



Annual Pay Policy Statement

Financial Year 2017/18

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Section 1 - Introduction

Sections 38 – 43 of the Localism Act 2011 require that the Authority produce a policy statement for each financial year that covers a number of matters concerning the pay of the Authority's staff, principally Chief Officers. This policy statement meets the requirements of the Localism Act in this regard and also meets the requirements of the guidance issued by the Secretary of State for Communities and Local Government to which the Authority is required to have regard under Section 40 of that Act.

This policy is reviewed annually and is to be considered and approved by full Council at its meeting on 29th March 2017.

This pay policy is in addition to the data on pay and rewards for staff which the Authority already publishes under the Code of Recommended Practice for Local Authorities on Data Transparency

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.

Section 2 - Policy Statement

Definition of senior officers covered by the Pay Policy Statement

This Pay Policy Statement covers a number of senior officers. With effect from 1st April 2017 changes will be effected resulting in the following roles covered under the Pay Policy Statement.

1. Head of the Paid Service, which in this authority is the post of Chief Executive
2. City Solicitor, who is the Monitoring Officer, along with Five Directors covering:
 - Resources & Housing
 - City Development
 - Children & Families
 - Communities & Environment
 - Adults & Health

These post holders are members of the authority's revised 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.
4. This policy statement does not cover or include staff employed by schools and is not required to do so.

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 of informing decisions on determining the pay scale for senior officer posts.

All new senior officer appointments will be made by the Employment Committee, who will determine salary packages¹.

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. In cases where he/she is personally affected, departures from the Policy will be authorised by Full Council.

Where the Employment Committee has not been involved in the appointment of a Senior Officer the appropriate Executive Members will be consulted with; 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.

Honoraria² 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. The salary for JNC senior officer posts will be determined by reference to the pay scales at Appendix 1³.

The basic salary for the Director of Public Health, NHS Consultants and other Public Health staff transferred into the organisation in 2013 under TUPE principles and having reached a local agreement in 2015 to apply the future JNC/NJC uplift is determined by reference to the pay scales at Appendix 3.

¹ Senior Officers in this respect refers to the posts in Section 2 points 2 to 3

² Including payments made for joint authority duties

³ For completeness the pay scales for employees employed on NJC terms and conditions of service is provided at Appendix 2

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 in 2013.

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 £13,600) to 12.5% (on salaries over £151,800).
- Car mileage expenses are based on a local collective agreement with HMRC rates used for casual car users. Other travel and subsistence rates are based on National Joint Council for Local Government Employee rates.
- Following appointment, incremental progression is made 1st April subject to having completed 6 months employment by that date. Where 6 months employment is completed after 1st April, then the first increment is paid on reaching 6 months employment. Subsequent annual incremental progression is on each 1st April thereafter.

The Director of Public Health (DPH) and Public Health Consultants transferred to the local authority on 1st April 2013 and receive protection of general NHS Terms and Conditions that were in place at that point in time with the exception of nationally negotiated pay awards which are linked to future agreed NJC/JNC uplift rates. Public Health Consultant additional payments and allowances are attached at Appendix 4.

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 Director of Resources and Housing
- Chief Executive – in respect of other Directors and the City Solicitor
- Directors – in respect of those who directly report to them.

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

Under this provision, payment will be subject to any legislation currently being considered to cap Public Sector exit payments including any changes to unreduced benefits. 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 informed 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. The pay rate is increased in accordance with any pay settlements which are reached through the National Joint Council for Local Government Services.

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

At 1 April 2016 the lowest pay point in this authority (excluding schools) was increased and equated to an annual full time salary of £15454, equivalent to an hourly rate of £8.01

Subsequently in the financial year 2016/17, the authority agreed a further increase for the lowest pay points. This resulted in the lowest pay in this authority being increased from 1st January 2017 to an annual salary of £15917, equivalent to an hourly rate of £8.25 (inclusive of the national pay award). The Council will continue to review the lowest hourly rate in line with annual budgets and is supportive of any outcome of the National Joint Council review of the NJC pay spine that was agreed within the 2016/18 pay settlement.

- Based on this latest increased rate, the pay multiplier between this and the substantive Chief Executive salary is 12.24:1 and based on his salary including a voluntary reduction the pay multiplier is 11.19:1.⁴

Pay Multiplier : -	
Chief Executive Pay to LCC increased lowest pay effective 1/1/17	
	£8.25 (15,916.56)
Chief Executive Pay:-	
Substantive pay	12.24:1
With voluntary pay reduction	11.19:1

For comparison the National Living Wage of £7.50 per hour will apply to employees aged 25 years and above from 1st April 2017.

Policy on the relationship between Senior Officer Remuneration and that of other staff

The highest paid salary is paid to the Chief Executive. At December 2016 the median salary in Leeds City Council (not including Schools) is **£20456** (based on substantive pay).

The ratio between the median and Chief Executive's substantive salary, the 'pay multiple' is 9.68:1 and based on the voluntary reduction, the pay multiple is 8.7:1.

⁴ In 2011 the Chief Executive took a 5% voluntary pay reduction and a voluntary suspension of incremental progression which he continues to take in 2017/18. Overall this is £20k per annum and approximately 10% of salary entitlement, which is inclusive of the 1% JNC pay award applied April 2016.

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, pension 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

Grant funding is made by the Cabinet Office for national elections and referendums which is paid to the Chief Executive in their capacity as Returning Officer. In turn these are apportioned to officers delegated to support the Returning Officer in accordance with criteria determined by the Chief Executive.

Private Service Company Consultants

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

Pay scales under the JNC for Chief Executives and Chief Officers 2016/17 and 17/18

Grade	Level	April 2016/17	April 2017/18
Chief Executive	1	183,969	185,809
	2	187,507	189,382
	3	191,044	192,955
	4	194,582	196,528
	5	198,120	200,101
Deputy Chief Executive	1	148,589	150,075
	2	152,126	153,648
	3	155,664	157,221
	4	159,202	160,794
	5	162,739	164,367
Director Grade	1	135,691	137,048
	2	138,693	140,080
	3	141,695	143,112
	4	144,698	146,145
	5	147,700	149,177
Asst Chief Executives	1	115,357	116,511
	2	117,866	119,045
	3	120,375	121,579
	4	122,884	124,113
	5	125,393	126,647
Director 95%	1	102,710	103,737
	2	103,214	104,246
	3	105,731	106,788
	4	108,248	109,331
	5	110,766	111,873
Director 90%	1	97,305	98,278
	2	99,737	100,734
	3	102,170	103,191
	4	102,551	103,577
	5	104,936	105,985
Director 85%	1	91,899	92,818
	2	94,196	95,138
	3	96,494	97,458
	4	98,791	99,779
	5	101,088	102,099
Director 80%	1	86,493	87,358
	2	88,655	89,542
	3	90,817	91,726
	4	92,980	93,910
	5	95,142	96,093
Director 75%	1	81,087	81,898
	2	83,114	83,945
	3	85,141	85,993
	4	87,168	88,040
	5	89,196	90,088

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Director 70%	1	75,681	76,438
	2	77,573	78,349
	3	79,465	80,260
	4	81,357	82,171
	5	83,249	84,082
Director 65%	1	70,276	70,978
	2	72,032	72,753
	3	73,789	74,527
	4	75,546	76,301
	5	77,303	78,076
Director 60%	1	64,870	65,518
	2	66,491	67,156
	3	68,113	68,794
	4	69,735	70,432
	5	71,356	72,070
Director 52.5%	1	56,761	57,329
	2	58,180	58,762
	3	59,599	60,195
	4	61,018	61,628
	5	62,437	63,061
Director 45%	1	48,652	49,139
	2	49,869	50,367
	3	51,085	51,596
	4	52,301	52,824
	5	53,517	54,053
Director 40%	1	43,246	43,679
	2	44,328	44,771
	3	45,409	45,863
	4	46,490	46,955
	5	47,571	48,047

Pay scales under the NJC Conditions of Service 2016/18

Spinal Column Point	1st April 2016	1st April 2017
(5) ⁵	deleted	deleted
(6) ⁶	£14,514	£15,014
(7) ⁷	£14,615	£15,115
8	£14,771	£15,246
9	£14,975	£15,375
10	£15,238	£15,613
11	£15,507	£15,807
12	£15,823	£16,123
13	£16,191	£16,491
14	£16,481	£16,781
15	£16,772	£17,072
16	£17,169	£17,419
17	£17,547	£17,772
18	£17,891	£18,070
19	£18,560	£18,746
20	£19,238	£19,430
21	£19,939	£20,138
22	£20,456	£20,661
23	£21,057	£21,268
24	£21,745	£21,962
25	£22,434	£22,658
26	£23,166	£23,398
27	£23,935	£24,174
28	£24,717	£24,964
29	£25,694	£25,951
30	£26,556	£26,822
31	£27,394	£27,668
32	£28,203	£28,485
33	£29,033	£29,323
34	£29,854	£30,153
35	£30,480	£30,785
36	£31,288	£31,601
37	£32,164	£32,486
38	£33,106	£33,437
39	£34,196	£34,538
40	£35,093	£35,444
41	£36,019	£36,379
42	£36,937	£37,306
43	£37,858	£38,237
44	£38,789	£39,177
45	£39,660	£40,057
46	£40,619	£41,025
47	£41,551	£41,967
48	£42,474	£42,899
49	£43,387	£43,821

⁵ Not used in Leeds but deleted nationally in Oct 2015

⁶ No longer used in Leeds since April 2015

⁷ No longer used in Leeds since April 2015

Public Health Agenda for Change and Consultant Salary Scales with NJC/JNC 2016/17 and 2017/18 uplift (rounded)

Level	Salary 01.04.2013	FTE salary - NJC/JNC uplift 1/4/16	FTE salary - NJC/JNC uplift 1/4/17
1	£14,294	£15,662	£15,825
2	£14,653	£15,887	£16,191
3	£15,013	£15,887 ⁸	£16,559
4	£15,432	£16,076	£16,559 ⁹
5	£15,851	£16,453	£16,757
6	£16,271	£16,832	£17,136
7	£16,811	£17,384	£17,557
8	£17,425	£17,986	£18,166
9	£17,794	£18,367	£18,551
10	£18,285	£18,874	£19,063
11	£18,838	£19,445	£19,639
12	£19,268	£19,889	£20,088
13	£19,947	£20,590	£20,796
14	£20,638	£21,303	£21,516
15	£21,265	£21,950	£22,170
16	£21,388	£22,077	£22,298
17	£22,016	£22,725	£22,953
18	£22,903	£23,641	£23,877
19	£23,825	£24,593	£24,839
20	£24,799	£25,598	£25,854
21	£25,783	£26,614	£26,880
22	£26,822	£27,686	£27,963
23	£27,901	£28,800	£29,088
24	£28,755	£29,682	£29,978
25	£29,759	£30,718	£31,025
26	£30,764	£31,755	£32,073
27	£31,768	£32,792	£33,119
28	£32,898	£33,958	£34,298
29	£34,530	£35,643	£35,999
30	£35,536	£36,681	£37,048
31	£36,666	£37,847	£38,226
32	£37,921	£39,143	£39,534
33	£39,239	£40,503	£40,908

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⁸ Agreed to replicate SCP 2 to maintain level below SCP4 following application of the pay award – no employee on the level.

⁹ Agreed to replicate SCP 3 to maintain level below SCP5 following application of the pay award – no employee in this level.

34	£40,558	£41,865	£42,283
35	£42,190	£43,464	£43,899
36	£43,822	£45,145	£45,597
37	£45,707	£47,087	£47,558
38	£47,088	£48,510	£48,995
39	£49,473	£50,967	£51,477
40	£52,235	£53,813	£54,351
41	£54,998	£56,659	£57,226
42	£56,504	£58,210	£58,793
43	£59,016	£60,798	£61,406
44	£61,779	£63,645	£64,281
45	£65,922	£67,913	£68,592
46	£67,805	£69,853	£70,551
47	£70,631	£72,764	£73,492
48	£74,084	£76,321	£77,085
49	£77,850	£80,201	£81,003
50	£81,618	£84,083	£84,924
51	£85,535	£88,118	£88,999
52	£89,640	£92,347	£93,271
53	£93,944	£96,781	£97,749
54	£98,453	£101,426	£102,441

Public Health Medical & Dental Consultant pay scales with JNC 2016/17 and 2017/18 uplift (rounded)

Level	Annual salary 01.04.2013	FTE salary- JNC uplift 1/4/16	FTE salary- JNC Uplift 1/4/17
01	£75,249	£77,522	£78,297
02	£76,424	£78,732	£79,519
03	£79,961	£82,376	£83,200
04	£82,318	£84,804	£85,652
05	£84,667	£87,224	£88,096
06	£90,263	£92,989	£93,919
07	£95,860	£98,755	£99,743
08	£101,451	£102,466	£103,490

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

Additional supplements for Directors of Public Health (Chief Officer 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	
Band B	5,284	10,579	13,646
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 supplements included)⁶

Supplement Band	Pay Scale Code	Minimum £	Maximum £	Exceptional Maximum £
Band A (Regional Director of PH)	KE31*	94,634	100,796	
Band B	KE21*	86,272	91,567	94,634
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)

Pay Scale/code	1	2	3	4	5	6	7	8
MC10/KC10	£3,204	£6,408	£9,612	£12,816	£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 committee arrangements. From 1st April 2013 Public Health England now supports Local Authorities to meet their statutory obligations through the transfer scheme/TUPE 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. for Clinical Excellence and Directors supplement to be frozen unless advised otherwise