

## Appendix A



Dated 31.03.24

## **LONDON BOROUGH OF WALTHAM FOREST**

### **PAY POLICY STATEMENT 2024/2025**

If you have any queries regarding this policy, please contact:

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Your query will be forwarded onto the appropriate person / department.

### **APPENDICES**

- Appendix 1: Non-Chief Officer Posts Grades and Spinal Point {as at 01.04.23}
- Appendix 2: London Borough of Waltham Forest Education Pay scales {Soulbury, NEOST, Lecturers: excluding schools {as at 01.09.23}}
- Appendix 3: Chief Officer Grades and Spinal Point {as at 01.04.23}
- Appendix 4: Chief Officer remunerated Posts {as at 31.12.23}
- Appendix 5: Senior Pay at London Borough Waltham Forest
- Appendix 6: Senior Pay at London Borough of Waltham Forest, Salary banding by Directorate

## **LONDON BOROUGH OF WALTHAM FOREST**

### **PAY POLICY STATEMENT 2024 / 2025**

#### **1.0 Introduction**

This Pay Policy statement applies to those directly employed by Waltham Forest Council. It sets out the Council's position in relation to the pay of its employees and that of its senior managers in compliance with both the Localism Act 2011 and the Local Government Transparency Code 2015.

The Council have not made any substantive policy or financial changes to our pay policy.

Please note that this Pay Policy Statement does not cover those employed directly by the Borough schools.

#### **2.0 Corporate factors when determining remuneration**

The Council takes a number of factors into consideration when determining the level and process of remuneration for employees and its Chief Officers. These factors are:

- The Council's financial position
- The Government's stated policy on public sector pay and any central government implications that impact on the financial settlements for local government
- The level of pay awards agreed by the National Joint Council of Local Government Service and other relevant national negotiating bodies
- The level of inflation
- The Council's analysis of trends in recruitment and retention of employees including comparison with our neighbouring boroughs and partners
- The Council's workforce requirements and plans
- Any other relevant factors

#### **2.1 Other elements of the Pay Package {including deduction arrangements}**

All employees are paid via the Council's payroll system and will be subject to the appropriate Income Tax and National Insurance deductions, at source, in line with their personal taxable position.

Subject to satisfactory service and any Council decision made as part of its annual budget setting process to the contrary, salaries will rise by annual increments up to the maximum of the scale for the grade.

The Council may in any year decide on financial grounds not to pay an increase of increment payments for all employees for posts graded at Scale 5 and above, in the following financial year. This will be stated as part of the budget planning process.

The Council's increment increase process is considered and as approved applied with effect from April. The increment increase for employees for April 2024 will be applied.

The Council will facilitate the provision of benefits for its employees by third party providers and support the use of schemes approved by the government which provide discounts or savings to employees (for example, salary sacrifice or corporate discount schemes).

## 2.2 Retention Bonus schemes

The Council operates a Retention Bonus scheme for certain identified roles, specifically Social Worker roles as part of their employment package so that their specialist skill set can be retained within the Council.

## 2.3 Market Supplement scheme

The Council does operate a Market Supplement scheme for occupations that are deemed to be 'difficult to appoint to' roles. A robust business case for these roles, along with benchmarking data supporting the request, must be submitted to the Corporate Director of Culture and Workforce Development and Strategic Director of Resources for final authorisation.

## 3.0 Non-Chief Officer arrangements

The following section outlines the arrangements for non-Chief Officers within the Council:

### 3.1 Recruitment

All Council roles are advertised, and applications are submitted via the approved mechanisms. The Council has introduced an anonymised recruitment application process for all Council roles to assist with improving diversity. The Council has also introduced a [Workforce Positive Action policy](#). As necessary, the Council will consider and undertake other appropriate measures to ensure a diverse recruitment programme.

### 3.2 Pay Grading and progression

The Council is subject to the National Agreement on Pay and Conditions of service of the National Joint Council for Local Government Services, (commonly known as the 'Green Book') with some stated exceptions.

The Council uses Pay Scales commencing at Scale 1, Spinal Point 2, set at £ 25,854 per annum and terminate at Grade PO12, Spinal Point, 65, set at £80,994 per annum. The values of these Spinal Points may be increased by pay awards as notified by the National Joint Council for Local Government Services.

The Council's lowest paid employees {Spinal point 2} are paid at £25,854 per annum. The Council applies the London Living Wage of £13.15 per hour, {£24,683 per annum} as all employees earn above this threshold; the London Living Wage supplement is not required at this time. Any increase applied to the London Living Wage is implemented upon announcement.

Please refer to **Appendix 1: Non-Chief Officer posts and grades and Spinal Points** for further information on the pay scales for non-Chief Officers.

The council applies the [Increment Policy](#) for employees and Pay progression for Performance.

Please note that the Council also retains a number of employees under the terms and conditions applicable under the Schools Teachers Pay and conditions of employment. Any increment increases, if appropriate, are applied with effect from September of each year based on their performance.

Please refer to **Appendix 2: London Borough of Waltham Forest Education Pay scales {Soulbury, NEOST, Lecturers: excluding schools}** for further information on the pay scales.

### **3.3 Remuneration upon recruitment and Job Evaluation**

All new Non-Chief Officer employees will usually be placed on the bottom point of the grade, unless there is a business case for starting an employee at a higher point on their grade, for example, to match an existing salary or offer from another employer.

#### **3.3.1 Non- Chief Officer roles up to and including PO7:**

These roles are evaluated, using the Greater London Provincial Job Evaluation Scheme, which is recognised by employers and trades unions. This scheme allows for robust measurement against set criteria resulting in a fair and objective evaluation.

#### **3.3.2 Non- Chief Officer roles from PO8 to PO12:**

These roles are evaluated under the HAY Scheme. This ensures that the relative 'weight' of these roles can be objectively measured using consistent and robust criteria.

#### **3.3.3 Employees on the Schools Teachers Pay and Conditions of Employment:**

These roles are not evaluated using a Job Evaluation scheme. However, roles are defined using the nationally recognised pay scales {Soulbury, National Employers organisation for schoolteachers, {NEOST} and Lecturer pay scales}. It is a statutory requirement that all increment increases applied within these roles are subject to meeting the necessary performance related requirements.

#### **3.3.4 Remuneration and Pay Progression principles linked to performance**

All Officers will have their level of incremental reward linked to levels of performance under the Council's Performance Management Competencies Framework.

The principles of this approach for **Officers** (excluding Chief Officers) are as follows:

- Any Officer achieving a rating of '1 (outstanding)' in their end of year appraisal may receive an additional increment point subject to corporate moderation for equality of approach across services.
- In order to progress to a higher scale point, a non-chief officer must achieve a marking of '3' (successful) or above in their end of year appraisal
- Any Officer achieving a marking of '4 (needs development) or 5 (unsatisfactory) will not receive an increment.

Officers at the top of their grade who have attained an appraisal making of 1 (outstanding) will be considered, at the discretion of the Chief Executive, for an ex-gratia payment representing the financial difference between the top of their existing Spinal Column Point and the next Spinal Column Point down (within their grade).

#### **3.3.5 Apprenticeship pay rates**

Where the role is a 'pure' apprenticeship role the following rates were applied with effect from 24 October 2023:

<b>Apprenticeship Description</b>	<b>Annual Salary</b>	<b>Weekly Pay</b>	<b>Hourly Pay</b>
Specialist apprenticeship *Apprenticeship	As advised	As advised	As advised
Level 2 Apprenticeship	£24,683.08	£473.40	£13.15
Level 3 Apprenticeship	£24,683.08	£473.40	£13.15
Level 4 Apprenticeship	£24,683.08	£473.40	£13.15
Level 5 {trainee} Apprenticeship	£24,683.08	£473.40	£13.15
Level 6 {Degree}	£30,033	£576.01	£16.00

This confirms that Level 6 apprentices' pay is aligned with SCP12 (bottom of Scale 5). This is £30,033 following the 2023 pay award.

#### **4.0 Chief Officers arrangements**

The following sections incorporate details on the arrangements and requirements of Chief Officers at the London Borough of Waltham Forest.

#### **4.1 Remuneration Strategy and Principles**

The principles of the Chief Officer Remuneration Strategy are as follows:

- Fair, equitable and transparent arrangements to support excellent service delivery to our residents in accordance with the Council's values and priorities
- A reward package that represents value for money for the Council while being competitive within the relevant market for the employee
- Pay arrangements that differentiate rewards to employees based on the achievement of organisational, team and individual targets
- Pay increases for employees, including any incremental progression, will be subject to an assessment of performance through the Council's Performance Management and Development scheme as agreed by the Council and performance levels being sustained, please refer to section 4.4, Remuneration and Pay Progression principles linked to performance for further information
- The Council will be open and transparent about its remuneration strategy and publish statements on Chief Officer remuneration by 31 March of each year

#### **4.2 Recruitment of Chief Officers**

These roles are advertised appropriately including advertising via Jobs Go Public and where necessary by utilising the Local Government Recruitment Partnership. The Council has introduced an anonymised recruitment application process for Chief

Officer roles to assist with improving diversity at the top level of the organisation. The Council has also introduced a [Workforce Positive Action policy](#). As necessary, the Council will consider and undertake other appropriate measures to ensure a diverse recruitment programme to senior posts.

Chief Officer Recruitment relates to those roles graded above PO12 that report directly to a Strategic Director, appointments will be made through a staffing committee, with support from representatives from Human Resources. For temporary appointments, the responsibility to recruit will be made by the Head of Paid Services rather than the staffing committee.

Employees appointed to these roles are made within the approved salary range.

Appointment of the Chief Executive is subject to the approval of Full Council.

#### **4.3 Remuneration upon recruitment and evaluation**

All new Chief Officers will usually be placed on the bottom point of the grade, unless there is a business case for starting an employee at a higher point on their grade, for example, to match an existing salary or offer from another employer.

Chief Officer grades are paid at the Assistant Director grade and above and are evaluated under the HAY Scheme. This ensures that the relative 'weight' of these roles can be objectively measured using consistent and robust criteria.

#### **4.4 Remuneration and Pay Progression principles linked to performance**

Please refer to **Appendix 3: Chief Officer Grades and Spinal Points** for further information regarding the Chief Officers annual salaries.

All Chief Officers will have their level of reward linked to sustaining high levels of performance under the Council's Performance Management Competencies Framework. This is to ensure that the Council gets maximum value for money with high quality service with reward levels being inextricably linked to providing good services to our residents or to internal customers. The principles of this approach are as follows:

- In order to progress to a higher scale point, a Chief Officer must achieve a marking of '1' (outstanding) or 2' {Exceeding} in their end of year appraisal subject to moderation by Senior Leadership Team (SLT) for equality of approach across services.
- Any Chief Officer achieving a rating of '3' {Successful} in their end of year appraisal will remain on the same increment point
- Any Chief Officer achieving a marking of '4' {needs development} or 5 {unsatisfactory} will be supported so that they can improve their performance. Although this will not automatically result in a salary reduction, a salary reduction could be an outcome of the performance improvement process.

Upon the end of year appraisal completion, Chief Officers at the top of their grade who have attained an appraisal marking of 1 {outstanding} will be considered, at the discretion of the Chief Executive, for an ex-gratia payment representing the financial difference between the top of their existing Spinal Column Point and the next Spinal Column Point down {within their grade}.

#### **4.5 Terminating the employment of Chief Officer Posts**

The Council will make contractual payments to any Chief Officers whose employment is terminated by the Council during the year in line with statutory requirements.

#### 4.6 Payment to Chief Officers undertaking Electoral Duties

The Returning Officer is an officer of the Council appointed under the Representation of the People Act 1983 to undertake obligations in respect of local, national and European elections and referenda. Whilst appointed to this position, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from their duties as an employee of the Council. As Returning Officer, they are paid a separate allowance for each election for which they are responsible. Remuneration for this role is either based on the fees determined by the relevant Statutory Order or in accordance with the scale of fees that has been approved by the Council and as appropriate the Electoral commission.

Other employees are also appointed to conduct specific electoral duties and they also receive election-related fees for duties they may be appointed to undertake in the support of the Returning Officer.

#### 4.7 Management Board

Please refer **Appendix 4: Chief Officer Remunerated Posts** for further information regarding the Council's Management Board along with all the Chief Officer roles within the Council.

#### 4.8 Management Structure

In line with the Local Government Transparency Code 2015 recommendations, the Council has produced **Appendix 5: Senior Pay at London Borough of Waltham Forest** and **Appendix 6: Senior Pay at London Borough of Waltham Forest, Salary banding by Directorate** outlining those roles in receipt of a salary of £150,000 per annum along with the names of those employees on Chief Officer's salaries.

#### 5.0 Pay Comparison information

The relationship between pay at the lowest and highest levels is controlled by Job Evaluation processes, rather than by this policy.

However, it should be noted that the Council's current ratio in this respect is 1:7.18 the highest earner being on £219,588 per annum {Chief Executive} earns 7.18 times more than the Council's average earnings on £30,576 per annum.

Data provided on the basis of the Local Government Transparency Code 2015, {base salary, variable pay, bonuses, allowances and cash value of any benefits in kind} and the median earnings figure of the whole Council.

#### 5.1 Gender Pay Gap reporting regulations

- Public sector employers are required to reveal the difference between employees' median and mean pay, as part of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. Consideration will be given to ensure that the Council is compliant to these requirements and publishes the necessary data for 30 March 2023. It's important to note that 69% of staff identify as being female,
- 47.8% of staff identifying as being female are in the top 5% of earners,

Within the report years 2023/2024, the Gender Pay Gap data on the 'mean snapshot's showed the Council as having a pay gap of 11.96%, which reduces the percentage from 13.59% for reporting years 2022/2023. The Council's full Gender Pay Report can be found [here](#).

The Council has a Gender Pay Gap action plan which sets out the actions it will take to help address the Pay Gap and to improve the working lives of women in its workforce.

## 5.2 Ethnicity Pay Gap Reporting

The Council is committed to exploring the Ethnicity Pay Gap within its workforce and work with key stakeholder groups including the Racial Equality Network {REN} to improve the Ethnicity Pay gap. It's important to note that:

- 59% of staff identify as African, Caribbean, Asian or Mixed Heritage
- 26.1% of staff identifying as African, Caribbean, Asian or Mixed Heritage are in the top 5% of earners.

Within the report years 2023/2024, the Ethnicity Pay Gap data on the 'mean snapshot' showed the Council as having a pay gap of 16.69%, which reduces the percentage from 17.16% for reporting years 2022/2023. The Council's full Gender Pay Report can be found [here](#). The Council's full Ethnicity Pay Gap report is available [here](#).

## 6.0 Trade Union Facility Time

The Council recognises the following Trade Unions for negotiation, consultation and representation purposes:

### UNISON

22 representatives

1 of these representatives undertakes more than 50% of their duties working as a union representative, this comprises of:

- Full time UNISON Branch Secretary

### UNITE

UNITE does not have any allocated facilities time at the London Borough of Waltham Forest.

### GMB

1 representative

1 representative undertakes 50% of their duties working as a union representative.

This comprises of 18 hours per week

### Shared amongst the Trade Unions

Joint Trade Union Health and Safety Coordinator {18 hours per week}

The Council spent £79,835 per annum on Trade Union representatives. This is calculated on the basis for those representatives working 50% or more of their time on trade union duties. This equates to 0.10% of the Council's total pay bill, as at 31 December 2023.



## **7.0 Pension scheme, Employer contribution rates and Termination Payments**

### **7.1 Pension scheme and employer contribution rates**

Pension provision is an important part of the remuneration package. All employees are automatically enrolled into the scheme upon commencement of employment. The Local Government Pension Scheme for the London Borough of Waltham Forest is administered by an external administrator, Pension Shared Service for Camden, Merton, Richmond, Waltham Forest and Wandsworth, their details are available [here](#)

The scheme is a statutory scheme with contributions from both employees and from the Council, as employers. The employee contribution levels vary according to the level of the employee's salary and are set by statute. For further information on the scheme, please visit the website [here](#).

The scheme operates under the auto-enrol legislation, and this will apply to all employees of the Council that meet the set criterion.

All employees within the pension scheme meeting the set criteria, are given the opportunity to apply for 'flexible retirement', which would enable them to continue to be employed by the authority, whilst also being in receipt of a Local Government pension. All such requests are considered in accordance with the adopted policy on this matter.

It is a statutory requirement for the triennial valuation of the Employer Pension contribution rates to be set every three years. Therefore, the agreed London Borough of Waltham Forest Council {excluding LEA schools}, Employer Pension contributions are as follows:

- 2023/2024 is 16.7% future service rate and £8.5m deficit amount,
- 2024/2025 is 16.7% future service rate and £8.9m deficit amount,
- 2025/2026 is 15.2% future service rate and £9.4m deficit amount,

Please refer to the Council Statement of Accounts for any additional details.

### **7.2 Termination arrangements**

On ceasing to be employed by the Council, employees will only receive compensation:

- (i) In circumstances that are relevant (for example. Redundancy), and
- (ii) That is in accordance with our published Policy Statement on how we exercise the various employer discretions provided by the Local Government Pension Scheme (LGPS), and/or
- (iii) That complies with the specific terms of any Settlement Agreement

#### **7.2.1 Special Severance Payment**

The Council is compliant to the Department for Levelling Up, Housing & Communities (DLUHC) statutory guidance available [here](#), when applying Special Severance Payments (SSPs). SSPs are described as payments made to employees, office holders, workers, contractors and 'others' outside of statutory, contractual or other requirements when leaving employment in public service.

Where the Council as an employer has a contractual obligation to pay an employee in line with its redundancy policy, there will be no requirement to attend Full Council.

The authorisation arrangements will be as follows:

- payments of £100,000 and above must be approved by a vote of full council, as set out in the Localism Act 2011 [and the supplementary guidance issued under section 40 of that Act].
- payments of £20,000 and above, but below £100,000, must be personally approved and signed off by the Head of Paid Service, with a clear record of the Leader's approval and that of any others who have signed off the payment
- payments below £20,000 must be approved according to the Council's specific approval processes including authorisation from the Director of Resources and the Director of Governance and Law. .

### **7.3 Exit payments**

The Council is awaiting further government guidance on this matter. Details available [here](#).

### **8.0 Tax implications**

The Council, in common with all public sector bodies is responsible for determining whether 'off payroll' workers are in scope for IR35 purposes. The HMRC regulations require 'deemed employees' to pay tax and national insurance contributions {NIC} as if they were in fact employees.

The requirement effectively applies that PAYE and NICs pass from the PSC to the public sector engager or agency through which contractors source their work. The public body decides if it is engaging someone who is legitimately self-employed or if the PSC is simply a means for the contractor concerned to receive payments without the deduction of PAYE or NICs. If the Council decides the latter case applies, it, or the agency through which the contractor PSC is supplied, will need to withhold PAYE and NICs.

It is important to note that the Council operates via a Framework with Matrix SCM for the supply of agency workers which means that any liability for tax and National insurance contributions will be the liability of the supplier and not the Council or Matrix.

The Council has introduced robust measures to ensure compliance.

### **9.0 People Strategy**

The Council continues to progress implementing its People Strategy to improve the working experience of employees along with the Inclusion Action Plan available [here](#). This strategy will develop the Council's culture, values and engender a sense of belonging and trust along with its reward and recognition package.

### **10.0 Conclusion of Pay Transparency**

The Council wishes to be transparent in its application of this Pay Policy Statement. In order to do so, it will publish the position of the following as at 29 February 2024

- The salary grades and ranges including those for senior managers
- Names, job titles, actual salaries for all Chief Officers
- Job titles and grades of all posts graded PO10 or equivalent and above,
- The descriptions for each Chief Officer's key role requirements

