

<b>Report Title:</b>	Council Pay Policy Statement 2026		
<b>Report to:</b>	Council	<b>Date:</b>	4 <sup>th</sup> March 2026
<b>Report of:</b>	Head of People and Policy	<b>Cabinet Portfolio:</b>	Environment and Corporate Services
<b>Cabinet Lead Member:</b>	Cllr Lythgoe	<b>Wards Affected:</b>	All
<b>Key Decision:</b>	<input type="checkbox"/> Forward Plan <input checked="" type="checkbox"/>	<input type="checkbox"/> General Exception	<input type="checkbox"/> Special Urgency <input type="checkbox"/>
<b>Integrated Impact Assessment:</b>	Required:	No	Attached: No
<b>Contact Officer:</b>	Clare Law	<b>Telephone:</b>	01706 252457
<b>Email:</b>	clarelaw@rossendalebc.gov.uk		

<b>Valley Plan Priorities</b>	<b>Thriving Local Economy:</b> This involves securing new inward investment, creating a sustainable economy, matching local skills with future job opportunities, and supporting town centres as unique destinations.	<input type="checkbox"/>
	<b>High Quality Environment:</b> This includes having a "clean and green" local environment, reducing the borough's carbon footprint, improving waste and recycling rates, and delivering new homes with a good mix of housing tenures.	<input type="checkbox"/>
	<b>Healthy &amp; Proud Communities:</b> This priority focuses on improving the health and physical/mental wellbeing of residents, reducing health inequalities, ensuring access to better leisure facilities and health services, and fostering a sense of pride in the community.	<input type="checkbox"/>
	<b>Effective &amp; Efficient Council:</b> The aim is to provide good quality and responsive services, embrace new technology, be a financially sustainable council with a commercial outlook, and ensure sound governance.	<input checked="" type="checkbox"/>

## 1. PURPOSE OF THE REPORT AND EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to seek approval of the Council's Pay Policy Statement for 2026, in accordance with the requirements of Section 38 of the Localism Act 2011 and reflecting the Council's pay arrangements as at 1<sup>st</sup> February 2026.
- 1.2 The Statement provides transparency in relation to the Council's approach to pay and remuneration including senior officer pay and sets out the relationship between different levels of remuneration within the organisation.
- 1.3 The pay multiple between the Chief Executive's salary and the lowest paid employee remains 1:5.0, in line with the Hutton Report on Fair Pay in the Public Sector.
- 1.4 The Statement reaffirms the Council's ongoing commitment to paying a fair and real living wage to all employees and workers and above the statutory national minimum wage.
- 1.5 The Council is a Foundation Living Wage Employer, the Foundation Living Wage is currently £12.60 per hour, rising to £13.45 per hour 1<sup>st</sup> April 2026.

## 2. RECOMMENDATION(S)

- 2.1 Full Council approves the attached Pay Policy Statement.

### **3. BACKGROUND AND REASON FOR THE DECISION**

- 3.1 Section 38 of the Localism Act 2011 requires all local authorities to prepare, approve and publish an annual Pay Policy Statement setting out their policies on employee remuneration, with particular regard to senior officers and the relationship between senior pay and pay of other employees.
- 3.2 The Statement must be approved by Full Council in an open forum and published on the Council's website by 31 March each year. The Statement applies for the relevant financial year and represents a snapshot in time (as at 1<sup>st</sup> February 2026), reflecting the Council's pay arrangements.
- 3.3 Approval of the Statement ensures transparency and accountability in the Council's approach to pay and remuneration and demonstrates compliance of statutory retirement of the Localism Act 2011.

### **4. RISK**

- 4.1 There are no specific risks arising from approval of the report. Failure to approve the Pay Policy Statement would result in non-compliance with statutory requirements.

### **5. SECTION 151 OFFICER COMMENTS (FINANCE)**

- 5.1 The pay and remuneration arrangements set out in the Pay Policy Statement are contained within the Council's approved budget.

### **6. MONITORING OFFICER COMMENTS (LEGAL)**

- 6.1 The Pay Policy Statement meets the legal requirements of the Localism Act 2011.

### **7. INTEGRATED IMPACT ASSESSMENT IMPLICATIONS**

- 7.1 An equality impact assessment was undertaken following the implementation of the Pay and Grading Review. No additional assessment is required for this report.

### **8. POLICY/STRATEGY FRAMEWORK IMPLICATIONS**

- 8.1 The Pay Policy Statement supports the Council's commitment to fair pay and effective governance.
- 8.2 The Policies detailed within the Statement have been approved in accordance with the Council's established procedures and in consultation with the Council's recognised Trade Union.

### **9. LOCAL GOVERNMENT REORGANISATION IMPLICATIONS**

- 9.1 There are no direct Local Government Reorganisation implications arising from this report.

### **10. BACKGROUND PAPERS**

- 10.1 The Pay Policy Statement 2026 – Appendix 1



# Pay Policy Statement

As at 1<sup>st</sup> February 2026

<b>Responsible Section/Team</b>	People and Policy Team	<b>Full Council</b>	
<b>Responsible Author</b>	Head of People and Policy	<b>Version</b>	Final draft
<b>Date last Amended</b>	6.02.26	<b>Page</b>	1

## 1. Purpose of the Policy

Under section 112 of the Local Government Act 1972, the Council has the “power to appoint officers on such reasonable terms and conditions as the authority thinks fit”. This Pay Policy sets out the Council’s approach to pay in accordance with the requirements of Section 38 of the Localism Act 2011.

The purpose of the statement is to provide transparency with regard to the Council’s approach to setting the pay of its employees by identifying;

- The methods by which salaries of all employees are determined
- The details of the remuneration of its most senior employees, i.e. Chief Officers
- The relationship between the salary of its Chief Officers and other employees

## 2. Other legislation relevant to pay and remuneration

In determining the pay and remuneration of its employees the Council will comply with all relevant employment legislation. This includes legislation such as the Equality Act 2010, the Part-time Employment (Prevention of Less Favourable Treatment) Regulations 2000 and where relevant, the Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014. The Council ensures that there is no pay discrimination within its pay structures and that pay differentials can be objectively justified through the use of job evaluation mechanisms, which directly establish the relative level of posts in grades according to the requirements, demands and responsibilities of the role.

The Council operates the GLPC (Greater London Provincial Council) Scheme for all posts up to and including spinal column point 49. All posts above spinal column point 49 have been job evaluated using HAY, which includes comparative benchmarking data from other local authorities. An Equality Impact Assessment has been undertaken in relation to the Council’s grading structure.

## 3. Pay Structure

The Council complies with the nationally negotiated spinal column points for all posts up to and including spinal column point 43, which is detailed at Appendix A. Posts above spinal column point 43 are detailed at Appendix B.

The salary increase for all posts within the Council is set nationally, through collective bargaining between the National Employers and Trade Unions. The pay and grading structure was established as part of the Pay Policy 2007. This Policy was approved by the Council in 2007 and addressed the Council’s approach to the job evaluation of posts and the harmonisation of key terms and conditions of employment. Since 2007, all newly created posts and posts that have varied are subject to evaluation against the Job Evaluation Scheme.

<b>Responsible Section/Team</b>	People and Policy Team	<b>Full Council</b>	
<b>Responsible Author</b>	Head of People and Policy	<b>Version</b>	Final draft
<b>Date last Amended</b>	6.02.26	<b>Page</b>	2

Where evidence exists of recruitment and retention issues it may be necessary to make additional temporary payments via a Market Supplement to take account of external pay levels in the labour market in order to attract and retain employees with particular skills, knowledge and experience. In such instances the Council will use evidence of relevant market comparators, using data sources available from within the local government sector and outside, as appropriate.

#### 4. Definitions

The Localism Act refers to the position of Chief Officer, which is defined as:

- Head of Paid Service designated under Section 4 (1) of the Local Government and Housing Act (LGHA) 1989.
- Monitoring Officer designated under section 5 (1) of the LGHA 1989
- Statutory Chief Officer mentioned in section 2 (6) of the LGHA 1989
- Non statutory Chief Officers section 2 (7) of the LGHA 1989
- A Deputy Chief Officer mentioned in Section 2 (8) of the LGHA 1989

With effect from 2<sup>nd</sup> September 2024 the roles of Chief Finance Officer (Section 151 Officer) and Director of Communities were disestablished and the role of Director of Resources (Section 151 Officer) was established. The revised Council structure includes the following posts which are accountable to the Chief Executive:

- Director of Economic Development
- Director of Resources (Section 151 Officer)
- Head of Environmental Services
- Head of Legal Services (Monitoring Officer)
- Head of People and Policy

There are a further series of posts which fall within the definition of Chief Officer referred to in the Localism Act, by virtue of being required to deputise for Chief Officers. These have not been specifically listed.

Remuneration is defined as the pay an individual receives.

#### 5. Chief Executive Remuneration

Post	Spinal Point	Salary
Chief Executive	Spot	£119.533

#### Additional Allowances;

No Essential car user allowance lump sum is paid to the Chief Executive (Head of Paid Services).

<b>Responsible Section/Team</b>	People and Policy Team	<b>Full Council</b>	
<b>Responsible Author</b>	Head of People and Policy	<b>Version</b>	Final draft
<b>Date last Amended</b>	6.02.26	<b>Page</b>	3

Returning Officer Fees – This is based upon a fee calculated periodically by the Cabinet Office, with the fee being based on a sum of money multiplied per every 10,000 of electorate. The Council appointed the new Chief Executive as the Returning Officer as part of the appointment process in April 2023.

The Council pays the fees for the local election and the fees for other elections, such as Parliamentary and County Council, are paid for externally.

Unlike other Local Authorities, Rossendale Borough Council does not offer lease car or telephone allowance schemes.

The Chief Executive is required to respond to Out of Hours Emergencies, attend evening meetings and out of hour’s weekend events for which no payment or time is recoverable.

The other terms and conditions of service relating to this post are in accordance with the Joint Negotiating Committee for Chief Executives of Local Authorities.

Any other allowances relating to the post are the same as for all other posts within the Council, for example, reimbursement of fuel expenditure from business travel and professional fees.

## 6. Director Remuneration

There are two posts of Director reporting to the Chief Executive:

Director of Economic Development  
 Director of Resources (Section 151 Officer)

Post	Spinal Point	Salary
Director of Economic Development	Grade 16 (65-69)	£83,381 to £91,508
Director of Resources (Section 151 Officer)	Grade 16 (65-69)	£83,381 to £91,508 Additional Statutory Responsibility Payment £3,500

### Additional Allowances:

No essential car user allowance lump sum is paid to the Directors.

Progression through the grade occurs through the payment of an additional annual increment on 1<sup>st</sup> April, each year.

The other terms and conditions of service relating to these posts are in accordance with the JNC Terms and Conditions for Chief Officers of Local Authorities.

Any other allowances relating to the posts are the same as for all other posts within the Council, for example, reimbursement of fuel expenditure from business travel.

<b>Responsible Section/Team</b>	People and Policy Team	<b>Full Council</b>	
<b>Responsible Author</b>	Head of People and Policy	<b>Version</b>	Final draft
<b>Date last Amended</b>	6.02.26	<b>Page</b>	4

Unlike other Local Authorities, Rossendale Borough Council does not offer lease car or telephone allowance schemes.

The Directors are required to respond to out of hours' emergencies, attend evening meetings and out of hour's weekend events for which no time off in lieu or payment is made.

## 7. Statutory Chief Officer and Non Statutory Chief Officer Remuneration

There are three Statutory Chief Officer and Non Statutory Chief Officer posts reporting to the Chief Executive:

Head of Environmental Services  
 Head of Legal Services (Monitoring Officer)  
 Head of People and Policy

Salary range:

Post	Spinal Point	Salary
Head of Environmental Services	Grade 11 (48-51)	£58,876 to £62,887
Head of Legal Services	Grade 10 (44-48)	£54,492 to £58,876
Head of People and Policy	Grade 10 (44-48)	£54,492 to £58,876

### Additional Allowances:

Progression through the grade occurs through the payment of an additional annual increment on 1<sup>st</sup> April, each year.

The other terms and conditions of service relating to the Head of Finance are in accordance with the JNC for Chief Officers of Local Authorities.

The other terms and conditions of service relating to the Head of Environmental Services, Head of Legal Services and Head of People and Policy are in accordance with NJC for Local Government Services National Agreement on Pay and Conditions of Service.

Any other allowances relating to the posts are the same as for all other posts within the Council, for example, reimbursement of fuel expenditure from business travel.

The Head of Environmental Services, Head of Legal Services and Head of People and Policy post holders, are required to respond to out of hours' emergencies, attend evening meetings and weekend events for which no pay or time off in lieu is recoverable.

## 8. Recruitment of Chief Executive and Chief Officers

<b>Responsible Section/Team</b>	People and Policy Team	<b>Full Council</b>	
<b>Responsible Author</b>	Head of People and Policy	<b>Version</b>	Final draft
<b>Date last Amended</b>	6.02.26	<b>Page</b>	5

Under Section 112 of the Local Government Act 1972, the Council has the “power to appoint officers on such reasonable terms and conditions as the authority thinks fit”.

Where there is a requirement to recruit to the post of Chief Executive or Chief Officer, the Council’s Constitution, Part 4, Section 10, Employment Procedure Rules Apply.

### 9. Salary upon Appointment

Under normal circumstances, all new appointments to a post of Chief Executive or Chief Officer will be made at the bottom spinal column point of the grade, unless there are objective reasons for not doing so. Any appointment above the bottom spinal column point will require the approval of the Appointment Panel.

### 10. Performance-related Pay

The Localism Act requires Councils to provide details of any performance related pay for its Chief Officers; however, Rossendale Council does not have any such arrangements.

### 11. Relationship between Chief Executive/Chief Officer Pay and other Employees

The following information is provided to assist with understanding the ratio calculation:

- Chief Executive Salary mid-point = £119,533 (spot salary)
- Chief Officer Median salary = £76,243 (the median point of SCP 55-69)
- Council Median salary = £30,024 (the median SCP point of all employees in RBC)
- Council Lowest salary = £23,151 (Foundation Living Wage)

#### Pay Ratio

Post	Benchmark Salary	Ratio
Chief Executive salary	Chief Officer Median salary	1: 1.6
Chief Officer salary (mid – point)	Council Median salary	1: 2.5
Chief Executive salary	Lowest salary	1: 5.0
Chief Officer salary (mid - point)	Lowest salary	1: 3.3

The Hutton report, entitled Fair Pay in the Public Sector, contained a recommendation that the Chief Executive's salary should not exceed 20 times that of the lowest pay in the organisation. At Rossendale Borough Council, the pay multiple between the Chief Executive's pay and the lowest paid employee is 1 to 5.0 which falls within this recommended range.

### 12. Lowest Paid Employees

The lowest grade on the pay structure is Grade 1 (SCP 2-3) £30,889 to £31,618. Grade 1, SCP 1 was deleted from the grading structure as per the NJC Pay Agreement April 2022. The Council became a Foundation Living Wage employer on 1<sup>st</sup> April 2013, and adopts a minimum hourly pay rate of £12.60 per hour, this will rise to £13.45 per hour at 1<sup>st</sup> April 2026.

<b>Responsible Section/Team</b>	People and Policy Team	<b>Full Council</b>	
<b>Responsible Author</b>	Head of People and Policy	<b>Version</b>	Final draft
<b>Date last Amended</b>	6.02.26	<b>Page</b>	6

The lowest paid group of employees are the cleaners appointed on the Foundation Living Wage.

### 13. Termination Payments

The Council's Redundancy Policy applies equally to all employees regardless of their grade. A redundancy payment will be paid to an employee when their post is made redundant and there are no suitable redeployment opportunities.

The Council does not have any policy which allows for early retirement or which allows for any increase or any enhancing of an employee's pensionable service.

### 14. Employer Pension Contribution

The Council contributes to the Local Government Pension Scheme in 2024/25 for all its employees who are members equally at the rate of 14.6% of an employee's salary. This rate of contribution is set by Actuaries advising the Lancashire Pension Fund and is reviewed on a triennial basis.

### 15. Employee Pension Contribution

Employees in the Local Government Pension Scheme will pay the following annual contributions as at 1<sup>st</sup> April 2024, based upon their pensionable pay:

Rossendale Borough Council's employees who are members of the Local Government Pension Scheme (LGPS) pay employee contributions that are tiered according to their annual pensionable pay. These contribution bands and percentages apply across England and Wales (including Rossendale) for the 2025/26 scheme year (from 1 April 2025 to 31 March 2026):

Full-time salary	Contribution rate
Up to £17,600	5.5%
£17,601 - £27,600	5.8%
£27,601 - £44,900	6.5%
£44,901 - £56,800	6.8%
£56,801 - £79,700	8.5%
£79,701 - £112,900	9.90%
£112,901 - £133,100	10.5%
£133,101 - £199,700	11.4%
£199,701 & above	12.5%

### 16. Engagement of Former Chief Officers in receipt of Pensions

<b>Responsible Section/Team</b>	People and Policy Team	<b>Full Council</b>	
<b>Responsible Author</b>	Head of People and Policy	<b>Version</b>	Final draft
<b>Date last Amended</b>	6.02.26	<b>Page</b>	7

The Council does not have a policy which prevents former Council employees including Chief Officers from applying for and being successfully appointed to any Council job or returning under a contract for service, because they are in receipt of a Public Sector or Local Government Pension. Normal recruitment and selection processes would apply in line with the Council's Equality, Diversity and Inclusion Strategy 2025 or procurement rules would apply.

## 17. Publication of the Policy

The Pay Policy Statement will be published on the Council's website.

The Statement does not include individual employee salaries. Information relating to senior salaries is published separately in accordance with the Local Government Transparency Code 2015 and the Accounts and Audit Regulations 2015, which require local authorities to publish specified information in respect of employees whose remuneration exceeds £50,000 per annum.

In compliance with these requirements, the Council publishes:

- The number of employees whose remuneration is £50,000 or more, presented in £5,000 salary bands
- A list of senior employees, including the Chief Executive and all direct reports, showing job titles and total remuneration where salaries exceed £50,000.

In addition, for all posts where the full-time equivalent salary is £50,000 or above, the Council's Annual Statement of Accounts includes a note setting out the total amount of:

- Salary, fees or allowances paid to or receivable by the individual in the current and previous financial year;
- Any bonuses paid or receivable in the current and previous financial year;
- Any sums payable by way of expenses allowance that are chargeable to UK income tax;
- Any compensation for loss of employment and any other payments connected with the termination of employment; and
- Any benefits received that do not fall within the above categories.

The information set out in this Pay Policy Statement therefore compliments the data that the Council is required to publish separately under the Code of Recommended Practice for Local Authorities on Data Transparency and the Accounts and Audit (England) Regulations 2011.

## 18. Review of Pay Policy

The Policy will be subject to annual review and must be approved by the Council prior to 31<sup>st</sup> March each year. If there is a need to amend the Policy between reviews, then any such amendments will be considered by the Cabinet, prior to approval by the Council.

<b>Responsible Section/Team</b>	People and Policy Team	<b>Full Council</b>	
<b>Responsible Author</b>	Head of People and Policy	<b>Version</b>	Final draft
<b>Date last Amended</b>	6.02.26	<b>Page</b>	8

Appendix A

**ROSSENDALE BOROUGH COUNCIL – PAY AND GRADES AT SCP 43 AND BELOW**

Appendix A

**ROSSENDALE BOROUGH COUNCIL – PAY AND GRADES AT SCP 43 AND BELOW**

	SCP	Per Annum	Monthly	Hourly
	FLW	23,151	1,929	12.60
Grade 1	1	Deleted	1.4.23	as per NJC
	2	24,413	2,034	12.65
	3	24,796	2,066	12.85
Grade 2	4	25,185	2,099	13.05
	5	25,583	2,132	13.26
	6	25,989	2,166	13.47
Grade 3	6	25,989	2,166	13.47
	7	26,403	2,200	13.69
	8	26,824	2,235	13.90
	9	27,254	2,271	14.13
	10	27,694	2,308	14.35
	11	28,142	2,345	14.59
Grade 4	11	28,142	2,345	14.59
	12	28,598	2,383	14.82
	13	29,064	2,422	15.06
	14	29,540	2,462	15.31
	15	30,024	2,502	15.56
Grade 5	15	30,024	2,502	15.56
	16	30,518	2,543	15.82
	17	31,022	2,585	16.08
	18	31,537	2,628	16.35
	19	32,061	2,672	16.62
	20	32,597	2,716	16.90
Grade 6	21	33,143	2,762	17.18
	22	33,699	2,808	17.47
	23	34,434	2,869	17.85
	24	35,412	2,951	18.35
	25	36,363	3,030	18.85
	26	37,280	3,107	19.32
Grade 7	26	37,280	3,107	19.32
	27	38,220	3,185	19.81
	28	39,152	3,263	20.29
	29	39,862	3,322	20.66
	30	40,777	3,398	21.14
	31	41,771	3,481	21.65
	32	42,839	3,570	22.20
Grade 8	33	44,075	3,673	22.85
	34	45,091	3,758	23.37
	35	46,142	3,845	23.92
	36	47,181	3,932	24.46
	37	48,226	4,019	25.00
	38	49,282	4,107	25.54
Grade 9	39	50,269	4,189	26.06
	40	51,356	4,280	26.62
	41	52,413	4,368	27.17
	42	53,460	4,455	27.71
Top NJC Grade	43	54,495	4,541	28.25

<b>Responsible Section/Team</b>	People and Policy Team	<b>Full Council</b>	
<b>Responsible Author</b>	Head of People and Policy	<b>Version</b>	Final draft
<b>Date last Amended</b>	6.02.26	<b>Page</b>	9

Appendix B

	SCP	Per Annum	Monthly	Hourly
<b>ROSENDALE BOROUGH COUNCIL – PAY AND GRADES ABOVE SCP 43</b>				
	45	55,581	4,632	28.81
	46	56,684	4,724	29.38
	47	57,783	4,815	29.95
	48	58,876	4,906	30.52
<b>Grade 11</b>	48	58,876	4,906	30.52
	49	60,055	5,005	31.13
	50	61,486	5,124	31.87
	51	62,887	5,241	32.60
<b>Grade 12</b>	49	60,055	5,005	31.13
	50	61,486	5,124	31.87
	51	62,887	5,241	32.60
	52	64,295	5,358	33.33
	53	65,737	5,478	34.07
<b>Grade 13</b>	51	62,887	5,241	32.60
	52	64,295	5,358	33.33
	53	65,737	5,478	34.07
	54	67,224	5,602	34.84
<b>CO Grade 14</b>	55	67,001	5,583	34.73
	56	68,499	5,708	35.50
	57	70,005	5,834	36.29
	58	71,514	5,959	37.07
	59	73,020	6,085	37.85
	60	74,512	6,209	38.62
<b>CO Grade 15</b>	60	74,512	6,209	38.62
	61	76,243	6,354	39.52
	62	77,971	6,498	40.41
	63	79,701	6,642	41.31
	64	81,429	6,786	42.21
<b>CO Grade 16</b>	65	83,381	6,948	43.22
	66	85,399	7,117	44.26
	67	87,438	7,286	45.32
	68	89,467	7,456	46.37
	69	91,508	7,626	47.43

<b>Responsible Section/Team</b>	People and Policy Team	<b>Full Council</b>	
<b>Responsible Author</b>	Head of People and Policy	<b>Version</b>	Final draft
<b>Date last Amended</b>	6.02.26	<b>Page</b>	10