

# Fair Pay

## Pay Policy Statement for the Financial Year 2026/27

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## Foreword

Our vision for Newcastle is a united, inclusive, proud and fair city, where ambition thrives and every resident can be part of our success. The council is committed to leading by example, ensuring that employees are valued and empowered to reach their full potential. This fair pay policy statement is testament to our belief that fairness, dignity, and aspiration are at the heart of everything we do.

Our employees are our greatest asset. Their dedication, expertise and lived experience bring our vision to life every day. We continue to invest in their professional development and wellbeing so they can flourish in a positive environment, think innovatively, and deliver the best possible public services for residents.

Our strong partnership working with Trade Unions brings constructive dialogue that actively shapes our policies and working conditions, and our staff networks offer practical advice and support to colleagues to promote equality and tackle discrimination. I value the shared goals we pursue together for safeguarding staff welfare, fair treatment, and a workplace where everyone's voice is heard. We want to build an organisational culture of trust and respect, ensuring that our staff feel represented. Our policies, training and support for employees around dignity at work, disability, leave and flexible working, mental ill health and neurodiversity are all designed to tackle inequality and celebrate the rich diversity within our communities and workforce. This year, we have signed UNISON's anti-racism and disability employment charters, and we have intensified our policy focus on reducing barriers for women to participate in our local economy.

We are a major employer in the city, and these activities improve our pay gap performance. I'm pleased to say that the council's gender pay gap continues to be less than the national average and our ethnicity pay gap less than the regional average, but we recognise that we have more work to do in promoting opportunities to people from ethnic minorities and so improving our recruitment approaches remains a key priority.

I am also immensely proud of Newcastle's achievements as a Real Living Wage Council and our commitment to become a Real Living Wage City. By championing fair pay that meets the cost of living, we have set a high standard for employment and career pathways in our city, helping to tackle poverty and promote social justice. This commitment goes beyond compliance to ensure our own workforce is fairly rewarded and inspire employers across Newcastle to raise the bar for pay and opportunity for our residents.

I want to thank every council employee for their continued dedication to Newcastle residents. The vital work they do makes a huge impact on our communities every single day, and I will continue to champion their wellbeing and fair reward as central to the success of our great city.

Councillor Karen Kilgour  
**Leader of the Council**

**PROTECT - POLICY**



## **1. Introduction**

This Pay Policy Statement sets out the Council's policies for the financial year relating to: -

1. The remuneration of its Chief Executive;
2. The remuneration of its lowest paid employees; and
3. The relationship between the remuneration of its Chief Officers/Deputy Chief Officers and all other Council employees

The statement also includes the Council's policies relating to:

1. The level and elements of remuneration for each Chief Officer and Deputy Chief Officer
2. How remuneration is dealt with on recruitment of Chief Officers and Deputy Chief Officers
3. Any increases and additions to remuneration for each Chief Officer
4. The approach to the payment of Chief Officers when ceasing to hold office or be employed by the Council, and
5. The publication of and access to information relating to remuneration of Chief Officers.

This Pay Policy Statement also describes how the Council defines the term "lowest-paid employees" and why it has adopted that definition. In addition, it contains information about the median salary across the Council's salary range.

The Pay Policy Statement comprises a collation and summary of the Council's existing policies and data relating to the remuneration of its Chief Officers and lowest paid employees. It complements the Council's already published transparency data that is available on the Council's website, which includes information relating to the responsibilities, accountabilities and salaries of our Chief Officers. It also contains information on the Council's Gender Pay Gap Analysis.

## **2. Purpose and Aim of Policy**

This policy articulates the Council's pay arrangements which are designed to motivate and reward its employees to achieve high levels of performance in delivering services for the benefit of its communities. The Policy is also intended to demonstrate the Council's wish to have pay arrangements that provide value for money, are transparent, fair and provide consistency and equality for its employees. It further supports our approach to staff engagement, with openness and transparency in respect of remuneration and financial reward at all levels of

the organisation.

### **3. Delivering Organisational Efficiency**

The Council continues to deliver staffing efficiencies and associated cost reductions, but we also recognise that ensuring the appropriate levels of capacity and capability are equally important in establishing a fit-for-purpose organisation. Targeting resources, reviewing structures and utilising advances in digital technology to meet our short- and longer-term strategic objectives, political priorities as well as the needs of our customers and residents remains an essential part of our workforce planning. This Pay Policy complements this activity and underpins a fair, transparent and robust approach to pay, service restructuring and organisational design.

### **4. Scope of Policy and Data Protection**

The Pay Policy Statement includes remuneration details about the Council's Chief Officers, its wider workforce and the lowest paid employees.

Employees are engaged on terms and conditions that are based on nationally determined terms and conditions for Chief Executives, Chief Officers and local government employees, which attract contractual national pay awards. The Policy also refers to information on Single Status and the Council's local pay and grading structures.

With regards to data protection, the information contained within the Policy does not engage the Data Protection Act as it does not concern data relating to a particular individual, unless the information is already in the public domain or is otherwise required to be published by regulation or recognised practice.

### **5. Employee Structure, Grades and Governance Arrangements**

#### **5.1 Chief Officers**

Definition: –

The term Chief Officer covers:

- a) The Head of Paid Service (known in Newcastle City Council as the Chief Executive)
- b) The Monitoring Officer (known in Newcastle City Council as the Assistant Director Law and Governance)
- c) Any Statutory Chief Officer which means-
  - the Director of Children's Services or Director of Social Services (known in Newcastle City Council as the Director of Children and Families)

- the Chief Education Officer (known in Newcastle City Council as the Director of Children and Families)
- the Section 151 Officer responsible for financial administration (known in Newcastle City Council as the Chief Finance Officer)
- the Director of Adult Social Care (known in Newcastle City Council as the Director of Adult Social Care and Prevention)
- the Director of Public Health

Note: The above definitions

- (i) are based upon the definitions in the Local Authorities (Standing Orders) Regulations 1993 and Section 2 Local Government and Housing Act 1989
- (ii) do not include any person whose duties are solely secretarial or clerical or otherwise categorised in the general nature of support services

Therefore, the term “Chief Officer” includes the following employees of Newcastle City Council as defined in the Newcastle Charter:

- The Chief Executive
- 1 Deputy Chief Executive
- 1 Chief Finance Officer
- 5 Directors
- 1 Monitoring Officer (Assistant Director Legal Services)
- 1 Director of Public Health

As part of the Senior Management review in 2013 the Council chose to define the role of Deputy Chief Officer within the Newcastle Charter as that of Assistant Director. The Council currently has established 17 Deputy Chief Officers.

The number of full time equivalent (FTEs) “Chief Officers”, their pay bands and grades are outlined in the tables contained in sections 5.2 and 5.3 as at 1 November 2022.

## **5.2 Senior Managers' Salary Scales**

The senior managers pay structure was initially introduced in April 2013 as part of the senior management restructure, and subsequently amended in 2016.

**PROTECT - POLICY**

The senior management pay structure consists of 6 grades each of 3 incremental salary points. The grades are applicable to jobs above the NJC local government pay spine (as amended locally) and below that of Director.

The JNC and JNC for Chief Officers pay review date is 1 April each year.

Increments are granted on 1 April each year in accordance with the policy for NJC staff.

The Senior Management Pay structure is:

<b>GRADE</b>	<b>Job</b>	<b>JNC</b>	<b>SCP</b>	<b>ANNUAL</b>
		<b>POINT</b>		<b>SALARY (£)</b>
				<b>(01/04/2025)</b>
<b>6</b>	<b>Lead Assistant Director</b>	SM6	3	117,040
		SM6	2	113,645
		SM6	1	110,250
<b>5</b>	<b>Assistant Director</b>	SM5	3	106,591
		SM5	2	103,547
		SM5	1	100,592
<b>3</b>	<b>Head of Service</b>	SM3	3	88,633
		SM3	2	86,110
		SM3	1	83,663
<b>2A</b>	<b>Principal Adviser</b>	SM2A	3	80,035
		SM2A	2	77,765
		SM2A	1	75,562
<b>2</b>	<b>Service Manager</b>	SM2	3	71,346
		SM2	2	69,332
		SM2	1	67,372
<b>1</b>	<b>Senior Specialist</b>	SM1	3	63,715
		SM1	2	61,925
		SM1	1	60,177

### 5.3 Chief Officer and Deputy Chief Officer Job Titles, Pay Bands & Grade

**Table 5.3a**

<b>Job Title</b>	<b>Number</b>	<b>Salary Range (£) **</b>	<b>Grade(s)</b>
Chief Executive	1	194,078 – 212,075	N/A
Deputy Chief Executive	1	135,489 – 152,228	N/A
Chief Finance Officer	1	135,489 – 152,228	N/A
Director of Children and Families	1	135,489 – 152,228	N/A
Director of Adult Social Care and Prevention	1	135,489 – 152,228	N/A
Director of Investment and Growth	1	135,489 – 152,228	N/A
Director of City Operations, Neighbourhoods & Regulatory Services	1	135,489 – 152,228	N/A
Director of Housing and Communities	1	135,489 – 152,228	N/A
Director of Public Health	1	The council makes a contribution to the salary where Gateshead remain the primary employer of a shared DPH.	
Monitoring Officer (AD Law and Governance)	1	100,592 – 106,591	SM5
Deputy Chief Officers *	1	110,250 – 117,040	SM6
	16*	100,592 – 106,591	SM5

**Notes:**

\* this table indicates that Deputy Chief Officers (DCO) for the purposes of the Newcastle Charter are Assistant Directors. We have also included 1 Lead Assistant Director.

\*\* these salary ranges are inclusive of the nationally agreed and contractual Pay Award for 2025/26.

#### **5.4 Council governance arrangements for the appointment of all Chief Officers**

The Council's Charter outlines roles and responsibilities for decision making at the Council. The Council has a Constitutional Committee currently comprising 12 Councillors including; the Leader, Deputy Leader, Leader of the Opposition. The Constitutional Committee deals with strategic human resource issues and the appointment of senior staff not delegated to Officers. Therefore, Constitutional Committee has responsibility for the establishment, deletion and authorisation of the pay and grading of new Chief Officer Posts. In addition, they are responsible for any Chief Officer or Deputy Chief Officer appointment where the salary threshold is above £100,000 per annum.

A sub-committee of the Constitutional Committee called the "Chief Executive's Appraisal Panel" comprises the Leader, Deputy Leader and Leader of the Opposition. This Panel appraises the Chief Executive's performance. In addition, the Panel sets targets for the forthcoming year and agrees future objectives and any pay progression within the agreed salary range for the Chief Executive.

#### **5.5 Council governance arrangements for the payment of all Chief Officers**

All Chief Officers (with the exception of the Director of Public Health and the Monitoring Officer) are appointed to a spot salary within a three-point grade with no automatic right of progression. The specific incremental range for each post will be determined at the point of advertisement by Constitutional Committee from within the Directors' range. Any progression will be determined in line with the achievement of agreed objectives and a review of individual performance against these targets. Responsibility for progression within the grade is delegated to the Chief Executive in consultation with the Leader of the Council.

#### **5.6 Senior Managers' Salary Scales – JNC Officers**

The Senior Management pay structure consists of six grades each of three incremental salary points ranging from SM1 to SM6 (albeit SM4 is now considered redundant). The grades are applicable to jobs above the NJC local government pay spine (referred to in Newcastle as grades N1 to N11) and below Director level. Each grade has its own incremental steps, each equating to approximately 3%.

The JNC and JNC for Chief Officers pay review date is 1 April each year. Increments are granted on 1 April each year for staff on grades SM1 to SM6 in accordance with the policy for NJC staff.

The Council uses the nationally recognised Hay job evaluation system to evaluate the pay and grading of JNC Senior Management posts in the organisation utilising 'benchmark' profiles and supporting evidence to establish the correct generic grade. The underpinning rationale for the establishment of JNC Senior Management posts below Director are published on the Council's HR Intranet.

#### **5.7 Pay Structure for Council Officers below JNC Senior Manager Level (Green Book NJC Employees)**

All directly employed NJC Council Officers below JNC Senior Manager level have

been evaluated under Single Status and have been assimilated to one single pay and grading structure and occupy grades N1 to N11 as outlined in Appendix 1.

In 1997 each local authority was charged with reviewing its pay and grading practices to ensure they were “transparent” and free from gender bias. This was known as the “single status” process. Newcastle implemented phase one of single status on 2 February 2004 and phase 2 in September 2010. An addendum to Phase 2 of Single Status was the implementation of a Part Year Working Agreement which was implemented in April 2012 and addressed several outstanding issues, mainly impacting on schools-based staff, not covered in the original Phase 2 Agreement. A further addendum was added to the Single Status Agreement in March 2020 when the Local Craft Agreements were subsumed into the Council’s Single Status Agreement. A further Single Status Implementation Agreement was introduced on 1 September 2021 to standardise apprentice and trainee pay across the Council, linked to the entry level positions being worked towards. This completes the Single Status Agreement for all Council employees.

Accordingly Phase 2 of Single Status modernised the pay and grading structure, therefore making our reward package more attractive and sustainable in the labour market. More importantly, the council’s workforce and approach to pay and remuneration is underpinned by a transparent and gender-neutral job evaluation process.

The Authority has adopted a local spinal column of salary points. This is normally up-rated each year on 1 April following national collective agreement by the National Joint Council on the annual pay claim. The Council’s current pay structure comprises 11 grades N1 to N11.

## **5.8 Pay for Soulbury Officers**

In addition to NJC employees, a very small number of employees are covered by Soulbury terms and conditions of employment. Soulbury paid employees are the strategic, non-administrative core of local authorities’ education function. They work with schools, local communities and other local authority employees to deliver core Government objectives for school improvement and to co-ordinate education and other children’s services.

Soulbury Staff work in three distinct areas; Educational Psychology, Education Advisory Services and Adult Education; and to be appointed must fulfil criteria set down for Soulbury terms and conditions of employment.

The pay of staff employees under Soulbury Terms and Conditions is set and amended by the national Soulbury Committee in September of each year. The Council has developed a locally agreed set of terms and conditions, which supplement the national agreement.

## **6. Median Salary**

The median salary across the Council’s salary range is £31,022 this represents the middle point across all salaries paid at the Council with the pay award 2025/26 applied. The median gross annual salary in the North East is estimated as £31,200

(Annual Survey of Hours and Earnings, Office for National Statistics 2023 – we do not yet have the publication of the provisional ASHE 2024 data which has been delayed pending the decision of a methodological review).

## **7. Mandatory Gender Pay Gap Reporting**

All organisations who employ more than 250 employees are required to report gender pay gap information on an annual basis. The Council has published data on the [government website](#) which indicates the following:-

- The percentage difference in male and female pay on a mean and median basis
- The percentage difference in mean and median bonus pay between male and female employees
- The proportion of male and female employees who receive bonus pay
- The proportion of male and female employees in each pay quartile of the Council's pay distribution (where each quartile contains an equal number of employees)

Attached as Appendix 2 is an explanation of the Council's gender pay gap data analysis and a contextual brief on the findings of this data at the required 'snapshot' date of 31 March 2025.

## **8. Ethnicity Pay Gap Reporting**

Whilst ethnicity pay gap reporting is not mandatory or statutory, as part of our commitment to equality and diversity we are presenting a similar analysis to provide an appropriate challenge within the organisation. Attached as Appendix 3 is an explanation of the Council's ethnicity pay gap data analysis and a contextual brief on the findings of this data at the 'snapshot' date of 31 March 2025. Newcastle was the first Council in the region to publish this data analysis but we hope other public sector bodies will follow our example.

## **9. Lowest Paid Salary and Real Living Wage**

The Council defines the lowest paid full-time equivalent salary in the organisation as the lowest Spinal Column Point within the local pay and grading structure of directly employed staff e.g. Grade N1.

However, Newcastle City Council implemented the real Living Wage for employees on 1st November 2012, significantly in advance of the National Statutory Living Wage which was introduced in April 2016. In November 2022, Newcastle City Council gave commitment to accreditation as a real Living Wage Council.

Where required, the Living Wage is paid as a supplement to the hourly rate of employees. The Living Wage rate is implemented in November annually following announcement of the Living Wage Foundation rate and if necessary, applied to any hourly rates that fall below the Living Wage rate.

## **10. Paying Market Supplements**

Market supplements will only be considered when all other means of satisfying recruitment and retention have been exhausted. A market supplement is an additional payment to the basic salary of a post where the prevailing labour market pressures indicate a need for a supplementary increase in pay. Market supplements will only be considered in exceptional circumstances where a clear business rationale has been identified and the recruitment or retention issues are due to relative labour market pay and are adversely impacting on the Council's ability to retain or attract appropriate candidates.

Market supplements will be issued for a 12-month fixed term period and the temporary, annually renewable nature of the payment will be made clear to the employee as part of their statement of terms and conditions.

A Director must submit a business case outlining the need for a market supplement and the supporting evidence for this decision. This must be authorised by the Deputy Chief Executive, with the Assistant Director Law and Governance consulted in advance of the decision.

The business case must contain the following:

- The number of posts affected
- All posts who are assigned to that job code
- The projected costs
- Risk analysis of the recruitment/retention scenario.

The decision to award or extend a market supplement will only be agreed where robust evidence is provided to substantiate the business case.

In order to defend any potential equal pay claims we must be able to justify any difference between work which is rated equivalent or of equal value. This difference needs to be genuinely evidenced through labour market forces and regular review.

A review of all market supplements will take place in time for a decision to be made before the end of the 12-month period. To ensure timescales are met, the review should start 9 months after the start date of the market supplement.

Should a decision be made to not award, extend a market supplement or extend at a reduced rate then the employee will be informed of this by their manager. There will be no right of appeal.

## **11. The Council's approach towards payment of Chief Officers ceasing to hold office or ending employment with the Council**

The Council has an agreed policy in relation to all Council officers whose employment is terminated and ways that employment could come to an end including the following:

- Death in Service

- Dismissal
- Expiry of Fixed Term Contracts
- Managing a Workforce Reorganisation
- Redundancy
- Resignation
- Retirement

Our policies provide a clear, fair and consistent approach towards ending employment.

Payments to Chief Officers ceasing to hold office or ending their employment with the Council will normally be in line with the terms of their contract of employment and laid down by the NJC National Agreement for the employment of Chief Officers.

Redundancy payments are paid in accordance with the Council's Redundancy Scheme as agreed on an annual basis by Constitutional Committee. Any qualifying long service awards are paid in accordance with published Council policy.

In relation to the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales Regulations) 2006, the Council does not routinely utilise these Regulations to offer discretionary compensation for relevant staff in the event of redundancy but utilises the established policy on Early Retirement/Voluntary Redundancy as the key determinant of severance levels.

## **12. Special Severance Payments (SSPs)**

In March 2021 the Government revoked the Restrictions on Public Sector Exit Payments Regulations which had previously capped exit payments to public sector employees to a limit of £95,000. In May 2021 the HM Treasury issued Guidance on Public Sector Exit Payments "Use of Special Severance Payments" which set out the Government's position on Special Severance Payments. This guidance clarified that Special Severance Payments were any payments made on termination of employment that did not correspond to an established contractual, statutory or other right, and that such payments should be exceptional and subject to a control process.

At Newcastle City Council, to ensure that we have a robust process to consider Best Value and ensure the payment of any SSP is the most suitable option and prudent use of public money, we have implemented the following approval process for SSPs as follows:

- Any payment of £100,000 or above must be approved and signed off by full Council (in addition to prior approval from the Chief Finance Officer, Assistant Director Law and Governance and Head of Paid Service);
- Payments of £20,000 and above but below £100,000 must be approved and signed off by the Head of Paid Service (in addition to prior approval from the Chief Finance Officer and Assistant Director Law and Governance) with a clear record of the Leader of Council's approval;
- Payments of £20,000 to be approved according to the council's scheme of delegation.

The Ministry of Housing, Communities and Local Government have subsequently introduced mandatory guidance on the reporting of Special Severance Payments.

The Council has published data for 2014-15 to 2024-25 on the [government website](#) which indicates the following:-

- Total value of strain cost paid to LGPS
- Total value of redundancy payments
- Total value of ex gratia and other payments.
- Total value of all exit packages
- Total number of all exit packages awarded
- Mean cost of all exit packages
- Number of exit packages with ex gratia and/or other payments
- Mean cost of ex gratia and other payments

### **13. Election Duties**

The Chief Executive receives no additional payment as Returning Officer for Local Elections. All Returning Officers are paid a fee from the Government for national polls and a small fee for Police & Crime Commissioner elections. The Chief Executive is also the Council's Electoral Registration Officer which does not attract any fees or additional payments.

### **14. Elected Member Allowances**

Unlike employees, Councillors do not receive pay but receive agreed allowances which are set through a separate, independent, process. Alongside Officers they are a key feature of the structure and governance of the Council. At Council on 4 December 2024, it was agreed that Members should receive a basic allowance of £10,218 for 2025/26 and those undertaking special responsibilities receive a further allowance. This allowance is based on a formula, which consists of multiples or fractions of the basic allowance. The full list of special responsibility allowances can be found at: [Members Allowances for 2025-26 | Newcastle City Council](#)

The other allowances that Members can claim are dependent's carer's allowance, parental leave allowance and travelling and subsistence allowances. All of this is agreed in accordance with the Local Authorities (Member's Allowances) (England) Regulations 2003 (as amended).

### **15. Future Potential Recommendations**

Future pay policy recommendations will continue to be underpinned by the principles of public sector delivery and a commitment to fairness; and this Pay Policy Statement is an evolving document that will continue to be developed and be responsive to the emerging position regarding remuneration. A strategic approach to pay and rewards is adopted by the Council to ensure we can recruit and retain appropriate staff and drive service improvement. Therefore, we aim to implement effective approaches to rewarding the workforce while controlling employment costs

to reflect budget and efficiency requirements.

We continue to develop new ways of working and innovative working patterns captured in our family friendly/work life balance policies and salary sacrifice schemes, which enhance the non-salary elements of our benefits offer as we seek to maintain the Council as an employer of choice. We also continue to engage staff and trade unions when considering their suggestions and ideas in shaping our employment practises. A significant development in working practices is our new approach to 'agile working' for a significant number of traditionally office based staff. Born out of the challenge of the pandemic, our proactive approach sees nearly 2,000 staff continuing to work in an agile way, with a hybrid mix of office environments and homeworking; the degree of which is driven by business need and services to residents. Our engagement with managers, staff and trade unions has helped craft an innovative and supportive guide and range of policies that will help increase flexible work arrangements, free office space for rental considerations and hopefully reduce the carbon footprint of our workforce.

## **16. Trade Union Consultation**

The Council acknowledges and welcomes the role that the Trade Unions play in working with us to build a strong industrial relations climate and we are committed to working in partnership with the Trade Unions as exemplified by our Single Status Agreement. If the Council aims to change its existing local or national pay and grading arrangements, we will consult with the recognised Trade Unions and fully involve them through communication, consultation and negotiation around remuneration policies.

## **17. Evaluation and Review**

This Pay Policy will be subject to evaluation and further review by the Council's Constitutional Committee ahead of each new financial year.

**Appendices**

**N1 to N11 Pay Structure from 1 April 2025**

**Appendix 1**

<b>Grade</b>	<b>Points</b>	<b>SCP</b>	<b>Salary</b>
N11	671 - 720	47	59,068
		46	57,889
		45	56,737
		44	55,604
N10	626 - 670	43	54,495
		42	53,460
		41	52,413
		40	51,356
		39	50,269
N9	576 - 625	38	49,282
		37	48,226
		36	47,181
		35	46,142
N8	546 - 575	34	45,091
		33	44,075
		32	42,839
		31	41,771
		30	40,777
N7	506 - 545	29	39,862
		28	39,152
		27	38,220
		26	37,280
		25	36,363
N6	470 - 505	24	35,412
		23	34,434
		22	33,699
		21	33,143
		20	32,597
N5	430 - 469	17	31,022
		16	30,518
		15	30,024
		14	29,540
		13	29,064
N4	380 - 429	9	27,254
		8	26,824
		7	26,403
N3	330 - 379	5	25,583
N2	280 - 329	4	25,185
N1	Up to 279	3*	24,796

Note:

- SCP 2 (N1 grade) is deleted w.e.f. 1 April 2026 as part of the 2025 NJC pay award. An adjustment to the pay scale has been made to grades N1 – N3 to accommodate this.

## **GENDER PAY GAP OVERVIEW**

## **Appendix 2**

### **Background**

All public sector employers are required to publish specific information about their gender pay gaps. In general terms, the gender pay gap is a measure of disparity in pay between the average or 'mean' earnings of males and females in the same organisation. This is entirely separate to the issue of equal pay which refers to differences in pay for work which is rated equal.

### **What are we required to report on?**

**Mean Gender Pay Gap** – The difference between the mean hourly rate of pay of male full pay relevant employees and that of female full pay relevant employees.

**Median Gender Pay Gap** – The difference between the median hourly rate of pay of male full pay relevant employees and that of female full pay relevant employees.

**Mean Bonus Gap** – The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees.

**Median Bonus Gap** – The difference between the median bonus paid to male relevant employees and that paid to female relevant employees.

**Bonus Proportions** – The proportions of male and female relevant employees who were paid bonus pay during the relevant period.

**Quartile Pay Bands** – The proportions of male and female full pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands.

### **Definitions**

**Mean** – Average (sum of hourly rates/number of employees)

**Median** – Middle value of an ordered set of data

### **Newcastle City Council Gender Pay Gap Figures**

On average, female employees at Newcastle City Council are paid slightly less than males.

Below are the mean and median pay gaps for Newcastle City Council:

**Mean** – Woman's hourly rate is 0.23% higher

**Median** – Woman's hourly rate is 1.65% lower

The national average gender pay gap was 7.0% for full time employees in 2024 according to provisional estimates from the Office of National Statistics Annual Survey of Hours and Earnings 2024. We are therefore extremely proud that our gender pay gap continues to be less than the national average and we have made significant progress in appointing a number of women to senior roles within the Council. It is clear that we have made significant progress in the four pay reference quartiles. However, we recognise that addressing the gender pay gap in the lower quartile remains a challenge for an organisation that has

retained a significant number of facility services type jobs in-house, which nationally have a predominantly female workforce.

### **Proportion of Men and Women in Each Quartile of the Pay Structure**

<b>Top Quartile</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Men	43.1%	41.4%	39.2%	39.6%	40.2%	38.5%
Women	56.9%	58.6%	60.8%	60.4%	59.8%	61.5%
<b>Upper Middle Quartile</b>						
Men	49.9%	49.9%	50.4%	51.3%	47.0%	44.3%
Women	50.1%	50.1%	49.6%	48.7%	53.0%	55.7%
<b>Lower Middle Quartile</b>						
Men	48.9%	50.6%	49.65%	48.0%	47.0%	45.9%
Women	51.1%	49.4%	50.35%	52.0%	53.0%	54.1%
<b>Lower Quartile</b>						
Men	30.2%	30.8%	32.1%	31.0%	32.8%	34.0%
Women	69.8%	69.2%	67.9%	69.0%	67.2%	66.0%

The greatest disparity between men and women is in the lowest 25 percent of jobs where a considerable number of jobs, whilst attracting less pay, have traditionally offered more flexible working arrangements (e.g. term time hours) or part time hours. Historically, these jobs have largely been occupied by women where caring responsibilities often dictated the need for more flexible working arrangements. Whilst the position is slowly changing with changes in traditional care giving roles and socio-economic demands on households, the number of catering, cleaning and administrative roles occupied by women in the lower quartile still impacts on the overall gender pay gap figure for the authority.

On the other end of the pay structure, there is also great disparity between men and women in the highest 25 percent of jobs. We believe this is reflective of our workplace culture which actively supports gender diversity at all levels. Since women are already overrepresented in the top quartile, leadership accountability may be helping to sustain and deepen that trend.

It should also be noted that Newcastle City Council offers several salary sacrifice arrangements including; Castle Nurseries Workplace Nursery Scheme, Car Scheme, Home Electronics, Shared Additional Voluntary Contribution Scheme and a Bike to Work Scheme. These deductions are included in calculations and will therefore marginally deflate the hourly rate of individuals who have joined these schemes.

### **Proportion of Men and Women Receiving Bonuses**

It is important to note that the council does not operate any performance related pay or bonus payment scheme. However, in accordance with the guidance for bonus definition in the Gender Pay Gap Regulations, our bonus measures include long service awards (paid in the form of £175 shopping voucher on attainment of 25 years' service with the Council).

Bonus figures are based on actual amounts and not full time equivalents, so this means there is no link between bonuses and hours worked. In the council's case, the long service award is the same for all and therefore there is no bonus pay gap.

## **Summary**

We are totally committed to equal pay and a single status pay agreement is in place for the council to ensure we evaluate, rate and pay jobs objectively and fairly, according to relative value. Our job evaluation process means we have a fair and transparent means of paying staff regardless of gender and our approach to reviewing and maintaining a Real Living Wage has ensured we have made great progress in narrowing the gap between our highest and lowest paid employees.

We remain proud of our overall gender pay gap, particularly as it is significantly smaller than the national average, less than many comparative organisations and has improved year on year. However, we remain mindful of opportunities to improve pay at the lower end of our organisational structures e.g. the application of the real Living Wage.

## **Statutory Reportable Information**

<b>Woman's hourly rate is</b>	
0.23% Higher (mean)	1.65% Lower (median)

## **Pay Quartiles**

<b>Pay Quartile</b>	<b>Men</b>	<b>Women</b>
Top Quartile	38.48%	61.52%
Upper Middle Quartile	44.33%	55.67%
Lower Middle Quartile	45.87%	54.13%
Lower Quartile	33.98%	66.02%

## **Bonus Pay**

<b>Woman's bonus pay is</b>	
0% Lower (mean)	0% Lower (median)

<b>Who received bonus pay</b>	
1.45% of men	1.75% of women

The information above is available on the Gov.uk website - <https://gender-pay-gap.service.gov.uk/>



### **Background**

Whilst ethnicity pay gap reporting is neither mandatory or a statutory requirement, as part of our commitment to equality, diversity and inclusion, we are presenting an analysis similar to gender pay gap reporting in order to provide an appropriate challenge within the organisation. In general terms, the ethnic pay gap is a measure of disparity in pay between the average or 'mean' earnings of Ethnic Minority employees and 'White' employees in the same organisation.

This is entirely separate to the issue of equal pay which refers to differences in pay based on gender for work which is rated equal.

### **What we report on**

**Mean Ethnic Pay Gap** – The difference between the mean/average hourly rate of pay of white full pay relevant employees and that of ethnic minority full pay relevant employees.

**Median Ethnic Pay Gap** – The difference between the median hourly rate of pay of white full pay relevant employees and that of ethnic minority full pay relevant employees.

**Quartile Pay Bands** – The proportions of white and ethnic minority full pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands of the council.

### **Definitions**

**Mean** – Average (sum of hourly rates/number of employees)

**Median** – Middle value of an ordered set of data

**Ethnic Minority** – Black, Asian and minority ethnic

**White** – includes all ethnic categories with a description that includes 'white'. This includes White – British, White – Irish, White – Any other background.

### **Newcastle City Council Ethnicity Pay Gap Figures**

On average, Ethnic Minority employees at Newcastle City Council are paid less than White employees.

Below are the mean and median pay gaps for Newcastle City Council:

**Mean** – ethnic minority hourly rate is 10.86% lower

**Median** – ethnic minority hourly rate is 9.41% lower

The North East's median ethnic pay gap was 9.5% for full time employees in 2019 according to the ONS (Annual Population Survey 2019). Unfortunately, more recent data is unavailable, as mandatory reporting was only recently proposed in the Equality (Race and Disability) Bill which is not expected to take effect until late 2026. Using the data available, our ethnicity pay

gap is less than the regional average. However, we also recognise that our data more accurately represents a recruitment issue than a pay issue. It is clear, there is more work needed to promote opportunities to people from ethnic minorities within the organisation and to attract more external candidates. The total ethnicity split of the Council is 7.44% Ethnic Minority to 92.56% White, therefore statistical comparisons in terms of median or mean pay rates may well be impacted due to comparative low numbers of Ethnic Minority employees.

**Proportion of White and Ethnic Minority in Each Quartile of the Pay Structure**

<b>Top Quartile</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
White	97.0%	96.1%	95.9%	95.6%	95.8%
Ethnic Minority	3.0%	3.9%	4.1%	4.4%	4.2%
<b>Upper Middle Quartile</b>					
White	95.1%	94.7%	94.4%	93.7%	92.45%
Ethnic Minority	4.9%	5.3%	5.6%	6.3%	7.55%
<b>Lower Middle Quartile</b>					
White	96.5%	96.2%	96.3%	95.7%	94.5%
Ethnic Minority	3.5%	3.8%	3.7%	4.3%	5.5%
<b>Lower Quartile</b>					
White	94.4%	93.15%	91.0%	88.6%	87.35%
Ethnic Minority	5.6%	6.85%	9.0%	11.4%	12.65%

The greatest disparity in representation between Ethnic Minority and White employees is in the top 25 percent of paid jobs. In 2025, Ethnic Minority representation in this group was 4.2%, which is below the Council’s overall Ethnic Minority workforce proportion of 7.44%, and has seen a slight decrease from the previous year. However, encouraging progress is evident across the rest of the Council: all other quartiles have shown year-on-year increases in Ethnic Minority representation. The upper middle quartile saw the most significant growth, rising by 1.25 percentage points to 7.55%, closely aligning with the Council’s overall ethnic diversity. The lower quartile also had similar growth, reaching 12.65%, which is significantly above the Council’s overall Ethnic Minority proportion. These trends reflect the Council’s ongoing commitment to improving diversity and inclusion across its workforce.

It should also be noted that this data is made up only of employees where their ethnicity is known. Staff who have chosen not to declare their ethnicity were excluded from the data and this may have a marginal impact on the data.

**Summary**

We are totally committed to equal pay and a single status pay agreement is in place for the council to ensure we evaluate, rate and pay jobs objectively and fairly, according to relative value. Our job evaluation process means we have a fair and transparent means of paying staff regardless of ethnicity and our accreditation and commitment to pay a real Living Wage is reflected in the great progress made in narrowing the gap between our highest and lowest paid employees.

Our ethnicity pay gap is slightly smaller than the regional average, however, we remain mindful that we need to seek to improve promotional opportunities in the higher paid jobs of our organisation and improve our overall ethnicity percentage comparisons. This data will better inform our ongoing equalities work.

