

## RECOMMENDATION II

# CABINET MINUTES

## 14 FEBRUARY 2013

**Chairman:** \* Councillor Thaya Idaikkadar

**Councillors:**

* Bob Currie	* Phillip O'Dell
* Margaret Davine	* David Perry
* Keith Ferry	* Sachin Shah
* Mitzi Green	† Bill Stephenson
* Graham Henson	

<b>In attendance:</b>	James Bond	Minute 583
<b>(Councillors)</b>	Susan Hall	Minute 583
	Barry Macleod-Cullinane	Minute 583

\* Denotes Member present

† Denotes apologies received

## RECOMMENDED ITEMS

### 587. Key Decision - Final Revenue Budget and Medium Term Financial Strategy 2013/14 to 2016/17

Upon receiving congratulatory remarks from the Leader of the Council for proposing a balanced budget for two years and setting out a long term view, the Portfolio Holder of Finance introduced the report, which set out the final revenue budget for 2013/14 and the Medium Term Financial Strategy (MTFS) for 2016/17. He thanked all the Portfolio Holders and officers for assisting in the delivery of a two year balanced budget. He was proud to present a 'people' centred budget rather than one that was 'place' centred.

The Portfolio Holder for Finance provided the context in which the budget had been set and reflected on the changes since the draft budget had been considered by Cabinet in December 2012. The Portfolio Holder highlighted the unprecedented levels of cuts facing Councils, which were in the region of

28%, whilst government departments were averaging a cut of 8% only, which he considered to be unfair. Moreover, Harrow started with a low base as it received a low grant and he urged all to sign up to the 'Campaign for a Fair Grant' launched jointly with the Harrow Observer to persuade the government to improve Harrow's share of government grant allocated to Councils each year.

The 'Campaign for a Fair Grant' should be seen in the context that Harrow would lose some £10m and £9m in the next two years before taking into account the inflationary and demographic pressures. He added that the increases in fares, levied by the Mayor of London, amounted to a 'stealth' tax, which for Harrow was a cost in the region of £700k, which adversely affected on the existing pressures to the budget. Another matter that had to be resolved was the financial situation inherited from the former administration which had required the reallocation of £4m from the Capital to Revenue Budget.

The Portfolio Holder for Finance was pleased to report that the contingency fund of £125k, a legacy of the previous administration, had been increased to £3m and that the reserves had been increased by 25% to help with risks associated with the budget. He outlined some of the key aspects proposed in the budget:

- an increase in Council Tax by 2%, a difficult decision for the Council to make due to an unfair grant from the government;
- a reduction in street sweeping;
- the hiring of additional social workers to safeguard the vulnerable, particularly children thereby ensuring that the Council's Corporate parenting role was not compromised;
- investment in the Harrow Help Scheme, to help those affected by the welfare cuts, Xcite Project and the borough's youth and a London Living wage for staff;
- retention of the Children's Centres and all libraries except that the Civic Centre and Gayton Road libraries would be merged;
- adequate contingency to meet the costs associated with the government's welfare cuts which would impact adversely on the Council. Harrow was expecting an increase in the number of homeless people;
- an increase in the overall budget for the grant giving function of the Council to the Voluntary Sector and listening to those affected by the grants given, such as Harrow Young Musicians;
- efficiency savings by improved procurement;

- helping local businesses by providing 20 minute free parking and the introduction of a Harrow Card, to help revitalise local businesses;
- provision of 'preventative' services, such as 'Circles of Support', and reablement.

Cabinet was informed of the risks associated with the budget, including those resulting from the government which was shunting its costs to the Councils whilst reducing the funding given. Additional shunting of costs from the Primary Care Trusts (PCTs) and future Clinical Commissioning Groups was also a factor which needed addressing.

In concluding his remarks, the Portfolio Holder for Finance stated that the Council had been positive in managing the demands of the budget process, whilst taking a long term view.

The Corporate Director of Resources, in her capacity as the Council's Chief Finance Officer, drew attention to the updated Risk Register, including the analysis undertaken on these risks. She drew attention to the Equality Impact Assessment (EqIA), which had been circulated to all Cabinet Members to show the cumulative impact of decisions relating to the budget.

The Corporate Director of Resources explained that some savings built-in to the budget would require further consultation. She commented on the robustness of the budget, including the adequacy of the contingency and reserves held and confirmed that these had the capacity to deal with the changes proposed. In her view, the budget was robust and that it would be monitored.

The Portfolio Holders for Performance, Customer Services and Corporate Services, and Adult Social Care, Health and Wellbeing welcomed a two year budget, which would protect the vulnerable, ensure that the services provided were sustainable with 'prevention' being a fundamental aspect in the health and wellbeing of people, whilst positioning the Council for further cuts beyond 2015.

**Resolved to RECOMMEND:** (to Council) That

- (1) the budget be approved to enable the Council Tax for 2013/14 to be set;
- (2) the Medium Term Financial Strategy, at appendix 1 to the report, be endorsed;
- (3) the policy on the use of the contingency, at appendix 6 to the report, be approved;
- (4) in relation to schools, the schools budget, at appendix 7 to the report, be approved;
- (5) the Reserves Policy, at appendix 9 to the report, be approved;

- (6) the Members' Allowances Scheme, at appendix 14 to the report, be adopted for 2013/14;
- (7) that the model Council Tax resolution, at appendix 11 to the report, be approved;
- (8) the Annual Pay Policy Statement for 2013-14, at Appendix 15 to the report, be endorsed.

**Reason for Decision:** To ensure that the Council sets a balanced budget for 2013/14.

**Alternative Options considered and rejected:** As set out in the report.

**Conflict of Interest relating to the matter declared by Cabinet Member/Dispensation granted:** None.

## Model Council Tax Resolution

## Harrow Council

## Council Tax Resolution 2013-2014

Cabinet to approve as part of the Summons for Council, the model budget and Council Tax resolutions reflecting the recommendations of Cabinet and the GLA precept.

Council is requested to determine the level of the Council Tax for 2013-2014 in the light of the information on the precept and make the calculations set out in the resolution shown below.

- (1) To note that at its meeting on 22 January 2013 the Council calculated the amount of 76,874 as its Council Tax Base for the year 2013-2014 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 made under Section 33 (5) of the Local Government Finance Act 1992.
- (2) That the following amounts be now calculated by the Council for the year 2013-2014, in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:
  - (i) Being the aggregate of the amounts which the Council estimates for the items set out in Section 32 (2) (a) to (e) of the Act. **(Gross expenditure)**

£586,864,067
  - (ii) Being the aggregate of the amounts which the Council estimates for the items set out in Section 32 (3)(a) to (c) of the Act. **(Gross income including use of reserves)**

£405,801,002
  - (iii) Being the amount by which the aggregate at (i) above exceeds the aggregate at (ii) above, calculated by the Council, in accordance with Section 32(4) of the Act, **as its budget requirement for the year.**

£181,063,065
  - (iv) Being the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of redistributed non-domestic rates, revenue support grant, increased by the amount of the sums which the Council estimates will be transferred in the year from its Collection Fund its Collection Fund in accordance with Section 97(4) of the Local Government Finance Act 1988 (Collection Fund Surplus)
 

£88,024,000

(v) Being **the amount to be raised from Council Taxes**

Calculated as the amount at 2 (iii) above less the amount at 2 (iv.) above.

£93,039,065

(vi) Being the amount at (v) divided by the Council Tax Base, calculated by the Council at its meeting on 22 January 2013 in accordance with Section 33 (1) of the Act, as the basic amount of its Council tax for the year. (***The average Band D Council Tax***)

£1,210.28

(vii) Valuation Bands

	A	B	C	D	E	F	G	H
£	806.85	941.33	1075.80	1210.28	1479.23	1748.18	2017.13	2420.56

Being the amounts given by multiplying the amount at (vi.) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

(3)

That it be noted that for 2013-2014 the Greater London Authority stated the following amount in precept issued to the Council, in accordance with section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below

Valuation Bands

	A	B	C	D	E	F	G	H
£	202.00	235.67	269.33	303.00	370.33	437.67	505.00	606.00

(4)

That, having calculated the aggregate in each case of the amounts at (2)(vii) and (3) above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2013-2014 for each of the categories of dwellings shown below

Valuation Bands

	A	B	C	D	E	F	G	H
£	1,008.85	1,177.00	1,345.14	1,513.280	1,849.56	2,185.85	2,522.13	3,026.56

**MEDIUM TERM FINANCIAL STRATEGY 2013-14 to 2016-17**

	2012-13	2013-14	2014-15	2015/16	2016-17
	£000	£000	£000	£000	£000
<b>Budget Requirement Brought Forward</b>		173,113	181,063	174,120	168,874
Capital Financing Costs		1,102	-743	-390	841
Grant Changes		11,914	642	475	-525
Other Technical Changes		4,557	1,235	2,279	3,289
Inflation		2,784	3,160	4,060	4,060
Transformation		-2,234	-296	-140	0
Community Health and Wellbeing		-2,255	-6,282	2,800	2,500
Children and Families		-1,076	-1,672	413	413
Environment and Enterprise Resources		-4,469	-1,414	675	753
		-2,373	-1,573	275	-225
<b>Total</b>		<b>7,950</b>	<b>-6,943</b>	<b>10,447</b>	<b>11,106</b>
<b>FUNDING GAP</b>		<b>0</b>	<b>0</b>	<b>-15,693</b>	<b>-14,236</b>
<b>Total Change in Budget Requirement</b>		<b>7,950</b>	<b>-6,943</b>	<b>-5,246</b>	<b>-3,130</b>
<b>Revised Budget Requirement</b>	<b>173,113</b>	<b>181,063</b>	<b>174,120</b>	<b>168,874</b>	<b>165,744</b>
Collection Fund Deficit/-surplus	-1,335	-1,045	-500	0	0
Revenue Support Grant	-67,196	-52,100	-43,075	-36,282	-31,066
Top Up		-20,154	-20,773	-20,773	-20,773
Retained Non Domestic Rates	0	-14,725	-14,872	-15,021	-15,171
<b>Amount to be raised from Council Tax</b>	<b>104,582</b>	<b>93,039</b>	<b>94,900</b>	<b>96,798</b>	<b>98,734</b>
<b>Council Tax at Band D</b>	<b>£1,186.55</b>	<b>£ 1,210.28</b>	<b>£ 1,234.49</b>	<b>£ 1,259.18</b>	<b>£1,284.36</b>
<b>Increase in Council Tax (%)</b>		<b>2.00</b>	<b>2.00</b>	<b>2.00</b>	<b>2.00</b>
Tax Base	88,140	76,874	76,874	76,874	76,874
Collection rate	98.50%	97.50%	97.50%	97.50%	97.50%
Gross Tax Base	89,482	78,845	78,845	78,845	78,845

## Members' Allowances Scheme

1. This scheme shall have effect until 31st March 2014. It replaces all former schemes.

## Basic Allowance

2. A basic allowance of £8,160 per annum shall be paid to each Councillor.

## Special Responsibility Allowances and Mayoral Allowances

3. (1) A special responsibility allowance shall be paid to those Councillors who have the special responsibilities in relation to the posts specified in Schedule 1 to this scheme. The amount of each such allowance shall be the amount specified against that special responsibility in that schedule.  
(2) An allowance of £10,250 per annum shall be paid to the Mayor and an allowance of £2,040 per annum shall be paid to the Deputy Mayor.  
(3) No Member may receive special responsibility allowances in respect of more than one post. For the purposes of this paragraph, the mayoral allowances referred to in 3(2) above are considered to be special responsibility allowances.

## Upgrading the Basic and Special Responsibility Allowances

4. The basic allowance and special responsibility allowances may be updated annually in line with an index approved by the London Councils Independent Panel. The index to be used will be the level of the Local Government Pay Settlement. When making the scheme for 2014/15, the indexing arrangements will be reviewed.

## Travel and Subsistence Allowances

5. The reimbursement of travel and subsistence expenses incurred in respect of **approved duties** (as set out in Schedule 2) **undertaken outside the Borough boundaries** can be claimed by Members, co-optees to formal Council committees and Independent Members of the Standards Committee at the rates paid and on the conditions specified in the officer scheme for travel and subsistence allowances.



## **Carers' Allowance**

6. (1) The allowance shall only be paid for attendance at approved duties as listed in Appendix A.
- (2) The maximum basic rate of pay is £2.90 per half hour for the duration of the meeting together with the Member's travel time between home and the place of the meeting and the carer's reasonable travelling time.
- (3) The allowance is claimable in respect of children aged 15 or under or where a professional carer is required to meet a specialist need (e.g. a nurse for an elderly person).
- (4) Actual costs will be paid **on production of an invoice or receipt**.
- (5) Where the length of the meeting cannot be predicted and payment to the carer is necessarily contractually committed then a payment of up to 4 hours will be made. (For day time quasi-judicial meetings, payment of up to 8 hours may be made if the estimated length of the meeting is for the whole day).
- (6) In addition, the reasonable travelling expenses of the person taking care of the dependent shall be reimbursed either at the appropriate public transport rate, or in cases of urgency or where no public transport is available, the amount of any taxi fare actually paid.
- (7) The allowance is not to be paid where the carer is a member of the Member's household.
- (8) Any dispute as to the entitlement and any allegation of abuse should be referred to the Standards Committee for adjudication.

## **Co-optees' Allowance**

7. A basic allowance of £445 per annum shall be paid to co-optees to formal Council Committees and Independent Members of the Standards Committee.

## **Claims and Payments**

8. (1) A claim for allowances or expenses under this scheme shall be made in writing within two months of the date of undertaking the duty in respect of which the entitlement to the allowance or expense relates.
- (2) Payment shall be made
  - (a) in respect of basic and special responsibility allowances, in instalments of one-twelfth of the amount specified in this scheme each month;
  - (b) in respect of out-borough travel and subsistence expenses and Carers' Allowance, each month in respect of claims received up to one month before that date.

## **Backdating**

9. Any changes made to this scheme during the year may be backdated to 1<sup>st</sup> April 2013 by resolution of the Council when approving the amendment.

## **Pensions**

10. Allowances paid under the Harrow Members' Allowances Scheme will **not** be pensionable for the purposes of the Superannuation Act.

## **Renunciation**

11. A person may, by notice in writing given to the Chief Executive, elect to forgo any part of his/her entitlement to an allowance under this scheme.

## **Withholding Allowances**

12.
  - (1) In the event that a Member is suspended from duties, that Member's basic allowance and special responsibility allowance (if any) will be withheld for the whole period of the Member's suspension.
  - (2) In the event that a Member is partially suspended from duties, that Member's basic allowance will be paid but their SRA, if any, will be withdrawn for the period of the partial suspension.

### Approved duties for Carers' Allowance

- ◆ A meeting of the Executive.
- ◆ A meeting of a committee of the Executive.
- ◆ A meeting of the Authority.
- ◆ A meeting of a Committee or Sub-Committee of the Authority.
- ◆ A meeting of some other body to which the Authority make appointments or nominations.
- ◆ A meeting of a committee or sub-committee of a body to which the Authority make appointments or nominations.
- ◆ A meeting which has both been authorised by the Authority, a committee, or sub-committee of the Authority or a joint committee of the Authority and one or more other authorities, or a sub-committee of a joint committee and to which representatives of more than one political group have been invited (if the Authority is divided into several political groups) or to which two or more councillors have been invited (if the authority is not divided into political groups).
- ◆ A meeting of a Local Authority association of which the Authority is a member.
- ◆ Duties undertaken on behalf of the Authority in pursuance of any Procedural Rule of the Constitution requiring a member or members to be present while tender documents are opened.
- ◆ Duties undertaken on behalf of the Authority in connection with the discharge of any function of the Authority conferred by or under any enactment and empowering or requiring the Authority to inspect or authorise the inspection of premises.
- ◆ Duties undertaken on behalf of the Authority in connection with arrangements made by the authority for the attendance of pupils at a school approved for the purposes of section 342 of the Education Act 1996.

# Schedule 1

## Special Responsibility Allowances (SRAs)

There are 7 bands of SRAs:

<b>Band</b>	<b>Post</b>	<b>SRA – £/annum</b>
<b>1</b>	Leader of the third largest Group Deputy Leader of the second largest Group Chief Whips of the two largest Groups Chairman of Governance, Audit and Risk Management Committee Chairman of Standards Committee Support Members for Cabinet	<b>£2,040</b>
<b>2</b>	Performance Lead Members for Scrutiny Policy Lead Members for Scrutiny	<b>£3,060</b>
<b>3</b>	Nominated Member of the largest party not holding the Chair of the Planning Committee Chairman of the Traffic Advisory Panel Chairman of the Grants Advisory Panel	<b>£4,590</b>
<b>4</b>	Chairman of Licensing and General Purposes Committee Chairman of the Performance and Finance Scrutiny Sub Chairman of the Health and Social Care Scrutiny Sub Nominated Member of the largest party not holding the Chair of the Performance and Finance Scrutiny Sub Nominated Member of the largest party not holding the Chair of the Overview and Scrutiny Committee Portfolio Adviser	<b>£6,630</b>
<b>5</b>	Chairman of the Planning Committee Chairman of the Overview and Scrutiny Committee Leader of the Second Largest Group	<b>£8,670</b>
<b>6</b>	Deputy Leader Cabinet Members	<b>£19,690</b>
<b>7</b>	Leader	<b>£30,799</b>

### **NOTE**

In the Council for 2010 to 2014, the Groups are as follows:-

Largest Group = Labour Group

Second Largest Group = Conservative Group

## Schedule 2

### Claims for Out-Of-Borough Travel and Subsistence Expenses

#### Duties Undertaken Out-of-Borough

Claims for travel and subsistence expenses incurred can normally only be paid in respect of approved duties undertaken at venues out of the Borough. Expenses will be reimbursed at the rates paid and on the conditions specified in the officer scheme for travel and subsistence allowances.

1. Members may claim travel and subsistence expenses in respect of the following **out-of-Borough** duties:-
  - (a) Attendance at any meeting which may be convened by the Authority provided that Members of at least two groups are invited and the meeting is not convened by officers.
  - (b) Attendance at a meeting of an outside body to which the Member has been appointed or nominated as a representative of the Council, where the Outside Body does not itself operate a scheme to reimburse travel and subsistence expenses.
  - (c)
    - (i) attendance at an appropriate out-of-Borough conference, seminar, meeting or other appropriate non-political event as a representative of an Outside Body to which that Member has been either nominated or appointed by Council to serve in a role with a specific pan-Authority remit;
    - (ii) attendance at meetings in the capacity of a direct appointee of a Local Authority Association, joint or statutory body or other London-wide or national body subject to the following proviso: that the Member serves on the appointing body by virtue of an appointment made by Council to an authorised Outside Body; subject in either case to the Outside Body/Bodies concerned themselves not making provision for any travel and subsistence expenses necessarily incurred.
  - (d) Attendance at a meeting of any association of local authorities of which the Authority is a member and to which the Member has been appointed as a representative.
  - (e) Attendance at a training session, conference, seminar or other non-political event, the attendance fees for which are being funded by the Council through a Departmental or a corporate budget.
  - (f) Attendance at any training session, conference, seminar or other non-political event for which there is either no attendance fee or any attendance fee is being met by the Member him/herself (or from the relevant political group secretariat budget) subject to the relevant Director confirming that the content of the training, conference, seminar or event is relevant to the Member's responsibilities in respect of the services provided by the Authority or to the management of the Authority.
2. Duties for which out-of-Borough travel and subsistence expenses may not be claimed include:-
  - (a) Political meetings or events.
  - (b) Any meetings of 'Outside Bodies' to which the Member has not been appointed or nominated by the Council as its representative.
  - (c) Meetings of the Governing Bodies of Schools.

## HARROW COUNCIL PAY POLICY STATEMENT 2013/14

Harrow Council supports openness and accountability and is pleased to publish its Pay Policy Statement for 2013/14. In compliance with the Localism Act 2011 this statement outlines the Council's policy on pay and benefits for Council employees (excluding Schools)<sup>1</sup> and specifically for its senior management for 2013/14.

### Context

The context for the Council's Pay Policy is the Council's Strategy for People<sup>2</sup>  
[http://www.harrow.gov.uk/downloads/file/11213/strategy\\_for\\_people](http://www.harrow.gov.uk/downloads/file/11213/strategy_for_people).

The significant change experienced in recent years will continue in the foreseeable future and will be felt by all Council staff, regardless of level or role. Delivery models will continue to be developed, which will affect individual members of staff as we see more services delivered with partners, by private, public or third sector providers and through shared services.

The scale of the challenges facing the Council requires that our workforce and that of our partners is suitably skilled and motivated. At the time of writing this statement the Council is in the process of drafting its new Strategy for People which, when completed, will be published on the Council's website.

The Council's new Strategy for People 2013-2016 will set out the Council's strategy to ensure this collective workforce is able to meet those challenges and deliver against the priorities set out in this plan.

The new Strategy will therefore remain focused on ensuring our workforce has the capability, competence and confidence to deliver quality services to our community and builds on the foundations of our previous Strategy to achieve this through:

- Recruiting and retaining the **Right People**
- Who have the **Right Skills**
- Working on the **Right Things**
- And are supported to work in the **Right Way and Motivation**
- To support the **Council's Vision**.

The Council seeks to reduce income inequality and ensure that the pay, terms and conditions of Council employees comply with the Council's duties under the Equality Act. The Council recognises that a significant proportion of the workforce lives locally<sup>3</sup> and that therefore its pay policy helps support a strong local economy.

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<sup>1</sup> The Pay Accountability provisions of the Localism Act 2011 do not apply to staff employed in Schools

<sup>2</sup> The Council's current Strategy for People 2010-12 was agreed by Cabinet in March 2010 a new Strategy is being developed for 2013-16

<sup>3</sup> 60% of employees have a permanent address with a Harrow (HA) postcode

## **Modernising Terms & Conditions Review 2011/12**

In 2011/12 the Council undertook a review of pay and terms and conditions for employees. The objectives of the review, which were agreed by Cabinet, were to:

- **Modernise:** to support the future needs of the Council.
- **Simplify:** wherever possible, to make terms and conditions easier to understand and reduce administration.
- **Reduce cost:** to reduce the costs of terms and conditions of employment as part of its plan to make savings over the next 3 years.
- **Give greater choice:** to continue to have core terms and conditions but to provide each individual with an element of choice beyond that.

The modernising review was completed in 2012 and the Council reached a collective agreement with the relevant recognised trade unions, which introduced changes to the pay, terms and conditions of all employees covered by this Pay Policy Statement, including those of senior management, from January 2013.

The collective agreement is published at [http://www.harrow.gov.uk/downloads/file/13003/collective\\_agreement-novemeber\\_2012](http://www.harrow.gov.uk/downloads/file/13003/collective_agreement-novemeber_2012)

The changes introduced through the collective agreement are in accordance with the Council's Pay Policy Statement 2012/13 and include the following key provisions:

- 2.5% pay cut for the Chief Executive and Corporate Directors
- 1% pay cut for staff earning £21,375 and above
- Revised grading structure so that the Council's lowest paid employees are paid not less than the London Living Wage.<sup>4</sup>
- A pilot scheme making incremental pay progression subject to performance
- No enhancements for overtime or weekend working except for Bank Holidays and night work
- Reduced redundancy compensation payments
- Improved salary sacrifice schemes and other employee benefits

### **Council Pay Rates / Scales**

The Council considers it important to be able to locally determine pay rates. 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 employees.

The following Council pay scales were revised by the Council in January 2013 as a result of the modernising review:

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<sup>4</sup> London Living Wage is set periodically by the Mayor of London and rose to £8.55 per hour in November 2012.

- Harrow pay scale
- Senior Professional & Managerial pay scale
- Chief Officer pay scales
- Chief Executive pay scale

The Council also revised the pay scales for employees who are Education Psychologists (Soulbury), Nursery Nurses and Youth & Community Workers.

The January 2012 pay scales are published at [http://www.harrow.gov.uk/downloads/download/3321/harrow\\_pay\\_scale](http://www.harrow.gov.uk/downloads/download/3321/harrow_pay_scale)

### **Remuneration of Senior Management (Chief Officers)**

The Council defines its senior management as the top 3 tiers in the management structure commencing with the Chief Executive (Tier 1), Corporate Directors (Tier 2) and Divisional Directors (Tier 3), this includes all statutory and non-statutory Chief Officer and Deputy Chief Officer jobs.

A revised senior management structure<sup>5</sup> was implemented during 2012 and appointments have been made to all posts in the new structure.

The current senior management structure including employee salaries, names, job descriptions, responsibilities, budgets and numbers of staff is published at [http://www.harrow.gov.uk/info/200026/council\\_departments/2172/harrow\\_council\\_organisation\\_and\\_managers/2](http://www.harrow.gov.uk/info/200026/council_departments/2172/harrow_council_organisation_and_managers/2)

[http://www.harrow.gov.uk/downloads/download/2623/harrow\\_council\\_senior\\_managers\\_salaries](http://www.harrow.gov.uk/downloads/download/2623/harrow_council_senior_managers_salaries)

The Council's policy is to minimise the senior management pay bill. The Chief Executive is the only officer whose salary is greater than £150,000 and the pay rates and numbers of senior managers reduced in 2012/13. Further reductions in the number of senior managers are planned.

The Council publishes details of the payments made to senior managers at [http://www.harrow.gov.uk/downloads/file/11582/senior\\_manager\\_salaries\\_2012-13](http://www.harrow.gov.uk/downloads/file/11582/senior_manager_salaries_2012-13)

The Council may, in exceptional circumstances, employ senior managers under contracts for services. The Council publishes details of all payments made under contracts for services in excess of £500 at: [http://www.harrow.gov.uk/info/200110/council\\_budgets\\_and\\_spending/2226/council\\_spending](http://www.harrow.gov.uk/info/200110/council_budgets_and_spending/2226/council_spending)

### **Remuneration of Lowest Paid Employees**

The Council defines its lowest paid employees as those paid at the lowest pay spine column point on the lowest Harrow pay grade, excluding trainees and apprentices. This changed as a result of the modernising review and is now spinal column point 5 of grade 1 on the Harrow pay scale. This means the Council's lowest paid employees are paid not less than the London Living Wage.

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<sup>5</sup> A revised senior management structure was agreed by Cabinet in December 2011



## **Pay Multiple**

The 'pay multiple' is the ratio between the highest paid salary and the median average salary of the Council's workforce. The Council's highest paid employee is the Chief Executive and the current pay multiple is published at [http://www.harrow.gov.uk/downloads/file/11582/senior\\_manager\\_salaries\\_2012-13](http://www.harrow.gov.uk/downloads/file/11582/senior_manager_salaries_2012-13)

## **Pay Grading**

In 2004 the Council entered into a single status agreement with its recognised trade union, introducing common job evaluation schemes<sup>6</sup> and pay scales for the Council's former manual workers, administrative, professional, technical and clerical employees with the exception of Education Psychologists, Nursery Nurses, Youth & Community Workers, Chief Officers and the Chief Executive.

In 2007 job evaluation was extended to include Chief Officers.

## **Pay on Appointment**

All employees, including Chief Officers are normally appointed on the lowest pay spine column point for their job evaluated grade. In exceptional circumstances employees may be appointed at a higher point.

The Council delegates authority to the Chief Officer Employment Panel to make recommendations to Council on the appointment of the Head of Paid Service and to make appointments of Chief Officers in accordance with the Council's Pay Policy.

## **Pay Progression**

All employees 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 1<sup>st</sup> of April each year until they reach the top of their grade.

Progression for Chief Officers is subject to the following qualifications:

- i. increments may be accelerated within a Chief Officer's scale at the discretion of the council on the grounds of special merit or ability.
- ii. an increment may be withheld following an adverse report on a Chief Officer (subject to that Chief Officer's right of appeal). Any increment withheld may be paid subsequently if the Chief Officer's services become satisfactory.

The criteria for pay progression for other staff was changed as a result of the modernising review so that progression for all staff is now subject to satisfactory performance.

## **Performance Related Pay**

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<sup>6</sup> The Greater London Provincial Council (GLPC) Scheme is used for all Harrow grade jobs and the Hay Scheme for senior professional and managerial jobs

Council employees including the Chief Executive and Chief Officers do not currently receive performance related payments or bonuses.

The Council operates a Reward and Recognition Scheme for employees who, subject to meeting the criteria of the scheme, may receive payments of £250 or £500. Details of Reward and Recognition payments to senior management are published at

[http://www.harrow.gov.uk/downloads/file/11582/senior\\_manager\\_salaries\\_2012-13](http://www.harrow.gov.uk/downloads/file/11582/senior_manager_salaries_2012-13)

## **National / Regional Pay Agreements**

The Council supports the national (JNC/NJC<sup>7</sup>) and regional (GLPC) collective bargaining arrangements for pay and conditions of service and the pay scales for all employees, including the Chief Executive and Chief Officers, are increased in line with national and regional pay agreements.

The last pay agreement increasing pay for the Chief Executive and Chief Officers was implemented in 2008/9.

The last pay agreement increasing pay for all other non-teaching employees was implemented in 2009/10.

## **Market Supplements**

The Council may apply market supplement payments to jobs with recruitment or retention difficulties. Details of market supplement payments to senior management are published at

[http://www.harrow.gov.uk/downloads/file/11582/senior\\_manager\\_salaries\\_2012-13](http://www.harrow.gov.uk/downloads/file/11582/senior_manager_salaries_2012-13)

## **Fees for Election Duties**

The Council's policy for payment of fees for election duties is published at [http://www.harrow.gov.uk/info/687/elections\\_information/2560/election\\_fees\\_and\\_charges](http://www.harrow.gov.uk/info/687/elections_information/2560/election_fees_and_charges)

Details of fees for election duties paid to senior management are published at [http://www.harrow.gov.uk/downloads/file/11582/senior\\_manager\\_salaries\\_2012-13](http://www.harrow.gov.uk/downloads/file/11582/senior_manager_salaries_2012-13)

## **Pension**

All employees are able 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 at

[http://www.harrow.gov.uk/downloads/download/3317/pension\\_fund\\_statement](http://www.harrow.gov.uk/downloads/download/3317/pension_fund_statement)

## **Other Terms and Conditions of Employment**

The pay, terms and conditions of council employees are set out in employee handbooks. Handbooks are produced for all employees, including managers and senior professionals, Chief Officers and the Chief Executive and the latest editions are published at

[http://www.harrow.gov.uk/downloads/download/3343/employee\\_handbooks](http://www.harrow.gov.uk/downloads/download/3343/employee_handbooks)

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<sup>7</sup> Joint Negotiating Committee / National Joint Council

## **Payments on Termination of Employment**

In the event that the Council terminates the employment of an employee on the grounds of redundancy or efficiency of the service they will be entitled to receive compensation and benefits in accordance with the Council's Redundancy and Early Retirement schemes, which are published at:

[http://www.harrow.gov.uk/downloads/download/3343/employee\\_handbooks](http://www.harrow.gov.uk/downloads/download/3343/employee_handbooks)

[http://www.harrow.gov.uk/downloads/download/3306/early\\_retirement\\_scheme](http://www.harrow.gov.uk/downloads/download/3306/early_retirement_scheme)

The Council's Redundancy scheme was changed as a result of the modernising review and compensation payments to employees will reduce from 2014.

Details of redundancy compensation payments paid to senior management are published at

[http://www.harrow.gov.uk/downloads/file/11582/senior\\_manager\\_salaries\\_2012-13](http://www.harrow.gov.uk/downloads/file/11582/senior_manager_salaries_2012-13)

## **Re-employment of Employees**

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.

## **Further Information**

For further information on the Council's pay policy please contact the Council's Human Resources & Development Service email [StaffBenefits@harrow.gov.uk](mailto:StaffBenefits@harrow.gov.uk) DD 0208 424 1110