levels list with post details, salary bands and full-time equivalent salaries, available from Torbay Council's website:-

www.torbay.gov.uk/council/finance/salary-levels/

10. Equality Statement

This policy applies equally to all Council employees regardless of their age, disability, sex, race, religion or belief, sexual orientation, gender reassignment, pregnancy and maternity, marriage and civil partnership. Care will be taken to ensure that no traditionally excluded groups are adversely impacted in implementing this policy. Monitoring will take place to ensure compliance and fairness.

Appendix 1 - Multipliers

The idea of publishing the ratio of the pay of an organisation's top salary to that of its median salary has been recommended in order to support the principles of Fair Pay and transparency. These multipliers will be monitored each year within the Pay Policy Statement.

In comparing the highest paid salary with the wider workforce, the Council will use the following definitions: -

- The lowest-paid employee: the employee or group of employees with the lowest rate of pay (full-time equivalent) employed by the Council at the date of assessment. This includes all types of employment within the Council.
- The median: the mid-point salary when full-time equivalent salaries of all core council staff are arranged in order of size (highest to lowest). Based on the salary levels of staff on the date of assessment. This includes all types of employment within the Council.

The Council's current ratio in this respect is 4.25:1 i.e. the highest salary earns (to be confirmed) times more than the Council's median salary. The lowest full-time salary is £23,656 which is Grade A, scale point 1. When measured against the lowest salary the ratio between highest and lowest is 6.66:1.

Date of assessment: December 2024.

	Annual Salary	Ratio to Highest
Highest Salary	Within the banding £155,000 - £159,999	
Median (Mid-point) value	£37,035	4.25:1
Lowest full-time salary	£23,656	6.66:1

The difference in ratio between the median and lowest points in this year's pay policy statement is smaller than the 2024/25 Annual Pay Policy Statement. In 2024/25 it was 4.54:1 for the median point and 6.90:1 between the highest and lowest point values. This shows a smaller difference in the ratio between the highest and lowest salaries. This can be attributed to the 2024 NJC Pay Award that took effect in November 2024 which uplifted the lowest spinal column points considerably therefore narrowing the difference between the highest and lowest paid employees.

Sources of Information:-

GOV.UK – Openness and accountability in local pay: guidance

www.gov.uk/government/publications/openness-and-accountability-in-local-pay-guidance

LGA – Pay Policy and Practice in Local Authorities

www.local.gov.uk/sites/default/files/documents/guide-pay-and-rewards-mem-4b6.pdf

Policy Feedback

Should you have any comments regarding this policy, please address them to the HR Policy mailbox –

HRpolicy@torbay.gov.uk

History of Policy Changes

This policy was first agreed by members of the Torbay Joint Consultative Committee in March 2012

Date	Page	Details of Change	Agreed by:
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January 2020	Various	Update to Appendix 1 – multiplier information. Update of Appendix 2 – Gender Pay Gap Report. ONS Annual Earnings Survey Results included for private and public sectors.	Full Council Approval 27th February 2020.
January 2021	Various	Update to Appendix 1 – multiplier information. Update of Appendix 2 – Gender Pay Gap Report ONS Annual Earnings Survey Results figures updated for private and public sectors. Inclusion of Restriction of Public Sector Exit Payment Regulations 2020.	Full Council Approval 24th February 2021.
December 2021	Various	Update to Appendix 1 – multiplier information. Update of Appendix 2 – Gender Pay Gap Report ONS Annual Earnings Survey Results figures updated for the public sector and all employers. Addition of Key Skills Accommodation Scheme and Key Skills Employee Referral Scheme. Removal of Restriction of Public Sector Exit Payment Regulations 2020. Update to LGPS contribution rates and bandings.	Full Council Approval 3rd March 2022.
December 2022	Various	Update to Appendix 1 – multiplier information. Update to LGPS contribution rates and bandings. Removal of Gender Pay Gap Report, to be reported separately.	Full Council Approval 23rd February 2023.
December 2023	Various	Update to Appendix 1 – multiplier information. Update to LGPS contribution information.	Full Council Approval 22nd February 2024.
February 2025	various	Update to Appendix 1 – multiplier information. Update to LGPS contribution information. Updated policy history. Updated list of associated policies page 2	Pending - Full Council Approval February 2025.

Policy to be reviewed December 2025.