

# Pay Policy Statement 2019/20

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## 1. Background

### **Localism Act 2011 - Openness and accountability in local pay**

- 1.1. Section 38(1) of the Localism Act requires local authorities to produce an annual pay policy statement.
- 1.2. The provisions in the Act do not seek to change the right of each local authority to have autonomy on pay decisions, however it emphasises the need to deliver value for money for local taxpayers.
- 1.3. This statement has been approved by Full Council on 18<sup>th</sup> March 2019 and any changes during the year will be brought back to Full Council for adoption at the earliest opportunity.
- 1.4. This statement does not apply to Council employees based in schools.

### **Related Remuneration and Transparency Context**

- 1.5. The Council follows the transparency requirements on remuneration as set out in the Local Government Transparency Code 2015 ("the Code"), published by the Department for Communities and Local Government in February 2015, and the Local Transparency Guidance issued on 30 November 2015 by the Local Government Association.
- 1.6. Part of the Code includes publishing information relating to senior salaries within a local authority. A full list of all posts that are paid £50,000 or more per year that fall within the scope of the Accounts and Audit Regulations 2015 is published on the Council's website. [See here](#).

## 2 Governance arrangements for pay and conditions of service within Haringey

- 2.1. The Staffing & Remuneration Committee as referred to in the Council's constitution Part three, section B under its Terms of Reference has responsibility for the terms and conditions of service for all staff. The Staffing & Remuneration Committee is a Committee of Full Council.
- 2.2. The Staffing & Remuneration Committee is accountable for the remuneration of Chief Officers (see section 4 for more details) and pay in general and will ensure that remuneration is set within the wider pay context giving due consideration to the relationship between the highest and lowest paid in the organisation (see section 7 for more information). This Committee will remit the Pay Policy Statement for approval by Full Council.

### **3 Pay Strategy**

- 3.1 In December 2014 the Staffing & Remuneration Committee agreed the Council's Modern Reward Strategy that included a review of pay and grading arrangements for Chief Officers and Senior Managers and employees covered by the National Joint Council (NJC) for Local Government Services Green Book.
- 3.2 The Council's vision included the provision to adopt a reward strategy that was modern, sustainable, fair and transparent concerning pay, which rewards employees appropriately for their contribution to the Council.
- 3.3 In April 2016 new pay and grading arrangements were implemented for Chief Officers and Senior Managers. This Pay Policy Statement sets out the new pay arrangements.
- 3.4 In 2018/19 a pay and grading review for employees covered by NJC terms and conditions was completed, during which time a new London Pay Spine was agreed by the Local Government Association (LGA), London Councils and the trade unions for implementation in April 2019 as part of a 2 year pay deal.
- 3.5 For NJC employees the new London Pay Spine will be implemented in April 2019 and the outcomes of the pay and grading review will be implemented as agreed with the recognised trade unions.

### **4 Remuneration arrangements of Senior Managers and Chief Officers including the Chief Executive**

- 4.1 The Council's Chief Officers are the Head of Paid Service (the Chief Executive), the Monitoring Officer, statutory chief officers, or non-statutory chief officers being officers who report to the Chief Executive. The term "Chief Officers" also includes deputy chief officers being officers who report directly to a statutory or non-statutory chief officer. The Council defines its Senior Managers as those staff appointed on senior manager pay grades - which start at remuneration levels of £62,000 per annum (as per Appendix A- Senior Manager Pay Bands - April 2019 Provisional). Chief Officers and Senior Managers are contracted to work as many hours as required to complete the job.
- 4.2 The pay and terms and conditions for Chief Officers and Senior Managers are determined locally. As such they do not depend on national or regional negotiations to decide pay levels or awards.
- 4.3 The Council benchmarks its pay rates with other London Boroughs to ensure that it is able to recruit and retain qualified and competent staff. Pay bands for Chief Officers and Senior Managers must be approved by the Staffing and Remuneration Committee. The pay bands for Chief Officers and Senior Managers are at Appendix A.
- 4.4 Where it is proposed to appoint to a Chief Officer post and the proposed salary is £100,000 per annum or more, the Staffing and Remuneration Committee must consider and approve the proposed salary. The current Chief Officer management structure including employee salaries costs, details of bonuses

and benefits-in-kind, performance-related pay, grade, department and team, whether permanent or temporary, staff contact details, salary ceiling, names, job titles, services and functions responsible for, budget held and numbers of staff is published on the Council website. Names may only be published if individual salaries are £150,000 or more. [See here.](#)

- 4.5 The salary applicable to the Chief Officer posts is published on the Council website. [See here.](#)
- 4.6 Base pay for the senior management population will be reviewed, but not necessarily increased, annually. The progression of a Chief Officer or a Senior Manager through the pay band applicable to him/her will be contribution led based on individual, team and organisation performance. It will not be automatic and the process will be overseen by the Chief Executive.
- 4.7 The Council may in exceptional circumstances, engage Senior Managers/Chief Officers under contracts for services. The Council publishes in accordance with the Code details of all payments made under contracts for services in excess of £500 on the Council website. [See here.](#)

## **5 Remuneration of employees who are not Senior Managers or Chief Officers**

- 5.1 The pay scales for all employees are increased in line with national and regional pay agreements.
- 5.2 For a majority of its employees who are not Senior Managers and Chief Officers the Council supports the NJC and regional (Greater London Provincial Council - GLPC) collective bargaining arrangements for pay and conditions of service and utilises the GLPC outer London pay spine (the exceptions to this are a small number of staff who are subject to the Soulbury, Teachers and NHS terms and conditions as detailed in paragraphs 5.6 to 5.13).
- 5.3 In April 2018 special salary arrangements were agreed for London for NJC employees covering the period of 1 April 2018 to 31 March 2020. The agreement sets out the criteria for pay awards in April 2018 and 2019 and a new London Pay Spine in April 2019. Refer to Appendix B for more detail.
- 5.4 The Council considers it important to be able to locally determine pay rates for some staff where this is necessary. This enables it to respond to regional and local labour market conditions. The Council benchmarks its pay rates with other London Boroughs to ensure that it is able to recruit and retain qualified and competent staff.
- 5.5 The Council and the Trade Unions reached a new local collective agreement for 2019 which covers the majority of its employees (employees subject to NJC conditions). This agreement details the terms and conditions, working arrangements and allowances to be paid to employees such as overtime, weekend working and call out payments.

- 5.6 The Council employs a small number of employees who are Education Psychologists and Education Advisers/Inspectors and uses the national Soulbury pay scales for these employees.
- 5.7 The last national pay award agreement for employees covered by Soulbury conditions was a 2 year pay deal covering the period 2018 and 2019. The agreement sets out the criteria for the pay awards in September 2018 and September 2019. Refer to Appendix B for more detail.
- 5.8 The Council also employs a small number of centrally employed Teachers and uses the national Teachers Pay and Conditions (TPAC) pay scales for these employees.
- 5.9 The last national pay award agreement for employees covered by TPAC conditions was implemented with effect from 1 September 2018. Refer to Appendix B for more detail.
- 5.10 Public Health employees who transferred from the NHS into the Council from 1 April 2013 continue to be paid in accordance with NHS terms and conditions of employment.
- 5.11 The last national pay award agreement for employees covered by NHS conditions was implemented with effect from 1 April 2018. Refer to Appendix B for more detail.
- 5.12 Employees subject to NJC and Soulbury conditions are able to incrementally progress through the pay spine column points for their job evaluated grade. Progression will normally be one increment (pay spine column point) on the 1<sup>st</sup> of April each year until they reach the top of their grade.
- 5.13 Employees subject to NHS conditions are able to progress through the steps in their pay band subject to the principles set out in the Framework Agreement on the reform of Agenda for Change (27<sup>th</sup> June 2018).
- 5.14 Employees subject to TPAC conditions can incrementally progress through the pay spine column points subject to satisfactory performance normally on the 1<sup>st</sup> of September each year until they reach the top of their grade.
- 5.15 The Council approved with effect from May 2011 that in future the pay of Council employees at the lower ends of the pay spine receive a level of pay in line with the London Living Wage rate as determined from time to time by the Greater London Authority. This will be by way of an hourly pay supplement as appropriate to ensure that the London Living Wage rate is achieved. This rate was set at £10.55 per hour with effect from 5<sup>th</sup> November 2018 and is equivalent to a full time annual salary of £19,803.53 (exceptions to this are apprentices/trainees/interns).
- 5.16 In November 2018 the Council became an accredited Living wage Employer and will continue to work towards ensuring all workers in the supply chain are paid the relevant Living Wage.

## 6 Job Evaluation

- 6.1 The pay grades and therefore remuneration levels of employees (except for centrally employed Teachers who are subject to the Teachers Pay and Conditions documents) are determined by the use of a job evaluation scheme. Job Evaluation is a systematic process used to determine the relative worth of jobs within the organisation. It creates a rank order from the smallest to the largest job and ensures that consistent decisions in grades and rates of pay are made.
- 6.2 The table at Appendix B outlines the job evaluation schemes used for each group of employees.

## 7 Pay Multiple

- 7.1 The 'pay multiple' is the ratio between the highest paid taxable earnings and the median earnings figure of the whole of the Council's workforce. The Council's highest paid employee is the Chief Executive and the current pay multiple is shown in the table below.
- 7.2 Earnings for the purpose of calculating the 'pay multiple' are defined covering all elements of remuneration that can be valued (e.g. all taxable earnings for 2018-2019 including base salary, variable pay, bonuses, allowances and the cash value of any benefits in kind). The calculation of earnings excludes the cash value of pension provision.
- 7.3 The Council defines its lowest paid employees as those paid on the lowest pay spine point of 1 on the GLPC outer London pay spine. The reason for this definition is that this is the lowest pay spine point in the Council in line with the job evaluation scheme and pay scales agreed with the unions. This excludes trainees, apprentices and interns. However, an hourly pay supplement is added when necessary to ensure that the London Living Wage rate is achieved as outlined in paragraph 5.14.

Description	2018/19
Highest Paid	£190,523.20*
Median	£32,637
Lowest	£19,803.53
Highest to median ratio	5.8
Highest to Lowest ratio	9.6

\*The salary for the highest paid employee (Chief Executive) includes an allowance paid for Returning Officer duties as outlined in paragraph 10.2

## 8 Pay on Appointment

- 8.1 All employees, including Chief Officers, are normally appointed on the lower half of the pay range appropriate for their grade.

8.2 The Council delegates authority to Chief Officers/ Chief Executive as appropriate to appoint staff above this part of the pay range.

8.3 The salary of the Chief Executive, and of any other Chief Officer where the proposed salary is £100,000 or more, will be determined by the Staffing and Remuneration Committee as outlined in paragraph 4.4.

## **9 Market Allowance Payments**

9.1 The Council acknowledges that our employees are our best asset and that due to external factors market allowances will be required for some posts in order to attract and retain good staff.

9.2 Market allowances are linked to the post, not the person. They cannot be paid to someone because of their level of skill or experience.

9.3 A market allowance is deemed suitable where there is evidence of one or more of the following:

- The post has been advertised on more than one occasion and a suitable applicant could not be recruited.
- Pay benchmarking exercises show that similar local authorities offer market allowances or a higher salary for the same work.
- A national /local skills shortage where the Council is competing with a number of other employers for applicants.
- The post is highly specialised with a limited number of potential applicants.

9.4 If the post does not meet the suitability criteria the payment of a market allowance is unjustified and may be in breach of equal pay legislation contained in the Equality Act 2010.

## **10 Fees for Election Duties**

10.1 Council staff may be engaged on election duties of varying types. The fees paid to Council employees for undertaking these election duties vary according to the type of election they participate in, and the nature of the duties they undertake.

10.2 Returning Officer duties (and those of the Deputy Returning Officer) are contractual requirements, and fees paid to them for national elections/referendums are paid in accordance with the appropriate Statutory Fees and Charges Order and are paid by the body responsible for the conduct of the election.

## **11 Pension**

11.1 There are three pension schemes covering the Council's employees.

11.2 A majority of its employees are entitled to join the Local Government Pension Scheme and receive benefits in accordance with the provisions of that Scheme as applied by the Council. Details of the Council's policy and decisions in

respect of discretionary elements of the Scheme are published on the council's website, [see here](#).

- 11.3 Centrally employed Teachers are entitled to join the Teachers Pension Scheme and receive benefits in accordance with the provisions of that Scheme.
- 11.4 Public Health employees who transferred from the NHS and are members of the NHS Pension Scheme continue to receive benefits in accordance with the provisions of that Scheme.

## **12 Other Terms and Conditions of Employment**

- 12.1 The Council's employment policies and procedures are reviewed on a regular basis in the light of service delivery needs and any changes in legislation etc.
- 12.2 The Council and unions agreement on 'single status' reached in 2008 as part of the collective agreement on Equal pay and conditions outlined the working arrangements and the payments to be made to a majority of employees below senior manager grades for working outside normal working hours including overtime, and call out payments.
- 12.3 The 2008 agreement will be replaced by a new agreement for 2019 as agreed with the unions.

## **13 Payments on Termination of Employment**

- 13.1 In the event that the Council terminates the employment of an employee (including Senior Managers and Chief Officers) on the grounds of redundancy they will receive compensation and benefits in accordance with the Council's Redundancy scheme, which is published on the Council's website, [see here](#). Exceptions to this are employees who have TUPE transferred into the Council with different contractual entitlements.
- 13.2 Severance payments of £100,000 or more for Chief Officers must be considered and approved by the Staffing & Remuneration Committee.
- 13.3 Details of redundancy compensation payments paid to senior management are published on the Council's website, [see here](#).
- 13.4 The Council's Redundancy schemes may be subject to change as part of the pay and grading review.

## **14 Re-employment of Employees**

- 14.1 Section 7 of the Local Government and Housing Act 1989 requires that every appointment to paid office or employment in a local authority shall be made on merit.
- 14.2 Should a successful candidate be in receipt of a redundancy payment the Council will apply the provisions of the Redundancy Payments (Continuity of Employment in Local Government etc.) (Modification) Order 1999 (as amended)

regarding the recovery of redundancy payments. The rules of the Local Government Pension Scheme also have provisions to reduce pension payments in certain circumstances to those who return to work within local government service.

**15 Further Information**

- 15.1 For further information on the Council's Pay Policy please contact the Council's Reward Manager on 020 8489 3692.

Chief Officer/Senior Manager Pay Bands

Pay Bands - Effective from 1 <sup>st</sup> April 2019 ( <b>Provisional</b> )						
Level	People Leader	Individual Contributor	Step	Min.	Mid. (benchmark)	Max.
A	Senior Leadership		Step 2	£182,600	£197,370	£212,200
B	Director / Assistant Director		Step 3	£143,100	£154,700	£166,300
			Step 2	£116,600	£126,100	£135,500
			Step 1	£99,600	£107,700	£115,800
C	Head of Service	Senior Professional 111	Step 3	£84,900	£91,800	£98,700
			Step 2	£72,100	£77,900	£84,100
			Step 1	£62,000	£66,500	£71,600

Employee Group	Job Evaluation Scheme	Last Pay Award Implemented	Next Pay Award Due
<b>National Joint Council (NJC) for Local Government Services- Green Book</b> (a majority of the Council's employees)	Greater London Provincial Council (GLPC) (with local variations)	A 2 year pay deal covering the period of 1 April 2018 to 31 March 2020.  w.e.f. 1 April 2018 An increase of 2% on pay spinal points 20 and above and an increase of between 2.91% to 9.19% on pay spinal points 19 and below.  w.e.f. 1 April 2019 Assimilation on to a new London Pay Spine and a pay increase of at least 2%.	1 April 2020
<b>Chief Executive, Chief Officers &amp; Senior Managers</b>	The HAY job evaluation scheme	w.e.f. April 2019 (to be agreed) An increase of 2%.	1 April 2020
<b>Teachers Pay &amp; Conditions - TPAC</b> (centrally employed Teachers)	Teachers Pay and conditions documents	A 1 year pay deal w.e.f. September 2018  An increase of 1.5% on the leadership group pay range; 2% increase on the upper pay range and 3.5% on the unqualified teacher pay range.	1 September 2019 (To be agreed)
<b>Soulbury</b> (Education Psychologists & Education Advisers/ Inspectors)	Soulbury	A 2 year pay deal covering the period of 1 September 2018 to 31 August 2020.  w.e.f. September 2018 and September 2019 an increase of 2% on all pay points and on all London and fringe area allowances.	1 September 2020
<b>Public Health</b> (ex-NHS staff)	The Agenda for Change NHS Job Evaluation Scheme (GLPC or Hay scheme for those whose roles have been reviewed since the transfer date to the Council)	A three-year agreement covering the years from 1 April 2018 to 31 March 2021.  Pay increases over this period are as set out in the Framework Agreement on the reform of Agenda for Change (27 <sup>th</sup> June 2018).	1 April 2021