

PAY POLICY STATEMENT 2023/24

HOUNSLOW COUNCIL

1 Introduction

- 1.1 In accordance with the requirements of the Localism Act 2011, this Pay Policy Statement sets out the Council's policy on the payment of its chief officers and lowest paid employees. All decisions on pay and reward will comply with this statement. It is agreed by Borough Council every year and can be amended during the financial year, providing any changes are approved by Borough Council.
- 1.2 Our aim is to establish a flourishing workforce where our people connect with us and feel they belong and can grow so that we can deliver outstanding services to our residents. We wish to be an employer of choice, continuing our recognition as a Council of the Year. We want our community to be served by people who live our values and we will always be prudent with our employment costs ensuring they reflect budgetary and efficiency needs.
- 1.3 We are committed to ensuring fair and appropriate levels of pay and remuneration for all of our employees. The Council's ratio of pay at the top to pay at the bottom is 9.7:1. Our median pay multiple (the ratio of the highest earner compared to the median salary) remains 5.8. We believe this to be appropriate for the size and complexity of the authority and it compares favourably with the pay multiple in the private and public sectors. We are also in line with our neighbouring boroughs (Hillingdon, Ealing, Richmond, Hammersmith & Fulham and Spelthorne) across which the average currently published pay multiple is 6.54.
- 1.4 We are committed to reducing inequality and to leading by example through the way we operate as an organisation. We include an update on our gender pay gap, where our median pay gap is 0%.
- 1.5 The Pay Policy Statement is an evolving document that will continue to be developed and be responsive to the emerging position regarding senior remuneration. We adopt a strategic approach to pay and reward to ensure we can recruit and retain appropriate staff and drive service improvement. We acknowledge the role that the Trade Unions play in working with us to build a strong employee relations climate and we are committed to working in partnership with them.
- 1.6 Future pay policy recommendations will continue to be underpinned by the principles of public sector delivery and a commitment to equality and fairness.

Scope

- 1.7 Staff employed in schools, under the control of governing bodies, are not covered by this Pay Policy Statement.

2 Remuneration of Chief Officers

Level and elements of remuneration for chief officers

- 2.1 Chief officer posts are evaluated using the 'Hay Scheme'. This is a systematic process for ranking jobs logically and fairly by comparing job against job or against a pre-determined scale to determine the relative importance of jobs to an organisation.
- 2.2 All chief officer posts are paid in accordance with the Chief Officer Salary Scale.
- 2.3 Any changes to chief officer pay are delegated to the Chief Executive, as Head of Paid Service, in consultation with the Leader of the Council.

Remuneration on recruitment

- 2.4 On recruitment, a chief officer will be paid in accordance with the Council's approved Chief Officer Salary Scale. Because all appointments to Chief Officer posts, including those at a salary of over £100,000, are appointments within a pay band and structure where the principles of reward and remuneration have previously been agreed by full Council, remuneration for new appointments will not be subject to full Council consideration.
- 2.5 The authority's most senior posts are on the Council's payroll unless there are exceptional, temporary circumstances which mean that a different approach is required. Where this arises, approval will be in line with the Council's established mechanisms for the authorisation of 'off-payroll' workers.

Increases and additions to remuneration

- 2.6 Chief officers' terms and conditions of employment are in accordance with the Scheme of Conditions of Service for the Joint Negotiating Committee (JNC) for Local Authorities' Chief Officers. Any pay awards agreed under this collective agreement will be applied to chief officers' pay.

Use of performance related pay and bonuses.

- 2.7 Chief officer pay progression is dependent on performance
- 2.8 We do not pay bonuses.

The approach to the payment of chief officers on their ceasing to hold office or be employed by the authority

- 2.9 A chief officer who ceases employment with the Council may be entitled to a severance payment if they are being dismissed either on grounds of redundancy or on grounds of efficiency of the service. The procedure and payments applicable in these circumstances are governed by the Council's Severance Policy and also the Redundancy and Redeployment Policy.

- 2.10 Borough Council will be given the opportunity to vote / register an objection to any severance package over £100,000 (save where the contents of the package are strictly limited to amounts to which the employee has a contractual entitlement and/or any or all payments are in line with agreed Council policies) prior to any final, written offer being made to staff.
- 2.11 Severance Packages include, and must provide a breakdown of, salary paid in lieu, redundancy compensation, pension entitlements, holiday pay and any bonuses, fees or allowances paid as part of the package.
- 2.12 This ensures there is proper accountability where large severance packages are offered and also that the termination process can continue in as efficient a manner as possible.
- 2.13 In line with the [statutory guidance on the making and disclosing of Special Severance Payments by local authorities in England](#), any special severance payments between £20,000 and £100,000 will be approved by the Chief Executive, with a record of the Leader's approval. Any Special Severance Payments under £20,000 will be approved by the Chief Executive. The approval process for any Special Severance Payment, made to the Chief Executive, is separate and will involve an independent panel of at least two people. Appropriate advice will be sought on the establishment of this panel, should the situation arise.
- 2.14 The Council's [Pensions Discretion Policy](#) sets out the discretions which can be exercised in the case of chief officers (and all other employees). The procedure for approving the application of any pension discretion is contained within this policy.
- 2.15 In the unlikely event that a previous chief officer, who had left the authority with a severance or redundancy package, were considered suitable to be re-employed or to provide a contract for services, the following safeguards are in place:
- (i) The full and proper recruitment and selection processes, as laid out in the Council's [Recruitment and Selection Policy](#), will always be applied where the proposal is to re-employ;
 - (ii) Any arrangements and decisions made will be in full compliance with the Redundancy Payments (Continuity of Employment in Local Government etc.) (Modification) Order 1999 and any associated amendments.
 - (iii) An employee who wished to claim their pension whilst working would need to make an application under the Council's [Flexible Retirement Policy](#).

The publication of and access to information relating to remuneration of chief officers

- 2.16 Information relating to the remuneration of chief officers is published on the [Open Data](#) website.
- 2.17 More specifically, the following information can be accessed here:

- [pay multiple](#)
- [senior posts](#)
- [senior salary information](#)
- [senior salaries count](#)
- [trade union facility time](#)
- [organisation chart](#)

Terms and conditions applying to the authority's chief officers

- 2.18 Chief officers' terms and conditions of employment are in accordance with the Scheme of Conditions of Service for the Joint Negotiating Committee (JNC) for Local Authorities' Chief Officers as supplemented by the Council's employment policies. The Chief Executive's terms and conditions are in accordance with the JNC for Local Authority Chief Executives' National Salary Framework and Conditions of Service Handbook as supplemented by the Council's employment policies. These may be amended from time to time by the Council and agreements made with the chief officers' or chief executives' representative body.
- 2.19 The Chief Executive is the Council's Returning Officer. The Returning Officer's fee is paid separately from and in addition to the Chief Executive's salary. The Returning Officer's fee is not set by the Council. Instead, the Council adopts the Scale of Returning Officers' Fees and Expenses recommended by London Councils for the financial year.
- 2.20 Additional fees for chief officers, in respect of any local election duties they may perform, are paid separately from salary at levels that comply with the Scale of Counting Officers' Fees and Expenses recommended by London Councils for the financial year.
- 2.21 Chief officers, who have elected to be members of the Local Government Pension Scheme, make contributions from their salary into the pension fund. The council makes an employer contribution to the pension fund of 19.1%.

3 Remuneration of the lowest paid employees

- 3.1 The posts of our lowest paid employees are evaluated using the Greater London Provincial Council Job Evaluation Scheme ('GLPC Scheme'). This is a systematic process, developed for use by London Boroughs, to determine grading arrangements based on fairness, transparency, and consistency.
- 3.2 The Council's lowest paid employees are paid in line with the national terms and conditions for Local Government Staff ('the Green Book'), subject to receiving at least the London Living Wage (LLW). At present the Council's lowest paid employees earn £11.95 per hour.
- 3.3 The Council is an accredited LLW employer and all staff have been paid at least the LLW since 1 November 2011. We are committed to ensuring that our lowest paid staff receive a fair day's pay for a hard day's work. Should the LLW rate exceed our minimum rate of pay, we will pay the LLW. We expect any suppliers contracting

with us to budget for this level of payment to their own employees.

- 3.4 To ensure that we Lead with Heart and can Be a Rock for our lowest paid employees, we will implement the London Living Wage from the 1st of the month following its announcement (usually this will be in December each year following the GLA announcement in November). This enables our people to receive the increase at the earliest opportunity that is practicable for the council, allowing sufficient time for the necessary payroll administrative arrangements to be made.

4 Relationship between the remuneration of the Council's chief officers and other officers

- 4.1 The Council's pay policies, in relation to chief officers and other staff, differ in respect of incremental pay and allowances.

Incremental Pay

- 4.2 Pay progression for our Chief Officers, and employees on Hounslow Management Grades (HMG) is dependent on performance.
- 4.3 For all other employees, pay progression is service-based, in line with national joint council agreements. An increment can be withheld if the employee is underperforming and being considered under the Council's Capability Policy.
- 4.4 The rationale for this different approach is a recognition that our residents are entitled to expect that higher earning employees are delivering the Council's objectives and are accountable to the community for the work they perform.

Allowances

- 4.5 Under the Council's [Allowances Policy](#), chief officers and employees on HMG grades are, ordinarily, not entitled to claim these allowances.
- 4.6 The rationale for this is that the salary at these levels is sufficient to compensate senior staff for any additional work which they may be required to undertake. However, the coronavirus pandemic has demonstrated that unprecedented circumstances may necessitate a variation to this approach, to ensure that services can operate effectively for the benefit of our residents. The Head of Paid Service will determine when such policy variances need to be applied.
- 4.7 Any change to the scheme of allowances is delegated to the Chief Executive, as head of Paid Service, to approve in consultation with the Leader of the Council.



Appendix A

GENDER PAY GAP REPORT



London Borough
of Hounslow

The gender pay gap is calculated as the difference between average hourly earnings (excluding overtime) of men and women as a proportion of men's average hourly earnings (excluding overtime). We are required to report our gender pay gap as of 31 March every year and information is published [here](#).

It is important to understand that the gender pay comparison is not the same as an equal pay comparison. The gender pay comparison looks at all employees whatever job they do and compares what men and women are paid on average. This is different from an equal pay comparison which looks at people doing the same or similar jobs and ensures that men and women are paid equally for the work they do.

Salaries are determined through recognised job evaluation schemes (GLPC & HAY) which evaluate the job and not the jobholder. The schemes make no reference to gender or any other personal characteristics of existing or potential job holders and therefore ensures the council pays the same salary to roles of equal value.

We do not operate a bonus scheme and therefore no data is available for this metric.

Our Median Gender Pay Gap is 0%

ONE
HOUNSLOW

Median Hourly Pay



£18.53

Median Hourly Pay



£18.53

Median Pay Gap

0%

lower

Data based on 31st March 2022

The Median pay gap is the difference between the hourly pay of the median full-pay relevant man and woman. The median is the man or woman who is in the middle of a list of hourly pay ordered from highest to lowest paid.

The median pay gap in March 2021 was 2.58% meaning women earned 2.58% less than men. For March 2022 the median pay gap is 0 meaning women earned the same as men at the median point..

Our Mean Gender Pay Gap is 3.9%



Data based on 31st March 2022

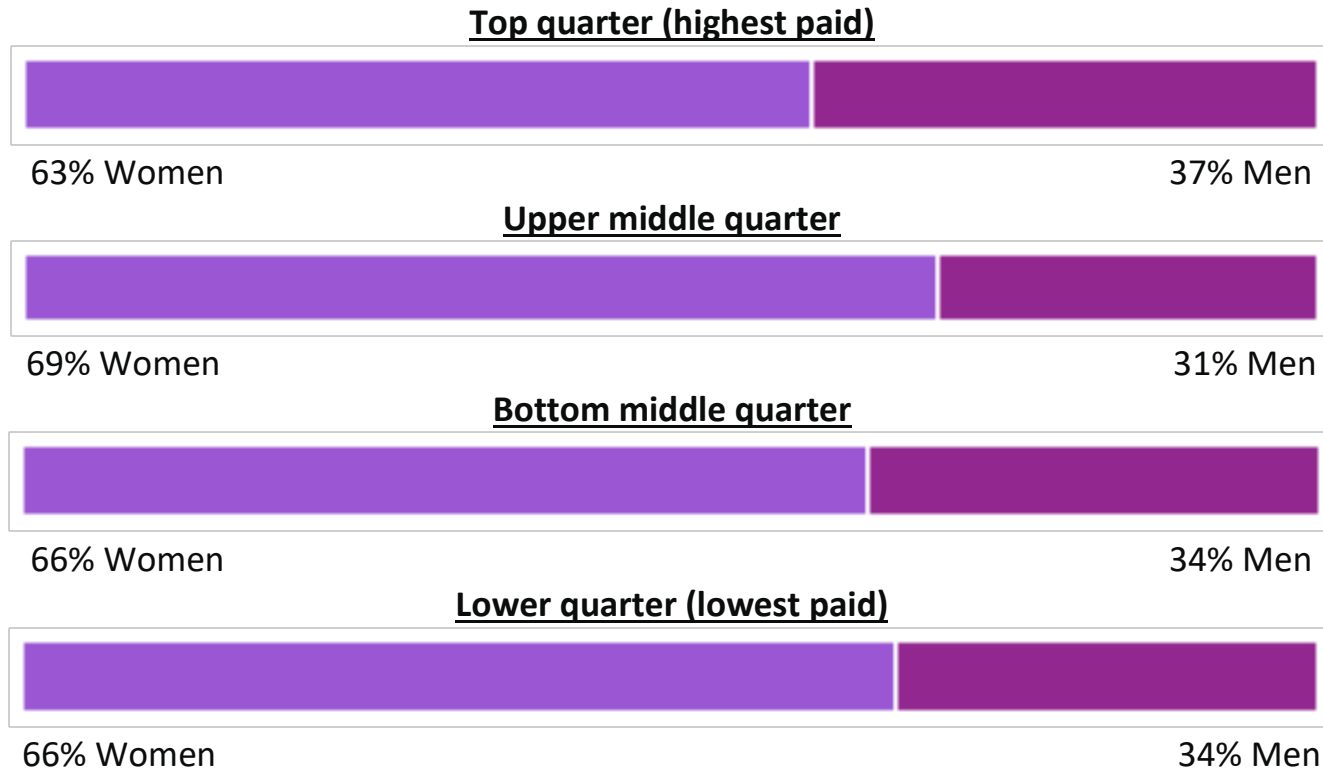
The Mean gender pay gap figure is difference between the mean (average) hourly pay of men and the mean hourly pay of women. The mean involves adding up all of the numbers and dividing the result by how many numbers were in the list.

The mean pay gap in March 2021 was 5.07%, meaning women earned 5.07% less than men on average. For March 2022 the mean is 3.9%, meaning women earn 3.9% less than men on average.

When using the median, men at LBH are paid the same as women.

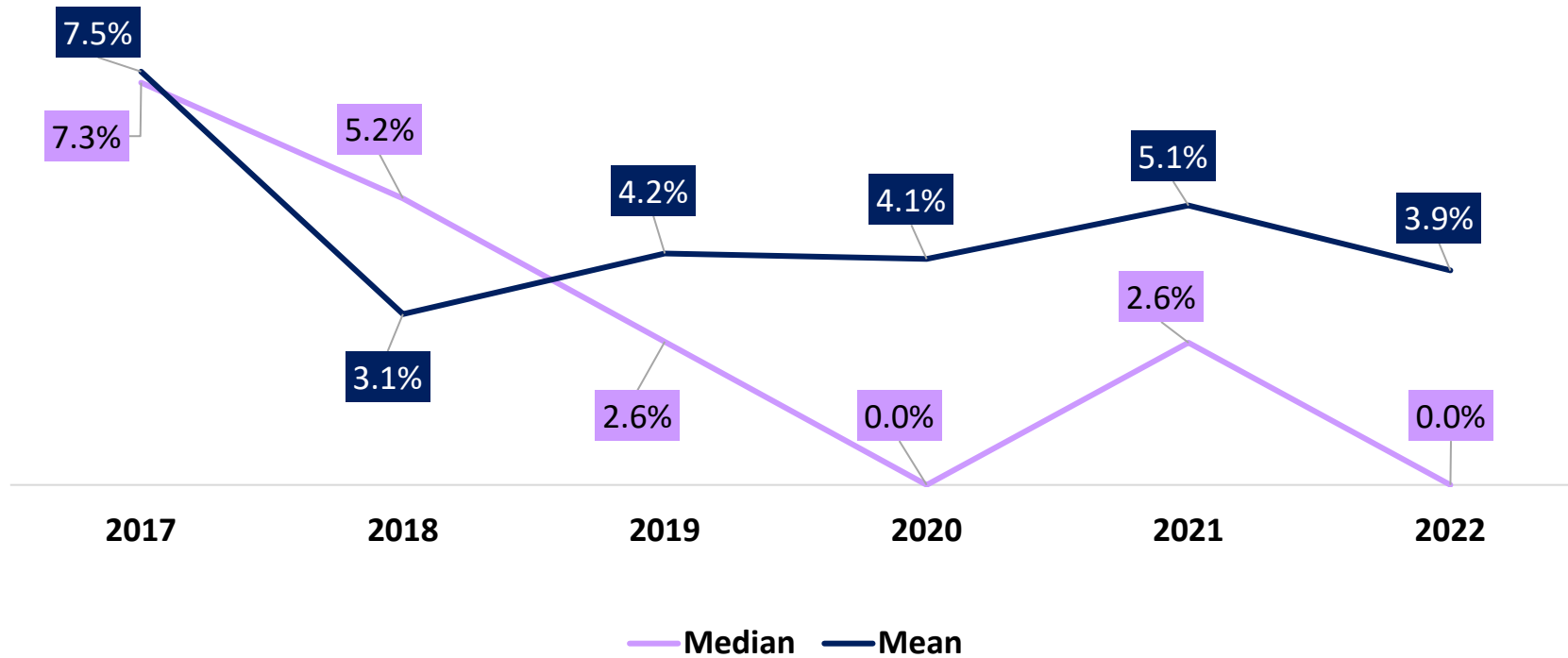
When using the mean, men at LBH are paid 3.9% more than women. Which means for every £1 a man earns at LBH, a woman will earn 96p.

Here is the quartile breakdown, which shows the proportion of women and men at different pay levels. Our workforce profile at the same period was 67% female and 33% male:



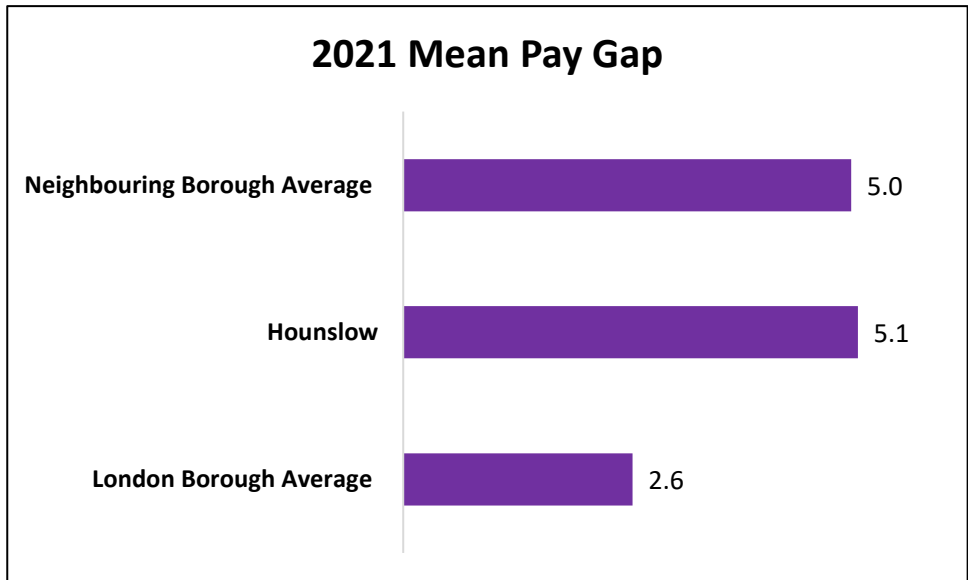
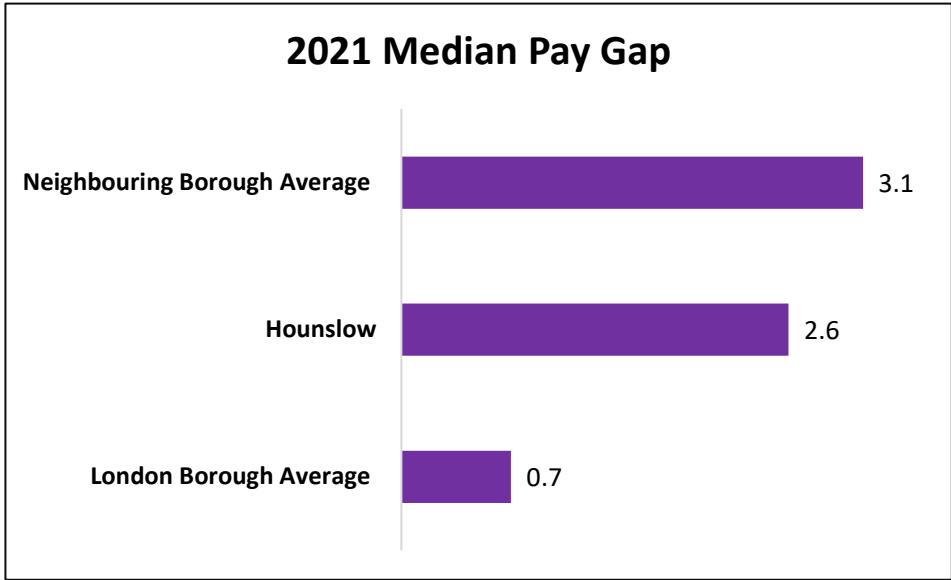
Data based on 31st March 2022

Gender Pay Gap - Year by Year



Over this six-year period, female staff on average have earned 4.7% less than men for the Mean calculation and 3% less for the median calculation. If we compare this to our 2022 percentage, we are slightly below this average.

Data captured on 31st March each year



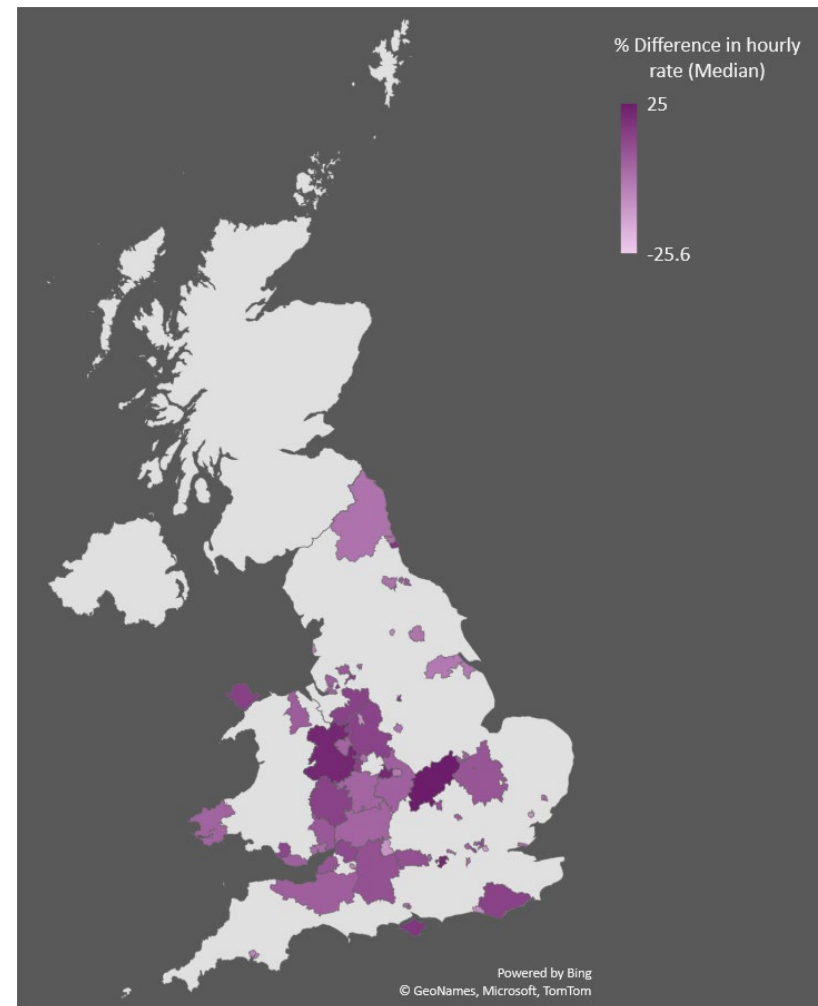
This data is based on 31st March 2021 and will be updated when new information is available. These charts explore Hounslow's Gender Pay Gap position compared to neighbouring boroughs (Ealing, Hillingdon, Richmond/Wandsworth, and Hammersmith) which is currently stable.



The ONS publish that among full time employees the median gender pay gap in April 2021 was 7.9%, this was 7% in April 2020 and 9% in April 2019 (Source: Office for National Statistics – Annual Survey of Hours and Earnings)

For more information please [Click Here](#)

Using the data on the ONS website we can view the 2021-2022 GPG for 120 local authorities from around the UK, this data shows that on average the Mean GPG is 5% and the Median is 3.8%.



Summary

At London Borough of Hounslow, equality is at the heart of our values. We are committed to ensuring our people are paid fairly for the fantastic work they do. While our Gender Pay Gap remains lower than the national average, and is similar to our neighbouring boroughs, we are not complacent, and will continue to understand the factors that contribute to our gap, so that we can take appropriate steps to address this.

Taking Action

We know that our organisation is more successful when we have a diverse and inclusive workforce - a place where we harness the mix, where our people feel they belong, and they can grow and flourish. We've been working on a number of initiatives to further embed EDI into our everyday lives and to make Hounslow as inclusive as it can be:

Develop our Equality Forum	Our staff equality network groups engage with senior leadership on a quarterly basis. This has developed to include the Corporate Leadership Team and will be driven by the council's equality strategy, ensuring EDI is a corporate focus and corporately led.
Promotion of Development Opportunities	We have specifically promoted development opportunities across our equality network groups, using positive action, to encourage participation of underrepresented groups in the following programmes: <ul data-bbox="1021 1270 2018 1460" style="list-style-type: none">• Level 7 and Level 5 Happy apprenticeships• Yes Futures• LifeClubs coaching offer• Leadership conferences around women's development and for our Race Equality and Ethnic Diversity group

<p>Improve connection with candidates who engage outside iHounslow system</p>	<p>We have identified how people join the organisation and are working to ensure our values and our commitment to EDI are known by people who engage with us outside of our HR recruitment system. We have shared our EDI statement with all agencies which supply workers to us, requiring that this is presented to all applicants. We have also clearly established our expectations around assembling diverse candidate pools and also monitoring applications and shortlisting so we can clearly understand the career pathway of all applicants from an EDI perspective.</p>
<p>Partnership with Yes Futures charity</p>	<p>We are working with the Yes Futures Charity and have implemented a personal development programme for local secondary school students to develop essential skills for the future...</p>
<p>Revise our sensitive data Options</p>	<p>In order to encourage the completion of our employees' equality characteristics, we have worked with our Women's Equality Network and the LGBTQ+ Network to revise the categories under both gender / sex and also sexual orientation. The new categories are in use and we hope these will enable people to identify more readily with the options provided and encourage completion of their data.</p>
<p>Review our messaging around sensitive data</p>	<p>We have been encouraging our employees to complete their equality data through a better understanding of why we collect this information and how we use it. As above we have also redefined categories to enable people to complete their information. Currently our completion rate is 93%, which (at 31.3.22) was the 7th highest across London Boroughs.</p>
<p>Share our EDI data and plans widely across the organisation</p>	<p>We have developed an EDI hub which is available on the intranet. Its aim is to be the 'go-to' resource around employee EDI and brings together a wealth of information on our network groups, EDI training, completion of sensitive data, having conversations around EDI and external resources. Most importantly it is where we publish our EDI data and action plans which are refreshed annually, ensuring we are transparent about our position and clear on the work we are doing in this area.</p>
<p>Coaching offer to support managers</p>	<p>We have partnered with LifeClubs to offer coaching for managers, particularly recognising the challenges posed by having to lead during and post the covid pandemic. Around two-thirds of our managers at HMG level</p>

	are female, so this initiative has particularly offered support to our female leaders.
Create an OD, Leadership and Learning Team cohort	We have established an internal cohort which provides opportunities to use existing / develop new strengths, skills and talents of our diverse workforce Of the 25 members of the cohort, 15 are women.
Pilot diverse recruitment panels	We are working with our equality network groups to introduce diverse recruitment panels in the areas where we are underrepresented – specifically for gender and ethnicity in our Chief Officer appointments. We are currently designing a pilot action plan.
Redesign job adverts	We are working with our equality network groups to review our job adverts. We are seeking to redesign these so that they better reflect our values and showcase Hounslow as a diverse employer where people feel they can belong, grow and flourish.
Prioritise mandatory equality training	We have held a campaign requiring all our employees to complete the mandatory equality training modules, ensuring all our people have a common understanding of our commitment to EDI as well as our legal obligations. Our completion rates have improved and we will continue to promote this amongst our staff.
Establish Network Group budgets	Each of our network groups have been allocated an annual budget allowing them to pursue the goals that are important to them.
Support Women's leadership development	As part of our commitment to supporting women into leadership, we sponsored attendance at the IGPP women in leadership course.
Revise our resourcing strategy	We are working to develop a revised resourcing strategy overhauling the way in which we connect with people, ensuring we attract and retain the best talent. This will impact on gender, helping us to address any gaps in female recruitment, progression and retention.
Implement a Resolution Framework	We are designing a new framework to address and resolve conflict within the organisation, following feedback from our My Experience Matters survey and evidence from a review of current practice. We wish to establish a culture where people feel confident to discuss issues they are facing and that there is a positive means of dealing with this which leaves people feeling heard and engaged both during and at the end of the

	<p>process. A survey conducted by our women's network indicated that there were particular issues for women around bullying, harassment and discrimination and the Resolution Framework will seek to address these.</p>
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