



Pay Policy Statement 2023

February 2023

1. INTRODUCTION

- 1.1 Under s112 of the Local Government Act 1972 the Authority has the “power to appoint officers on such reasonable terms and conditions as it thinks fit”. This Pay Policy sets out the Authority’s approach to pay in accordance with the requirements of s38 of the Localism Act 2011. Although the requirements of the Act do not directly apply to the Authority this statement is being published in order to demonstrate the Authority’s commitment to openness and transparency in matters of pay.
- 1.2 The purpose of this statement is to provide transparency with regard to the Authority’s approach setting the pay of its employees by identifying:
- The methods by which the salaries of all employees are determined;
 - The details of the remuneration of its most senior employees;
 - The relationship between the salary of its most senior employees and other employees.
- 1.3 This document is updated annually either prior to the beginning of the financial year in April or following the agreement of the national pay award.

2. OTHER LEGISLATION RELEVANT TO PAY AND REMUNERATION

- 2.1 In determining the pay and remuneration of its employees the Authority will comply with all relevant employment legislation. This includes legislation such as the Equality Act 2010, the Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, and where relevant the Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014. The Authority ensures that there is no pay discrimination within its pay structures and that pay differentials can be objectively justified through the use of job evaluation mechanisms which directly establish the relative level of posts in grades according to the requirements, demands and responsibilities of the role.
- 2.2 The Authority utilises the Hay job evaluation scheme for all roles.

3. PAY STRUCTURE

- 3.1 The Authority’s pay structure of spinal column points and grades is set out in Appendix A. This has been updated from to reflect the new nationally agreed pay award backdated to 1st April 2022, including the impact of the average national pay award on the locally determined spinal points. A comprehensive review of the pay and benefits package for staff is currently being undertaken and any implications from this will be reflected in an update of this statement.
- 3.2 Annual salary increases for all staff (including senior managers) are set through national negotiations between the local government employers and the recognised trades unions within the National Joint Council for Local Government Services.
- 3.3 Where evidence exists of recruitment and retention issues it may be necessary to make additional payments to take into account pay levels in the wider labour market in order to attract and retain employees with particular skills, knowledge and experience. In such instances the Authority will use evidence of relevant market comparators, using data sources available within the local government sector, the financial services sector and beyond as appropriate.

4. DEFINITIONS

4.1 The Localism Act refers to the position of Chief Officer, which, in terms of the South Yorkshire Pensions Authority is defined as:

- Head of Paid Service designated under s4 (1) of the Local Government and Housing Act 1989
- Monitoring Officer designated under s5 (1) of the Local Government and Housing Act 1989
- Chief Finance Officer designated under s151 of the Local Government Act 1972
- A Non-Statutory Chief Officer as defined in s2 (7) of the Local Government and Housing Act 1989

4.2 In the case of the South Yorkshire Pension Authority these definitions encompass the following roles:

Head of Paid Service –	Director
Monitoring Officer -	Head of Governance
Chief Finance Officer -	Assistant Director - Resources
Chief Officer -	Assistant Director - Investment Strategy
	Assistant Director - Pensions

4.3 The statutory roles of Monitoring Officer and Chief Finance Officer (Treasurer) will from 1st January and 1st April 2023 be performed by the Head of Governance and Assistant Director – Resources respectively.

4.4 The additional statutory role of Clerk which is required under the Local Government Act 1985 and the Local Government Reorganisation (Pensions etc.) (South Yorkshire) Order 1987 is performed under a service level agreement by the Chief Executive of Barnsley Metropolitan Borough Council as part of their core role and any impact on remuneration is reflected in Barnsley MBC’s pay policy statement.

4.5 Remuneration is defined as the pay an individual receives.

5. DIRECTOR REMUNERATION

5.1 The current post holder took up the role on 12th February 2018. This is a spot salary and there is no incremental progression.

Grade	Salary @ 1/7/2022
N	£126,925

5.2 Members of the Authority undertook a review of the salary for the Director’s role in June 2022 fixing the level at the median for similar roles in comparable local government pension funds, with the changes agreed coming into effect from 1st July 2022. The terms and conditions of service relating to this post are in accordance with the Joint Negotiating Committee for Local Authority Chief Officers, with the exception that pay increases are tied to the headline increase in the main pay scale of the National Joint Council for Local Government Services.

Additional Allowances

5.3 The Director is not entitled to any additional allowances such as telephone, or lease car, and is not designated as a car user, due to his own circumstances, any future postholder would be designated as a casual car user.

- 5.4 Rules in relation to reimbursement of travel and subsistence etc. are the same as for all other posts within the Authority.
- 5.5 The Authority’s flexi-time scheme does not apply to the Director, nor does the retention scheme for Senior Managers.

6. ASSISTANT DIRECTOR REMUNERATION

6.1 The three Assistant Director roles reporting to the Director are paid as follows:

Post	Grade	Salary Range @ 1/4/2022
Assistant Director – Investment Strategy	M	£79,596 - £90,692
Assistant Director – Pensions	M	£79,596 - £90,692
Assistant Director - Resources	M	£79,596 - £90,692

- 6.2 Progression through the grade occurs through the payment of an additional annual increment on 1st April each year, until the top of the grade is reached.
- 6.3 The terms and conditions of service relating to these posts are in accordance with the Joint Negotiating Committee, with the exception that pay increases are tied to the headline increase in the main pay scale of the National Joint Council for Local Government Services.

Additional Allowances

- 6.4 The Heads of Service are each designated as casual car users.
- 6.5 Any other allowances relating to the posts are the same as for all other posts within the Authority, for example, reimbursement of fuel expenditure for business travel, and the ability to claim reimbursement for relevant professional subscriptions.
- 6.6 Two of the Assistant Director roles are subject to a specific retention scheme which allows for the making of additional pension contributions of up to £12,000 per annum if the individual remains in the Authority’s employment for a period of up to 5 years, with no payments being made until the individual has remained in employment for 3 years and with any award being subject to satisfactory performance.
- 6.7 All members of staff who participate in the Authority’s Hybrid Working Policy including the Assistant Directors but excluding the Director receive a £26 per month allowance.
- 6.8 The Authority’s flexi-time scheme does not apply to individuals appointed as Chief Officers after 1st April 2018.

7. MONITORING OFFICER REMUNERATION

7.1 The Head of Governance who holds the role of Monitoring Officer and reports to the Assistant Director – Resources is paid as follows:

Grade	Salary @ 1/7/2022
L	£58,063 - £68,500

7.2 Progression through the grade occurs through the payment of an additional annual increment on 1st April each year, until the top of the grade is reached.

7.3 The terms and conditions of service relating to these posts are in accordance with the Joint Negotiating Committee, with the exception that pay increases are tied to the headline increase in the main pay scale of the National Joint Council for Local Government Services.

Additional Allowances

7.4 The Heads of Governance is designated as a casual car user.

7.5 Any other allowances relating to the posts are the same as for all other posts within the Authority, for example, reimbursement of fuel expenditure for business travel, and the ability to claim reimbursement for relevant professional subscriptions.

7.6 All members of staff who participate in the Authority’s Hybrid Working Policy including the Head of Governance but excluding the Director receive a £26 per month allowance.

7.7 The Authority’s flexi-time scheme applies to the Head of Governance.

8. RECRUITMENT OF THE DIRECTOR, CHIEF OFFICERS AND MONITORING OFFICER

8.1 Where there is a requirement to recruit to the post of Director or to a Chief Officer post then the relevant provisions of the Authority’s constitution will apply.

9. SALARY ON APPOINTMENT

9.1 Under normal circumstances all new appointments to a post of Chief Officer will be made at the bottom spinal point of the grade unless there are objective reasons for not doing so. Any appointment above the bottom spinal column point will require the approval of the Director.

10. PERFORMANCE RELATED PAY

10.1 The Localism Act requires details of any performance related pay arrangements to be disclosed. South Yorkshire Pensions Authority does not operate any such arrangements.

11. RELATIONSHIP BETWEEN DIRECTOR/CHIEF OFFICER PAY AND OTHER EMPLOYEES

11.1 The following information is provided to assist with understanding the ratio calculations

Director Salary =	£126,925 (spot salary)
Chief Officer Median Salary =	£ 90,692
Authority Median Full Time Salary =	£ 28,371
Authority Lowest Full Time Salary =	£ 20,812

11.2 Pay Ratio

Post	Benchmark Salary	Ratio
Director’s Salary	Chief Officer Median Salary	1:1.4
Director’s Salary	Authority Median Salary	1:4.5
Chief Officer Median Salary	Authority Median Salary	1:3.2
Director’s Salary	Authority Lowest Salary	1:6.1
Chief Officer Median Salary	Authority Lowest Salary	1:4.4

Note all these ratios exclude any apprentices

11.3 The Hutton report “Fair Pay in the Public Sector” recommended that the Fund Director’s salary should not exceed 20 times that of the lowest paid worker. The above table shows that with a ratio of 6.1 times South Yorkshire Pensions Authority more than meets this requirement.

12. LOWEST PAID EMPLOYEE

- 12.1 The lowest grade in the pay structure is Grade A (scale points 1-3 £20,258 - £20,812 at 1/4/2022). Currently no roles are assigned to this grade and therefore the lowest salary that an employee other than apprentice can receive is scale point 3 (£20,812), which is the lowest actual salary currently being paid.
- 12.2 A separate pay scale exists for apprentices which is included in Appendix A. While based on the Government recommendations in terms of its structure, this scale has been amended from 1/4/2022 by the same uplift as the general local government pay award in recognition both of the cost-of-living crisis and of recruitment issues in regard to apprentices.

13. TERMINATION PAYMENTS

- 12.1 The Authority's redundancy policy applies equally to all employees regardless of their grade. A redundancy payment will be paid to an employee when their post is made redundant and there are no suitable redeployment opportunities.
- 12.2 The Authority does not have a policy which allows for the automatic enhancement of an employee's pensionable service on termination.

13. EMPLOYER PENSION CONTRIBUTIONS

- 13.1 The Authority contributes to the Local Government Pension Scheme in 2022/23 for all its employees who are members equally at the rate of 16.1% of employee's pensionable pay. This rate is set by the actuary for the South Yorkshire Pension Fund and is reviewed every three years.

14. EMPLOYEE PENSION CONTRIBUTIONS

14.1 Employees in the Local Government Pension Scheme will pay the following contributions as a proportion of their pensionable pay with effect from 1st April 2022.

Band	Pensionable Pay	Contribution Rate- Main Scheme	Contribution Rate- 50/50 Scheme
1	Up to £15,000	5.5%	2.75%
2	Above £15,001 up to £23,600	5.8%	2.90%
3	Above £23,601 up to £38,300	6.5%	3.25%
4	Above £38,301 up to £48,500	6.8%	3.40%
5	Above £48,501 up to £67,900	8.5%	4.25%
6	Above £67,901 up to £96,200	9.9%	4.95%
7	Above £96,201 up to £113,400	10.5%	5.25%
8	Above £113,401 up to £170,100	11.4%	5.70%
9	Above £170,101	12.5%	6.25%

15. ENGAGEMENT OF FORMER CHIEF OFFICERS IN RECEIPT OF PENSIONS

15.1 The Authority does not have a policy which prevents former employees, including Chief Officers, from applying for and being successfully appointed to any job, or returning under a contract for service, because they are in receipt of a public sector or Local Government Pension. Normal recruitment or procurement rules would apply in such circumstances.

16. PUBLICATION OF THE POLICY

16.1 This policy will be published on the Authority’s website. In addition, for posts where the full-time equivalent salary is at least £50,000 the Authority will publish further information as required by the Accounts and Audit Regulations 2015.

17. REVIEW OF THE PAY POLICY

17.1 The Policy will be subject to annual review and must be approved by the Authority. Where delays to national pay awards being agreed results in it not being possible for the Policy to be brought before a convenient meeting of the Authority then the relevant urgency procedure will be used. Any amendments required in relation to matters of fact may be made by the Director without further reference to the Authority.



Pay Scales

Grade	Hay Score	SCP	2021/22		2022/23	
			Salary from 1 April 2021	Salary from 1 April 2022	Salary from 1 April 2021	Salary from 1 April 2022
Apprentices - In first year, or have completed first year and aged under 19	-	APP1	8,296	11,205	Rate set by Government of £9,280p.a. for 2022/23 plus NJC pay award of £1,925.00	
Apprentices - Completed first year and aged 18-20	-	APP2	12,444	15,103	Rate set by Government of £13,178p.a. for 2022/23 plus NJC pay award of £1,925.00	
Apprentices - Completed first year and aged 21-24	-	APP3	15,820	19,636	Rate set by Government of £17,711p.a. for 2022/23 plus NJC pay award of £1,925.00	
Apprentices - Completed first year and aged 25 and over	-	APP4	16,823	20,254	Rate set by Government of £18,329p.a. for 2022/23 plus NJC pay award of £1,925.00	
A	<120	1	18,333	20,258		
		2	18,516	20,441		
		3	18,887	20,812		
B	121 to 139	3	18,887	20,812		
		4	19,264	21,189		
		5	19,650	21,575		
C	140 to 160	5	19,650	21,575		
		6	20,043	21,968		
		7	20,444	22,369		
		8	20,852	22,777		
		9	21,269	23,194		
D	161 to 180	10	21,695	23,620		
		11	22,129	24,054		
		12	22,571	24,496		
		13	23,023	24,948		
E	181 to 250	15	23,953	25,878		
		16	24,432	26,357		
		17	24,920	26,845		
		18	25,419	27,344		
		20	26,446	28,371		
F	251 to 280	22	27,514	29,439		
		23	28,226	30,151		
		24	29,174	31,099		
		25	30,095	32,020		
G	281 to 320	26	30,984	32,909		
		27	31,895	33,820		
		28	32,798	34,723		



Grade	Hay Score	SCP	Pay Scales	
			2021/22 Salary from 1 April 2021	2022/23 Salary from 1 April 2022
H	321 to 380	29	33,486	35,411
		30	34,373	36,298
		31	35,336	37,261
I	381 to 430	32	36,371	38,296
		33	37,568	39,493
		34	38,553	40,478
		35	39,571	41,496
		36	40,578	42,503
J	431 to 480	37	41,591	43,516
		38	42,614	44,539
		39	43,570	45,495
		40	44,624	46,549
		41	45,648	47,573
K	481 to 550	42	46,662	48,587
		43	47,665	49,590
		44	49,782	51,707
		45	51,901	53,826
		46	54,019	55,944
L	551 to 710	47	56,138	58,063
		48	58,253	60,178
		49	61,027	62,952
		50	63,800	65,725
		51	66,575	68,500
M	711 to 870	52	77,671	79,596
		53	80,445	82,370
		54	83,218	85,143
		55	85,992	87,917
		56	88,767	90,692
N	>870	57	110,958	126,925

New rate approved by Authority at June 2022 meeting effective 1 July 2022 plus NJC pay award of £1,925.00 effective 1 April 2022

Note:

The following points in the NJC scale are not used:

- 14
- 19
- 21

Scale points above 43 are locally determined and are increased annually in line with the headline increase for the NJC pay award.