

### Pay Policy Statement 2025

## **Summary**

This document sets out the East Midlands Combined County Authority (EMCCA) Pay Policy in relation to the remuneration of its employees in accordance with section 38 of the Localism Act 2011.

The Pay Policy reflects that the Act principally requires the pay information related to its Chief Officers and lowest paid employees.

The statement includes the method by which pay levels are determined for all employees and the level of remuneration of its most senior staff.

All policies are developed to enable EMCCA strategic objectives, align with EMCCA values, be legally compliant and contribute towards our success.

In the case of the Pay Policy, our values are demonstrated through evidence led decisions on pay, to enable the achievement of EMCCA strategic outcomes through necessary recruitment and retention, alongside supporting us working as one team with all employees having access to employee benefits.

## **Pay Policy Statement**

This document sets out the East Midlands Combined County Authority (EMCCA) Pay Policy in relation to the remuneration of its employees in accordance with section 38 of the Localism Act 2011. The Act particularly requires EMCCA to publish details including pay policy and information related to its Chief Officers and lowest paid employees. It is to be produced annually, and following Board approval, published within the financial year.

EMCCA is committed to ensuring fairness, transparency, and equality of pay in the remuneration of its employees.

Employees throughout the organisation benefit from the consistent practice of evaluation of each post's work that aligns with a nationally recognised job evaluation methodology.

The Pay Policy will always be informed by competitive benchmarking and an approach to retain critical roles.

The Pay Policy will be published on the EMCCA website as soon as reasonably practicable after approval or amendment.

#### Chief Officers and Senior Management Structure

The permanent management structure agreed by the Appointments panel and listed in the Constitution, and those that are defined as Chief Officers under the Localism Act, consist of the following:

Chief Executive & the Head of Paid Service

Executive Director – Strategy & Inclusive Growth

Executive Director - Place

Executive Director – Resources (Section 73 Officer)

Director of Legal, Governance and Compliance (the Monitoring Officer)

EMCCA has actively proceeded with recruiting its first permanent Chief Officers. The Chief Executive & the Head of Paid Service has been appointed. It expects to appoint to the Executive Director posts within this financial year.

EMCCA recognises that the Joint Negotiating Committee (JNC) agrees conditions of service for the Chief Executive and Chief Officers.

Chief Officers are appointed at spot salaries within a range approved by the Appointments Panel that have been determined through evidence-led independent analysis and benchmarking and reflect rates which are reasonably sufficient to recruit and retain senior officers, considering market conditions. The grades attributable to Chief Officer posts are subject to job evaluation and clear salary differentials which reflect the level of responsibility attached to each role. Remuneration levels for Chief Officers are at **Appendix 1**.

Chief Officers are expected to perform to the highest level. They do not receive bonus payments or performance related pay. Where a Chief Officer meets the criteria for entitlement to expenses these are paid in accordance with EMCCA policies. Increases in pay for Chief Officers occur as a result of:

- pay awards agreed by way of national collective pay bargaining arrangements;
- significant changes to a Chief Officer's role which result in a job re-evaluation and a higher salary being confirmed as appropriate;
- salary progression, where applicable, linked to objective, clear and relevant criteria, including participation in an annual appraisal, within the range agreed by the Appointments Panel.

Under EMCCA's Constitution, appointment to the Chief Executive & the Head of Paid Service, Monitoring Officer and Executive Director roles are a matter for the EMCCA Board. All other posts are appointed under delegation to the Chief Executive & Head of Paid Service or Chief Officers within the approved funded staffing structure.

Chief Officers who cease to hold office or be employed by EMCCA will receive payments calculated using the same principles as any other member of staff, based on entitlement within their contract of employment, their general terms and conditions, and existing policies.

In the case of termination of employment by way of early retirement, redundancy (voluntary or otherwise) or on the grounds of efficiency of the service, the Managing Organisational Change Policy and Retirement Policy set out provisions which apply to all staff regardless of their level of seniority.

Any payments in relation to settlements and severance at termination of appointment more than £100,000 are subject to Board approval and will be determined on a case-by-case basis.

It is recognised that there may be exceptional circumstances where the engagement of an exemployee under a Contract for Service is the most effective and efficient way of meeting EMCCA's needs and commitments. If by exception this is the case, it would be on a short-term basis and where that individual has a close match to the requirement, while alternative sustainable options are progressed such as permanent recruitment. For all such situations, the Director of HR is required to be informed to advise and approve. In addition, legislation exists to enable the recovery of exit payments for higher paid employees who may return to the same part of the public sector within 12 months.

#### General Principles Regarding the Remuneration of Staff

EMCCA has established pay and grading structures, based upon the evaluation of job roles, which ensures a fair and transparent approach to pay and the same grading of jobs that are rated as equivalent throughout the organisation.

Pay awards from national collective pay bargaining are adopted following approval by the Chief Executive & the Head of Paid Service.

The Pay and Grading Framework reflects the EMCCA approach and was originally approved in March 2024 (Appendix 2). This is subject to periodic review as an essential contributor towards EMCCA being able to attract, recruit and retain the calibre and capabilities required to meet its ongoing strategic priorities and commitments.

All employees are recruited in accordance with the Recruitment and Selection Policy and procedures and are appointed on the minimum salary point of the grade unless there are exceptional circumstances, such as their current salary being above that point, which would warrant appointment above the minimum of the grade.

Should it be by exception necessary and appropriate, the Market Supplement policy sets out the provisions for a fixed-period reviewable supplement to be paid, excluding Chief Officer posts, to ensure critical post recruitment and retention.

Previous service with other public sector bodies specified in the Local Government etc. (Modification) Order 1999 is recognised for the calculation of continuous service and redundancy.

EMCCA provides employment benefits accessible to all employees such as providing, above statutory annual leave, the local government pension and employee assistance / health and wellbeing programme.

#### Local Government Pension Scheme (LGPS)

Subject to qualifying conditions, all employees are entitled to access the LGPS. This provision is administered by Nottinghamshire Pension Fund. The current EMCCA contribution rate is 16.3%. This rate is determined by periodic external actuarial assessment. Employee contribution rates set by the scheme vary according to salary level with those earning more contributing more (Appendix 3). Any member of the scheme may elect in writing to move to the 50/50 section. In the 50/50 section the employee pays half the normal contributions. This flexibility may be useful during times of financial hardship, instead of opting out of the scheme.

The approach to the employment of individuals already in receipt of a local government pension is set by the Nottinghamshire Pension Fund.

#### Remuneration of Lowest Paid Employees

EMCCA uses the negotiated National Joint Council (NJC) pay spine as the basis for its local grading structure. The lowest paid employees within EMCCA are appointed to jobs which have been evaluated and are remunerated accordingly. Where any meet the criteria for entitlement to expenses these are paid in accordance with the EMCCA policies.

As part of the Pay and Grading Framework, the Board resolved that EMCCA adopt the principle to pay the UK Real Living Wage for all employed under a contract of employment with EMCCA. The Living Wage Foundation has currently set this at £12.60 per hour which is £24,312 per annum (37-hour week). This amount is above point 3 of the main NJC pay spine. EMCCA does not have any employees at or below NJC point 3.

#### Relationship between Chief officer and Non-Chief Officer Remuneration

The 'pay multiple' for EMCCA is determined by comparing the pay of the highest paid employee (Chief Executive) against the median average pay, using hourly rates. There are no applicable exempt employees as defined by the Localism Act. All employees are included within the scope of this statement.

The EMCCA current Median Hourly rate is £19.99 and the pay multiple is 4.80.

When expressed as a multiplier of pay, the Chief Executive's salary is 7.23 times that of the lowest full time equivalent earner.

Pay data used in these calculations are as of 31st January 2025.

## Publication of Pay Policy Statement

EMCCA will publish the Pay Policy Statement, following approval of the Board, on the EMCCA website. In addition, remuneration data associated with the Pay Policy Statement will be published on the EMCCA website no later than 31st March 2025.

The Annual Pay Policy Statement is required of EMCCA by legislation along with its publication within each financial year. No alternatives have been considered. A short format has been selected to meet the Act's requirements, recognising EMCCA is at year one, and noting other Combined Authority approaches.

Pre-board engagement has included Interim S73 and Governance Monitoring officer, along with awareness and engagement with the four constituent council HR Directors (Head of HR OD) and delegated, towards the production of this Annual Pay Policy statement.

At establishment the Board approved the Pay and Grading Framework, 20 March 2024, including its policy towards pay of officers at all levels. This has been in operation since.

The Board approved that job evaluation be implemented to support equal pay for equal jobs across EMCCA. This is in operation for all posts. As directed an independent specialist consultancy in the evaluation field is engaged to provide this service.

The Board resolved support to produce a Market Supplement Policy. This has been progressed and implemented.

The Board approved the senior management structure and related delegations for the permanent recruitment of Chief Officers, March 2024. It delegated that the Chief Executive and Executive Directors would have responsibility for non-Chief Officer recruitment and good progress has been made with permanent recruitment to date.

A permanent Chief Executive & the Head of Paid Service, Amy Harhoff, was approved by the Board and appointed with commencement 27<sup>th</sup> January 2024, having undertaken a robust recruitment process.

The Appointments Panel has approved the commencement of recruitment processes and salary range for the three permanent Executive Directors: Resources (section 73), Place and Strategy & Inclusive Growth. These are progressing, and we are expecting to conclude with appointments by the end of February 2025. A separate paper provides an update.

In support of a developing organisation, and as mentioned within the Annual Pay Policy, policies associated with Recruitment, Redundancy and Early Retirement have been developed. This is in keeping with other necessary operational employment related policies.

# **Appendix 1: Chief Officer Remuneration Levels**

Post	Salary (per annum)
Chief Executive & the Head of Paid Service	£185,000
Executive Director – Strategy & Inclusive Growth	£128,125 - £148,625 range *
Executive Director – Place	£128,125 - £148,625 range *
Executive Director – Resources (Section 73 officer)	£128,125 - £148,625 range *
Director of Legal, Governance and Compliance (Monitoring Officer)	Yet to be determined

<sup>\*</sup> Post being recruited with this advertised salary range

## Appendix 2: Pay and Grading Framework, in operation 2024/5, incorporating National pay awards

# East Midlands Combined County Authority (EMCCA)

Typical Jobs	Hay Ref	NJC / JNC	SCP	EMCCA Grade	Description (indicative)	Salary Range
Chief Executive	Chief Executive 25	JNC	Spot Salary	Chief Officer	Accountable for overall operation of the organisation - sets strategic direction with authority Leaders.  Long-term planning horizon - 5+ years. Reports directly to Chief Executive.	To be determined by
	24					Appointments panel
Executive Director	23					To be determined by Appointments panel
Statutory Chief Officer e.g. Public Health Director	23	JNC	78 to 80+	К	Sets strategic direction with authority Leaders and stakeholders. Long-term planning horizon - 5+ years. Includes reports to executive director, with statutory elements of a chief officer nature (requiring dotted line to Chief Executive).	To be determined by Appointments panel
Director	22	NJC	75 to 80	J	Translates strategy into tactical plans and accountable for delivering specific services - strong contribution to strategy development.	£102,014 to £112,924
Director	21	NJC	63 to 73	- 1	Planning horizon - 12+ months. Will include some statutory chief officers and deputy chief officers.	£80,282 to £97,892
228 18 222 2	20	NJC	57 to 62	Н	HoS roles at this level are more about the operational management of services with only a limited contribution to strategy development Lead roles will tend to be SME providing insight and direction into strategy development  Planning horizon - up to 12 months	£70,075 to £78,480
Heads of Service or Strategic Lead	19	NJC	50 to 55	G		£60,533 to £66,928
	18	NJC	41-43 and 44-46	F		£50,788 to £56,046
Professional roles	17	NJC	36 to 41	The	The mainstay of professional posts in the organisation. From qualified but junior roles through to senior professionals who need little supervision to operate within the professional area.	£45,718 to £50,788
such as HR, Finance, ICT,	16	NJC	33 to 38	F		£42,708 to £47,754
Procurement, Legal	15	NJC	28 to 33		Planning horizon - monthly	£37,938 to £42,708
	14	NJC	23 to 28	E	Many roles will be in this category - providing advice, guidance, services to clients (internal/external) at a technical or practitioner level. Most will need little supervision as the roles follow procedure or precedent.	£33,366 to £37,938
Technical or practitioner roles	13	NJC	15 to 22	D		£31,067 to £32,654
<b>P</b> 12323311111312	12	NJC	15 to 22		Planning horizon - weekly	£29,093 to £30,559
Strong administrative	11	NJC	8 to 14	С	Process related roles but usually with added complexity - either through more complex activities and/or supervision of others Planning horizon - weekly	£25,992 to £28,624
roles with supervision	10	NJC	5 to 7	В		£24,790 to £25,584
Straightforward admin or process roles - little	9	NJC	2 to 4 (topped up to Real Living wage)	A	Process related roles undertaking routine and repetitive tasks/activities.	£23,656 to £24,404 *RLW
forward planning - routine, repetitive	8	NJC	2 (topped up to Real Living Wage)	А	Little planning required.	£23,656 *RLW

Real Living Wage £24,312

Reflective of 2024 pay award and Autumn 2024 Living wage, Living Wage Foundation

Appendix 3: Local Government Pension Scheme (LGPS) Employee Contribution Rates

Pensionable Pay Range	Employee Contribution Rate
Up to £16,500	5.5%
£16,501 - £25,900	5.8%
£25,901 - £42,100	6.5%
£42,101 - £53,300	6.8%
£53,301 - £74,700	8.5%
£74,701 - £105,900	9.9%
£105,901 - £124,800	10.5%
£124,801 - £187,200	11.4%
Over £187,200	12.5%

The current Employer contribution rate is 16.3%.

The LGPS is a tax approved, defined benefit occupational pension scheme.