

## Conduct of the Senior Managers' Pay Review for 2016

### Overview

One of the key principles of the new Senior Managers' Pay and Grading arrangements was the concept that an individual's salary would be reviewed, but not necessarily increased each year; and any pay award would be linked to the individual's contribution.

This principle has been embodied in the new senior management contracts of employment that will be effective from 1<sup>st</sup> April 2016.

Having severed the link with the outcomes of the Joint Negotiating Committee for Chief Officers of Local Authorities (JNC) we need an arrangement for the pay review in April 2016 that will transition the Council to the new arrangements for senior managers.

We have set out below the main parameters for the conduct of the pay review for 2016.

### Eligibility

To be eligible for the 2016 pay review individuals must have been employed on or before 1<sup>st</sup> October 2015 and have successfully passed their probationary period, and hold a senior management position as set out below on 1<sup>st</sup> April 2016.

Senior managers employed after 1<sup>st</sup> October 2015 will be eligible for the supplementary review planned for 1<sup>st</sup> October 2016.

### Population

The eligible senior management positions are defined as the Strategic Leadership Team (SLT), Directors and Assistant Directors; and Heads of Service reporting directly to a Director, Assistant Director or a member of the SLT.

Senior Management Roles			
	Grade	Number	Total
Strategic Leadership Team (SLT)	A2	1	4
	A1	3	
Directors / Assistant Directors	B2	7	22
	B1	15	
Heads of Service / Senior Professional III	C3	14	63
	C2	22	
	C1	27	
Total			89

## Exclusions

Individuals on NHS or Soulbury terms and conditions are excluded from the senior managers' pay review as they have their own arrangements.

## Other Roles

There are a number of roles that are on the Haringey payroll but not part of our establishment and whose costs are met by consortia of local authorities. They are not included in the table above but are included in the senior managers' pay review as their contract of employment is with Haringey Council.

## Budget

The Council has budgeted for a 1% increase in pay for the year 2016/17.

We have taken into account the following factors when reaching our recommendation for the budget spend for the Senior Managers' pay review:

- The concept of contribution based pay had not been adopted when most senior managers were set their objectives for the performance year 2015/16.
- The impact of the Tier 3 Review; and the appointment or confirmation in post for the majority of senior managers will be complete by the end of March 2016.
- We have addressed the most obvious anomalies as part of the implementation of the new senior managers' pay and grading arrangements.
- The National Joint Council for Local Government Services (NJC) offer is likely to be a 1% pay increase for everyone with the exception of the lowest grades who are impacted by the new UK Living Wage legislation.

We therefore recommend a flat 1% increase on pay rates for the senior management population without differentiation on levels of contribution.

## Pay Decision Matrix

The senior manager population will be using the My Conversation on line tool to gather evidence of their contribution to the Council and populate the map which assesses both their performance outcomes and values and behaviours. How the senior management population are using My Conversation will be tracked throughout the 2016/17 performance year and the results will be used to populate the pay decision matrix for April 2017.

In the meantime a flat increase, based on 1% of the benchmarks of the pay bands, will be used as the basis for budget to be used for the April 2016 exercise.

## Pay Awards

Pay awards will be calculated as a percentage of the benchmark position for each role. By using this approach the pay award amount will be the same for everyone in the pay band, although the percentage increase will be greater for someone near the minimum of the pay band and smaller for someone near the maximum of the pay band.

Example				
Pay Band	Minimum	Benchmark	Maximum	Pay Award
Level C Step 1	£58,600	£63,300	£68,000	1%   £633
	Current Salary	Increase (£)	New Salary	Increase (%)
Employee A	£59,000	£633	£59,633	1.07%
Employee B	£67,000	£633	£67,633	0.94%