

## **London Borough of Havering**

### **Pay Policy Statement 2021/22**

#### **1. Introduction**

2. This pay policy statement is produced in accordance with Chapter 8 of the Localism Act 2011 which requires the Council to prepare a pay policy statement by the 31 March each year before it comes into force.
3. This pay policy statement was approved by a meeting of full council on 24 March 2021. The policy is made available on the Council's website.
4. Under the Localism Act 2011, the Council's pay policy statement must set out:
  1. the remuneration of its chief officers
  2. the remuneration of its lowest-paid employees
  3. the relationship between:
    - i. the remuneration of its chief officers and
    - ii. the remuneration of its employees who are not chief officers
5. Under the Localism Act 2011, Chief Officers in Havering are defined as those remunerated on the following grades:
  1. G18 (e.g. Chief Executive)
  2. G16/G17 (e.g. Director/Chief Operating Officer)
  3. G15/G14/G13 (e.g. Director/Assistant Director/Deputy Director)
6. This pay policy statement excludes staff in schools.
7. The Council's next pay policy statement will be for the year 2022/23 and will be submitted to a meeting of full Council for approval by 31 March 2022.
8. All the pay scales and salary ranges throughout this report are all in accordance with the pay scales that were set in April 2020. The pay scales for April 2021 have yet to be agreed by the National Joint Committee.

#### **9. Remuneration of Chief Officers**

10. Chief Executive

11. The Chief Executive role is the Council's Head of Paid Service.
12. The Chief Executive role is paid on the G18 grade comprising the following spinal points and annual Full Time Equivalent salary (effective 1 April 2020).

G18

- |    |          |
|----|----------|
| 1. | £178,761 |
| 2. | £180,420 |
| 3. | £182,076 |
| 4. | £183,732 |
| 5. | £185,394 |
13. The values of the spinal points are increased in accordance with the Joint Negotiating Committee for Chief Executives of Local Authorities with effect from 1 April each year.
14. Progression through the spinal points is subject to annual performance based progression.
15. The Chief Executive role is entitled to receive a separate Returning Officer fee in respect of elections. The approach to the setting of these fees is set out in Appendix 1.
16. The Chief Executive role receives no other bonuses, overtime or any other additional salary payments.

17. Director/Chief Operating Officer

18. Director/Chief Operating Officer roles are paid on one of the following two grades comprising the following spinal points and annual Full Time Equivalent salary (effective 1 April 2020):

G16

- |   |          |
|---|----------|
| 1 | £119,964 |
| 2 | £124,320 |
| 3 | £128,685 |
| 4 | £133,047 |
| 5 | £137,409 |

G17

- |   |          |
|---|----------|
| 1 | £141,771 |
| 2 | £146,136 |

|   |          |
|---|----------|
| 3 | £150,495 |
| 4 | £154,860 |
| 5 | £159,216 |

19. The values of the spinal points are increased in accordance with the Joint Negotiating Committee for Chief Officers of Local Authorities with effect from 1 April each year.
20. Progression through the spinal points is subject to annual performance based progression.
21. Director/Chief Operating Officer roles may be entitled, if appointed for an election, to receive a fee for any Deputy Returning Officer role undertaken. The approach to the setting of these fees is set out in Appendix 1.
22. Director/Chief Operating Officer roles receive no other bonuses, overtime or any other additional salary payments.
23. Director/Assistant Director/Deputy Director
24. Director/Assistant Director/Deputy Director roles are paid on one of the three following grade comprising the following spinal points and annual Full Time Equivalent salaries (effective 1 April 2020):

#### G13

|   |         |
|---|---------|
| 1 | £81,795 |
| 2 | £83,976 |
| 3 | £86,157 |
| 4 | £87,582 |
| 5 | £90,519 |

#### G14

|   |          |
|---|----------|
| 1 | £92,700  |
| 2 | £94,875  |
| 3 | £97,062  |
| 4 | £99,240  |
| 5 | £101,424 |

#### G15

|   |          |
|---|----------|
| 1 | £103,605 |
| 2 | £105,783 |
| 3 | £107,964 |
| 4 | £110,148 |
| 5 | £112,326 |

25. The values of the spinal points are increased in accordance with the Joint Negotiating Committee for Chief Officers of Local Authorities with effect from 1 April each year.
26. Progression through the spinal points of the grade is subject to annual performance based progression.
27. The following roles attract a market supplement of £8,028 per annum.
  - Director of Exchequer & Transactional Services
  - Director of Human Resources & Organisational Development
  - Director of Asset Management

These market supplements were applied so that these Director posts within oneSource matched the salary equivalent of their comparable Director posts in Newham Council.

28. Director/Assistant Director/Deputy Director roles may be entitled, if appointed for an election, to receive a fee for any Deputy Returning Officer role undertaken. The approach to the setting of these fees is set out in Appendix 1.
29. Director/Assistant Director/Deputy Director roles receive no other bonuses, overtime or any other additional salary payments.

**30. Other Remuneration for Chief Officers**

31. On appointment, Chief Officers will be placed on the appropriate spinal point within the appropriate grade and paid any other allowance/payment as set out in this pay policy statement, having regard to the knowledge, skills and competencies of the individual as well as their current and previous salary levels.
32. Where it is proposed, on appointment, to place a Chief Officer on a spinal point/grade or pay an allowance/payment outside of those set out in this pay policy statement, full Council will be given the opportunity to vote on the application of any salary package that exceeds £100,000pa.
33. The Council does not operate a performance related pay scheme or other bonus schemes for Chief Officers.
34. Chief Officers are not entitled to payment for any other charges, fees or allowances.

35. Chief Officers are not entitled to any benefits in kind as a result of their office or employment.
36. **Other Remuneration for Chief Officers and the Council's Other Employees**
37. The Council's policies regarding how the Council exercises the various employer discretions provided by the Local Government Pension Scheme (LGPS) are set out at Appendix 2. These discretions are applied equally to all employees. In general the Authority will not grant any increase or enhancement of pension entitlement as a result of its discretions policy, although each case will be determined on a case by case basis. As a result of the introduction of the LGPS 2014 scheme all employer and Administering Authority discretions have now been reviewed and noted by Pension Committee.
38. The Council's policies regarding how the Council exercises the various employer discretions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 are set out at Appendix 3.
39. On ceasing to be employed by the Council, all employees will only receive compensation:
- in circumstances that are relevant (e.g. redundancy) and
  - that complies with the specific terms of any compromise agreement
40. Any severance package in excess of £100,000 (excluding annual pension/pension lump sum payments) will be subject of a vote by full Council.
41. All directly employed staff, whether permanent or fixed term, will be paid via the Council's payroll system and subject to deduction of tax and national insurance in accordance with PAYE regulations.
42. **Remuneration of the Council's Other Employees and the Council's Lowest Paid Employees**
43. The Council uses the following pay and grading structures to pay its other employees:
- NJC for Local Government Employees (GLPC Outer London Pay Spine)
  - Soulbury Committee
  - JNC for Youth & Community Workers
  - School Teachers Pay & Conditions

44. The grades, incremental points and annual Full Time Equivalent salaries associated with these pay and grading structures are detailed at Appendix 4. The values of the spinal points are increased in accordance with the respective negotiating body with effect from a variety of dates each year.
45. The remuneration of the Council's other employees also includes the payments/allowances detailed at Appendix 5.
46. For the purpose of this pay policy statement the Council's lowest paid employees are defined as those paid at G1/2, spinal column point 1 of the NJC for Local Government Employees (GLPC Outer London Pay Spine), for which the annual Full Time Equivalent salary is £20,658.
47. For the purposes of this pay policy statement the Council's median paid employee is paid at G5, spinal column point 20 of the NJC for Local Government Employees (GLPC Outer London Pay Spine), for which the annual Full Time Equivalent salary is £28,992.
48. **Relationship between the remuneration of the Council's top earner, its lowest paid employees and other employees**
49. Although the Council does not have a policy regarding the ratio between the remuneration of its top earner, its lowest paid employees and other employees, the current ratios are detailed below.

Top Earner: Lowest Paid Employee 1:9

Top Earner: Median Paid Employee 1:6