Pay policy
2026 to 2027

Approved by	Full Council
Date approved	07/07/2026
Date implemented	01/04/2026
Owner	P&R Specialist
Review date	31/03/2027

Mae'r ddogfen hon ar gael yn Gymraeg. This document is available in Welsh

Pay policy 2026 to 2027

Version control

This document is subject to regular review due to legislative and policy changes. The latest versions of all our publications can be found on our website. Before contacting us about the content of this document, we recommend that you refer to the most recent version on the website and any associated relevant guidance.

Version	Date approved	Approved by	Notes / changes
1.0	7 July 2026	Full council	Paragraph 3.4.2 - position updated regarding national negotiations of pay structures for national pay awards for 2025-26 and Real Living Wage figures updated Paragraph 5.2.2 – financial turnover and Chief Executive information updated Paragraph 7.1 – lowest pay figure updated Paragraph 7.4 - updated with the most recent comparison of the pay relativities against the Chief Executive's salary and clarified wording to reflect the use of median earnings Reformatting and content refined to improve clarity and readability

Pay policy 2026 to 2027

Contents

1. Introduction and Purpose 4
2. Legislative Framework 6
3. Scope of the Pay Policy 6
4. Broad Principles of our Pay Strategy 7
   4.1 Transparency, accountability and value for money 7
   4.2 Development of Pay and Reward Strategy 8
   4.3 Pay Structure - Pay Spine 9
   4.4 Job Evaluation 10
   4.5 Market Supplements 10
   4.6 Acting up, Honoraria & Ex Gratia Payments 10
   4.7 Pay and Performance 11
   4.8 Non-Guaranteed Hours Arrangements 11
5. Chief Officer Remuneration 11
   5.1 Definitions of Chief Officer & Pay Levels 11
   5.2 Pay Award 12
   5.3 Pay review for Chief Officers 13
   5.4 Honorarium 14
   5.5 Recruitment of Chief Officers 15
   5.6 Additions to Salary of Chief Officers 15
   5.7 Payments on Termination 16
6. Publication 17
7. Pay Relativities within the Council 17
8. Accountability and Decision Making 18
9. Re-employment 18
10. Reviewing the Policy 19

Appendices

Appendix A - Employee NJC Pay Scales
Appendix B - Chief Officer Pay Scales
Appendix C - Soulbury Pay Scales
Appendix D - Youth Workers Pay Scales
Appendix E - Terms of Reference for the Remuneration Panel
Appendix F - The Council’s fees for payment to its Returning Officer for elections duties

Pay policy 2026 to 2027

1. Introduction and Purpose

Introduction from the Leader of the Council

At Denbighshire County Council we recognise the public interest in public sector pay and the importance of transparency and accountability in this area. We do this with openness and transparency, and to demonstrate value for money.

This document sets out our approaches and practices of pay and has been prepared in accordance with the principles provided by Welsh Government, it is part of our continuing commitment to be a fair, equitable and transparent employer.

We are committed to providing equal pay for work of equal value and aim to provide an equitable pay structure for all our employees and workers on various terms and conditions and to show the relationship between that the remuneration of our employees and senior leadership, and the role they play in delivering the strategic aims of the Council.

Cllr Jason McLellan
Leader of the Council

1.1 This is the Council's 13th annual Pay Policy Statement covering the period 1st April 2026 – 31st March 2027. This Pay Policy Statement provides the framework for how the Council makes decisions about pay, including senior pay. 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 Council thinks fit'.

This Pay Policy statement sets out the Council's approach to pay in accordance with the requirements of s38 (1) of the Localism Act 2011 which requires English and Welsh Local Authorities to produce and publish a Pay Policy Statement each financial year, detailing:

a. The Council's approach towards all aspects and elements of the remuneration of Chief Officers
b. How information about Chief Officer pay is published and accessed

c. The Council's approach to the pay of its lowest paid employees (including the definition adopted and reasons for it)
d. The relationship between the remuneration of Chief Officers and other employees.

1.2 Local Authorities are large and complex organisations with multi-million-pound budgets. They operate a very wide range of functions and provide and/or commission a wide range of essential services. Because of this, pay approaches may vary between different employee groups to reflect local, Welsh or UK-wide factors. Pay arrangements must also remain flexible to respond to changing circumstances whether foreseeable or not.

1.3 Local government across the UK faces a series of acute pressures. Demand for services from communities continues to grow and the complexity of needs has intensified in areas such as Education, Social Care and Homelessness in recent years. Costs of service delivery in these areas have risen significantly and those increases are well above headline rates of inflation. These cost pressures are dominating council spending and are in areas where there are statutory duties to provide services. The combined effect of these factors is to increase the Council's budget requirement year on year.

It is not possible to fund these high levels of budget pressures entirely from additional government funding and Council Tax increases, so spend on other services is having to reduce (in real terms). These other services are referred to as placemaking services which are valued by our residents and communities. Examples of placemaking services include street cleansing, maintenance of roads, public toilets, libraries, etc. The Council has a legal duty to set a balanced budget annually and has no option but to reduce spend/reduce services in these placemaking functions, that provide services to the wider community, to cover the ever-increasing costs in providing services direct to our most vulnerable residents, those individuals who need it the most.

The significant financial challenge is set to continue in the medium term as the forecast increases in funding from Welsh Government (working assumption), is unlikely to keep pace with increases in demand for services from the most vulnerable in our communities and the continued impact of inflation. Funding from governments shapes the scale of the

financial challenge the Council will have to face in setting future balanced budgets, which should not be underestimated.

1.4 In line with relevant legislation, this Pay Policy Statement must be approved by Full Council. It takes effect immediately and will be reviewed once per year, at a minimum, and in line with current, relevant legislation.

2. Legislative Framework

2.1 In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes:

a. The Equality Act 2010
b. Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000
c. Agency Workers Regulations 2018 and where relevant, the
d. Transfer of Undertakings (Protection of Earnings) Regulations

2.2 In line with the Equality Act, the Council completed a review to ensure that there is no pay discrimination within its pay structures and that any pay differentials can be objectively justified by using an equality-proofed Job Evaluation mechanism. This ensures that pay reflects the requirements, demands and responsibilities of each role.

2.3 This policy must be applied consistently to all employees or job applicants regardless of age, disability, gender reassignment, marital or civil partnership status, race, pregnancy or maternity, religion or belief, sex, sexual orientation or caring responsibilities.

If you require this information in an alternative format, please contact Human Resources on 01824 706200

3. Scope of the Pay Policy

3.1 The Localism Act 2011 requires Authorities to develop and publish their Pay Policy covering:

- all aspects of Chief Officer Remuneration (including on ceasing to hold office)
- remuneration pertaining to the 'lowest paid' in the Council
- how pay for Chief Officers compares to other employee groups

However, in the interests of transparency and accountability the Council has chosen to take a broader approach and produces a Policy covering all employee groups with the exception of School Teachers (as the remuneration for this latter group is set by Welsh Government and therefore not within Local Council control).

3.2 Nothing within the provisions of the Localism Act 2011 limits the Council's autonomy in making decisions on pay that are appropriate to local circumstances and which deliver value for money for local taxpayers. However, this Policy will be complied with in setting remuneration levels for all groups within its scope.

4. Broad Principles of our Pay Strategy

4.1 Transparency, accountability and value for money

4.1.1 The Council is committed to an open and transparent approach to pay policy which will enable the taxpayer to access, understand and to assess information on remuneration levels across all groups of council employees. To this end copies of the following pay scales are included in appendix A to D:

- Employee NJC Pay Scales
- Chief Officer Pay Scales
- Soulbury Pay Scales
- Youth Workers Pay Scales

and the following documents are available to view on the Denbighshire website

- Early Termination (Discretionary Payments) Policy
- Redundancy Policy
- Market Supplement Policy

- Acting up, Honoraria & Ex Gratia Payments Policy
- Senior Leadership Pay Maintenance Process
- Gender Pay Report

4.2 Development of Pay and Reward Strategy

4.2.1 The primary aim of the Council's reward strategy is to attract, retain and motivate suitably skilled staff so that the Council can perform effectively. In the current climate, the key challenge is to maximise productivity and efficiency within existing resources. The Pay Policy must balance offering pay levels that attract and retain people with the right skills whilst also ensuring that costs to taxpayers are fair, reasonable and justified.

4.2.2 In this context, it does need to be recognised that at the more senior grades, in particular, remuneration levels need to enable the attraction of a suitably wide pool of talent. This will ideally include people from the private as well as public sectors and from outside as well as within Wales. It must also support the retention of suitably skilled and qualified individuals once in post. It should be recognised that the Council will often be seeking to recruit in competition with other good public and private sector employers.

4.2.3 In addition, the Council is the major employer in the area. As such, we must have regard to our role in improving the economic wellbeing of the people of Denbighshire. The availability of good quality employment on reasonable terms and conditions and fair rates of pay has a beneficial impact on the quality of life in the community as well as on the local economy.

4.2.4 In designing, developing and reviewing the Pay and Reward Strategy, the Council will aim to balance these factors to achieve the best outcomes for the organisation and the community it serves. This includes managing pay costs responsibly while maintaining the flexibility needed to respond to future requirements.

This Pay Policy Statement will be reviewed annually, in line with the Council's Pay Strategy, and approved by the Full Council each year.

4.3 Pay Structure - Pay Spine

4.3.1 The Council uses the nationally negotiated pay spine as the basis for its grading structure. This determines the salaries of the larger majority of the non-teaching workforce, together with the use of other nationally defined rates where relevant.

4.3.2 The national pay award for the period 1st April 2025 to 31st March 2026 was 3.2% added to each Spinal column point on the Pay Structure up to point 51. Negotiations have started on the 2026/27 national pay award, and this policy will be updated in due course.

The Pay Award for the period 2025/26 ensured that all pay rates met the Real Living Wage of November 2024 of £12.60 per hour, which came into effect by April 2025. The Council agreed that any pay rates falling below the non-statutory Real Living Wage Foundation would be reviewed each year, upon receipt of the National Pay Agreement.

When the Pay Award for 2026/27 is announced the Council will review their position if any salaries fall below the November 2025 Real Living Wage amount of £13.45 per hour.

For Youth & Community Workers, a pay award of 3.2% has been agreed for the period 1st September 2025 – 31st August 2026 and 3.2% on all spinal column points for Soulbury Staff for the same period.

For Chief Executives, the pay award for the period 1st April 2025 – 31st March 2026 was agreed as 3.2% on all salaries and is yet to be agreed for 2026/27. For Chief Officers, a 3.3% increase has been agreed for the period 1st April 2026 to 31st March 2027.

4.3.3 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 and/or as determined by Council Policy.

4.3.4 New appointments will normally be made at the minimum of the relevant grade, although this can be varied where necessary to secure the best candidate.

4.4 Job Evaluation

4.4.1 Job evaluation is a systematic way of determining the value/worth of a job in relation to other jobs within an organisation. It aims to provide analytical scoring and to make systematic comparison between jobs to assess their relative worth for the purpose of establishing a rational pay structure and pay equity between jobs. The Council currently uses the Greater London Provincial Council (GLPC) Job Evaluation Scheme.

4.4.2 The Council undertook a full evaluation and review of pay under Single Status for the non-teaching workforce in terms of Pay & Grading and Terms & Conditions in April 2008 and continues to evaluate any new posts or those that demonstrate a fundamental change in duties.

4.5 Market Supplements

4.5.1 Job evaluation will enable the council to set appropriate remuneration levels based on internal job size relativities within the council. However, from time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity.

4.5.2 Therefore, the Council has a Market Supplements Policy to ensure that the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector. It is the Council’s policy that any such additional payments be kept to a minimum and be reviewed on a regular basis so that they can be withdrawn where they are no longer considered necessary.

4.6 Acting up, Honoraria & Ex Gratia Payments

4.6.1 There may be occasions when an employee is asked to carry out additional duties to those of their substantive post for a period of time. In such circumstances an additional payment may be made in line with the Council’s policy on Acting Up, Honoraria & Ex Gratia Payments.

4.7 Pay and Performance

4.7.1 The Council expects high levels of performance from all employees and has a Performance Management Process in place to monitor, evaluate and manage performance on an ongoing basis.

Where unsatisfactory performance is identified, through performance management, pay increments can be withheld.

4.7.2 The Council does not use bonus schemes for any member of staff.

4.8 Non-Guaranteed Hours Arrangements

4.8 The Welsh Government have issued principles and guidance on the appropriate use of non-guaranteed (casual) hours arrangements within devolved public services in Wales. These principles and guidance were developed by the Public Services Staff Commission in social partnership with the Welsh Government's Partnership Council and its sector groups. The Council is committed to the principles determined by Welsh Government which apply to those employees who are employed on a relief or 'casual' basis. These employees are used in services within the Council where there is either a need to bring in an additional workforce to cover peaks in workload, or where the workload is on a one-off basis.

5. Chief Officer Remuneration

5.1 Definitions of Chief Officer & Pay Levels

5.1.2 For the purposes of this statement, 'Chief Officers' are as defined within S43 of the Localism Act. The posts falling within the statutory definition of S43 of the Localism Act are set out below:

a. Chief Executive
b. Corporate Directors
c. Heads of Service

The current definition for senior posts is classed as:

- Salaries in excess of £100,000 or;
- The head of body's paid service;
- Its monitoring officer;
- A statutory chief officer;
- A non-statutory chief officer;
- A deputy chief officer;
- An executive director; and
- A senior manager with or without board level responsibility who reports directly to the head of the body

5.1.3 Welsh Government amendments to the Local Authorities (Standing Orders) (Wales) Regulations 2006 effective from 1st July 2014 introduced a new requirement that:

"The relevant authority must determine the level, and any change in the level, of the remuneration to be paid to a chief officer"

The impact of this amendment is that all changes to Chief Officer pay must be approved by the Council, not just those which are determined locally.

5.2 Pay Award

5.2.1 The Council employs Chief Officers under JNC terms and conditions which are incorporated in their contracts. The JNC for Chief Officers negotiates on national (UK) annual cost of living pay increases for this group, and any award of the same is determined on this basis. Chief Officers employed under JNC terms and conditions are contractually entitled to any national JNC determined pay rises and this Council will therefore pay these as and when determined in accordance with current contractual requirements following the recommendations made by the Independent Remuneration Panel for Wales.

5.2.2 The Chief Executive Officer is the senior officer who leads and takes responsibility of the organisation and works closely with the elected members to deliver the Corporate Plan. The council has a turnover of £471 million (£424 million revenue and £47 million capital) and is responsible for a wide range of services employing some 4500 staff. The role of Chief Executive Officer is a full time appointment. Postholders are selected on merit, against objective criteria, following public advertisement. The Chief Executive is paid on an incremental scale of 3 points for 2025/2026 from £149,074 - £153,584 per annum, this rate is still applicable as there is no agreement on the National Pay Award for 2026/27.

The Chief Executive for Denbighshire County Council has been in post since 19th January 2026.

The Chief Executive may receive additional payments for any of the elections where they are the Returning Officer. Details of the Chief Executive's pay and any additional payments can be found in the remuneration report in the Annual Statement of Accounts.

The notice period for this post is 3 months.

5.3 Pay review for Chief Officers

5.3.1 A Remuneration Panel convenes to determine the pay and reward for the Council's Senior Leadership Team which consists of the Chief Executive, Directors and Heads of Service.

The scope of the panel is to:

- Make recommendations on senior pay and reward issues to Council, ensuring consistency, transparency and accessibility.
- Make recommendations on the management of and structure of senior pay and reward, and grounds for pay progression. The terms of reference for the Remuneration Panel are included in Appendix E.

5.3.2 With effect from 1st April 2016, a new pay structure was implemented for Chief Officers following a full review of Corporate Director and Chief Officer posts. This was

required to ensure that Denbighshire County Council were able to recruit and retain key Senior Leadership Team members. The Chief Officer posts were evaluated under HAY by Kornferry consultants to ensure that the remuneration is commensurate with the responsibility and role. This rank order was then considered in line with market pay data and a new pay structure developed and implementing following agreement with the Remuneration Panel and Full Council.

Any subsequent minor changes to the senior leadership teams roles will be considered in line with the Senior Leadership Pay Maintenance Process, however a biennial review of the whole structure will take place ensuring the structure is fit for purpose and meets the needs of the Council at that time.

5.4 Honorarium

5.4.1 There are occasions when it is necessary for a Head of Service to carry out additional duties over and above their substantive post for a period of time. This would normally be to cover for a long term absence; following a restructuring whereby responsibility for additional services has been given to the Head of Service; or responsibility for a large project outside of their normal portfolio.

5.4.2 In such circumstances, the Chief Executive can award an honorarium of up to 15% of the Head of Service's substantive pay for a maximum period of 12 months. Any honorarium which exceeds 12 months will need to be considered by the remuneration panel and recommended to Full Council.

5.4.3 The pay policy is intended to provide Council approval for such payments to be made with the responsibility of when they are made delegated to the Chief Executive where the criteria is met. Such payments to be limited to the period until the Remuneration Committee is able to consider whether any permanent change to salary is required or until these additional responsibilities cease, whichever is the sooner.

5.5 Recruitment of Chief Officers

5.5.1 In accordance with the Standing Orders (Wales) Amended Regulations 2014, there is a requirement for posts with salaries of more than £100k and which are for the duration of 12 months or more, to be advertised externally.

5.5.2 The Council's Policy and Procedures with regard to recruitment of Chief Officers is contained within the Officer Employment Procedure Rules as set out in Section 11 of the Constitution. The determination of the remuneration to be offered to any newly appointed Chief Officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment. The salary level on appointment for the Chief Executive is determined by full Council.

Where it is deemed necessary to pay a market supplement, this will be advised through market research and agreed by the Special Appointments Panel prior to recruitment.

5.5.3 Where the Council remains unable to recruit Chief Officers, or there is a need for interim support to provide cover for a vacant substantive Chief Officer post, the Council will, where necessary, consider and utilise engaging individuals under 'contracts for service'. These will be sourced through a relevant procurement process ensuring the Council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service. The Council does not currently have any Chief Officers engaged under such arrangements.

5.6 Additions to Salary of Chief Officers

5.6.1 The Council does not apply any bonuses to its Chief Executive or Chief Officers.

5.6.2 The Council does pay all reasonable travel and subsistence expenses on production of receipts and in accordance with JNC conditions and other local conditions.

5.6.3 The cost of membership of one professional body is met by the Council.

5.6.4 The Chief Executive's Job Description includes their role as Returning Officer for Local Government Elections. The Council's fees for payment to its Returning Officer for elections duties can be found in Appendix F.

5.7 Payments on Termination

5.7.1 The Council's approach to statutory and discretionary payments on termination of employment of Chief Officers (and all other employees), prior to reaching normal retirement age, is set out within its Early Termination of Employment (Discretionary Payments) & Redundancy Policy in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006. This is in respect of a redundancy payment being based on actual weekly earnings (Regulation 5) and when an enhanced redundancy payment of up to 45 weeks' pay would be granted (Regulation 6). Regulations 12 and 13 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007 do not apply as the Council does not increase the total membership of active members (Regulation 12) or award additional pension (Regulation 13).

5.7.2 The Council's severance and retirement schemes are applied equally and fairly to all staff regardless of age, disability, gender reassignment, marital or civil partnership status, race, pregnancy or maternity, religion or belief, sex, sexual orientation or caring responsibilities and are implemented in accordance with the regulations of the relevant pension schemes. These will be published on the Council's website as part of the Council's conditions of service policies.

5.7.3 The Council ensures that all payments are made in accordance with HMRC legislation and utilises the services of a professional tax advisor where there is a requirement for more detailed specialist advice or to assist should an HMRC compliance audit be undertaken. The use of outside tax advisors is now shared collaboratively with a neighbouring Council ensuring a joint best practice and cost-effective service.

Employment Status is regularly checked and the Council will only class someone as self-employed where there is no question of doubt. Individuals who have previously regularly

been treated as self-employed with other authorities, have been paid under PAYE by Denbighshire, this is where we have not been fully convinced of their self-employment status.

5.7.4 The Welsh Government recommends that the council should offer full council the opportunity to vote before severance packages beyond £100,000 are approved for staff leaving the organisation. Members must be made aware of any statutory or contractual entitlements due to the employee and the consequences of a non-approval by Council, in which failure to fulfil statutory or contractual obligation may enable the employee to claim damages for breach of contract.

6. Publication

6.1 This statement will be published on the Council's Website. In addition, for posts where the full time equivalent salary is at least £60,000, as required under the Accounts and Audit (Wales) (Amendment) Regulations 2010, the Council's Annual Statement of Accounts will include a note setting out the total amount and detail payments to Corporate Directors and Chief Executive Officer.

7. Pay Relativities within the Council

7.1 The lowest paid persons employed under a Contract of Employment with the Council are employed on full time [37 hours] equivalent salaries in accordance with the minimum spinal column point currently in use within the Council's grading structure. As at 31st March 2026, this was £25,583. The Council employs Apprentices [and other such Trainees] who are not included within the definition of 'lowest paid employees' as they are not employed under Contracts of Employment.

7.2 The relationship between the rate of pay for the lowest paid and Chief Officers is determined by the processes used for determining pay and grading structures as set out earlier in this Policy Statement.

7.3 The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that

of senior managers, as included within the Hutton ‘Review of Fair Pay in the Public Sector’ (2010). The Hutton Report was asked by Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organisation. The report concluded that the relationship to median earnings was a more relevant measure and the Government’s Code of Recommended Practice on Data Transparency recommends the publication of the ratio between highest paid salary and the median salary of the whole of the Council’s workforce.

7.4 The current pay levels within the Council define the multiple between the lowest paid (full time equivalent) employee and the Chief Executive as 1:6.1 and; between the lowest paid employee and average Chief Officer as 1:4.4 The multiple between the median full time equivalent earnings for contract staff (excluding teachers) and the Chief Executive is 1:5.4 and; between the median full time equivalent earnings and average Chief Officer is 1:3.8

7.5 As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available benchmark information as appropriate.

8. Accountability and Decision Making

8.1 In accordance with the Constitution of the Council, the Council is responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to employees of the Council.

9. Re-employment

9.1 Staff who, upon leaving the employment of the Council, receive any form of compensation payment for loss of office, will not be re-employed in any capacity by the Council for the duration of the compensation payment. e.g. If a member of staff receives 20 weeks redundancy payment, they cannot be re-employed by the Council for 20 weeks

after the termination date. This includes those employed in schools but excludes those employed on School Teachers Conditions of Service.

9.2 Staff who, upon leaving the employment of the Council, receive a pension for which the Council incurred additional costs, cannot be re-employed in a similar area of work within the Council during the first 12 months without authorisation by CET. Where authorisation is given, the individual is still subject to 9.1 above if they have received a compensation payment and will only be allowed to commence work after the compensation period ends. This would also apply to the appointment of previously employed staff as consultants. This includes those employed in schools but excludes those employed on School Teachers Conditions of Service.

10. Reviewing the Policy

10.1 This Policy outlines the current position in respect of pay and reward within the Council. The Policy will be reviewed annually in line with market forces and reported to Council.