



Pay Policy 2025 - 2026

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BasildonCouncil

BASILDON BOROUGH COUNCIL

PAY POLICY 2025 / 2026

Background

Basildon has the second highest overall population in Essex (including Unitary Authorities).¹ It covers approximately 42.5 square miles. It is an area of contrast, ranked as the 3rd most deprived of the Essex boroughs according to the 2019 Index of Multiple Deprivation, and ranked 111 of 317 authorities nationally (where 1 is the most deprived), whilst also having the largest gross value added (GVA) in Essex. According to the 2021 UK Prosperity Index, Basildon Borough was ranked 139th most prosperous of 379 UK local authority areas.

As the demands on public service become ever more complex there will be an increase in the requirement for talented employees with public sector experience, particularly in London and the surrounding area, and staff at local authorities will be a key source.

It is also recognised that Senior Management roles in local government generally, and at Basildon specifically, are complex and diverse and operate in a highly politicised environment where national and local pressures may often conflict. Delegations of responsibilities from central to local government alongside reducing budgets are making the current period one of the most challenging for a generation.

Therefore it is important for this Council to be able to determine its own pay grade structures, whilst recognising the single status agreement and national collective bargaining arrangements, in order to compete in both the local and wider labour markets. For Basildon this is particularly critical given its proximity to London where higher salaries, often for less complex roles, are offered.

Basildon Council's ability to continue to attract and retain high calibre employees capable of delivering its agenda and deeply ambitious programme, particularly during times of financial challenge and significant organisational change is crucial if the Council is to retain its current high performance levels; deliver quality services for local people and continue to transform the Borough. This need for retention comes at a time when the financial arguments for individuals to move on are getting stronger.

Research has shown that individuals are attracted, retained, and engaged by a range of both financial and non-financial rewards. Therefore a coherent link between reward and the overall approach to people management leads to the best possible outcome for retention of employees.

To support this, the Council has a competitive pay structure, a comprehensive range of benefits and allowances, along with career development schemes to develop and retain employees, and other pay and reward mechanisms in place, for example, government approved salary sacrifice schemes.

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<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/estimatesofthepopulationforenglandandwales>

These will continue to be reviewed to ensure they remain competitive and continue to meet the needs of the Council and employee expectations.

Against all of this background and uncertainties the Chief Executive may be required to take urgent action, in year, to ensure the Council retains and attracts key skills, expertise and knowledge needed to achieve the Council's aims. Any action taken to secure these resources will be within the existing resource envelope and reported back as part of the next Pay Policy statement.

Section 38(1) of the Localism Act 2011 and supplementary guidance issued in February 2013 requires Local Authorities to produce a Pay Policy Statement for each financial year which must be approved formally at Full Council by the 31 March each year and must be published on the Council's website. It may be amended during the course of the financial year by further reference to Full Council.

In addition, the full details of the remuneration of all Chief Officers are published in the Council's statement of accounts, and on the Council's website as required by the Code of Recommended Practice for Local Authorities on Data Transparency. The details of the remuneration received by individual senior managers in each financial year will be published in the annual statement of accounts.

The Council's Policy statement will include, as required by the Localism Act:

- **Level and elements of remuneration for its Chief Officers.** The term 'Chief Officer' in this policy refers to the Chief Executive and Executive Directors.
- **The remuneration of the Council's lowest paid employees,** including any additional payments / allowances that may be payable.
- **The relationship between the remuneration of the Council's Chief Officers and other Officers,** including the lowest paid employees within the Council, the definition of 'lowest paid employees' and the reason for adopting that definition.
- **Other specific aspects of Chief Officer's remuneration,** including remuneration on appointment, increases and additions to remuneration and termination payments.

1.0 Pay Bands

As part of its commitment to ensuring equal value in pay matters, the Council determines the relative grades of all jobs in the organisation through the application of recognised job evaluation schemes.

For employees subject to the National Agreement on Pay and Conditions of service of the National Joint Council for Local Government Services (commonly known as the 'Green Book'), the Council uses the NJC Pay Bands that commence at Pay Band 1, (lowest paid employees) Pay Point 1 - £23,473 per annum and ends at Pay Band 12, Pay Point 55 - £66,759.

Lowest paid employees are defined as employees at the bottom end of the Council's pay structure, in relation to the nature of the role undertaken.

Senior Management Pay Bands, including the Chief Executive, , Executive Directors and all other Senior Managers, are paid at Senior Executive 1, lowest point £66,806 to CEX, highest point £175,000, following LGA evaluation.

Full details of all Pay Bands and Pay Points are attached to the policy and relate to full time employees. Part time employees are paid proportionate to the hours they work.

The values of the NJC Pay Points are subject to annual consideration at National Bargaining Level and may be increased by pay awards as notified by the National Joint Council for Local Government Services. The percentage rate of any national award for NJC Pay Points are also applied to Pay Bands SE1 to SE3.

Pay Bands AD1 to CEX are increased in line with recommendations made by the Joint National Council (JNC) for Chief Officers; and JNC for Chief Executives respectively.

2.0 Job Evaluations

The relationship between job size/content and pay is determined using a Job Evaluation process to allocate jobs to the appropriate pay band.

Posts in Pay Bands 1 – 12 are evaluated using the National Joint Council (NJC) Job Evaluation scheme which is recognised by employers and trades unions nationally. This scheme allows for robust measurement against set criteria resulting in fair and objective evaluations. However, it is recognised that this scheme does not fit well with management and senior professional roles.

Posts SE1 and above are evaluated using the Local Government Association (LGA) scheme.

3.0 Pay Ratio

Section 38(2) of the Localism Act 2011 requires the Council to set out policies on the relationship between the remuneration of its chief officers and that of other staff. The Code of Recommended Practice for Local Authorities on Data Transparency defines the “pay multiple as the ratio between the highest paid salary and the median average salary of the whole of the authorities’ workforce”.

Basildon Council’s current ratio is 4.5:1 meaning that the Chief Executive (top earner: full time equivalent) earns 4.5 times more than the Council’s ‘mean earner salary’ of £35,744 per annum. The calculation of the mean earner naturally includes all salary levels including the lowest earners.

4.0 Pay Policy on Appointment

On appointment, individuals are placed on the lowest Pay Point within the allocated Pay Band for the job; unless there is objective justification to support the allocation of a higher Pay Point having regard to the skills, qualifications and experience. This would be provided to Human Resources by the Recruiting Manager and documented on the personnel file.

In the case of the Chief Officers, salary decisions on new (external) appointments are made by Cabinet/Cabinet Member except in the case of a new Chief Executive, whose appointment and salary will be recommended by Cabinet to Full Council.

On this basis, the council is satisfied that its existing mechanism for senior appointments allows for an appropriate level of accountability, openness and oversight by members.

Government guidance on pay policy statements recommends that full Council should have the opportunity to vote before large salary packages are offered in respect of a new appointment

exceeding £100,000. Supplementary guidance does not have the force of law, but the council is required to have regard to it.

5.0 Pay Progression and Links to Performance Management

All Pay Bands have a minimum and a maximum point and employees are eligible for consideration of progression through the Pay Band until the maximum pay point is reached. Progression is dependent upon achieving the required performance standards, determined through formal 1:1 meetings by the relevant line manager.

On the 1st April 2024, following consultation, the Chief Executive ended the performance related payment scheme which was in place for Senior Managers. .

6.0 Market Supplements

The Council adopted a Market Supplement Policy upon Single Status implementation on 1 December 2012. Any Market Supplements applied have been evaluated under this policy.

Market Supplements can be paid to individuals, in addition to the job evaluated grade range, where it can be objectively demonstrated that the Council is experiencing difficulties in recruiting and retaining suitably skilled and qualified staff to provide safe, efficient and effective high-quality services and that the level of pay offered is the primary reason for this. Market supplements are time limited, require approval for extension by the Recruitment and Establishment Panel and cease where a business case is not received and approved.

7.0 National Living Wage and Living Wage Foundation

The National Living Wage (for staff aged 23 and over) has been set to £12.21 from April 2025. The Council's currently lowest paid employees receive £12.41 per hour so already meets the National Living Wage (for staff aged 23 and over) for all staff without the 2025/26 pay award applied. At the time of publishing, the 2025/26 pay awards have not been announced.

The Living Wage Foundation suggest a voluntary 'real' living wage of £12.60 per hour for 2025 and, including fringe hourly allowance, the council already exceeds this on the 2024/25 pay scales at £12.79 per hour. Once the 2025/26 pay award has been applied this will increase further.

8.0 Allowances and Other Elements of Remuneration

- **London Fringe Area Allowance:** All employees will receive a flat rate allowance of £706 per annum, set by the NJC (pro rata for part time employees).
- **Overtime:** Enhanced rates for evening (after 22:00 hours) and weekend work are applicable to staff who work beyond the contracted 36.25 hours per week and who are at Pay Band 7 or below. In all other cases, except for Chief Officers, staff who are not paid for overtime, can take time off in lieu for working additional hours.
- **Car loan:** All Employees have access to the car loan scheme (under review).
- **Car Schemes / Allowances for Senior Managers:** A monthly allowance of £330.25 for the Chief Executive / Executive Directors, and £200 for other Senior Managers SE3 and above, will be paid with regard to the provision of a motor vehicle for the execution of their duties. This allowance includes payments for car loans, Tusker Salary Sacrifice and Essential Car User as appropriate.

- **Professional Fees:** the professional fees of staff (one professional body per employee) are paid by the Council where there is a corporate benefit.
- **Car Parking:** Employees are offered parking, subject to availability, when attending their place of work.
- **Annual Leave:** Employees receive an annual leave allowance above the statutory minimum, as determined by the employees Pay Band and length of service. The minimum entitlement is 26 days up to the maximum of 36 days. Employees can also choose to purchase additional annual leave (up to 5 days, conditions apply). Other leave options are also available to employees, e.g. Emergency & Compassionate leave, Public Duties leave, Volunteer Leave. The council does not reimburse staff for untaken annual leave except upon termination of employment.
- **Merit Award:** A merit award can be made, retrospectively, to recognise exceptional performance 'above and beyond' the normal expectations of the role (under review). The authorisation process is stipulated in the associated People Management Procedure.
- **Salary Sacrifice Schemes:** All permanent employees may participate in the various government approved salary sacrifice schemes that are available such as the existing Childcare Vouchers scheme (closed to new entrants), Cycle to Work and Car Lease Schemes.
- **Private Medical Insurance:** Available at no cost to Officers (incurs a benefit in kind charge).
- **Occupational Sick pay:** Staff while unable to work because of illness have access to occupational sick pay as detailed in the associated People Management Procedure.
- **Other allowances:** These are available to eligible employees and paid in line with the Council's schedule of allowances.

The relevant process and authorisation for allowances are detailed in the relevant People Management Procedure (PMP).

The Council will meet or reimburse reasonable business expenses actually and necessarily incurred in line with the Council's travel and subsistence arrangements. The Council does not regard such costs as remuneration but as non-pay operational costs.

9.0 Pension and Termination Payments

Pension provision is an important part of the remuneration package. All employees are automatically enrolled in the Local Government Pension Scheme administered by the Essex Pension Fund subject to meeting eligibility requirements. Approximately 88% of the workforce are currently members of the Pension Scheme. The level of contributions made by staff is determined by Regulations. In addition, the Council makes a contribution to the Local Government Pension Scheme in respect of each member of staff who is a member of the scheme.

The level of pension contribution made by the Council for 2025/26 remains at 21.4% of pensionable pay.

Employees have the opportunity to opt out of the scheme. It is a statutory scheme with contributions from both employees and from employers.

All staff within the pension scheme meeting the set criteria, are given the opportunity to apply for 'flexible retirement', which would enable them to continue to be employed by the authority, whilst also being in receipt of a Local Government pension. All such requests are considered in accordance with the adopted policy on this matter.

On ceasing to be employed by the Council, staff will only receive compensation:

- (i) In circumstances that are relevant (e.g. Redundancy) as detailed in the associated PMP
- (ii) That is in accordance with our Policy Statement on how we exercise the various employer discretions provided by the Local Government Pension Scheme (LGPS)
- (iii) That complies with the specific terms of a Settlement Agreement

Where the Council proposes to exercise its discretion to make a severance payment of £100,000 or more, the proposal shall be referred to full Council for decision.

Where the Council proposes to make an officer redundant which will involve costs of £100,000 or more and which is in excess of the provisions detailed in paragraph 3.14.1, the proposal should be referred to full Council for decision.

As a matter of principle, the Council expects all staff to work any contractual periods of notice unless it is considered this would not be in the best interests of the Council.

The employer discretion policy of the LGPS scheme will be reviewed and any changes taken to the relevant committee for approval.

10.0 Elections

The Chief Executive or other properly appointed officer will also undertake the role of Returning Officer in respect of local, national and other elections and referenda. As Returning Officer, they are paid a separate allowance for each election for which they are responsible. Remuneration for this role is either based on the fees determined by the relevant Statutory Order or in accordance with the scale of fees that has been approved by the Council.

Other Council, and non-Council employees, may also be appointed to conduct specific electoral duties and they will also be paid election-related fees for duties in support of the Returning Officer.

11.0 Other general Terms and Conditions of Service

Other general terms and conditions of service for senior staff are as determined by the Joint National Council for Chief Officers and for other staff by the National Joint Council for Local Government Services.

12.0 Review

This Pay Policy Statement will be reviewed annually with the next review being scheduled before 31 March 2026.

APPENDIX 1 – Pay Scales