

Pay Policy Statement 2025/26

1. Introduction

- 1.1 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 excessive, to reflect value for money in the delivery of services. At the same time, there must be flexibility to respond to circumstances arising, such as local or occupational specific labour market conditions.
- 1.2 The Council is committed to transparency, affordability and fairness of pay. This pay policy statement sets out the Council's position in the labour market and pay benchmarking, pay ratios, the current pay structure and arrangements, dealing with data transparency and termination payments.

2. Pay benchmarking

- 2.1 Royal Borough of Kingston monitors the Council's benchmark position regularly to ensure the Council continues to provide good value for money and that senior managers are not paid in excess of local, regional and national labour markets, as appropriate to the job.
- 2.2 Senior Pay benchmarks are derived utilising data from London Councils, and in particular the annual chief officers' salary survey. The Council is positioned in the mid range for senior pay across this benchmark. This information is used when reviewing pay and grading structures, in combination with data on turnover, recruitment and retention.

3. Pay ratios and Fair Pay in the Public Sector

- 3.1 Performance pay is not operated, although the ability exists to postpone or withhold increments in the case of poor performance, or to award additional increments or make one-off, non-consolidated payments (within strict limits) to recognise most exceptional performance.
- 3.2 The Council makes comparison of the highest paid with the median (recommended in the Government's transparency guidelines). The ratio of the Chief Executive's pay to the median employee is 1:5 (December 2024). The Hutton Review of Public Sector Pay suggested the ratio for the public sector is 1:20. Therefore RBK's ratio is within the recommended ratio 1:20 identified as a maximum pay multiple.
- 3.3 Mandatory employer transparency reporting regulations on the gender pay gap were implemented in April 2017. Organisations employing more than 250 employees are required to report their gender pay gap figures annually for 31 March each year by the following 31 March (for public sector organisations) and publish the figures and report on the council website.
- 3.4 Royal Borough of Kingston's median gender pay gap for 31 March 2024 is 8.34%, which means there is a gap between the pay of typical male and female employees. The UK estimated gender pay gap is currently 13.1% (down from 14.2% in 2023) and consistently reduced year on year.
(Source: Office of National Statistics (October 2024)
<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkhours/bulletins/genderpaygapintheuk/2024>

4. Current pay structures and arrangements

4.1 The Council grades posts using job evaluation outcomes to ensure fairness and equality in our pay structure and arrangements. There are two schemes used, the Hay Job Evaluation Scheme for the most Senior Roles and Greater London Provincial Council (GLPC) Job Evaluation Scheme for roles below this. The Council uses pay ranges from:

- The Joint National Council (JNC) for LA Chief Executives, and the JNC for LA Chief Officers pay agreement arrangements and
- The National Joint Council (NJC) Greater London Provincial Council (GLPC) Outer London pay agreement.

4.2 Some other employees are paid on nationally determined pay scales such as: Soulbury, Youth & Community, Teachers and local conditions.

4.3 Senior Employees receive no performance related pay or bonuses. They receive no overtime or pay in lieu of leave. Employees contribute a percentage of their salary to the local government pension scheme based on their salary band. The current contributions are shown below:

Salary Band	%
Up to £17,600	5.5%
£17,601 to £27,600	5.8%
£27,601 to £44,900	6.5%
£44,901 to £56,800	6.8%
£56,801 to £79,700	8.5%
£79,701 to £112,900	9.9%
£112,901 to £133,100	10.5%
£133,101 to £199,700	11.4%
£199,701 or more	12.5%

Source: LGPS website:

<https://www.lgpsmember.org/your-pension/the-essentials/your-contributions/>

4.4 Kingston's employer contribution to the pension fund for all contributing members is 17.7% (not including deficit contributions). Any sums relating to conference speeches or non-executive directorships of other public bodies are paid to the Council.

- 4.5 The Council's Senior Staff Panel, made up of elected councillors and reporting to full council, is responsible for appointments, and consideration and approval of pay and grading matters relating to the senior management team. These arrangements enable prompt member-level decision making to meet operational demand.
- 4.6. The most recent pay deal agreed for staff covered by the NJC/GLPC was with effect from 01 April 2024, agreed in October 2024. This was for a £1,491 increase to spinal column points up to and including 048 on the payscale, and an increase of 2.5% to spinal column points 049 to 070. Negotiations on a national pay deal for 2025/26 are unlikely to be finalised prior to April 2025.
- 4.7 The most recent pay deal agreed by the JNC for Chief Officers and the Chief Executive was with effect from 01 April 2024 for a 2.5% increase to all pay points. As with the NJC/GLPC, the JNC offer with effect from April 2025 is subject to national negotiations and agreement, at the time of writing, there is currently no provisional offer.
- 4.8 The Council has adopted the London Living Wage as the minimum rate of pay for its employees.
- 4.9 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 implemented the off payroll intermediaries legislation (commonly known as 'IR35') in the public sector with effect from 6 April 2017 as required.

5. Transparency arrangements

- 5.1 The Chief Executive's remuneration, that of the Executive Directors, and any officer earning over £100k, are the subject of a published statement on the Council's website. This information is updated on an annual basis. Other salary and budget information is published in the annual statement of accounts, available from the Council's website.
- 5.2 The Council publishes via its website; (<https://www.kingston.gov.uk/council-democracy/local-government-transparency-code/5>):
- all senior employee salaries with: names (where required), title, salary band and information including job descriptions that will cover span of control and managerial responsibilities
 - on an annual basis a schedule of all council employees earning £50,000 or more, 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.

6. Termination payments

- 6.1 The Council reviews and publishes its policy on the exercise of discretions under local authority regulations covering compensation for early termination of employment, redundancy and pension enhancements. Discretions are published on the council's transparency page and can be found within the following link. <https://www.kingston.gov.uk/downloads/file/3248/pensions-discretion-policy>