

HARROW COUNCIL PAY POLICY STATEMENT 2021/22

Harrow Council supports openness and accountability and is pleased to publish its Pay Policy Statement for 2020/21. In compliance with the Localism Act 2011 this statement outlines the Council's policy on pay and benefits for Council employees (excluding Schools)¹ and specifically for its Chief Officers and senior management.

This pay policy is reviewed annually and agreed at Full Council.

Updates December 2020:

Annual Pay award

Pay scales are reviewed annually in line with the National Joint Council agreements and are usually effective from April 1st each year. A settlement agreement of the NJC and GLPC national annual pay award was reached and a 2.75% increase was implemented in September 2020 backdated to 1 April 2020.

London Living Wage update

Harrow Council's lowest paid employees are currently paid at £10.89 per hour from April 2020. The London Living Wage is £10.75 in 2020. Harrow Council increased the first point of scale on the its lowest salary to the London Living Wage during the implementation of a collective bargaining agreement in 2013. There was a temporary hiatus in the payment of the LLW in 2014, when due to financial constraints in local government Harrow Council adopted a pay freeze.

Since 2015, Harrow resumed increasing the lowest point on its salary scales to meet the London Living Wage and has continued to pay the London Living wage consistently to date. Harrow is currently seeking accreditation to acknowledge the payment of the London Living Wage to staff at the bottom of the scale.

The Restriction of Public Sector Exit Payments Regulations 2020

Legislation has been introduced to cap exit payments of public sector workers at a maximum amount of £95,000 from 4 November 2020.

Context

The Council's vision is: 'Working Together to Make a Difference for Harrow' and is focusing on supporting delivery of the Council's work on the Borough Plan and the "Modernising How we Work" transformation programme. To achieve the ambitions we need a commercially minded and agile workforce delivering higher productivity and increased performance at a lower cost base.

We need to be a modern and efficient Council, able to meet the challenges ahead. In order to help protect frontline services we will continue to deliver support functions in the most cost-effective way, improving working between services within the Council and continuing to collaborate with regional bodies and other local authorities where there are opportunities to. We will protect people and Council assets from risks and retain our customer services in Harrow where possible, modernising and simplifying the access channels to the Council, making more services available online and therefore accessible on a more '24/7' basis.

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

Our Workforce Strategy reflects that the Council of the future may be very different and having the right people *engaged* with the Council will be vital for our future success. We already compete for people across London and this will increase as the needs of the organisation change and the search for talent in local government increases.

We will establish the people we want, the skills they need and the performance we require and develop recruitment and retention packages that maximise our employment offers. We work to have the right people in the right jobs, who are well managed, developed and supported and where everyone is valued. Our Pay Policy supports this by ensuring that fair and transparent processes are in place to determine the grading and pay for all jobs and that remuneration packages enable the attraction and retention of people with the skills we need. We will also look to create opportunities for staff to benefit through organisational change.

As a Council we are committed to ensuring equality and diversity is integral to everything we do so our Pay Policy 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 2010. The Council recognises that a significant proportion of our workforce lives locally and that therefore our Pay Policy helps support a strong local economy.

Modernising Terms & Conditions Review 2011/12

In 2011/12 the Council undertook a review of pay and terms and conditions for employees and in 2012 the Council reached a collective agreement with the relevant recognised trade unions, which established new pay and terms and conditions for all employees covered by this Pay Policy, including those of senior management, from January 2013.

The collective agreement is published online: [Collective Agreement](#)

The changes introduced through the collective agreement included the following key provisions:

- Revised grading structure so that the Council's lowest paid employees are paid not less than the London Living Wage.
- A scheme making incremental pay progression subject to satisfactory performance
- Reduced 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 Council operates locally determined pay scales and adopts the national (JNC/NJC) GLPC national and regional pay award agreements. The Harrow pay structure applies to all staff with the exception of a small amount of staff such as TUPE transferred staff who have not yet been integrated on to the Harrow pay structure, transferred Public Health staff and Communications Team staff and Educational Psychologists².

² Educational Psychologists are paid according to the national Soulbury Committee terms and conditions - annually at 1 September

The pay scales are revised annually and are published online: [Officers Payscale 2020/21](#)

Remuneration of Senior Management (Chief Officers)

The Council defines its senior management as the top tiers in the management structure. This includes the Chief Executive, Corporate Directors, Directors and Divisional Directors, comprising all statutory and non-statutory Chief Officer posts.

The senior management structure is published online [Senior Management Structure](#)

Senior management pay is published online: [Senior Management Pay 2019-20](#)

All Chief Officers are appointed by Members through the Chief Officer Employment Panel (COEP).

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 online:

- [Senior Management Pay 2019-20](#)
- [Council Budgets and 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. The Council's lowest paid employees are paid not less than the London Living Wage.

Pay Multiple

The 'pay multiple' is the ratio between the highest paid employee's pay and the median average pay of the Council's workforce and is currently 1:6. The Council's highest paid post is the Chief Executive and further details of the pay multiple is published online: [Senior Management Pay 2019-20](#)

Pay Grading

In 2004 the Council entered into a single status agreement with its recognised trade union, introducing common job evaluation schemes³ 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 using independent Hay Group Job Evaluation process

From April 2013 the Council took over specific public health functions from the NHS and staff that transferred from the NHS to the Council remain on NHS grades and pay scales. New

³ The Greater London Provincial Council (GLPC) Scheme is used for all Harrow graded jobs and the Hay Scheme for senior professional and managerial jobs.

posts are being recruited to on the local government grades and pay scales. The Director of Public Health has been appointed on Harrow pay and terms and conditions.

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 within the evaluated grade. Instances where to attract the most experienced and sought after skills for the good of the Council and where there is competition or shortages across London Boroughs may determine a higher starting spinal point.

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

The Council's delegations to the Chief Officers' Employment Panel also include, determination of any remuneration package of £100,000 or greater. Remuneration packages of £100,000 or greater are also reported to full Council.

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 1st of April each year until they reach the top of their grade. During the first year of service, employees who start between 1st October and 31st March will receive their incremental progression after 6 months service

The criteria for pay progression for all staff is subject to satisfactory performance and can be withheld if there is a current sanction such as a written warning in place or where performance is being addressed through formal procedures.

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.

Performance Related Pay

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

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, although it may be necessary to pay increased amounts on occasion according to individual circumstances and with Director approval. Details of Reward and Recognition payments to senior management are published online: [Senior Management Pay 2019-20](#).

National / Regional Pay Agreements

The Council supports the national (JNC/NJC⁴ and Soulbury) 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. Some conditions of service are negotiated locally.

Market Supplements

The Council may apply market supplement payments to jobs with recruitment or retention difficulties. Market supplements are applied following a robust evidenced business case that meets criteria defined in the Market Supplement policy and agreed by the Corporate Director, Director or HR and the portfolio holder of the directorate. Details of market supplement payments to senior management are published online: [Senior Management Pay 2019-20](#)

Fees for Election Duties

The Council's policy for payment of fees for election duties is published online: [Election fees and Charges](#).

The Council's Director of Legal and Democratic Services is the Returning Officer for Harrow Elections.

Details of fees for election duties paid to senior management are published online: [Senior Management Pay 2019-20](#)

Other Payments

The Head of Paid Service may authorise other payments as necessary, in accordance with the Council's delegations.

Details of any other payments to senior management are published online: [Senior Management Pay 2019-20](#)

Pension

All employees are auto enrolled into the Local Government Pension Scheme and employees who remain in the Scheme 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 online:

- [Policy on Discretions / Pensions – 2014](#)
- [Pension Fund Accounts – 2018/19](#)

From April 2013 the Council took over specific public health functions from the NHS and staff who transferred from the NHS to the Council and were members of the NHS Pension Scheme continue to be members of that Scheme and receive benefits in accordance with the provisions of that Scheme.

⁴ Joint Negotiating Committee / National Joint Council

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 online: [Harrow Council Employee Handbooks](#).

Payments on Termination of Employment

In the event that the Council terminates the employment of an employee, including a Chief Officer, 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 online:

- [Harrow Council Employee Handbooks](#)
- [Policy on Discretions / Pensions 2014](#)

The Council's Redundancy scheme was changed as a result of the modernising review and compensation payments to employees reduced in 2014 and 2015.

The Council's delegations to the Chief Officers' Employment Panel, include determination of any payments on termination of £100,000 or greater.

Details of compensation payments paid to senior management are published at: [Senior Management Pay 2019-20](#)

Further information on the scheme is published online: [Red Payments Agreed](#)

Severance payments of £100,000 or greater are also reported to full Council.

The Council's approach to payments on termination of employment and re-employment of employees in receipt of such payments will be impacted by legislation from the introduction of The Restriction of Public Sector Exit Payments Regulations 2020.

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.

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.

Redundancy Payments will be affected if an employee receives an unconditional offer of employment from this or any other Local Authority (or any other employer covered by the Modification Order), on or before their last day of service with this Council **and** takes up such employment within 4 weeks of their last day of service.

If an employee in receipt of an augmented pension from the Council is re-employed, the augmented pension will cease during the period of re-employment.

Further Information

Harrow's annual Pay Policy Statement will be published on the council's website. For further information on the Council's pay policy please contact the Council's Human Resources & Organisational Development Service by email to askhr@harrow.gov.uk