

Senior Leader Pay Policy Statement

Version Control	Changes Made	Author
Version 8 –	Update to salaries and moved to appendices. Added pay scales in appendices. Update to lower paid staff remuneration. Removal of expenses as contained in expense policy. Minor wording changes	HR/OD

Introduction

This Senior Leader Pay Policy Statement sets out the Council's policy regarding remuneration in accordance with the requirements of section 38 of the Localism Act 2011 (The 'Act') and associated statutory guidance. It provides transparency regarding the Council's approach to setting the pay of its employees and includes:

- the methods for recruitment, retention and motivation of Senior Leaders
- the methods by which salaries of all employees are determined;
- the detail and level of remuneration of its most senior employees i.e., 'chief officers', as defined by the relevant legislation;
- the detail and level of remuneration of the lowest paid employee; and
- the relationship between remuneration of the highest paid and other employees.

Once approved by the full Council, this Pay Policy statement will come into immediate effect and will be subject to an annual review (as a minimum). The policy for the following financial year will be considered by 31st March each year.

Decisions on pay

The Council participates in the national pay bargaining arrangements using the national pay frameworks as the basis for its local pay structure, and the national pay review process to determine its annual increases.

There is some local variation to Cumberland Council's pay structure which incorporates an additional Grade. Grade 19 is the highest point paid on the Councils NJC Pay Structure (Green Book).

Where national pay frameworks are either not adopted or not specified e.g. JNC (Joint Negotiating Committee) for Chief Officers, the Council as an organisation makes the final decisions in determining the remuneration levels in accordance with the Council's constitution.

Such determination considers 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 can make

the Council an effective and efficient organisation that delivers the best possible services for the people of Cumberland Council within its available resources.

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. Most Council employees are employed under the National Joint Council (NJC) for Local Government Services (Green Book) arrangements.

The Council may consider the following resourcing options.

Market Supplement Payment

When the Council is unable to attract and retain employees with required experience, skills and capacity, consideration may be given to the external pay markets to assess whether there is objective justification to include a Market Supplement, to support attraction to the post. Any consideration requires approval from Directors, taking advice from HR/OD, any payment will be applied in accordance with the Council's agreed Market Supplement Policy.

Externally Provided Workers (EPW's)

On occasions it may be necessary to engage the services of externally provided workers on a temporary basis within key posts. Such appointments exist where there is a specific skill shortage either within the Council, or difficulty to recruit from within the local labour market. Any such appointment requires the prior approval of the Director or for equivalent permanent 'Chief Officer' posts where delegated authority is required by the Staffing Committee.

Any remaining employees are employed under nationally negotiated terms and conditions of service for their related groups.

Additional Responsibilities

To meet specific operational requirements, it may be necessary for an employee to temporarily take on additional duties to their identified role. Where these duties form either part or the whole of the duties of another job a Responsibility Allowance or Acting Up Allowance is payable respectively, reflecting the job evaluated rate for those additional duties.

Where it is intended to recognise exceptional effort or contribution a one-off lump sum payment, or Honoraria may be paid. Honoraria are paid in arrears and depending upon their value are subject to the approval of either the Director for the service area, or the Director – Business Transformation and Change, in accordance with the delegations from the Council's Constitution.

For Chief officer all Acting up allowances, Responsibility Pay Allowances and Honorariums must be approved by the Staffing Committee.

Recruitment of Senior Leaders ('Chief Officers')

The Council's policy regarding the recruitment of all employees including Senior Leaders is set out within the **Recruitment Appointment and Induction Policy**. The Council aims to set appropriate pay levels, balancing costs with the need to attract and retain employees who contribute the appropriate skills, behaviours and experience needed to deliver its function.

The Council may procure the services of an executive search agency to manage some or all of the recruitment/ assessment process. The assessment process will consist of a structured interview and may also include a technical assessment, presentation's, service user panels interviews and psychometric testing.

The Council will aim to retain employees through the appropriate levels of remuneration, benefits and motivation however from time to time, it is necessary to make additional payments within the Council's remuneration framework to secure or retain employees with the appropriate skills, notably where there is a national or regional shortage of such skills. Payments will be made in line with the **Council's Market Supplement Scheme**.

The Market Supplement Scheme is a scheme where the council can pay an additional supplement to an employee in order to meet the external market demands and attract and retain employees.

Statutory posts including Chief Executive and Directors and Statutory Officers can only be appointed to by the Staffing Committee.

Non-statutory posts may be appointed to by Officers of the Council, but consultation with the relevant portfolio member is necessary.

When an individual is appointed to a role remunerated at a higher grade with multiple scale points, whether through internal or external recruitment, the individual will be appointed to the bottom of the relevant grade. In exceptional circumstances, appointment at a higher scale point can be considered and agreed by the relevant Senior Leader.

Salary levels for the Chief Executive, Directors, Assistant Directors and Statutory Officers are determined using the Hay Job Evaluation methodology using external support from Korn Ferry (formerly Hay Group), at the point of recruitment to the position and takes into consideration salary survey data provided by Korn Ferry. These officers are appointed on the minimum point of the pay scale. Progression to the mid-point after 12 months in post and the top of the scale after a further 12 months in post is dependent upon performance and achieving targets set in the annual appraisal process.

Interim Support

Where the Council is unable to recruit Chief Officers, or there is a need for interim support to provide cover for a substantive Chief Officer post, the Council will, where necessary, consider engaging individuals under a 'contract for service'. These will be sourced through a relevant procurement process and in such circumstances the Council is not required to make either pension or national insurance contributions for such individuals. Where authority for appointment to the equivalent permanent role is delegated to the Staffing Committee, that Committee will approve all proposed interim appointments.

Definitions

Chief Officer has been determined by Cumberland Council to refer to the posts set out below.

Tiers refer to the reporting line for the role and **Levels** refers to the different size and level of the roles within Tiers 2 and 3 for the senior leadership pay and grading structure.

Definition under the Localism Act 2011	Post Held at Cumberland Council	Post Tier and Level
The Head of Paid Service	Chief Executive Officer	Chief Executive
The Monitoring Officer	Chief Legal and Monitoring Officer	Tier 3, Level 2
Section 151 Officer	Chief Finance Officer (s151 Officer)	Tier 3, Level 1
Statutory Chief Officers	Director of Public Health & Communities	Tier 2, Level 1
	Director of Adult Social Care and Housing (DASS)	Tier 2, Level 1
	Director of Children and Family Wellbeing (DCS)	Tier 2, Level 1
Non-Statutory Officers	Assistant Chief Executive – Strategy, Policy and Performance	Tier 2, Level 2
	Director of Business Transformation and Change	Tier 2, Level 1
	Director of Place, Sustainable Growth and Transport	Tier 2, Level 1
	Director of Resources	Tier 2, Level 1

Other senior leadership posts are also treated as Chief Officers for the purposes of this Pay Policy Statement and include all senior leadership roles at Tier 2 and 3 in the Council that are not Chief Officer posts. The following table lists these roles:

Post Level	Cumberland Council
Tier 3, Level 2	Assistant Director – Commissioning and Procurement Assistant Director – Programme Management Office Assistant Director – HR and OD Assistant Director – Digital Innovation and ICT Assistant Director – Corporate Assets and Fleet Assistant Director – Customer Solutions Assistant Director – Public Health and Public Protection Assistant Director - Communities and Localities Assistant Director – Highways and Transport Assistant Director – Inclusive Growth and Placemaking Assistant Director – Climate and Waste Assistant Director – Operations (Adult Social care and Housing) Assistant Director – Service provision (Adult Social Care and Housing) Assistant Director - Quality and Resources (Adult Social Care and Housing) Assistant Director – Education, SEND and Inclusion Assistant Director – Children and Families Assistant Director – Early Help, Prevention and Youth Justice Assistant Director – Quality and Safeguarding (Children and Family Wellbeing)
Tier 3, Level 3	Assistant Director – Communications Assistant Director – Strategy and Policy

Grading and Pay Ranges

Grades and salary levels for the Chief Executive, Chief Officer and other Senior Leadership Posts are determined using the Korn Ferry Hay Job Evaluation methodology using external support from Korn Ferry (formerly Hay Group). Job evaluation is a consistent process used for determining relative size of jobs. It is based on a systematic analysis of the different factors found within all jobs.

At the point of recruitment to the position, pay will be set individually, based on the following components:

- The size of the job as determined by job evaluation.
- The benchmark data for the market and sector rate for the post
- The assessed quality of the applicant, including skills and experience balanced against candidate expectations.
- Scarcity of the required skills

Senior Leader ('Chief Officer') Remuneration

For the purposes of this statement, Senior Leader means 'Chief Officers' as defined within the Localism Act 2011. The posts which the Council treats as falling within the statutory definition are its Chief Officers and other senior leadership posts defined in tables 1 and 2 (pages 3 and 4) above.

The salary paid to senior leaders is in accordance with the pay structure in Appendix 1 which is the pay and grading structure for Senior Leaders 2024/25 and Appendix 2 which is the actual salaries for Senior Leaders as at 31st March 2025.

The Council will review market alignment every two years against the national public sector market to support future pay decisions and minimise market supplements and pay drift. The last review took place in February 2023 so this will be reviewed in February 2025.

Other terms and conditions paid to Senior Leaders ('Chief Officers')

For the purposes of this statement policies relating to other terms and conditions paid, including the amounts applying to each member of the Senior Leadership team, are set out below.

Designation	Value	Rationale for payment
Supplementary pay is awarded to chief officers for undertaking the duties of Returning Officer/Section 151 Officer and Monitoring Officer	National supplementary payment	The Council does not provide any supplementary payments, in addition to the salary as shown above for the posts of Returning Officer, Section 151 Officer and Monitoring Officer. There is a national supplementary payment for Parliamentary and National Elections.
Pension	Please see Appendix 4 for Pension contribution rates	All employees are entitled to join the Local Government Pension Scheme which is an occupational pension scheme open to all Local Government Employers.
An increase in or enhancement to the Leadership Team pension entitlement	N/A	N/A
Other benefits in kind	N/A	N/A
Private Health Care	N/A	N/A
Market Forces Supplements	N/A	N/A
Performance Related pay for Chief Officers	N/A	The Council does not provide performance related pay for chief officers

Bonuses for Chief Officers	N/A	The Council does not provide bonuses for chief officers
Final payments to Chief Officers when they leave the authority	In accordance with the Council's Redundancy and Early Release Policy	Please see the section below on 'Payments for Termination'.

Lower paid staff remuneration – Living Wage Employer

The Council lowest rate of pay of £12.26 is higher than the UK Government 'National Living Wage' of £11.44 per hour.

The Council chooses to pay a 'supplement' to the lowest rates of pay of £653 and £282 to the respective annual salary of £23,656 and £24,027. This brings the lowest paid worker in line with the UK Living Wage, enabling the Council to be a Living Wage Employer.

The Council defines low paid workers as those on the lowest pay grade used by the Council for substantive roles. There are 2 generic job family profiles which fall into this category: BS1 and OP1. These profiles are at the lowest grade (Grade 1) of the Council's pay structure, the minimum pay for employees within this group is £23,656 per annum which is a ratio of 1:7.7 in comparison with the salary of the Chief Executive.

The Council's minimum pay of £24,309 per annum is a ratio of 1:7.5 in comparison with the salary of the Chief Executive.

The Council employs Apprentices who are not considered within the definition of 'lowest paid employees.'

Below are further comparisons to illustrate the relationship of pay between the Chief Executive and other staff within the Council: -

- The median average full time equivalent salary of the whole workforce is £31,067 per annum, which in comparison with the salary of the Chief Executive is a ratio of 1:5.9.
- The mean average full time equivalent salary of the whole workforce is £32,641 per annum, which in comparison with the salary of the Chief Executive is a ratio of 1:5.6.

We continue to review these ratios where possible while recognising that this will be balanced by our obligations under the Equality Act of the need to maintain pay equity through an objective job evaluation scheme.

Pension Contributions

The Local Government Pension Scheme (LGPS) is open to all employees, apart from teaching staff who have their own pension schemes.

Employees who are members of the Local Government Pension Scheme (LGPS) pay contributions from their salary dependent on earnings and the Council contributes on their behalf in accordance with the LGPS Regulations.

Employees in Public Health who have transferred to the Council under a specific staff transfer arrangement has allowed them to continue membership of the NHS pension scheme. Employees and the Council both make contributions in accordance with the regulations of the NHS scheme.

Payments on Termination

Any compensation payments made to Chief Officers and Deputy Chief Officers on ceasing to hold office or to be employed by the authority will be made on the same basis as any other employee in line with the **Council's Redundancy and Early Release Policy**. Compulsory redundancy is paid at the statutory redundancy rate and voluntary redundancy is paid at 1.5 times the statutory rate.

Where a Special Severance Package for an individual employee exceeds £20,000 it must be approved by the Chief Executive and Leader. A severance package that exceeds £100,000 must be approved by full Council.

The Council does not normally re-employ employees who have received either a statutory or discretionary payment upon termination of employment. This is monitored during the recruitment process by validating previous employment records. Any re-employment must be approved in accordance with the Redundancy and Early Release procedure. The Council will not normally engage such an individual under a contract for services.

Publication

Upon approval by the full Council, this statement will be published on the Council's website.

The Council is also required to include information in the Annual Statement of Accounts in relation to the remuneration of higher paid officers of the Council. The information to be published is determined by Local Authority Accounting requirements, revised every year, underpinned by statutory regulations. The information required to be included in the audited Statement of Annual Accounts 2024-25 relates to three disclosures, which are termed 'Notes' as follows:-

- Figures for the number of officers whose remuneration was £50,000 or more, grouped in £5,000 bands (Banding Note).
- The individual remuneration of senior employees, which includes salary, fees, and allowances receivable. (Senior Employees Note).

- Exit packages agreed during the year, which includes termination benefits and all redundancy costs from both compulsory and voluntary redundancy costs (Exit Packages Note).

Date

Appendix 1 – Pay Scales

Cumberland	Posts at this level (from structures provided for AD recruitment 07/02/23)	Pay Range from 1 April 2024		
Level		Minimum	Mid	Maximum
Tier 1	Chief Executive Officer	£182,391	£182,391	£182,391
Tier 2 - Level 1	Director of Business Transformation and Change Director of Resources Director of Public Health & Communities Director of Place, Sustainable Growth and Transport Director of Adult Social Care and Housing (DASS) Director of Children and Family Wellbeing (DCS)	£134,652	£142,608	£150,565
Tier 2 - Level 2	Assistant Chief Executive – Strategy, Policy and Performance	£113,434	£120,330	£127,225
Tier 3 - Level 1	Chief Finance Officer (s151 Officer)	£113,434	£120,330	£127,225
Tier 3 - Level 2	Assistant Director - Commissioning and Procurement Assistant Director – Programme Management Office (Capital Programme) Assistant Director – HR/OD Assistant Director – ICT Chief Legal and Monitoring Officer Assistant Director – Corporate Assets and Fleet Assistant Director – Customer Solutions Assistant Director – Public Health and Public Protection Assistant Director – Highways and Transport Assistant Director – Thriving Place and Investment Assistant Director – Climate and Waste Assistant Director – Neighbourhoods Assistant Director – Operations (Adult Social Care and Housing) Assistant Director – Service Provision (Adult Social Care and Housing) Assistant Director – SEND, Education and Inclusion Assistant Director – Children and Families Assistant Director - Communities and Localities Assistant Director - Quality and Resources (Adult Social Care and Housing) Assistant Director – Quality and Resources (Children and Family Wellbeing) Assistant Director - Early Help & Prevention	£95,399	£100,703	£106,008
Tier 3 - Level 3	Assistant Director - Communications Assistant Director - Strategy & Policy	£79,486	£83,729	£87,973

Appendix 2 – Current Salaries

Position	Full Time Equivalent	Salary As of 31 March
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		2025
Chief Executive Salary		
Chief Executive	1	£182,391
Director and Senior Leadership Team Salaries		
Chief Finance Officer (s151 Officer)	1	£120,227
Assistant Chief Executive – Strategy, Policy and Performance	1	£120,330
Director of Business Transformation and Change	1	£142,608
Director Of Resources	1	£142,608
Director of Public Health and Communities	1	£142,608
Director of Place, Sustainable Growth and Transport	1	£142,608
Director of Adults Social Care and Housing	1	£142,608
Director of Children and Family Wellbeing	1	£150,565
Chief Legal Officer (Monitoring Officer)	1	£100,703
Assistant Director Salaries		
Adults Social Care and Housing		
Assistant Director – Operations	1	£100,703
Assistant Director – Service Provision	1	£100,703
Assistant Director – Quality and Resources	1	£100,703
Children and Family Wellbeing		
Assistant Director – SEND, Education and Inclusion	1	£100,703
Assistant Director – Children and Families	1	£100,703
Assistant Director – Early Help and Prevention	1	£95,399
Assistant Director – Quality and Safeguarding	1	£100,703
Place, Sustainable Growth and Transport		
Assistant Director - Highways and Transport	1	£100,703
Assistant Director – Climate and Waste (Interim)	1	£95,399
Assistant Director – Inclusive Growth and Placemaking	1	£100,703
Public Health and Communities		
Assistant Director – Communities and Localities	1	£100,703
Assistant Director – Public Health and Protection	1	£100,703
Resources		
Assistant Director – Corporate Assets and Fleet	1	£95,399
Assistant Director – Customer Solutions	1	£100,703
Business Transformation and Change		
Assistant Director – Commissioning and Procurement	1	£100,703
Assistant Director – Digital Innovation and ICT	1	£100,703
Assistant Director – Programme Management Office	1	£100,703
Assistant Director – HR and OD	1	£95,399
Strategy, Policy and Performance		
Assistant Director – Communications	1	£79,486
Assistant Director – Strategy and Policy	1	£83,729
Deputy Statutory Chief Officers		
Senior Manager – Legal & Democratic Services (Deputy Monitoring Officer)	1	£81,330
Senior Manager - Finance (Deputy s151 Officer)	1	£81,330

Appendix 3 – Job Families Pay Scales

Cumberland Council
Job Families Pay and Grading Structure - Applicable from 1 April 2024

Leadership (Executive Directors / Assistant Directors)										
Grade	Grade Level A or B	SCP	Annual Full Time Salary £	Hourly Rate £	Job Family					
					Business Support	Customer Engagement	Operations	Organisational Support	People Care and Development	Regulation and Technical
19	B	63	£81,330	£42.1583			OP19	OS19	PCD19	RT19
	A	61	£78,536	£40.7028						
18	B	54	£66,642	£34.5425				OS18i / OS18ii	PCD18	RT18i / RT18ii
	A	52	£63,830	£33.0870						
17	B	47	£57,362	£29.7353		CE17	OP17	OS17		RT17
	A	45	£55,119	£28.5668						
16	B	41	£50,788	£26.3262			OP16	OS16	PCD16	RT16
	A	40	£49,764	£25.7954						
15	B	37	£46,731	£24.2232			OP15	OS15	PCD15	RT15
	A	36	£45,718	£23.6982						
14	B	35	£44,711	£23.1762		CE14		OS14	PCD14	RT14
	A	34	£43,693	£22.6485						
13	B	33	£42,708	£22.1379			OP13		PCD13	RT13
	A	32	£41,511	£21.5174						
12	B	31	£40,476	£20.9809	BS12	CE12		OS12	PCD12i / PCD12ii	RT12
	A	30	£39,513	£20.4818						
11	B	28	£37,938	£19.6654	BS11	CE11	OP11	OS11		RT11
	A	27	£37,035	£19.1973						
10	B	26	£36,124	£18.7251	BS10	CE10	OP10		PCD10i / PCD10ii	RT10
	A	25	£35,235	£18.2642						
9	B	24	£34,314	£17.7868	BS9		OP9i / OP9ii	OS9		RT9
	A	23	£33,366	£17.2954						
8	B	20	£31,586	£16.3728	BS8	CE8i / CE8ii			PCD8i / PCD8ii	
	A	19	£31,067	£16.1037						
7	B	14	£28,624	£14.8374	BS7		OP7i / OP7ii	OS7	PCD7	RT7
	A	12	£27,711	£14.3641						
6	B	8	£25,992	£13.4731	BS6	CE6				RT6
	A	7	£25,584	£13.2616						
5	B	6	£25,183	£13.0537	BS5	CE5	OP5	OS5	PCD5	
	A	6	£25,183	£13.0537						
4	B	5	£24,790	£12.8500	BS4		OP4		PCD4	RT4
	A	5	£24,790	£12.8500						
3	B	4	£24,404	£12.6499	BS3		OP3		PCD3	
	A	3	£24,027	£12.4545						
2	B	2	£23,656	£12.2622		CE2				
	A	2	£23,656	£12.2622						
1	B	2	£23,656	£12.2622	BS1		OP1			

*** Living Wage Foundation Living**

Wage Rate

The Grades below include a non-contractual pay supplement to increase these rates to the Living Wage Foundation

'UK Living Wage' rate of £16.60 per hour, as outlined below.

			Existing Grade		Supplement		UK Living Wage Rate	
					Annual Full Time Salary £	Hourly Rate £	Annual Full Time Salary £	Hourly Rate £
3	B	4	£24,404	£12.6499	N/A	N/A	N/A	N/A
	A	3	£24,027	£12.4545	£282	£0.1455	£24,309	£12.6000
2	B	2	£23,656	£12.2622	£653	£0.3378	£24,309	£12.6000
	A	2	£23,656	£12.2622	£653	£0.3378	£24,309	£12.6000
1	B	2	£23,656	£12.2622	£653	£0.3378	£24,309	£12.6000

Appendix 4 – Pension Contribution Rates

Pension Scheme Contribution Rates 2024

LGPS

Pensionable Pay	Main Scheme % of pay	50/50 Scheme % of pay
Up to £17 600	5.5	2.75
£17 601 to £27 600	5.8	2.9
£27 601 to £44 900	6.5	3.25
£44 901 to £56 800	6.8	3.4
£56 801 to £79 700	8.5	4.25
£79 701 to £112 900	9.9	4.95
£112 901 to £133 100	10.5	5.25
£133 101 to £199 700	11.4	5.7
£199 700 and above	12.5	6.25

Cumberland employer rate is set at 18.3% . (inc schools)

Westmorland & Furness rate is set at 17.3%. (inc schools)

Fire employer rate is set at 18.4%

FIRE 2015 CARE Scheme

Pensionable Pay (FTE)	% Contribution Rate
Up to £27 818	11
£27 819 to £51 515	12.9
£51 516 to £142 500	13.5
£142 501 and above	14.5

Employer Rate is set at 37.6%

Teachers Pensions CARE Scheme 2015

Pensionable Pay	% Contribution Rate
Up to £34 289.99	7.4
£34 290.00 to £46 158.99	8.6
£46 159.00 to £54 729.99	9.6
£54 730.00 to £72 534.99	10.2
£72 535.00 to £98 908.99	11.3
£98 909.00 and above	11.7

Employers Rate is set at 28.68%

The tiered rate of contributions is determined with reference to the member's pensionable earnings for a particular employment, rather than the full-time equivalent rate for it. Where a teacher is a member of the Teachers' Pension Scheme in respect of more than one employment (i.e. has two or more part-time jobs, or, in the CARE scheme only, a full-time and a part-time job in the TPS) the earnings in each employment will separately determine the contribution rate paid for each particular employment. Where an employee is paid in the month they work (e.g. a "normal" contract hours employee), the contribution rate is based on the actual earnings in the pay period.

NHS CARE Scheme 2015 - May be revised following AfC Pay Award if greater than CPI Increase.

Pensionable Pay	% Contribution Rate based on FTE
Up to £13 259.99	5.2
£13 260 to £26 831.99	6.5
£26 832 to £32 691.99	8.3
£32 692 to £ 49 078.99	9.8
£49 079 to £62 924.99	10.7
£62 925.00 and above	12.5

Employers Rate is set at 14.38%.