

## **Pay Policy Statement for 2026/27**

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The London Borough of Camden offers a comprehensive range of services, including education, social care for children and adults, environmental and technical services, and housing.

The Council's Chief Officers are the Chief Executive, the Executive Directors, the Directors, the Chief Experience and Information Officer, and the Borough Solicitor. Together, they are accountable for delivering the Council's vision and priorities. It is important for the Council and residents to have a highly effective leadership team in place in these senior roles.

The Council is committed to transparency about pay and has published on its website for several years information on its pay policy and remuneration levels for its Chief Officers and employees. The annual pay policy statement will also be published on the website.

### **Chief Officer Pay Arrangements**

The current pay and terms and conditions for Chief Officers were introduced on 1 April 2016 and are locally determined and agreed. As such, they do not rely on national negotiations to determine pay levels or awards. The scheme forms part of Chief Officers' contracts of employment.

The scheme aims to:

- develop and sustain a high-performance culture from the top of the Council.
- recruit and retain the talented people needed to maintain or improve the Council's already high performance and lead the organisation through the challenges and changes we are facing; and
- recognise Chief Officers for their personal contributions.

Several principles that underpin the Council's approach to Chief Officer pay, including that the amount paid should reflect the market for comparable jobs, the organisation's performance, and the skills and contribution of the individual performing the role. This means that, unlike many other councils, Camden does not give Chief Officers automatic incremental pay rises.

A Chief Officer's total pay is comprised of:

- spot salary: a fixed amount payable year-on-year.
- variable pay: a one-off payment that a Chief Officer may receive at the end of the year, depending on achievement of specific agreed performance criteria as part of Camden's My Performance Scheme.

## Base Pay

All Chief Officers are on 'spot' salaries within a target pay range as detailed in the table below.

Job Title	Minimum	Midpoint	Maximum (Target) <sup>1</sup>
Chief Executive	£200,000	£225,000	£250,000
Executive Director	£160,000	£180,000	£200,000
Director <sup>2</sup>	£110,000	£130,000	£150,000

The pay ranges were last reviewed in May 2025, and as a result, Camden realigned the target ranges to the upper quartile based on market data from a leading consultancy firm.

Spot base salaries will be assessed annually based on affordability, inflation, and national pay policies. All Camden roles that fall below or above the market average by more than 5% will be considered for review. If appropriate, a decision will be made to amend the target salary range and/or adjust the individual's spot salary to reflect market changes.

Any increases to base pay will take effect in April each year. Decisions about whether to change the spot salaries of any Chief Officer, other than the Chief Executive, will be made by the Chief Executive in consultation with the Cabinet Member for Finance and Cost of Living.

## Variable Pay

In addition to an annual Base Pay increase, a non-consolidated payment may be paid up to 5% of base salary. This Variable Payment will be determined by:

- Evidence of improved outcomes linked to We Make Camden
- A clear focus on employees' efforts on key priorities such as customer service, inclusion, quality and on-time delivery
- Objective evidence which, when appropriate, recognises initiative, innovation, leadership and/or contribution to teamwork

The annual Variable Payment will be based on the individual's performance assessed under Camden's My Performance Scheme. The Variable Payment will be non-consolidated, paid as a single lump sum, and will be subject to Income Tax, National Insurance, and, where applicable, pensionable.

Decisions about whether to award a Variable Payment, other than for the Chief Executive, and the level of the payment (as a % of pay) will be made by the Chief Executive in consultation with the Cabinet Member for Finance and Cost of Living.

<sup>1</sup> The maximum is the target (upper quartile) for the range but there is flexibility to remunerate above the maximum in response to market conditions.

<sup>2</sup> The Chief Experience and Information Officer and Borough Solicitor are Directors for the purpose of the pay scales.

## **Remuneration on appointment**

The starting salary for a new Chief Officer will typically be set at the lower end of the target range for the role. However, this will be subject to appointment considerations such as the skills and experience the individual brings to the job and market rates for comparable positions. The Audit and Corporate Governance (Appointment Panel) Sub-Committee (which has cross-party membership) will approve the spot salary at which a new Chief Officer should be recruited and any negotiating parameters that may be needed to secure a preferred candidate.

Where short-term cover or specialist skills are required on a contract-for-service basis, payment will be determined based on the skills and experience the individual brings, as well as market rates for comparable contracts. Camden's pay schemes, national agreements, local terms and conditions, and other benefits, such as the pension scheme, do not apply in this situation.

## **Annual pay reviews – decision making**

Individual pay awards for Chief Officers are considered at the end of the financial year and take into account annual benchmarking, as well as the Chief Officers' performance throughout the year, including what has been achieved and how it has been accomplished. There will be no increase in salary or variable payments if performance does not meet expected levels. Decisions about whether to award a variable payment, the level of the payment (as a % of pay), and movements to spot salaries will be made by the Chief Executive in consultation with the Cabinet Member for Finance and Cost of Living.

The Audit and Corporate Governance (Performance Review) Sub-Committee considers the Chief Executive's performance annually. This Sub-Committee gives views about the Chief Executive's performance to the Leader of the Council, who conducts the Chief Executive's annual pay review in consultation with the Cabinet Member for Finance and Cost of Living.

## **Election duties**

The Council has appointed the Chief Executive as the Returning Officer for parliamentary and local elections, as well as referenda, under the *Representation of the People Act 1983* and subsequent regulations. The Chief Executive will receive fees for discharging the responsibilities of the Returning Officer, as determined by the governing body responsible for the election. Other Chief Officers may also receive fees if appointed to election roles by the Returning Officer.

## **Pay schemes for employees who are not Chief Officers**

### **Employees**

The current pay and terms and conditions for employees who are not Chief Officers were introduced in 2012 and are locally determined and agreed. Overall, 95.97% of staff are now covered by Camden's pay terms and conditions, with 4.04% covered by other legacy terms and conditions. Since introducing the Camden terms and conditions, the Council has mirrored or enhanced the Greater London Provincial Council pay award in applying uplifts to the Camden pay scales.

### **Apprentice Pay**

As part of Camden's investment in its workforce, it has extended the London Living Wage (LLW) to all of its apprentices. The most recent increase to £14.80 per hour was announced in October 2025, and Camden implemented it with effect from 1 November 2025.

### **Approach to performance development and pay**

In January 2016, a new performance development scheme was introduced for all employees (excluding Chief Officers). As part of the changes, the approach to pay reviews was simplified to allow those 'performing well' to progress within their pay range. The My Reward Scheme was also introduced, which now provides a variable, non-consolidated pay award of 2%, at the point of contribution, to those who have achieved something outstanding, gone the extra mile, or shown particular dedication with a noticeable outcome.

### **Job families, job evaluation and fair pay**

Camden uses a job-family framework, grouping jobs by similar characteristics and skills. Within each job family, there are several levels that relate to the levels of work and responsibility. For each level within a job family, a description of the job requirements is provided. Jobs at each level require different skills and experience, and each of these will have a different pay range or zone. Job families, pay ranges and zones are determined and underpinned by an appropriate job evaluation scheme.

The appointment salary for an employee will be on a spinal column point or at the bottom of the range for the job, subject to appointment considerations such as the skills and experience the individual brings to the job and market rates for comparable positions.

The Council recognises the importance of maintaining pay at a level that allows people to provide their families with the essentials of life and has ensured that employees are paid above the LLW rate for several years. To build on this and narrow the gap between the Council's lowest- and highest-paid employees, the Council increased the pay of its lowest-paid staff from 1 January 2015, introducing a minimum earnings guarantee. With effect from 1 April 2025, the Council renewed the guarantee by increasing the minimum salary to £33,244 (£17.71 per hour), which exceeds the current LLW rate of £14.80 per hour (as announced in October 2025).

As accredited members of the LLW Foundation, the Council has extended its commitment to pay the LLW across the wider workforce, including agency workers and staff delivering services on behalf of the Council in outsourced contracts.

## **Pay ratios**

The pay ratio has changed, and the Chief Executive's pay is now 6.9 times that of the lowest-paid employee (£33,244), compared to 7.9 in 2024, and 4.9 times that of the median salary, compared to 5.3 in 2025. Underlining the impact of the renewal of the minimum earnings guarantee on ensuring the ratio remains below the upper threshold of 1:10.<sup>3</sup>

## **Termination of employment**

The Council will, where appropriate, make payments to employees whose employment is terminated in the situations set out below.

Employees, including chief officers, who leave the Council due to redundancy or with a Severance payment will not be considered for further employment with Camden or for hiring their services in another capacity within two years of leaving, unless there are exceptional circumstances

### Redundancy:

Where an employee leaves the Council due to redundancy, the Council's Organisational Change policy applies. This policy is in keeping with the Discretionary Compensation Regulations 2006 (the Regulations), which gives all councils the ability to determine the level of redundancy payments. The Council's policy is to make a payment in line with the statutory redundancy formula, calculated using the employee's actual weekly pay.

The Council may also, in its absolute discretion and on a case-by-case basis, make an additional compensation payment to an employee who is leaving the organisation due to redundancy. This payment would be calculated using the statutory redundancy formula based on actual weeks' pay and multiplied by 0.4. To avoid restricting the discretion granted under the Regulations, the Council reserves the right to increase the payment amount in exceptional circumstances, provided that the total payment does not exceed the statutory limit of 104 weeks.

### Efficiency of the service:

There may be occasions when termination of employment is necessary to improve service efficiency. In this situation, the Council uses powers under the Regulations to make a payment equivalent to a redundancy payment. The amount is calculated in the same way as a redundancy payment, and discretions under the Regulations are exercised as set out above.

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<sup>3</sup> The pay ratio figure takes into account all employees who are centrally employed by the London Borough of Camden, excluding apprentices, as of 31 December 2025. The figure excludes all employees based within Camden schools. 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 Camden Council for its substantive jobs, calculated at full-time equivalent. Since 1 April 2025, the lowest actual salary paid to a Camden employee is £33,213 and the highest is £250,000. Reported as part of the Council's Annual Statement of Accounts.

### Severance payments

In some rare and exceptional circumstances, it may be appropriate, and in the Council's best interests, to end employment by way of mutual agreement. Such reasons may include minimising the risk of significant service uncertainty and disruption or settling potential or actual claims. Any payments to Chief Officers in these circumstances will be referred to a meeting of the Audit and Corporate Governance (Appointment Panel) Sub-Committee in accordance with the Constitution. Any such payments made to employees will be made in accordance with the relevant policies and procedures and the statutory guidance on Special Severance Payments.

### **Additional payments and benefits**

The Council may make payments to recognise specific responsibilities and/or requirements of a job or job holder, for example, statutory responsibilities such as the Returning Officer.

The amount of any payment is determined by reference to any statutory requirements, national or local agreements, or, where the employee is not a Chief Officer or senior manager, the applicable national agreement. Where none of these apply, the payment amount will reflect the level of responsibility and/or requirement.

Council employees are eligible to join the national pension scheme for local government officers. Employee contributions currently range from 5.5% to 12.5% of their salary, depending on the individual's salary. Payment of the pension is subject to the scheme rules.

Under the Local Government Pension Scheme Regulations 2013, the Council may grant an additional pension to a pension scheme member. This discretionary award will be exercised in exceptional circumstances only, subject to the approval of the Pension Committee. There have been no recent instances of pension scheme members achieving the criteria for this award.

When the Council re-employs a former employee who is already in receipt of a national scheme pension from Camden, the employee's pension payments will be reduced, where applicable, to ensure the employee's total earnings (pension plus new pay) are no greater than the remuneration received prior to retirement plus inflation.

To maintain employee engagement, the Council recognises that, particularly in the current financial climate, it is important to reward and motivate staff through non-salaried means. The council promotes a range of benefits that all staff, irrespective of grade, can access. These include salary sacrifice schemes, such as the Cycle to Work scheme, and discounted benefits open to all employees, such as discounted gym membership, as well as loans for season travel tickets, tenancy and childcare deposits, which are provided at no cost to the Council.

Staff benefits are regularly reviewed as part of our Reward Strategy, and we continue to focus on supporting staff with access to financial advice, staff loans and discount schemes, as well as other resources to support their financial, mental, and physical well-being.

**END**