

# LONDON BOROUGH OF REDBRIDGE

## PAY POLICY STATEMENT 2024/25

### 1. Introduction and Purpose

- 1.1. This Pay Policy Statement ('statement') sets out the Council's approach to pay in accordance with the requirements of Section 38-43 of the Localism Act 2011 and associated statutory guidance.
- 1.2. This statement relates to staff employed by London Borough of Redbridge Council whose remuneration, including rate of pay and terms and conditions, are determined by and within the control of the Council. It therefore does not apply to:
  - Staff employed by a third party contracted to work for the Council.
  - Staff on secondment to or from the Council, where their rates of pay or terms and conditions are not determined by the Council.
  - All staff employed in schools, including temporary teaching staff, support staff and agency staff.
  - Staff employed through the Council on behalf of a third party where remuneration and some or all of the other conditions of employment are not determined by the Council.
  - Unpaid volunteers or individuals on work experience placements.
- 1.3. The Council must comply with this statement when making determinations that relate to the remuneration, or other terms and conditions, of a Director.
- 1.4. Once approved by full Council, this statement will come into effect on 1<sup>st</sup> April 2024, and will be subject to review on a minimum of an annual basis, the policy statement for the next year being approved by 31<sup>st</sup> March each year.

### 2. Principles

- 2.1. In determining the pay and remuneration of all of its employees, the Council takes account of the need to ensure value for money in respect of the use of public expenditure. This is balanced against the need to recruit and retain employees in an increasingly competitive market who are able to deliver the Council's commitments and meet the requirements of providing high quality services, which are delivered effectively and efficiently and at times at which those services are required.
- 2.2. In determining pay, the Council complies with all relevant employment legislation and codes of practice. The Council is also bound by collective agreements and contractual arrangements which cannot be unilaterally altered.
- 2.3. Relevant legislation includes the Employment Rights Act 1996, Equality Act 2010, Part Time Workers (Prevention of Less Favourable Treatment) Regulations 2000 and Transfer of Undertakings (Protection of Employment) Regulations 2006.
- 2.4. The Council seeks to ensure there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified.

### **3. Senior Management Pay**

- 3.1. Senior management are defined for this purpose as the Chief Executive and Chief Officers as defined under the Localism Act 2011.
- 3.2. The Council operates a three-tier senior management team with Operational Directors, of which there are two grades (COD and COE), leading Departments. These report to Corporate Directors (DIR) who strategically lead groups of Departments, known as Directorates. In turn, Corporate Directors report to the Chief Executive who is also the Head of the Paid Service (CEX) and who, as such, has overall responsibility for the paid service as a whole.
- 3.3. The Chief Executive leads the Corporate Leadership Team which consists of that role and the Corporate Directors.
- 3.4. There are a number of overriding principles which govern the Council's approach to senior management reward:
  - The policy will be affordable, with reward being commensurate with individual and corporate performance.
  - Reward policy for senior post-holders will be transparent, clearly defined and readily understood.
  - The policy will offer the flexibility to reward for job size, capability and market rates (where these may be relevant, with evidence).
  - Reward for senior roles will be fair and proportionate by comparison to reward for the wider workforce.
- 3.5. The Council's policy regarding the recruitment of all officers including senior officers is set out within the Fair Recruitment and Selection Policy.
- 3.6. The remuneration of the Chief Executive on appointment will be agreed by the Full Council Appointments Committee. Percentage annual pay increases for the Chief Executive will be linked to those nationally negotiated and agreed by the Joint Negotiating Committee (JNC) for Chief Executives and adopted by the Council.
- 3.7. The starting salary for any other post where the overall remuneration package on new appointment (excluding pension contributions in accordance with the Local Government Pension Scheme regulations) is to exceed £100,000 will normally be agreed by Full Council or a committee of the Council.
- 3.8. The Chief Executive, like peer London colleagues, is also the Returning Officer and receives occasional fees for duties at a level set by central government. Information for 2024/25 will be published when available.
- 3.9. Except for the Chief Executive, all Director posts are evaluated by Human Resources using the Local Government Employers Senior Manager job evaluation scheme. The evaluation provides an overall score for the job that will determine the appropriate grade and pay band for the post holder (see Appendix 2 for 2023/24).
- 3.10. Remuneration levels for Directors will be agreed by the relevant Council committee. Upon appointment, Directors are normally offered a salary

corresponding to the lowest spinal column point (SCP) in the relevant pay band for the job unless a higher SCP is agreed, for example, to:

- Match the appointee's previous salary e.g. in the case of a move from another authority; or
- Secure a specific candidate with particular experience and competence.

3.11. Any variation to this approach will be by exception and based on objectively justified criteria supported by appropriate evidence. An appointee's existing pay and their relevant experience and qualifications may be included in any consideration but would need to take account of any equal pay implications that could arise within the Council.

3.12. Annual increases in base pay awards for Directors will be determined by those nationally negotiated and agreed by the Joint Negotiating Committee (JNC) for Chief Officers of Local Government Services adopted by the Council.

3.13. Directors will be subject to an annual appraisal of achievement against agreed targets/tasks and in accordance with the Council's management competencies. Where overall performance is rated as meeting specified criteria, the officer will receive an increment to the next point of the relevant salary scale. Where Directors are at the salary scale maximum or on 'spot salary', additional payments may be agreed at the discretion of the Chief Executive.

3.14. The Chief Executive Handbook sets out the appraisal process in detail, ensuring that objectives should be by agreement and the result should be to identify objectives which are relevant and challenging but achievable. The responsibility for appraising the Chief Executive lies with senior elected members. It will be for local decision in the light of local circumstances whether the appraisal should be carried out by a small committee representing all political groups or by a senior representative or representatives of the controlling group. Whichever approach is adopted, those conducting the appraisal will bear in mind at all times that the Chief Executive is employed by the Council as a whole, not by the controlling group, and is therefore required to serve all of the Council.

3.15. The Council aims to appoint individuals to Director positions on the basis of contracts of employment and apply direct tax and National Insurance deductions from pay through the operation of PAYE. Where the Council is unable to recruit Chief Officers, or there is a need for interim support to provide cover for a substantive Chief Officer post, the Council will, where necessary, put in place the most effective arrangements to engage individuals.

3.16. Consultants will only be used where warranted by the particular skills required. Where used, consultants' appointments will be reviewed annually by the Operations Director HR, Pensions and Payroll. These arrangements will comply with HMRC IR35 requirements, relevant procurement processes and ensure the Council is able to demonstrate maximum value for money.

3.17. Other additions to the salary of officers may be made in accordance with the Council's Constitution and stated policies. Such payments will be made in accordance with the principles of this statement and with approval by the delegated budget holder or approver. All such payments are made in order to support the delivery of effective services and adhere to the principle of value for money.

#### **4. Pay and Grading Structure**

- 4.1. Pay awards have been agreed for 2023/24 for Chief Executives, Chief Officers and all officers covered by National Joint Council (NJC) terms and conditions as detailed above. Discussions with all national negotiating bodies are also yet to begin for the 2024/25 period. As and when any national agreement is reached, this will be reflected in the Council's pay and grading structure appended to this statement.
- 4.2. It is the Council's policy that all its employees (excepting employees whose overall terms and conditions are protected under the TUPE Regulations) will receive an hourly pay rate that is equivalent to or higher than the London Living Wage. All workers supplied to the Council by a temporary work agency will be paid a rate at least equivalent to the rate that would be received by a comparative permanent employee. All agency workers will receive an hourly rate that is equivalent to or higher than the London Living Wage.
- 4.3. Appendix 3 shows the salary scale for most staff below Operational Director. These roles are positioned on the scale using the Greater London Provincial Council (GLPC) evaluation scheme adopted by the Council.
- 4.4. Employees are usually paid on an incremental scale and will normally be appointed at the minimum point of the pay grade for that post or at the minimum point of advantage (applicable to internal appointments) where grade boundaries overlap with the new higher grade, with normal incremental progression.
- 4.5. However, in certain circumstances it may be appropriate to appoint internal or external candidates to a higher point within the pay grade to support the appointment and retention of high calibre candidates. Such practice must be objectively justified and within current budgetary constraints. In order to ensure a level of control and consistency of such appointments, the Head of Service (or delegated manager with the relevant level of salary authorisation) must seek advice from Human Resources before they appoint on a higher SCP within the grade.
- 4.6. Annual incremental pay progression takes place until the maximum SCP within the grade for the post is achieved. Thereafter the employee is only eligible to receive the annual cost of living award as negotiated by the appropriate bodies and implemented by the council. Increments are usually due on 1<sup>st</sup> April each year.

#### **5. Market supplements and Retention Payments**

From time to time, it may be necessary to take account of external pay levels in the labour market and to pay market related supplements and retention payments in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such additional payments is objectively justified by reference to clear and transparent evidence of relevant market comparators, using data sources available from within the local government sector and outside, as appropriate. Any such payments will be reviewed at least annually to ensure their ongoing suitability and appropriateness.

## **6. Honorarium payments**

From time to time, it may be necessary to make additional payments to employees in respect of a one-off piece of work outside normal scope of duties, work or additional duties which falls short of taking on the full duties of a higher graded job, or temporarily carrying out some but not all duties of an officer on a higher graded post. The Council will ensure the requirement for such additional payments is objectively justified and any such payments will be reviewed at least annually to ensure their ongoing suitability and appropriateness.

## **7. Long service Award**

All Council employees who have completed 25 and 40 years of continuous service are entitled to receive either a payment through salary which will be liable to tax and National Insurance deductions or a gift voucher including VAT.

## **8. Bonus**

Bonuses are not paid to staff, save where the TUPE Regulations may apply to employees transferring their employment to the Council.

## **9. Pay Protection**

The Council has a pay protection policy that provides a mechanism to assist employees to adjust to a reduction in pay arising from organisational change or redeployment. Pay is protected for a period of twelve months following which the employee reverts to the level of pay for the substantive grade.

## **10. Redundancy Payments**

10.1. Any employee leaving the Council as the result of redundancy will not be permitted to re-join the Council in any capacity, including engagement via employment agencies or as a consultant, for at least one year, except in exceptional circumstances and where specifically agreed by the Chief Executive. There is no such restriction on an individual made redundant by another local authority from securing employment with Redbridge Council.

10.2. Should the Council terminate the employment of any employee on the grounds of redundancy, they will be entitled to a redundancy payment based upon the statutory scheme, but with the following exceptions: The Council has a policy where enhanced payments can be achieved via a Council wide Voluntary Redundancy scheme.

## **11. Special Severance Payments**

- 11.1. In exceptional circumstances the Council may consider enhanced, discretionary compensation payments in line with the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 to facilitate early retirement or severance on grounds of business efficiency and to enable the Council to continue to achieve effective use of resources and provide value for money.
- 11.2. Appropriate HR, legal and financial advice will be sought and considered in respect of all special severance payments. The Council will take into consideration the Government's statutory guidance on the making and disclosure of Special Severance Payments by local authorities in England, and all such payments will be subject to an internal business case approval process involving the Corporate Director of Resources, Operational Director of Assurance and the Operational Director Human Resources, pensions and payroll.
- 11.3. The statutory guidance sets out clearly which types of discretionary payments fall within the scope of the guidance (contractual payments are exempt) and includes the financial thresholds for approval.
- 11.4. The Council reserves the right to change all discretionary elements, and will implement any government changes to exit payments when they become law.

## **12. Release from service in the interest of efficiency**

- 12.1. Where a post is not being deleted, but where an employee is no longer able to carry out the job effectively, the Council may consider the option of early retirement on the grounds of efficiency. A full assessment of all the circumstances must be carried out in accordance with the Council's policy on Managing Organisational Change. Early retirement of a Director on the grounds of efficiency must be authorised by the Chief Executive in consultation with the Corporate Director of Resources.

## **13. Flexible Retirement**

The Council's policy on flexible retirement applies equally to all employees. Flexible retirement provides the ability for an employee to draw their pension at the same time as being able to remain as an employee through a reduction either in hours of work or grade. There is no bar to individuals who have taken flexible retirement from securing work with the Council.

## **14. Pension Contributions**

- 14.1. The Council operates the Local Government Pension Scheme (LGPS) and makes pension contributions as required to all eligible employees who participate in the scheme.
- 14.2. The Council has determined policies around the discretions available under the LGPS. Since 1 July 2013, the Council automatically enrolls workers into either

the Local Government Pension Scheme or the National Health Service Pension Scheme, as appropriate, if they meet the following criteria:

- Earn over £10,000 a year; and
- Are aged between 22 and State Pension Age

## 15. Pay Multiples

15.1. The Council will annually publish the ratio of the pay of its Chief Executive to that of its median and lowest-paid earner.

15.2. The median is the salary that separates the higher-earning half of the workforce from the lower-earning half. All salaries will be arranged from lowest to highest value and the middle salary will be selected as the median.

15.3. The calculation of the pay multiples will be based on all earnings for the year, including base salary, variable pay, allowances and the cash-value of benefits in-kind. Pay for part-time employees is scaled-up to full-time equivalence to enable meaningful comparisons and pay for those that have only worked a part year is also scaled up as though they worked a full year. Benefits which employees participate in but not taxed (such as salary sacrifice arrangements) are included within total earnings figures.

15.4. For the purposes of this Pay Policy Statement, the 'lowest paid employee' is defined as an employee on the lowest pay point routinely used by the Council for its substantive jobs, calculated at full-time equivalent. The lowest pay point routinely used is SCP 1 of the Outer London pay scale set by the Greater London Provincial Council. Staff paid at levels beneath SCP 1 are not on the pay scale set by the NJC for Local Government Services or are staff who have not been placed onto Council terms and conditions due to the TUPE Regulations.

	Pay*	Ratio
Chief Executive	£191,187	
Median	£38,364	4.98:1
Lowest Paid	£25,686	7.44:1

*\* Based on 2023/24 salaries – please note that negotiations for the 2024/25 Pay Award have not yet commenced, when these are finalised later in 2024, the new figures will be published at that time.*

## 16. Financial Implications

16.1. Any increases to the London Living Wage with effect from 1<sup>st</sup> April 2024 will be adopted and applied.

16.2. Any percentage pay increases effective from 1<sup>st</sup> April 2024 will also be adopted and applied.

16.3. The cost of any pay increases will have to be met from within existing budgets.

## **17. Publication and access to information**

17.1. Upon approval by full Council, this Statement will be published on the Council's website

17.2. The Council will also publish, on an annual basis, Gender Pay Gap data in line with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

## **Appendix - Non-Teaching Pay Tables and Allowances**





Effective From

01/04/2023

LBR Grade	SCP	INCLUSIVE SALARIES	INCLUSIVE HOURLY RATE	ALLOWANCE & ENHANCEMENT RATE	PLANNED OVERTIME RATE
LBR2	LBR1c	02 £25,854	13.77	12.62	
		03 £26,238	13.98	12.82	
		04 £26,634	14.19	13.03	
LBR3		05 £27,030	14.40	13.24	
		06 £27,438	14.62	13.46	
LBR4		07 £27,855	14.84	13.68	
		08 £28,272	15.06	13.90	
		09 £28,698	15.29	14.13	
LBR5		10 £29,139	15.52	14.37	
		12 £30,033	16.00	14.84	
		13 £30,495	16.25	15.09	
		14 £30,963	16.49	15.34	
LBR6		15 £31,440	16.75	15.59	
		18 £32,925	17.54	16.38	
		19 £33,438	17.81	16.66	
LBR7		20 £33,957	18.09	16.93	
		23 £35,577	18.95	17.80	
		24 £36,045	19.20	18.04	
LBR8		25 £36,567	19.48	18.32	
		26 £37,443	19.95	18.79	
		27 £38,364	20.44	19.28	
LBR9		28 £39,264	20.92	19.76	
		29 £39,951	21.28	20.13	
LBR10		30 £40,833	21.75	20.60	
		31 £41,808	22.27	21.11	
LBR11		32 £42,840	22.82	21.66	
		33 £44,019	23.45	22.29	
		34 £45,021	23.98	22.83	
LBR12		35 £46,041	24.53	23.37	
		36 £47,040	25.06	23.90	
		37 £48,060	25.60	24.45	
LBR13		38 £49,083	26.15	24.99	
		39 £50,031	26.65	25.50	
		40 £51,093	27.22	26.06	
LBR14		41 £52,116	27.76	26.61	
		42 £53,136	28.31	27.15	
		43 £54,129	28.84	27.68	
LBR15		44 £55,155	29.38	28.23	
		45 £56,172	29.92	28.77	
		46 £57,201	30.47	29.32	
LBR16		47 £58,248	31.03	29.87	
		48 £59,328	31.61	30.45	
		49 £60,468	32.21	31.06	
LBR17		50 £61,617	32.82	31.67	
		51 £62,748	33.43	32.27	
		52 £63,879	34.03	32.87	
LBR18		53 £65,025	34.64	33.48	
		54 £66,156	35.24	34.09	
		55 £67,290	35.85	34.69	
LBR19		56 £68,439	36.46	35.30	
		57 £69,579	37.07	35.91	
		58 £70,710	37.67	36.51	
		59 £71,850	38.28	37.12	
		60 £73,311	39.05	37.90	

LBR07 to LBR08

23.75

LBR09 to LBR11

25.42

LBR12 to LBR15

27.59

to Advise

LBR20	61	£74,793	39.84	38.69
	62	£76,311	40.65	39.50
	63	£77,865	41.48	40.32
LBR21	64	£79,446	42.32	41.17
	65	£80,994	43.15	41.99
	66	£82,563	43.98	42.83