

**ROYAL BOROUGH OF KINGSTON UPON THAMES**

**PAY POLICY STATEMENT 2020 - 2021**

**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 has proposed a cap on termination payments in the public sector at £95,000, and for the recovery of exit payments in certain circumstances where an employee subsequently takes up work with another public body. A consultation took place on the proposed legislation from April to July 2019 and Royal Borough of Kingston

contributed to a consultation response along with other London Boroughs via London Councils. The government's response to the consultation feedback has not yet been published and an implementation date for this legislation is still to be confirmed.

- 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.
- 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 2018 the gender pay gap was 3.8% based on mean hourly rates and 4.76% based on median hourly rates, both gaps had decreased slightly when compared to the March 2017 figures.

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

<https://data.kingston.gov.uk/wp-content/uploads/2019/03/Gender-Pay-Gap-RB-K-1.pdf>

- A two year pay deal was agreed by the NJC/GLPC effective from 1 April 2018. As part of this agreement, from 1 April 2019, a new GLPC pay spine took effect. As a result of the assimilation advice, some of the pay grades in the lower portion of the pay spine require changes to ensure compliance with equal pay requirements which were implemented effective from 1 April 2019. Work has started on a review of pay and grading, given the issues with some grades as a result of the April 2019 pay spine implementation and that the current Pay and Rewards Strategy has been in operation for over fifteen years. Recommendations have been submitted to senior management following data analysis and focus groups with managers and employees on pay and benefits which took place in Autumn 2019, with proposed implementation in 2021.
- For the 2020 pay claim, UNISON's NJC Committee has proposed that the pay claim be for 10% or £10 per hour, whichever is the greater. The employers side responded that they would not be in a position to respond to the pay claim until the General Election outcome was known, which they expected to be in early 2020.

### **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 1:5.68 (comparison on basis of full-time equivalents at December 2018), revised from 1:5.2 last year.

The Council publishes via its website (<https://data.kingston.gov.uk/transparency-code/>):

- a schedule of all council employees earning £50,000 or more including names (where required), role title & salary band on an annual basis, in accordance with the recommended code of practice for data transparency
- structure charts as recommended by the government code of practice for data transparency
- Trade Union facility time information

### **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.

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 London Living Wage (currently £10.75 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. In November 2019, the council celebrated becoming a Living Wage (LW) accredited employer meaning that everyone working for the council, regardless of whether they are permanent employees or third-party contractors and suppliers will receive the London Living Wage. The accreditation is a signed licence between the Living Wage Foundation and the council which sets out clear guidance and requirements. The council joined over 4,700 organisations

across the country already paying the wage and will support local businesses in the borough to become London Living Wage employers.

### **Review of Policy**

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