



# **Annual Pay Policy Statement**

## **Financial Year 2014/15**

(To be) Approved by Full Council – 26<sup>th</sup> March 2014

## **Contents**

### **Section 1 – Purpose and Application**

### **Section 2 - Policy Statement**

- § **Definition of senior officers covered by the Policy Statement**
- § **Policy on remunerating senior officers**
  - Salaries and Appointment
  - Terms and Conditions
  - Bonuses and performance related pay
  - Earn Back
  - Termination Payments
- § **Policy on remunerating the lowest paid in the workforce**
- § **Policy on the relationship between the senior officer remuneration and that of other staff**
- § **Re Employment of staff in receipt of a LGPS Pension or a Redundancy/Severance Payment**
- § **Obligations under the Code of Recommended Practice for Local Authorities on Data Transparency and the data which is published under The Accounts and Audit (England) Regulations 2011**

## **List of Appendices**

### **Appendix 1 – Pay scales under the JNC Conditions of Service**

### **Appendix 2 – Pay scales under the NJC Conditions of Service**

### **Appendix 3 – Pay scales for the Director of Public Health and Consultants under Agenda for Change**

### **Appendix 4 – Pay scales under NHS Agenda for Change**

## **Section 1 - Purpose and Application**

This Pay Policy Statement has been written to cover requirements under Sections 38 – 43 of the Localism Act 2011. This requires that the authority produce a policy statement covering a number of matters concerning the pay of the authority's staff.

This policy must be complied with for all decisions relating to the remuneration of, or other terms and conditions applying to, those senior officers listed in Section 2.

This policy will be reviewed annually and presented to Full Council for approval before the 31<sup>st</sup> March immediately preceding the financial year to which it relates.

## **Section 2 - Policy Statement**

### **Definition of senior officers covered by the Pay Policy Statement**

This Pay Policy Statement covers the following senior officer posts;

1. Head of the Paid Service, which in this authority is the post of Chief Executive
2. Deputy Chief Executive who is the Section 151 Officer City Solicitor who is the Monitoring Officer, the Directors of Public Health, Adult Social Care, Children Services, City Development and Environment and Housing and the Assistant Chief Executive (Citizens and Communities). These post-holders are members of the authority's Corporate Leadership Team (CLT) and report directly to the Chief Executive.
3. Those required to report directly to, or are directly accountable to, one or more of those described in 1-2 above.

### **Policy on remunerating senior officers**

It is the policy of this authority to establish a remuneration package for each senior officer post that is sufficient to attract and retain those with the appropriate skills, knowledge, experience, abilities and qualities that is consistent with the authority's requirements of the post in question.

### **Salaries and Appointment**

The authority may seek independent advice as a means informing decisions on determining the pay scale for senior officer posts.

The salary for JNC senior officer posts will be determined by reference to the pay scales at Appendix 1<sup>1</sup>.

The basic salary for the Director of Public Health will be determined by reference to the relevant NHS pay scales at Appendix 3 and is within the salary range £84667 £101451

The salary for Consultants transferred into the organization under TUPE principles will be determined by reference to the pay scales at Appendix 3 and for other Public Health staff transferred into the organisation under TUPE principles will be determined by reference to the pay scales at Appendix 4.

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<sup>1</sup> For completeness the pay scales for staff employed on NJC conditions of service is provided at Appendix 2.

All new senior officer appointments will be made by the Employment Committee, who will determine salary packages<sup>2</sup>.

Appointments will be made to the appropriate approved minimum point of the grade for the post in question unless there is evidence that a preferred candidate cannot be appointed without varying the remuneration package. In such circumstances incremental advancement within the grade range is permissible.

In exceptional circumstances this policy provides for a departure from the Pay Policy. All departures from this policy will be expressly justified and in cases where he/she is not personally affected will be authorised by the Chief Executive in consultation with members of the Employment Committee, and in cases where he/she is personally affected, by Full Council, or, where the Employment Committee has not been involved in the appointment of a Senior Officer will be consulted upon with the appropriate Executive Members, including the Executive Member within whose portfolio the post reports, the Executive Member with responsibility for Human Resources and the Leader of Council. Information regarding any such decisions will be reported to the next meeting of Full Council.

Honoraria<sup>3</sup> may be payable in circumstances where additional duties and responsibilities are undertaken which are over and above those which could be reasonably accommodated within existing terms and conditions of employment.

Market supplements may be paid only where it has been established that there is a significant risk of not being able to retain/replace staff with specific knowledge and skills essential to the delivery of a particular service, project or corporate priority. All such payments will be reviewed annually by the Head of Paid Service.

### Terms and Conditions

The Chief Executive is employed on terms and conditions set out under the Joint National Council for Chief Executives. All other senior officers are employed on terms and conditions set out under the Joint National Council for Chief Officers. Under these arrangements national pay awards are negotiated annually.

Equivalent arrangements are also in place for staff covered by NHS terms & conditions following the transfer of Public Health.

Some aspects of remuneration are applicable to all staff (including senior officers covered by this policy). For completeness these are outlined below:

- Membership of the Local Government Pension Scheme; with employee contributions ranging from 5.5% (on salaries up to £13,500) to 12.5% (on salaries over £150,000).
- Expenses for travel and subsistence based on National Joint Council for Local Government Employee rates
- On appointment, incremental progression following 6 months employment and then annual incremental progression on each 1<sup>st</sup> April thereafter.

The Director of Public Health (DPH) and Public Health Consultants transferred to the local authority on 1st April 2013 as part of a Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) which is underpinned by a Department Health/Secretary of State formal Transfer Scheme. In accordance with this the DPH and Consultants receive protection of general NHS Terms and Conditions, including the Terms and Conditions – Consultants 2003, and in line with the principles in TUPE and the staff transfer scheme.

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<sup>2</sup> Senior Officers in this respect refers to the posts in Section 2 points 2 to 3 i.e. Directors, Chief Officers and other senior officers who report directly to a Director

<sup>3</sup> Including payments made for joint authority duties

Public Health transferred employees can only benefit from collectively agreed pay awards and terms and conditions that applied at 1<sup>st</sup> April 2013.

The remuneration of the Director of Public Health and some Public Health Consultants is as set out in the Pay and Terms and Consultants pre and post 2003. Remuneration of other Public Health Consultants is as set out in the NHS Terms and Conditions of Service.

Other aspects of chief officer remuneration may also be different for public health employees. The Pay and Terms and Conditions for Medical and Dental Staff and the NHS Terms and Conditions of Service Handbook sets out the detail of other pay related enhancements and payable allowances/expenses.

### Bonuses and Performance Related Pay

For posts under this policy, the Authority does not currently operate a bonus or performance related pay scheme. Performance is considered however as part of a package to offer market supplements and retention pay when needed.

### Earn-Back

The Authority does not operate a scheme of remuneration linked to Earn-Back

### Termination Payments

All decisions relating to termination payments will be made by;

- Full Council – in respect of the Head of Paid Service
- The Head of Paid Service – in respect of the Deputy Chief Executive
- Deputy Chief Executive – in respect of other Directors and the City Solicitor
- Directors – in respect of those who report to them.

Termination payments may be made to senior officers covered by this policy. The maximum discretion for the Council is to award 104 weeks pay under the national statutory framework. There is also discretion to augment pensions.

Payments made must demonstrate value for money and be conducive to the effective and efficient operation of the authority.

The Leader of the Council will be consulted in relation to any such termination payments.

### **Policy on remunerating the lowest paid in the workforce**

The pay scales for staff employed on National Joint Council for Local Government terms and conditions are detailed at Appendix 2, alongside other JNC grades.

These, and other terms and conditions of employment are negotiated through appropriate collective bargaining mechanisms and then incorporated into contracts of employment.

The lowest pay point in this authority (excluding schools) equates to an annual full time salary of £12,614 and can be expressed as an hourly rate of pay of £6.53. This is on the A1 grade which rises incrementally to £13,321.

For comparison the National Minimum Wage was £6.31 p/h as at 1<sup>st</sup> October 2013.

The pay rate is increased in accordance with any pay settlements which are reached through the National Joint Council for Local Government Services.

The pay multiplier between this and the current salary of the Chief Executive is 14:1.

### **Policy on the relationship between Senior Officer remuneration and that of other staff**

The highest paid salary is paid to the Chief Executive. At March 2013 the average median salary in Leeds City Council (not including Schools) is £19,317.22.

The ratio between the median and Chief Executive's actual salary, the 'pay multiple' is 9.13:1. This authority does not have a policy on maintaining or reaching a specific 'pay multiple'. However the authority is conscious of the need to ensure that the salary of the highest paid employee is not excessive and is consistent with the needs of the authority as expressed in this policy statement.

The authority's approach to the payment of staff is to pay that which the authority needs to pay to recruit and retain staff with the skills, knowledge, experience, abilities and qualities needed for the post in question at the relevant time, and to ensure that the authority meets any contractual requirements for staff including the application of any local or national collective agreements, or authority decisions regarding pay.

### **Re Employment of staff in receipt of a LGPS Pension or a Redundancy/Severance Payment**

The authority is under a statutory duty to appoint on merit and has to ensure that it complies with all appropriate employment and equalities legislation.

### **Obligations under the Code of Recommended Practice for Local Authorities on Data Transparency and the data which is published under The Accounts and Audit (England) Regulations (2011).**

The Authority will publish information on pay and rewards for staff falling under the criteria specified in the Code of Recommended Practice for Local Authorities on Data Transparency and which requires the authority to provide information relating to those employees with salary packages above £50,000 and which fall below those of Chief Officers as specified above.

#### Election Fees

Additional fees for national elections and referendums are paid to the Chief Executive in their capacity as Returning Officer. In turn these are apportioned to staff supporting the Returning Officer in accordance with criteria determined by the Chief Executive.

These fees and any apportionment will be published as part of the Council's Obligations under the Code of Recommended Practice for Local Authorities on Data Transparency and the data which is published under The Accounts and Audit (England) Regulations (2011).

#### Private Service Company Consultants

Individuals who operate as private service companies will not be directly engaged to cover senior officer posts covered by this policy.

## Pay scales under the JNC Conditions of Service

Grade	SCP	Salary £	Grade	SCP	Salary £
Chief Executive	1	182,147	Director 85%	1	89,208
	2	185,650		2	91,437
	3	189,153		3	93,666
	4	192,655		4	95,898
	5	196,158		5	98,127
Deputy Chief Executive	1	147,118	Director 80%	1	83,958
	2	150,620		2	86,058
	3	154,123		3	88,158
	4	157,626		4	90,255
	5	161,128		5	92,355
Director Grade	1	134,347	Director 75%	1	78,711
	2	137,320		2	80,679
	3	140,293		3	82,647
	4	143,265		4	84,615
	5	146,238		5	86,583
Asst Chief Executives	1	114,215	Director 70%	1	73,464
	2	116,699		2	75,300
	3	119,183		3	77,136
	4	121,667		4	78,975
	5	124,151		5	80,811
Director 95%	1	£99,702	Director 60%	1	62,970
	2	102,192		2	64,545
	3	104,688		3	66,117
	4	107,178		4	67,692
	5	109,671		5	69,267
Director 90%	1	94,452	Director 52.5%	1	55,098
	2	96,816		2	56,475
	3	99,177		3	57,852
	4	101,538		4	59,232
	5	103,899		5	60,609
			Director 45%	1	47,229
				2	48,408
				3	49,587
				4	50,769
				5	51,951
			Director 40%	1	41,979
				2	43,029
				3	44,079
				4	45,129
				5	46,179

## APPENDIX 2

### Pay scales under the NJC Conditions of Service

Grade	SCP	Salary £	Grade	SCP	Salary £
PO6	46	39,351	C3	26	22,443
	47	40,254		27	23,188
	48	41,148		28	23,945
	49	42,032	C2	24	21,067
PO5	44	37,578		25	21,734
	45	38,422		26	22,443
	46	39,351	C1	22	19,817
	47	40,254		23	20,400
PO4	41	34,894		24	21,067
	42	35,784		25	21,734
	43	36,676	B3	18	17,333
	44	37,578		19	17,980
PO3	38	32,072		20	18,638
	39	33,128		21	19,317
	40	33,998	B2	16	16,604
	41	34,894		17	16,998
PO2	35	29,528		18	17,333
	36	30,311	B1	13	15,598
	37	31,160		14	15,882
	38	32,072		15	16,215
PO1	33	28,127		16	16,604
	34	28,922		17	16,998
	35	29,528	A3	11	14,880
	36	30,311		12	15,189
SO2	32	27,323		13	15,598
	33	28,127	A2	9	13,725
	34	28,922		10	14,013
	29	24,892		11	14,880
SO1	30	25,727	A1	6	12,614
	31	26,539		7	12,915
				8	13,321



Pay Progression for NHS Public Health Consultants appointed before 31 October 2003				
Seniority at transfer	Years after transfer before threshold level changes	Pay Threshold	Basic Salary (2012/13 Rates)	Pay Scale
30 +	On transfer to new contract		£90,263	YC71**
	1 year after transfer	7	£95,860	
	2 years after transfer	8	£101,451	
21-29	On transfer to new contract		£94,667	YC70**
	1 year after transfer	6	£90,263	
	2 years after transfer	7	£95,360	
	3 years after transfer	8	£101,461	
20	On transfer to new contract		£84,667	YC69**
	1 year after transfer	6	£90,263	
	3 years after transfer	7	£95,860	
	4 years after transfer	8	£101,451	
19	On transfer to new contract		£84,667	YC68**
	1 year after transfer	6	£90,263	
	3 years after transfer	7	£95,860	
	5 years after transfer	8	£101,451	
18	On transfer to new contract		£84,667	YC67*
	2 years after transfer	6	£90,263	
	3 years after transfer	7	£95,860	
	5 years after transfer	8	£101,451	
17	On transfer to new contract		£84,667	YC66**
	2 years after transfer	6	£90,263	
	4 years after transfer	7	£95,860	
	6 years after transfer	8	£101,451	
16	On transfer to new contract		£84,667	YC65**
	3 year after transfer	6	£90,263	
	4 years after transfer	7	£95,860	
	7 years after transfer	8	£101,451	
15	On transfer to new contract		£84,667	YC64**
	3 year after transfer	6	£90,263	
	4 years after transfer	7	£95,860	
	8 years after transfer	8	£101,451	
14	On transfer to new contract		£84,667	YC63**
	3 year after transfer	6	£90,263	
	5 years after transfer	7	£95,860	
	9 years after transfer	8	£101,451	
13	On transfer to new contract		£84,667	YC62**
	3 year after transfer	6	£90,263	
	5 years after transfer	7	£95,860	
	10 years after transfer	8	£101,451	
12	On transfer to new contract		£84,667	YC61**
	3 year after transfer	6	£90,263	
	6 years after transfer	7	£95,860	

Pay Progression for NHS Public Health Consultants appointed before 31 October 2003				
Seniority at transfer	Years after transfer before threshold level changes	Pay Threshold	Basic Salary (2012/13 Rates)	Pay Scale
	11 years after transfer	8	£101,451	
11	On transfer to a new contract		£84,667	YC60**
	4 years after transfer	6	£90,263	
	7 years after transfer	7	£95,860	
	12 years after transfer	8	£101,451	
10	On transfer to new contract		£84,667	YC69**
	4 year after transfer	6	£90,263	
	8 years after transfer	7	£95,860	
	13 years after transfer	8	£101,451	

**NHS Public Health Consultant Pay and Allowances effective from 1 April 2013**

Seniority at transfer	Years after transfer before threshold level changes	Pay Threshold	Basic Salary (2012/13 Rates)	Pay Scale
9	On transfer to new contract		£84,667	YC58**
	4 years after transfer	6	£90,263	
	9 years after transfer	7	£95,860	
	14 years after transfer	8	£101,451	YC57**
8	On transfer to new contract		£84,667	
	5 years after transfer	6	£90,263	
	10 years after transfer	7	£95,860	
	15 years after transfer	8	£101,451	YC57**
7	On transfer to new contract		£84,667	
	5 years after transfer	6	£90,263	
	10 years after transfer	7	£95,860	
	15 years after transfer	8	£101,451	
6	On transfer to new contract		£83,492	YC56**
	1 year after transfer	5	£84,667	
	5 years after transfer	6	£90,263	
	10 years after transfer	7	£95,860	
	15 years after transfer	8	£101,451	
5	On transfer to new contract		£82,318	YC55**
	1 year after transfer	x	£83,492	
	2 years after transfer	5	£84,667	
	6 years after transfer	6	£90,263	
	11 years after transfer	7	£95,860	
	16 years after transfer	8	£101,451	
4	On transfer to new contract		£77,017	
	1 year after transfer	3	£79,961	YC54**
	2 years after transfer	4	£82,318	
	3 years after transfer	5	£84,667	
	6 years after transfer	6	£90,263	
	11 years after transfer	7	£95,860	
	16 years after transfer	8	£101,451	
3	On transfer to new contract		£76,424	
	1 year after transfer	x	£78,780	YC53**
	2 years after transfer	4	£82,318	
	3 year after transfer	5	£84,667	
	7 years after transfer	6	£90,263	
	12 years after transfer	7	£95,860	
	17 years after transfer	8	£101,451	
2	On transfer to new contract		£75,836	
	1 year after transfer	2	£77,605	YC52**
	2 years after transfer	4	£82,318	
	3 year after transfer	5	£84,667	
	8 years after transfer	6	£90,263	
	13 years after transfer	7	£95,860	
	18 years after transfer	8	£101,451	

# **NHS Public Health Consultant Pay and Allowances effective from 1 April 2013**

<b>Seniority at transfer</b>	<b>Years after transfer before threshold level changes</b>	<b>Pay Threshold</b>	<b>Basic Salary (2012/13 Rates)</b>	<b>Pay Scale</b>
1	On transfer to new contract		£75,249	
	1 year after transfer	*	£76,424	
	2 years after transfer	3	£79,961	YC51**
	3 year after transfer	4	£82,318	
	4 years after transfer	5	£84,667	
	9 years after transfer	6	£90,263	
	14 years after transfer	7	£95,860	
	19 years after transfer	8	£101,451	

*\*For consultants with seniority of 1,3 or 5 on transition, the first pay threshold is for transitional purposes.*

*\*\* Applicable ESR pay codes for this group of staff include YC, YM, YK and YL*

## NHS Public Health Consultant Pay and Allowances effective from 1 April 2013

Additional supplements for Directors of Public Health (Chief Office Supplement) including those who are consultants in Dental Public Health.

**Table 2: value of supplement (either contract) 6**

Supplement Band	Minimum	Maximum	Exceptional Maximum
Band A (Regional Director of PH)	£13,646	£19,808	£13,646
Band B	£5,284	£10,579	£10,579
Band C	£4,418	£8,804	£10,579
Band D	£3,522	£7,042	£8,804

(NB: Table 2 shows the value of the Director of Public Health supplement to be added to salary)

**Table 3: total salary for DPH's on old contract(with additional supplement included) 6**

Supplement Band	Pay Scale Code	Minimum	Maximum	Exceptional Maximum
Band A (Regional Director of PH)	KE31*	£94,634	£100,796	£94,634
Band B	KE21*	£86,272	£91,567	£91,567
Band C	KE11*	£85,406	£89,792	£91,567
Band D	KE01*	£84,510	£88,030	£89,792

(NB; Table 3 shows the value of the Director of Public Health supplement added to the maximum of the old consultant salary scale. These values are not to be used for consultants on the 2003 consultant contract).

**Table 4: Clinical Excellence Awards for Consultants (either contracts) 7**

Awarded by Local Committees			
Level 1	£2,957		
Level 2	£5,914		
Level 3	£8,871		
Level 4	£11,828		
Level 5	£14,785		
Level 6	£17,742		
Level 7	£23,656		
Level 8	£29,570		
Level 9	£35,484		
		Awarded by ACCEA	
		Level 9 (Bronze)	£35,484
		Level 10 (Silver)	£46,644
		Level 11 (Gold)	£58,305
		Level 12 (Platinum )	£75,796

**Table 5: Discretionary Points for consultants (either Contracts )**

<b>Pay Scale/Code</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
MC10/KC10	£3,204	£6,408	£96,212	£12,816
<b>Pay Scale/Code</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
MC10/KC10	£16,020	£19,224	£22,428	£25,632

*6: Payable under both the old contract and 2003 consultant contract. Further information for the new contract can be found in Schedule 16 terms and conditions and for the old contract - Consultants (England) 2003 and for the old consultant in HSG(92)12. The KE01 - KE31 scales are now closed pay scales, and no further appointments should be made to them.*

*7: Clinical excellence awards - previously awarded under local area based committer arrangements. From 1st April 2013 Public Health England now supports Local Authorities to meet their statutory obligations through the transfer scheme/TIUPE to maintain this contractual provision. This self-nominating award scheme requires the employee to have their application signed off by the Chief Executive/Director of Public Health and applications are considered by an 8 person panel which includes lay, professional and employer members.*

**NHS Agenda for Change Salary Scales: Table 8**

Annex C: Pay bands and pay points on the second pay spine in England from 1 April 2013.

Point	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8				Band 9
								<i>Range A</i>	<i>Range B</i>	<i>Range C</i>	<i>Range D</i>	
1	14,294	14,294										
2	14,653	14,653										
3	15,013	15,013										
4		15,432										
5		15,851										
6		16,271	16,271									
7		16,811	16,811									
8		17,425	17,425									
9			17,794									
10			18,285									
11			18,838	18,838								
12			19,268	19,268								
13				19,947								
14				20,638								
15				21,265								
16				21,388	21,388							
17				22,016	22,016							
18					22,903							
19					23,825							
20					24,799							
21					25,783	25,783						
22					26,822	26,822						
23					27,901	27,901						
24						28,755						
25						29,799						
26						30,764	30,764					
27						31,768	31,768					
28						32,898	32,898					
29						34,530	34,530					
30							35,536					
31							36,666					
32							37,921					
33							39,239	39,239				
34							40,558	40,558				
35								42,190				
36								43,822				
37								45,707	45,707			
38								47,088	47,088			
39									49,473			
40									52,235			
41									54,998	54,998		
42									56,504	56,504		
43										59,016		
44										61,779		
45									*	65,922	65,922	
46									*	67,805	67,805	
47											70,631	
48											74,084	
49										*	77,850	77,850
50										*	81,619	81,619
51												85,535
52												89,640
53											*	93,944
54											*	98,453

\* Pay spine 45 and 46 at the top of pay band 8c; pay spine points 49 and 50 at the top of pay band 8D and pay spine 53 & 54 at the top of pay band 9 are annually earned ( see para 1.11 to 1.15 in Sec 1 (a) (England)

