

## **Report of the HR Policy Committee**

Chairman: Cllr Anna Groskop, Cabinet Member for HR, Health & Transformation

Division and Local Member: All

Lead Officer: Chris Squire, HR Director

Author: Julian Gale Strategic Manager - Governance & Risk

Contact Details: 01823 357628

### **1. Summary/link to the County Plan**

- 1.1. Officers prepared a draft 2018/2019 Pay Policy Statement, attached as Appendix A, which the HR Policy Committee considered on 15 January 2017 and recommended to Full Council for its approval.

The only minor changes to the Pay Policy Statement for 2018/19, since Council last approved the previous PPS on 17 February 2016, were to remove references to 'chief officers' as that term was wide ranging and also covered a number of posts that fell outside of the Council's Senior Leadership Team (SLT). In place of the generic 'chief officer' term the revised contents were more specific about the posts being referred to and at what grade under each section.

- 1.2. The HR Policy Committee forms a key part of the Council's constitutional arrangements which underpin the aims and delivery of the Somerset County Plan. The Committee exercises delegated authority from the Council in respect of the approval of the Council's HR policies. However legislation requires the Pay Policy Statement (PPS) itself to be approved by Full Council on the recommendation of the HR Policy Committee. The PPS needs to be approved in time for implementation from the beginning of the financial year.
- 1.3. This report also covers in Section 4 (for information only) the other items considered by the HR Policy Committee at its meeting on 18 September 2017, 13 November 2017 and 15 January 2018.

### **2. Recommendations**

- 2.1. **The HR Policy Committee agreed to recommend the Council:**

- **To approve the Pay Policy Statement (PPS) for the Council for 2018-19 (attached as Appendix A to this report).**

### **3. Background**

- 3.1. Section 38(1) of the Localism Act 2011 requires local authorities to prepare, agree and publish pay policy statements for each financial year. Under the legislation the approval of this policy statement is a function of Full Council rather than an 'executive' function and cannot be delegated to a committee. It therefore needs to be approved at a meeting of the Full Council hence this report.
- 3.2. Full Council agreed the current PPS for 2017/2018 on 26 April 2017.

**3.3.** The only minor changes to the Pay Policy Statement for 2018/19 are to reflect changes to the term of 'chief officers' updated pay data and changes to grade 17 salary scale points from October 2015. These are marked as tracked changes on Appendix A.

**3.4.** It should be noted that the new rate of the National Living Wage (NLW) will apply from 1 April 2018.

The hourly rate for the NLW will be £7.83 per hour, and will apply to those aged 25 and over. That rate is expected to increase on an incremental basis so that by 2020 it reaches 60% of national median earnings, so an estimated £9.35.

The National Employers met with the unions in December 2017 and have made a final pay offer.

The Employers' final offer was constructed to achieve a two-year agreement with a headline of two per cent in each of 2018 and 2019 in addition to increasing the bottom pay points to take account of the new National Living Wage.

#### **4. Meetings of the Committee (for information)**

##### **4.1. 18 September 2017**

###### **Pay Review in Somerset**

We considered this report that set out the current position regarding pay negotiations in Somerset. We noted that that appropriate pay provisions for staff are fundamental to the delivery of the Council's objectives and services as set out in the County Plan. Members noted that Council operates a 17 grade pay structure and that grades from 17 up to 9 contain a number of pay increments. In addition grades 8 and upwards, contain a single pay point per grade.

We agreed having carefully considered the current arrangements that the most effective way currently to ensure that the Council had adequate staff pay awards and was protected from challenge and met its obligations appropriately would be to remain part of the national bargaining arrangements. This would also help to ensure that the on-going pay spine review reflected national arrangements.

###### **Disclosure Policy**

We considered this report about the proposed Disclosure Policy that would consolidate the Council's current guidance and processes in relation to the disclosure of criminal records. It would also complement and expand on the current Recruitment of Ex-Offenders Policy, which set out the circumstances in which the Council would be allowed by law to request full criminal disclosure.

We heard that the new policy explained how the Council would make effective use of the Disclosure and Barring Service (DBS) in recruitment to safeguard the children and vulnerable adults who access services. It would also outline how the Council will comply with the Cabinet Office Baseline Personnel Security Standards for employees that access the Public Services Network.

We discussed the policy and agreed it was an appropriate time to consolidate current guidance and processes into a formal policy not least because the DBS would be commencing compliance inspections. We noted that the policy also provided an explanation of eligibility and the different types of disclosure and checks against 'barred lists' and when they should be used, expectations of employees whose post would be covered by DBS eligibility criteria and procedures for dealing with disclosure checks and disclosure certificates. We agreed to accept the new Disclosure Policy.

#### **4.2. 13 November 2017**

##### **Discretions Policy: The Local Government Pension Scheme Regulations 2013 and the Local Government Pension Scheme (Transitional Provisions & Savings) Regulations 2014**

We considered this report that asked for approval to revise the Discretions Policy to enable the Council to introduce a salary sacrifice Shared Cost Additional Voluntary Contribution (SCAVC) arrangement in respect of the Pension Scheme.

We noted that the SCAVC scheme would enable both the employee and employer to benefit from national insurance savings that could be made, in addition to the existing income tax benefits enjoyed by employees who make Additional Voluntary Contributions (AVC's). The brand name for this new offer would be AVC Wise and it would take the form of a salary sacrifice arrangement.

We agreed to approve the revised Discretions Policy and that Regulation R17 (1) and TP15 (1) (d), Shared Cost Additional Voluntary Contribution Arrangement be updated to enable the Council to introduce a salary sacrifice Shared Cost Additional Voluntary Contribution arrangement.

#### **4.3. 15 January 2018**

In addition to our deliberations on the revised Pay Policy Statement for 2018/2019 we had the benefit of a very interesting and informative presentation from the Director for Human Resources and Organisational Development.

## **5 Implications**

- 5.1** The proposals for the PPS ensure that the Council fully meets the Council's statutory obligations under Section 38 of the Localism Act and the associated statutory guidance

## **6 Background papers**

- 6.1** Agenda and papers for the HR Policy Committee meetings.  
<http://www1.somerset.gov.uk/council/meetings/results.asp?ccode=37>

**Note:** For sight of individual background papers please contact the report author.