

**ROYAL BOROUGH OF KINGSTON UPON THAMES**

**PAY POLICY STATEMENT 2019 -2020**

**General Principles**

In setting pay, remuneration for council staff at all levels needs to be adequate to secure and retain high-quality employees dedicated to the service of the public, while not being unnecessarily generous or otherwise excessive or perceived as such. At the same time there must be sufficient flexibility to cope with a variety of circumstances (foreseeable or not), such as local or occupation-specific labour market conditions.

As well as affordability, transparency and fairness will be our first principles when setting pay at all levels and this will be reflected in:

- 'Clean pay' (avoidance wherever possible of additions to basic pay)
- Pay rates and terms and conditions are set outside the organisation and the Council is a signatory to all relevant national agreements.
- Job evaluation used to ensure fairness and equality and Equal Pay Audits carried out from time to time.
- Performance pay not operated but ability exists to postpone or withhold increments in the case of poor performance or attendance or to award additional increments or make one-off, non-consolidated payments (within strict limits) to recognise most exceptional performance.
- Where a member of staff at any level takes on a role which is incidental to their substantive role this will not be remunerated separately and will be taken into account in job evaluation. Conversely, where a member of staff at any level is required to take on a role which is distinct from their substantive role, this will be remunerated separately and appropriately (e.g. election duties, Major Incident Team).
- In general, the Council will not re-engage staff who have previously been made redundant and received their Pension benefits and/or a redundancy payment.
- However, when considering job applications from those made redundant, we will be mindful of the public interest in re-employing them, taking into account the time which has elapsed, the level which they were employed at, and the level of the vacancy concerned. The Government is proposing for the recovery of exit payments in certain circumstances where an employee subsequently takes up work with a public body, and to cap public sector termination payments at £95,000. At present this legislation has not been implemented.
- The Council deducts Income Tax at source for all direct employees, and when it engages contractors/interims it seeks the fullest assurance that their affairs are properly managed and will ask them to commit to this as part of the contractual agreement. The Council is taking account of IR35 in its employment decisions.

## Annex A to Annex 1

- Staff at any level will not be directly involved in setting their own pay, and, wherever necessary external sources will be used.
- The Government implemented mandatory gender pay gap reporting requirement for employers including Local Authorities with 250 or more employees in April 2017. Public sector organisations are required to report their gender pay gap figures annually for 31 March each year by the following 31 March and publish the figures and report on the council website. At 31 March 2017 the gender pay gap was 4.7% based on mean hourly rates and 5.2% based on median hourly rates.

The report and action plan is published on the following link:

[http://data.kingston.gov.uk/wp-content/uploads/2018/04/OD\\_Gender\\_Pay\\_Gap\\_Report\\_RBK\\_2018-04-04.pdf](http://data.kingston.gov.uk/wp-content/uploads/2018/04/OD_Gender_Pay_Gap_Report_RBK_2018-04-04.pdf)

- A two year pay deal was agreed by the NJC/GLPC effective from 1 April 2018. This pay deal covers most non-teaching staff. As part of this agreement, from 1 April 2019, a new GLPC pay spine will take effect. As a result of the assimilation advice, some of the current pay grades in the lower portion of the pay spine will require changes to ensure compliance with equal pay requirements. It is anticipated that a review of pay and grading will be necessary due to the issues with some grades and also taking into consideration that the current Pay and Rewards Strategy has been in operation for nearly fifteen years. It is therefore anticipated that staff will be assimilated to the new grades as per GLPC advice pending the outcome of the pay and grading review, which if approved is likely to be implemented from April 2020 onwards.

### **Application of General Principles to Pay of Chief Officers, Directors and Chief Executive**

The principles above will apply at all levels of the organisation, including the senior management team. The Council's Senior Staff Panel, comprised of elected councillors and reporting to full council, is responsible for appointments and pay and grading matters relating to the senior management team.

Job evaluation and advice to the Panel on pay structures and scales will be provided externally by the Local Government Employers and recommended to the Council's Senior Staff Panel for approval.

For Royal Borough of Kingston upon Thames non school staff the ratio of highest pay to median pay is approximately 1:5.2 (comparison on basis of full-time equivalents at December 2018), revised from 1:6 last year.

### **Low Pay**

As a signatory to all national pay agreements applicable, the Council will apply those agreements to all its staff except where this is prevented by other factors such as a TUPE transfer. The Council was an early implementer of the Local Government Services' Single Status Agreement which did much to correct pay differentials for previously undervalued occupations and the Council will continue to work within the framework of national pay agreements to improve pay and conditions.

## Annex A to Annex 1

The Authority monitors the number of non-school based staff and the nature of the roles for those employees whose evaluated grade results in pay based on a spine point below the current London Living Wage (currently £10.55 per hour). The Council introduced the London Living Wage for staff outside schools from 1 April 2016. Affected staff receive an additional payment to bring their hourly earnings up to the London Living Wage level.

### **Review of Policy**

This policy was first published in 2012. It will be reviewed and re-published annually.