



Annual Pay Policy Statement

Financial Year 2016/17

(To be) Approved by Full Council – 23rd March 2016

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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 in March 2016.

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 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, the 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.
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. All such payments will be reviewed annually by the Head of Paid Service.

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.

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).

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

- Car mileage expenses are based on a local collective agreement and other travel and subsistence rates are 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 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 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 however any payment will be subject to any legislation currently being considered to cap Public Sector exit payments. 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. 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.

The lowest pay point in this authority (excluding schools) equates to an annual full time salary of £13,871 and can be expressed as an hourly rate of pay of £7.1897.

The pay multiplier between this and the substantive salary for the Chief Executive is 14.14:1 However based on the Chief Executive's voluntary pay reduction the pay multiplier is 12.71:1⁴

With effect from 1st April 2016 the Council will pay a 'real' living wage rate of £8.01 per hour, equivalent to an annual salary of £15454. The pay multiplier between this and the substantive Chief Executive salary will be 12.69:1 and based on the voluntary reduction will be 11.41:1. Plans to increase pay rates to £8.25 per hour (the Living Wage), equivalent to an annual salary of £15917, are being made. This would mean that the pay multiplier between the lowest paid employees and the Chief Executive's actual salary is 11.08:1.

For comparison the National Living Wage of £7.20 per hour will apply to employees aged 25 years and above from 1st April 2016.

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 2014 the average median salary in Leeds City Council (not including Schools) is £19,743.

The ratio between the median and Chief Executive's substantive salary, the 'pay multiple' is 9.94:1 based on actual pay the pay multiple is 8.93:1. 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

⁴ In 2011 the Chief Executive took a 5% voluntary pay reduction and a voluntary suspension of incremental progression which will continue to apply in 2016/17. Overall this is £20k per annum and approximately 10% of salary entitlement.

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 2014/16

Grade	SCP	Salary	Grade	SCP	Salary
Chief Executive	1	182,147	Director 75%	1	80,284
	2	185,650		2	82,291
	3	189,153		3	84,298
	4	192,655		4	86,305
	5	196,158		5	88,312
Deputy Chief Executive	1	147,118	Director 70%	1	74,932
	2	150,620		2	76,805
	3	154,123		3	78,678
	4	157,626		4	80,552
	5	161,128		5	82,425
Director	1	134,347	Director 65%	1	69,580
	2	137,320		2	71,319
	3	140,293		3	73,059
	4	143,265		4	74,798
	5	146,238		5	76,537
Asst Chief Executive	1	114,215	Director 60%	1	64,227
	2	116,699		2	65,833
	3	119,183		3	67,439
	4	121,667		4	69,044
	5	124,151		5	70,650
Director 95%	1	101,693	Director 52.5%	1	56,199
	2	102,192		2	57,604
	3	104,684		3	59,009
	4	107,177		4	60,414
	5	109,669		5	61,819
Director 90%	1	96,341	Director 45%	1	48,171
	2	98,750		2	49,375
	3	101,158		3	50,579
	4	101,536		4	51,783
	5	103,897		5	52,987
Director 85%	1	90,989	Director 40%	1	42,818
	2	93,264		2	43,889
	3	95,538		3	44,959
	4	97,813		4	46,030
	5	100,087		5	47,100
Director 80%	1	85,637			
	2	87,777			
	3	89,918			
	4	92,059			
	5	94,200			

Pay scales under the NJC Conditions of Service

Spinal Column Point	1 st April 2013	1 st January 2015
05 ⁵	£12,435	£13,500
06 ⁶	£12,614	£13,614
07 ⁷	£12,915	£13,715
08	£13,321	£13,871
09	£13,725	£14,075
10	£14,013	£14,338
11	£14,880	£15,207
12	£15,189	£15,523
13	£15,598	£15,941
14	£15,882	£16,231
15	£16,215	£16,572
16	£16,604	£16,969
17	£16,998	£17,372
18	£17,333	£17,714
19	£17,980	£18,376
20	£18,638	£19,048
21	£19,317	£19,742
22	£19,817	£20,253
23	£20,400	£20,849
24	£21,067	£21,530
25	£21,734	£22,212
26	£22,443	£22,937
27	£23,188	£23,698
28	£23,945	£24,472
29	£24,892	£25,440
30	£25,727	£26,293
31	£26,539	£27,123
32	£27,323	£27,924
33	£28,127	£28,746
34	£28,922	£29,558
35	£29,528	£30,178
36	£30,311	£30,978
37	£31,160	£31,846
38	£32,072	£32,778
39	£33,128	£33,857
40	£33,998	£34,746
41	£34,894	£35,662
42	£35,784	£36,571
43	£36,676	£37,483
44	£37,578	£38,405
45	£38,422	£39,267
46	£39,351	£40,217
47	£40,254	£41,140
48	£41,148	£42,053
49	£42,032	£42,957

⁵ Not used in Leeds but deleted nationally in Oct 2015

⁶ No longer used in Leeds

⁷ No longer used in Leeds

Public Health Agenda for Change and Consultant Salary Scales with NJC/JNC 2014/16 uplift (rounded)

Level	Salary 01.04.2013	FTE salary - NJC/JNC uplift
01	£14,294	£14,609
02	£14,653	£14,975
03	£15,013	£15,343
04	£15,432	£15,772
05	£15,851	£16,200
06	£16,271	£16,629
07	£16,811	£17,181
08	£17,425	£17,808
09	£17,794	£18,185
10	£18,285	£18,687
11	£18,838	£19,252
12	£19,268	£19,692
13	£19,947	£20,386
14	£20,638	£21,092
15	£21,265	£21,733
16	£21,388	£21,859
17	£22,016	£22,500
17	£22,016	£22,500
18	£22,902	£23,407
19	£23,825	£24,349
20	£24,799	£25,345
21	£25,783	£26,350
22	£26,822	£27,412
23	£27,901	£28,515
24	£28,755	£29,388
25	£29,759	£30,414
26	£30,764	£31,441
27	£31,767	£32,467
28	£32,898	£33,622
29	£34,530	£35,290
30	£35,536	£36,318
31	£36,666	£37,473
32	£37,921	£38,755
33	£39,239	£40,102
34	£40,558	£41,450
35	£42,190	£43,034
36	£43,822	£44,698
37	£45,707	£46,621
38	£47,088	£48,030
39	£49,473	£50,462
40	£52,235	£53,280

Level	Salary 01.04.2013	FTE salary - NJC/JNC uplift
41	£54,998	£56,098
42	£56,504	£57,634
43	£59,016	£60,196
44	£61,779	£63,015
45	£65,922	£67,240
46	£67,805	£69,161
47	£70,631	£72,044
48	£74,084	£75,566
49	£77,850	£79,407
50	£81,618	£83,250
51	£85,535	£87,246
52	£89,640	£91,433
53	£93,944	£95,823
54	£98,453	£100,422

Public Health Medical & Dental Consultant pay scales with JNC 2014/16 uplift (rounded)

Level	Annual salary 01.04.2013	FTE salary- JNC uplift
01	£75,249	£76,754
02	£76,424	£77,953
03	£79,961	£81,560
04	£82,318	£83,964
05	£84,667	£86,360
06	£90,263	£92,068
07	£95,860	£97,777
08	£101,451	no award over 100K

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.