



Annual Pay Policy Statement
Financial Year 2013/14

(To be) Approved by Full Council – 27th February 2013

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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 31st 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. Director of Resources who is the Section 151 Officer (and also currently acting Deputy Chief Executive), City Solicitor who is the Monitoring Officer and the Directors of Adult Social Care and Children Services. These postholders are members of the authority's Corporate Leadership Team (CLT)
3. Those who report directly to the Head of the Paid Service, which, in this authority are the Directors of City Development, Environment and Neighbourhoods and the Assistant Chief Executive (Customer Access and Performance). These postholders are also members of Corporate Leadership Team.
4. Those required to report directly to, or are directly accountable to, one or more of those described in 1-3 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 senior officer posts will be determined by reference to the pay scales at Appendix 1.

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

¹ Senior Officers in this respect refers to the posts in Section 2 points 2 to 4 i.e. Directors, Chief Officers and other senior officers who report directly to a Director

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 will be authorised by the Chief Executive in consultation with members of the Employment Committee, or, where no Employment Committee is necessary for the purposes of appointment, with the appropriate Executive Member. 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.

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.

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 7.5% (on salaries over £85,301).
- § 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 1st April thereafter.

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 of relating to termination payments will be made by;

² Including payments made for joint authority duties

- Full Council – in respect of the Head of Paid Service
- The Head of Paid Service – in respect of the Director of Resources and Deputy Chief Executive
- Director of Resources – 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.

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 £12,489 and can be expressed as an hourly rate of pay of £6.47. This on the A1 grade which rises incrementally to £13,189.

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 13:1.

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 2012 the average median salary in Leeds City Council (not including Schools) is £19,620.96.

The ratio between the median and Chief Executive's actual salary, the 'pay multiple' is 8.98:1. 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 £58,200 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).

Public Health

Responsibility for Public Health will transfer to the Council, together with staff who undertake this in Leeds in April 2013. Where staff report directly to the Director of Public Health they will be covered under this Policy

Staff transferred under TUPE regulations will continue to be paid on NHS pay scales and terms and conditions.

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 |

APPENDIX 2

Pay scales under the NJC Conditions of Service

| Grade | SCP | Salary £ | Grade | SCP | Salary £ |
|-------|-----|----------|-------|-----|----------|
| PO6 | 46 | 38,961 | C3 | 26 | 22,221 |
| | 47 | 39,855 | | 27 | 22,958 |
| | 48 | 40,741 | | 28 | 23,708 |
| PO5 | 49 | 41,616 | C2 | 24 | 20,858 |
| | 44 | 37,206 | | 25 | 21,519 |
| | 45 | 38,042 | | 26 | 22,221 |
| PO4 | 46 | 38,961 | C1 | 22 | 19,621 |
| | 47 | 39,855 | | 23 | 20,198 |
| | 41 | 34,549 | | 24 | 20,858 |
| PO3 | 42 | 35,430 | B3 | 25 | 21,519 |
| | 43 | 36,313 | | 18 | 17,161 |
| | 44 | 37,206 | | 19 | 17,802 |
| PO2 | 38 | 31,754 | B2 | 20 | 18,453 |
| | 39 | 32,800 | | 21 | 19,126 |
| | 40 | 33,661 | | 16 | 16,440 |
| PO1 | 41 | 34,549 | B1 | 17 | 16,830 |
| | 35 | 29,236 | | 18 | 17,161 |
| | 36 | 30,011 | | 13 | 15,444 |
| SO2 | 37 | 30,851 | A3 | 14 | 15,725 |
| | 38 | 31,754 | | 15 | 16,054 |
| | 33 | 27,849 | | 16 | 16,440 |
| SO1 | 34 | 28,636 | A2 | 17 | 16,830 |
| | 35 | 29,236 | | 11 | 14,733 |
| | 36 | 30,011 | | 12 | 15,039 |
| SO1 | 32 | 27,052 | A1 | 13 | 15,444 |
| | 33 | 27,849 | | 9 | 13,589 |
| | 34 | 28,636 | | 10 | 13,874 |
| | 29 | 24,646 | | 11 | 14,733 |
| | 30 | 25,472 | | 6 | 12,489 |
| | 31 | 26,276 | | 7 | 12,787 |
| | | | | 8 | 13,189 |