

Report for: **Staffing and Remuneration Committee**

Item number:

Title: **Pay Policy Statement 2022/23**

Report

authorised by: Susie Faulkner - Director for Customers, Transformation & Resources

Lead Officer: Dan Paul, Chief People Officer

Ward(s) affected: **N/A**

Report for Key/

Non Key Decision: **N/A**

1. Describe the issue under consideration

1.1 The Council is required to produce an annual Pay Policy Statement to comply with the requirements of the Localism Act 2011. The attached Pay Policy Statement provides an update for publication in April 2022.

2. Cabinet Member Introduction

Not required for the S&R Committee.

3. Recommendations

3.1 That the Committee approve the draft Pay Policy Statement 2022/23, attached at Appendix A.

3.2 The Chief People Officer is authorised to make such amendments to the Pay Policy Statement as considered minor.

3.3 That the Committee remits the Pay Policy Statement (as amended if applicable) for endorsement by Full Council.

4. Reason for decision

4.1 In accordance with sections 38 and 39 of the Localism Act 2011 the Council is required to prepare and by resolution of Full Council, approve a Pay Policy Statement for each financial year by the end of 31st March of the previous financial year.

5. Alternative options considered

5.1 The Pay Policy Statement is produced annually to comply with the requirements of the Localism Act 2011.

6. Background information

6.1 The Localism Act 2011 requires relevant authorities to prepare and publish an annual Pay Policy Statement and we have followed the relevant statutory guidance.

6.2 The Act does not take away Haringey's powers to make decisions about pay or to set pay policies but does require us to be open about how decisions are made and to promote fair pay in the public sector particularly for lower paid staff.

7. Contribution to strategic outcomes

7.1 The Pay Policy Statement is produced annually to comply with the requirements of the Localism Act 2011.

8. Statutory Officers' comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

8.1 Head of Legal & Governance Comments

In accordance with the Localism Act 2011 the Council is required to prepare and by resolution of Full Council, approve a Pay Policy Statement for each financial year by the end of 31 March of the previous financial year. In addition, the Council may resolve to amend its Pay Policy Statement at any time during the financial year. As soon as is reasonably practicable following approval, the statement must be published, including publication on the Council's website. The Pay Policy Statement attached fulfils all the requirements of the Localism Act 2011.

8.2 Chief Finance Officer Comments

There are no direct financial implications arising from this report.

8.3 Equalities Comments

8.3.1 The Council has a public sector equality duty under the Equality Act 2010 to have due regard to the need to:

8.3.2 Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act.

8.3.3 Advance equality of opportunity between people who share a relevant protected characteristic and people who do not share it;

8.3.4 Foster good relations between people who share a relevant protected characteristic and people who do not share it;

8.3.5 A "relevant protected characteristic" is age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

8.3.6 The Pay Policy Statement supports the Council's approach to remuneration for its workforce in an accountable, fair and transparent way. This therefore supports the Council's equalities policy and promotes equal pay.

9 Use of Appendices

9.3 Appendix A - Haringey Council's Pay Policy Statement

10 Local Government (Access to Information) Act 1985

Not Applicable



Pay Policy Statement

2022/23

Published
April 2022

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 1st March 2022 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.
- 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.

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 Directors, Assistant Directors and specified statutory officers as detailed in the Council’s Constitution 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. This Committee will remit the Pay Policy Statement for approval by Full Council.

3 Remuneration arrangements of the Chief Executive, Directors, Assistant Directors and Heads of Service/Senior Professional III graded employees

- 3.1 The Council benchmarks its pay rates with other London Boroughs to ensure that it is able to recruit and retain qualified and competent staff. Changes to pay bands for the Chief Executive, Directors, Assistant Directors and Heads of Service/Senior Professional III graded employees are approved by the Staffing and Remuneration Committee, other than for annual nationally and/or regionally agreed increases. The pay bands are at Appendix A.
- 3.2 Where it is proposed to appoint to a Director or Assistant Director post or other statutory officer post that comes within the remit of the Committee in the Constitution, the Staffing and Remuneration Committee must consider and approve the proposed salary.
- 3.3 The salary applicable to Director and Assistant Director posts is published on the Council website.
- 3.4 Pay scales are increased in line with national and regional pay agreements. Progression through the applicable pay band will be contribution led based on individual, team and/or organisation performance. It will not be automatic, and the process will be overseen by the Chief Executive.
- 3.5 The Council may in exceptional circumstances, engage employees 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.

4 Remuneration of other employees

- 4.1 Pay scales are increased in line with national and regional pay agreements.
- 4.2 For a majority of its employees who are not covered by local arrangements, 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.)
- 4.3 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.

- 4.4 The Council employs a small number of employees who are Educational Psychologists and Education Advisers/Inspectors and uses the pay scales recommended by the Soulbury Committee for these employees.
- 4.5 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.
- 4.6 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.
- 4.7 Employees subject to NJC 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 1st of April each year until they reach the top of their grade.
- 4.8 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.
- 4.9 Employees subject to TPAC and Soulbury conditions can incrementally progress through the pay spine column points subject to satisfactory performance normally on the 1st of September each year until they reach the top of their grade.

5 Remuneration of the lowest-paid employees

- 5.1 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.
- 5.2 In November 2018 the Council became an accredited Living Wage Employer.

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 (i.e. all taxable earnings for 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 5.13.

Description	2021/22
Highest Paid	£197,048.60
Median	£34,209
Lowest	£20,367
Highest to median ratio	5.8
Highest to Lowest ratio	9.7

*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 are normally appointed on the lower half of the pay range appropriate for their grade.
- 8.2 The Council delegates authority to the Chief Executive and Directors as appropriate to appoint staff above this part of the pay range.

9 Market Allowance Payments

- 9.1 The Council acknowledges that our workforce is our most valuable asset when it comes to enabling and delivering services for those who live, work, study or visit the borough. Due to external market factors, allowances may need to be paid to some posts in order to attract and retain staff of the appropriate calibre.

- 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 Officers) 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.
- 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 trades union agreement, Equal Pay Review 2008, outlined the working arrangements and the payments to be made to the majority of employees below senior manager level. This included arrangements for working outside normal working hours including overtime and call out payments.

13 Payments on Termination of Employment

- 13.1 In the event that the Council terminates the employment of an employee 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. Variations to this are employees who have TUPE transferred into the Council with different contractual entitlements.
- 13.2 Details of redundancy compensation payments paid to senior management are published on the Council's website. Redundancy schemes are subject to change.

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

For further information on the Council's Pay Policy please contact the Council's Head of Employment, Transformation and Reward.

Senior Manager Pay Bands as at 1 April 2020

Level	Category	Step	Point 1 (Minimum Pay Band)	Point 2	Point 3	Point 4	Point 5	Point 6 (Maximum Pay Band)
A	Chief Executive	HA2	£185,600	£190,500	£195,400	£200,300	£205,200	£210,100
B	Directors / Assistant Directors	HB3	£146,400	£151,200	£155,900	£160,700	£165,400	£170,200
		HB2	£119,200	£123,100	£127,000	£130,900	£134,800	£138,700
		HB1	£102,300	£105,600	£109,000	£112,300	£115,700	£119,000
C	Heads of Service / Senior Professional III	HC3	£86,700	£89,700	£92,700	£95,800	£98,800	£101,800
		HC2	£74,000	£76,500	£79,000	£81,600	£84,100	£86,600
		HC1	£63,900	£65,900	£67,900	£69,900	£71,900	£73,900

Employee Group	Job Evaluation Scheme	Last Pay Award Implemented	Next Pay Award Due
National Joint Council (NJC) for Local Government Services – Green Book (the majority of the Council's employees)	Greater London Provincial Council (GLPC) (with local variations)	With effect from April 2020 all London pay spines have been up-rated by 2.75 %.	1 April 2021 (To be agreed)
Chief Executive, Chief Officers & Senior Managers	The HAY job evaluation scheme	With effect from April 2020 An increase of 2.75 %.	1 April 2021 (To be agreed)
Teachers Pay & Conditions - TPAC (centrally employed Teachers)	Teachers Pay and conditions documents	A pay freeze for all qualified teachers. Only unqualified teachers earning less than £24,000 (with adjustments for the London pay scales) received a pay award in 2021/22.	1 September 2022 (To be agreed)
Soulbury (Education Psychologists & Education Advisers/ Inspectors)	Soulbury	A 1 year pay deal with effect from September 2020 2.75% increase on all Soulbury pay scale points, and all London area and fringe allowances.	1 September 2021 (To be agreed)
Public Health (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)	3% pay award uplift for NHS staff within the scope (excluding any staff already covered by a multi-year pay deal).	1 April 2022 (To be agreed)