

HR Policy Committee
Monday 15 January 2018
2.00 pm Luttrell Room - County Hall,
Taunton



To: The Members of the HR Policy Committee

Cllr A Groskop (Chairman), Cllr M Chilcott, Cllr P Ham, Cllr L Leyshon and Cllr L Redman

Issued By Julian Gale, Strategic Manager - Governance and Risk - 5 January 2018

For further information about the meeting, please contact Jamie Jackson on 01823 357628 or jjackson@somerset.gov.uk

Guidance about procedures at the meeting follows the printed agenda.

This meeting will be open to the public and press, subject to the passing of any resolution under Section 100A (4) of the Local Government Act 1972.

This agenda and the attached reports and background papers are available on request prior to the meeting in large print, Braille, audio tape & disc and can be translated into different languages. They can also be accessed via the council's website on www.somerset.gov.uk/agendasandpapers



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AGENDA

Item HR Policy Committee - 2.00 pm Monday 15 January 2018

*** Public Guidance notes contained in agenda annexe ***

1 **Apologies for Absence**

2 **Declarations of Interest**

Details of all Members' interests in District, Town and Parish Councils will be displayed in the meeting room. The Statutory Register of Member's Interests can be inspected via the Community Governance team.

3 **Minutes from the previous meeting** (Pages 5 - 6)

The Committee is asked to confirm the minutes are accurate.

4 **Public Question Time**

The Chairman will allow members of the public to present a petition on any matter within the Committee's remit. Questions or statements about any matter on the agenda for this meeting will be taken at the time when each matter is considered.

5 **Pay Policy Statement 2018/2019** (Pages 7 - 40)

To consider this report.

6 **Any other urgent items of business**

The Chairman may raise any items of urgent business.

THE MEETING – GUIDANCE NOTES

1. Inspection of Papers

Any person wishing to inspect Minutes, reports, or the background papers for any item on the Agenda should contact the Committee Administrator for the meeting – Rebecca Dunstan on 01823 357628 or rdunstan@somerset.gov.uk. They can also be accessed via the council's website on www.somerset.gov.uk/agendasandpapers

2. Notes of the Meeting

Details of the issues discussed and decisions taken at the meeting will be set out in the Minutes, which the Committee will be asked to approve as a correct record at its next meeting. In the meantime, details of the decisions taken can be obtained from Rebecca Dunstan on 01823 359628; Fax 01823 355529 or rdunstan@somerset.gov.uk

3. Members' Code Of Conduct Requirements

When considering the declaration of interests and their actions as a councillor, Members are reminded of the requirements of the Members' Code of Conduct and the underpinning Principles of Public Life: HONESTY; INTEGRITY; SELFLESSNESS; OBJECTIVITY; ACCOUNTABILITY; OPENNESS; LEADERSHIP. The Code of Conduct can be viewed at: <http://www.somerset.gov.uk/organisation/key-documents/the-councils-constitution/>

4. Public Question Time

At the Chairman's invitation you may ask questions and/or make statements or comments, or send in a written question about **any matter on the Committee's agenda**. You may also present a petition on any matter within the Committee's remit. **The length of public question time will be no more than 30 minutes in total.**

A slot for Public Question Time is set aside near the beginning of the meeting, after the minutes of the previous meeting have been signed.

Any person wishing to raise a matter under public question time must inform the Committee Administrator, Rebecca Dunstan, by 12 noon **the (working) day before** the meeting.

You must direct your questions and comments through the Chairman. You may not take direct part in the debate.

The Chairman will decide when public participation is to finish.

If there are many people present at the meeting for one particular item, the Chairman may adjourn the meeting to allow views to be expressed more freely.

If an item on the agenda is contentious, with a large number of people attending the

meeting, a representative should be nominated to present the views of a group.

An issue will not be deferred just because you cannot be present for the meeting.

Please remember that the amount of time you speak will be restricted, normally to two minutes only.

5. IMPORTANT NOTE FOR MEMBERS OF THE PUBLIC

The Council in support of the principles of openness and transparency allows filming, recording and taking photographs at its meetings that are open to the public providing it is done in a non- disruptive manner.

Members of the public may use Facebook and Twitter or other forms of social media to report on proceedings and a designated area will be provided for anyone who wishes to film part or all of the proceedings. No filming or recording will take place when the press and public are excluded for that part of the meeting. As a matter of courtesy to the public, anyone wishing to film or record proceedings is asked to provide reasonable notice to the Committee Administrator so that the Chairman of the meeting can inform those present.

We would ask that, as far as possible, members of the public aren't filmed unless they are playing an active role such as speaking within a meeting and there may be occasions when speaking members of the public request not to be filmed.

A copy of the Council's Recording of Meetings Protocol should be on display at the meeting for inspection, alternatively contact the Committee Administrator for the meeting in advance.

6. Substitutions

Committee members are able to appoint substitutes if they are unable to attend the meeting.

7. Hearing Aid Loop System

To assist hearing aid users, the Luttrell, Hobhouse and Wyndham Rooms have infra-red audio transmission systems. These work in conjunction with a hearing aid in the T position, but we also need to provide you with a small personal receiver. Please request one from the Committee Administrator and return at the end of the meeting.

8. Emergency Evacuation Procedure

In the event of the fire alarm sounding, members of the public are requested to leave the building via the signposted emergency exit, and proceed to the collection area outside Shire Hall. Officers and Members will be on hand to assist.

HR Policy Committee

Minutes of a meeting of the HR Policy Committee held on Monday 13 November 2017 at 14:00 in the Luttrell Room, County Hall, Taunton.

Committee members present

Cllr Groskop (Chair)

Cllr Chilcott

Cllr Taylor (Substitute)

Cllr Leyshon

Cllr Oliver

Cllr Redman

Apologies: Cllr Ham

7 Declarations of Interest– agenda item 2

There were no Declarations of Interest.

8 Minutes of the previous meeting – agenda item 3

- 8.0 The Committee agreed the minutes of the previous meeting were accurate and the Chair signed them.
In addition it was noted that the information requested at the last meeting had been circulated to Members of the Committee, and it was requested if staffing figures/information provided in future could also include the number of male and female employees.

9 Public Question Time – agenda item 4

- 9.0 There were no members of the public present, and hence no questions asked, statements/comments made or petitions presented.

10 Discretions Policy: The Local Government Pension Scheme Regulations 2013 and the Local Government Pension Scheme (Transitional Provisions & Savings) Regulations 2014– agenda item 5

- 10.0 The Committee considered this report, introduced by the Human Resources and Organisational Development (HR & OD) Director 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.
- 10.1 The proposed amendment to the Discretions Policy, attached to the report as Appendix A, and it was explained 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.
- 10.2 In answer to a question it was noted that there was an even spread across staff grades of AVC contributor and if all changed to the AVC Wise scheme

monthly savings for the employer would be £1400 approx. There was a brief discussion about the eligibility of staff members and it was stated that a salary sacrifice scheme such as AVC Wise was available only to those who met minimum wage requirements after the salary had been reduced by the agreed amount. This meant that some employees may not be eligible to join the salary sacrifice scheme however they may still be able to make normal AVC's.

- 10.3 The Committee 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.

11 Any other urgent items of business – agenda item 6

- 11.0 The Chair thanked those present for attending the meeting.

The meeting closed at 14:17.

Cllr Anna Groskop
Chair, HR Policy Committee

Somerset County Council

HR Policy Committee
– 15th January 2018**Item No. 5****Pay Policy Statement – 2018/19**

Cabinet Member: Cllr Anna Groskop, Cabinet Member for Corporate and Community Services

Lead Officer: Chris Squire, HR&OD Director

Author: Vicky Hayter, Strategic Manager HR Business Relations

Contact Details: 01823 359858

Please complete sign off boxes below prior to submission to Community Governance

	Seen by:	Name	Date
Report Sign off	Legal	Honor Clarke	9/1/18
	Corporate Finance	Kevin Nacey	9/1/18
	Human Resources	Chris Squire	9/1/18
	Cabinet Member	Anna Groskop	9/1/18
	Monitoring Officer	Julian Gale	9/1/18
	Summary:	<p>The Report sets out proposed minor amendments to the Pay Policy Statement (PPS) for 2018/19. The tracked changes on the draft PPS attached as Appendix A look quite extensive but do not fundamentally change the main provisions. Instead they are aimed at clarifying and updating the contents. The main amendments remove reference to the term 'chief officers' where possible because the legal definition of the term as set out in Section 2 of the PPS – 'Definitions' is wide ranging and covers a number of posts that fall outside of the Council's Senior Leadership Team (SLT). Some of the references to 'chief officer' in the current version of the PPS are therefore incorrect. In place of the generic 'chief officer' term the revised contents are much more specific about the posts being referred to and at what grade under each section. These amendments are intended to ensure that the detail of the contents of the PPS in respect of references to the senior management structure accurately reflects the legal position.</p> <p>The report also sets out for information an update on the National Living Wage rate from 1 April 2018, the pay offer that was made in December 2017 for a 2 year period for NJC staff and the pay claim from the Association of Local Authority Chief Executives which includes SLT.</p>	
Recommendations:	<p>The HR Policy Committee is asked to :</p> <ol style="list-style-type: none"> 1. Agree to recommend the Council to approve the Pay Policy Statement for the Council for 2018-19 attached as Appendix A to this report to have effect from 1st April 2018. 2. Note the changed rate to apply from 1st April 2018 in 		

	<p>relation to the National Living Wage.</p> <p>3. Note the update on the NJC Pay Offer</p> <p>4. Consider the ‘Chief Exec and SLT Pay Claim’ for 2018 and 2019 and to agree that the pay award for posts graded 1-3 for 2018/19 and 2019/20 should match the pay award for NJC officers, subject to the award being no greater than a 2% increase – see paragraph 1.4 for further explanation. In the event that the pay award for NJC officers exceeds 2% for the years in question, then the issue of a pay award for grades 1-3 will be referred back to the Committee for further decision.</p>
Reasons for Recommendations:	<p>To ensure that the Council complies with the statutory requirement to publish a pay policy statement annually.</p> <p>Section 38 (1) of the Localism Act 2011 requires English and Welsh local authorities to produce a PPS for each financial year which must be approved formally by Full Council. Pay policy statements can be amended ‘in-year’ should the need arise but only by Full Council.</p> <p>As from 1st April 2012, determination of any salary/cost of living progression for Chief Executive and SLT is undertaken by the HR Policy Committee, subject to an annual review.</p>
Links to Priorities and Impact on Service Plans:	<p>Appropriate pay provisions for staff are fundamental to the delivery of the Council’s objectives and services as set out in the County Plan.</p>
Financial, Legal and HR Implications:	<p>The revised PPS meets the requirements of the Localism Act and related statutory guidance.</p> <p>Any financial consequences come from decisions taken by the Council in accordance with the PPS in place at the time. The annual cost of the 2% pay rise for NJC officers will be approximately £2.2m including on costs. The annual cost of a 2% pay rise for the Chief Executive and SLT will be approximately £60k including on costs.</p> <p>In terms of applying the requirements of the PPS to pay / grading / appointment and dismissal of staff, the Council will follow all HR requirements that apply to employers.</p>
Equalities Implications:	<p>The Council’s duty under Section 149 of the Equality Act 2010 is to have “due regard” to the matters set out in relation to equalities when considering and making decisions. There are no direct equality impacts associated with agreeing the PPS itself. There are also no direct impacts on sustainability, health and safety, community safety or privacy aspects as a result of the recommendations.</p>
Risk Assessment:	<p>Failure to comply with Section 38 (1) of the Localism Act could lead to a legal challenge to the Council and therefore it is important that the PPS reflects the Act, other relevant legislation and statutory guidance. The Council is required to have regard</p>

	<p>to statutory guidance and either comply with it fully or put in place appropriate alternative provisions.</p> <p>If the Council fails to comply with the requirements of the PPS in respect of the appointment / dismissal of officers then it could be subject to legal challenge.</p>
Scrutiny comments / recommendation (if any):	None

1. Background

- 1.1. It is a statutory requirement to review the Pay Policy Statement (PPS) annually and present it to Full Council for consideration and approval. The PPS takes effect from the beginning of the financial year. It will now go before Full Council on 21st February 2018 for approval and to have effect from 1st April 2018.
- 1.2. There are no substantive changes to the PPS. The amendments are relatively minor and are explained in the Summary at the beginning of this paper.
- 1.3. By way of an update on pay, it should be noted that the National Living Wage (NLW) rate with effect from 1 April 2018 will be £7.83 per hour, and will apply to those aged 25 and over.

The National Employers made a 2 year pay offer which was put to the unions on 5th December 2017. It is hoped that there will be an indication of whether this offer is accepted by the end of January.

The Employers' 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 National Living Wage increase.

The offer is as follows:

From **1 April 2018**:

- On SCP 6, £1,380 (equivalent to 9.191%)
- On SCP 7, £1,380 (equivalent to 9.130%)
- On SCP 8, £1,380 (equivalent to 9.052%)
- On SCP 9, £1,380 (equivalent to 8.976%)
- On SCP 10, £1,250 (equivalent to 8.006%)
- On SCP 11, £1,200 (equivalent to 7.592%)
- On SCP 12, £1,050 (equivalent to 6.512%)
- On SCP 13, £900 (equivalent to 5.458%)
- On SCP 14, £900 (equivalent to 5.363%)
- On SCP 15, £900 (equivalent to 5.272%)
- On SCP 16, £900 (equivalent to 5.167%)
- On SCP 17, £900 (equivalent to 5.064%)
- On SCP 18, £800 (equivalent to 4.427%)
- On SCP 19, £700 (equivalent to 3.734%)
- On SCPs 20 and above, 2.0%

The second year (2019) will require further work to the current pay spine to make it a viable system for managing the increases in the National Living Wage. See the full offer at Appendix B. The National Employer's Offer sets out the proposal following:

- A bottom rate of £9.00 per hour (£17,364) on new SCP1 (equivalent to old SCP6)
- 'Pairing off' old SCPs 6-17 incl to create new SCPs 1-6 incl
- Equal steps of 2.0% between each new SCPs 1 to 21 incl (equivalent to old SCPs 6-28 incl)
- By creating equal steps between these pay points new SCPs 10, 13, 16, 18 and 21 are generated to which no old SCPs would assimilate. This would mean that in some organisations the current number of pay points in a grade would change. The Employers therefore suggest that we work together to consider appropriate advice as such issues arise
- On new SCPs 23 and above (equivalent to old SCPs 29 and above), 2.0%

Somerset will continue its work with the LGA to ensure that the pay spine is fit for purpose. It will also consult internally to ensure the Somerset grade bandings maintain the appropriate differentials.

- 1.4.** The Association of Local Authority Chief Executives pay claim matches the 2% (or whatever the final agreement) for 2018/19 and 2019/20 offer made to NJC staff at spinal column point 20 and above (see full claim at Appendix C). As a reminder, Somerset is not bound by the national arrangements for Chief Executive and SLT pay awards.

As stated earlier in the report, the Committee has delegated authority to determine any salary/cost of living progression for Chief Executive and SLT. In the difficult financial circumstances facing the Council it seems appropriate for the Committee to agree that the pay award for posts graded 1 to 3 for 2018/19 and 2019/20 should match the pay award for NJC officers, subject to the award being no greater than a 2% increase for each of the years in question. The expectation is that the additional costs will be met within existing budgets as part of the budget setting process by Council in February 2018.

If the pay award to NJC officers is more than 2%, the decision will come back to the Committee for a further discussion and decision. This will be by way of an extraordinary meeting if necessary.

2. Options Considered

- 2.1.** No options were considered in relation to the PPS for 2018/19.
- 2.2.** In terms of the pay award for the Chief Executive and SLT the recommendation is considered the best way forward to maintain the critical balance of affordability with the need to retain and recruit the necessary expertise into these key posts. It remains a challenging market into which to recruit at a senior level but this has to be balanced against the financial challenges facing the Council. No alternatives to the recommendation have therefore been considered.

3. Consultations undertaken

- 3.1. The NJC Pay Offer was made in December 2017 and is subject to national consultation.
- 3.2. The National Living Wage is a legal requirement and has to be adhered to.

4. Implications

- 4.1. The recommendations are intended to ensure that the Pay Policy Statement maintains an appropriate balance between rigorous governance of pay and reasonable flexibility for managers to manage.
- 4.2. The financial implications are as set out in this report.

5. Background papers

- 5.1 None.

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

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SOMERSET COUNTY COUNCIL PAY POLICY STATEMENT -2018/19

This document sets out Somerset County Council's Pay Policy Statement (PPS) for 2018/19 which is revised and published at least annually following approval at Full Council. ~~This version was approved on 26th April 2017.~~

1. Background

Section 38 (1) of the Localism Act 2011 requires English and Welsh local authorities to produce a PPS for each financial year.

The Act:

1. Requires the PPS to include the Council's policy on the following:
 - The remuneration of its chief officers
 - The remuneration of its lowest paid employees.
 - The relationship between the remuneration of its Chief Officers and other -officers.
 - Other specific aspects of chief officer remuneration such as levels and elements of such remuneration, remuneration on recruitment, increases and additions to remuneration, termination payments and transparency.
2. Requires that the PPS:
 - Must be approved formally by Full Council.
 - Must be approved by the end of March every year for the following financial year.
 - Must be published on the local Council's website as soon as it is approved by the Council.
 - Must be complied with for all decisions on pay and reward for Chief Officers.
3. Makes provision for Full Council to make in year amendments to the PPS at any time and this function cannot be delegated.

2. Definitions

The Act (Section 43) defines remuneration widely as:

- Pay.
- Charges.
- Fees.
- Allowances.
- Benefits in kind.
- Increases/enhancement of pension entitlement.
- Termination payments.

The Act (Section 43) defines Chief Officers as:

- The head of the paid service designated under section 4(1) of the Local Government and Housing Act 1989;
- The monitoring officer designated under section 5(1) of that Act;
- A statutory chief officer mentioned in section 2(6) of that Act;
- A non-statutory chief officer mentioned in section 2(7) of that Act;
- A deputy chief officer mentioned in section 2(8) of that Act.

For the purposes of this statement all of the Council's senior officers on Grades 1 to 3 fit the above definition. These are collectively referred to as the Senior Leadership Team (SLT) throughout this Statement. In addition the post of Monitoring Officer (~~at~~ Grade 5) and a number of posts at Grades 4 and 5 which fall within the legal definition of 'deputy chief officer'. ~~is included as it is within the above definition.~~

3. Pay Data

The Council complies with Data Protection Act obligations and will only publish information about an individual officer's pay where it is required to do so by law.

In accordance with the Accounts and Audit (England) Regulations 2011 and the Local Government Transparency Code 2015, the Council publishes pay information about individual posts for the Chief Executive and ~~the Senior Leadership Team~~ on its website and in the Annual Statement of Accounts. The current list of posts and salaries is accessible via the following link.

<http://www.somerset.gov.uk/organisation/senior-salaries-and-pay-policy>

In relation to other senior officers of the Council, including the Monitoring Officer, pay information is published on the Council's website relating to:

- Salaries of £50,000 or more by reference to total numbers within bands (grouped in bands of £5,000);
- Details of remuneration and job titles of certain senior employees whose salary is at least £50,000 and a list of responsibilities (for example, the services and functions they are responsible for, budget held and number of staff) and details of bonuses and 'benefits in kind', for all employees whose salary exceeds £50,000.

4. Principles

The key principles underpinning this pay policy statement are:

Affordability – ensuring remuneration policies represent value-for-money for the taxpayer

Fairness – ensuring remuneration policies are fair to all staff, ranging from the most senior post to the most junior post

Meet legislative requirements – ensuring remuneration policies comply with all legal obligations, such as the Equal Pay Act

Market facing – ensuring due regard is taken of the market, both nationally and locally in the South West, and that this policy is in-line with councils of a similar size and / or in a similar labour market.

Tax Avoidance – ensuring that all remuneration arrangements comply fully with HMRC regulations.

5. Determination of Grade

The Council's Grading structure accords with the National Single Status and Green Book agreements. The Grading structure reflects the need to continue to modernise, facilitate new ways of working and ensure equal pay for work of equal value in a large and diverse organisation.

The grading structure treats all groups of staff the same. It uses two schemes to evaluate jobs, covering virtually all employees, except teachers and Soulbury staff, which are subject to national grading schemes.

The Hay Scheme is used for the more senior posts, including the Chief Executive, SLT officers, and Strategic and Service Managers.

The New Somerset Scheme, based on the Greater London Provincial Council scheme (formerly GLEA), is used for all other posts. Some posts cross between the borders of both schemes.

The lowest paid posts in the Council which include posts of Cleaner, Domestic Assistant, Distribution Assistant and General Kitchen Assistant, are paid on Grade 17 (national spinal point 6: £15014 as at 1st April 2017).

The relationship between pay at the lowest and highest levels is therefore controlled by job evaluation.

6. Pay and Grading Structure

The Pay and Grading structure incorporates National Pay Points up to spinal column point 44 and locally determined pay points above. The current pay and grading structure can be accessed via the following link.

<http://extranet.somerset.gov.uk/EasysiteWeb/getresource.axd?AssetID=95547&type=full&servicetype=Attachment>

The Council operates a 17 grade pay structure. Each grade from 17 up to 9 contains a number of pay increments. On Grades 8 and upwards, there is a single pay point per grade.

The Council does not operate a performance-related pay scheme for any staff, but does have a performance related appraisal scheme, including behaviours and competency assessment. The Council does not pay a bonus to any Council employee and no additional payments are made for election duties.

NJC for Local Government Services (Green Book) pay, terms and conditions apply to posts on Grades 17 to 4 inclusive. Annual pay awards are determined by national agreement.

With the exception of the Monitoring Officer, posts on grades 17 to 4 are officer appointments.

Post holders on Grades 17 – 9 are, subject to satisfactory performance, eligible for annual incremental increases up the pay scale until they reach the top of their grade.

Post holders on Grades 4 – 8 (Strategic and Service Managers) have some localised terms and conditions. Each Grade (4 – 8) has a fixed, spot salary and there is no incremental progression.

7. **Chief Executive and SLT Officers Pay**

The Chief Executive and other SLT Chief Officers as defined in Section 43 of the Localism Act are paid on Grades 1 – 3, with the exception of the Monitoring Officer who is paid at Grade 5. These posts constitute the Council's Senior Leadership Team (with the exception of the Monitoring Officer). All SLT posts on Grades 1 to 3 and the Monitoring Officer. All Chief Officers are appointed by the Appointments Committee of the Council with the exception of the Chief Executive whose appointment has to be agreed by the Council.

Each of the Grades 1 – 3 has a spot salary and no incremental progression.

Annual Salaries for Chief Executive and SLT -Chief Officer posts (with the exception of the Monitoring Officer) range between £88,443 and £166,485, as follows:

Grade 1 Post:
Chief Executive

The salary for Grade 1 Post is within the range £156,075 to £166,485.

Grade 2 Posts:

Lead Commissioner Children & Learning (DCS)
~~Director of Finance, Legal and Governance and Performance Director~~
Commercial and Business Services Director
Lead Commissioner Adults and Health (DASS)
Public Health Director
Lead Commissioner Economic and Community Infrastructure

The salaries for Grade 2 Posts are within the range £ 104,049 to £135,264.

Grade 3 Posts:

~~Customers and Communities~~ Director of Corporate Affairs
Economic and Community Infrastructure Operations Director
Adults and Health Operations Director
Deputy Director Children and Families
Deputy Director Education
Director of Human Resources & Organisational Development ~~Director~~

The salaries for Grade 3 posts are within the range £88,443 to £103,998.

The default position in the event of a vacancy in any of the above posts is that the salary paid to the person appointed to fill the vacancy will be at the lowest point in the range (which represents the 'spot' to be applied within the grade) unless otherwise agreed by the Chief Executive (or Full Council in the case of the post of Chief Executive) in accordance with the requirements of the PPS.

8. Governance Arrangements (as detailed in the Constitution)

All actions, responsibilities and delegations outlined below must be exercised in accordance with the requirements of this Statement. e-PPS.

Appointments Panel

An Appointments Panel of the Council reviews the terms and conditions of any ~~SLT Chief Officer~~ post that becomes vacant (and, in addition, the post of Monitoring Officer) and where appropriate makes recommendations to the Chief Executive for any changes; decides the appointments process or other course of action; and appoints the Appointments Committee to undertake the appointments process.

The Panel comprises of 3 elected members appointed in accordance with the Constitution and can convene virtually or meet as required. If a Panel decides that no changes to terms and conditions are necessary when it reviews a vacant ~~Chief Officer~~ post (and that the salary will be advertised at the bottom of the range [the 'spot' for the grade] for posts on grades 1 to 3) then the Panel has authority to progress the recruitment without the need to seek further approvals. If a Panel wishes to make changes to the terms and conditions of a vacant post (other than the post of Chief Executive) then these are subject to the approval of the Chief Executive having obtained the agreement of the Leader of the Council. This includes where a Panel wishes to advertise a salary for a ~~Chief Officer~~ post (other than the post of Chief

Executive) above the 'spot' at the bottom of the range. This must be the subject of a Panel recommendation to the Chief Executive for decision. If the Panel's recommendations for changes to terms and conditions relate to the post of Chief Executive then Full Council must agree these changes.

Note: Note: The Full Council approval of this Statement meets the provisions of the statutory guidance in relation to senior officer appointments which requires all senior Chief Officer posts where the total remuneration package is in excess of £100,000 pa to be approved by Full Council.
~~The effect of the provisions of the PPS is that all Chief Officer posts where the total remuneration package is in excess of £100,000 pa are appointed to in accordance with the PPS and therefore with elected member approval through the Full Council's decision to agree the PPS. This is in accordance with the statutory guidance that guides such appointments.~~

Appointments Committee

The Appointments Committee of the Council is responsible for all SLT Chief Officer appointments (and the appointment of the Monitoring Officer) with the exception of the appointment of a Chief Executive which is subject to the approval of Full Council on the recommendation of the Committee. The Committee comprises up to 5 elected members for each individual appointment process and the membership is politically proportioned according to the political membership of the Council. The detailed provisions for the Committee's membership are detailed in the Constitution. If the Committee during the course of an appointment process wishes to vary the terms and conditions or the salary already agreed for a specific post, then such a proposal is subject to the approval of the Chief Executive having obtained the agreement of the Leader of the Council. The exception to this is where the Committee's recommendations relate to the appointment of the Chief Executive where any changes must be agreed by Full Council.

HR Policy Committee

The Committee comprises 6 elected members and the membership is politically proportioned according to the political membership of the Council. This Committee has responsibility for:

- deciding and implementing annual pay awards for the Chief Executive and SLT Chief Officers and, where it is agreed that an award is made, the revised scales will be included for information in the next annual review of the Pay Policy Statement
- reviewing on at least an annual basis the pay and grading structure of the Council (including Chief Officer grades and salaries) and making recommendations for any changes considered necessary to Full Council by way of a revised Pay Policy Statement.

In bringing forward recommendations on these issues, the Committee will take into account:

- the outcome of job evaluation,

- any data/advice/evidence or views collected from appropriate sources, including: the Council's HR function; National and/or Regional Employers' Organisations; independent external pay data
- the needs of the business to recruit and retain seniorechief officers
- the requirements of the PPS and
- fluctuations in the local and national job market.

~~Chief Officer~~ Special Members' Panel / Committee

The Constitution includes provision for the appointment of a Special Members' Panel to consider (and determine where appropriate) the following issues in relation to SLT Officers and the Monitoring Officer ~~(where appropriate)~~:

(a) Where the dismissal of an SLT-Chief Officer (other than the Chief Executive or the Section 151 Officer) is proposed on disciplinary grounds, Council will determine the dismissal on the recommendation of the Panel;

~~(b) The Panel has authority from the Council to meet as a Committee of the Council to deal with any question of dismissal of a Chief Officer on the grounds of redundancy (including voluntary), permanent ill-health or infirmity of mind or body. The exception to this is where a proposed financial settlement for an officer leaving the Council exceeds £100,000. In these circumstances Full Council must agree the settlement.~~

~~(c)~~(b) Where a proposal is made to dismiss an officer holding a statutory post of Chief Executive, Chief Finance Officer or Monitoring Officer, the Panel shall decide whether there is any justification to the proposed dismissal and therefore whether it needs to be investigated. If the decision is that an investigation is necessary the Panel will appoint an investigator. If the investigation confirms a potential dismissal, the Panel will refer the matter to the Independent Persons' Panel for consideration and report to Council. If the investigation recommends disciplinary action then the Special Members' Panel shall consider and decide whether disciplinary action is justified and if so agree any action to be taken.

~~(d)~~(c) The Panel has authority to meet as a Committee of the Council to determine any question of disciplinary action in relation to an SLT-Chief Officer or the Monitoring Officer.

(d) Except as otherwise provided for in (a) to (b) above, the Panel has authority from the Council to meet as a Committee of the Council to deal with any question of dismissal of an SLT Officer on the grounds of redundancy (including voluntary), permanent ill-health or infirmity of mind or body. The exception to this is where a proposed financial settlement for an officer leaving the Council exceeds £100,000. In these circumstances Full Council must agree the settlement.

The Special Members' Panel shall comprise of 6 Members appointed by the Leader of the Council (or his/her nominated representative) and comprising:-

- The Leader of the Council (or his/her nominated representative)
- The Leader of the largest opposition group (or his/her nominated

- representative)
- (c) 4 other Members of the Council selected by the Leader of the Council in consultation with the other Group Leaders and in accordance with the rules of political proportionality.

Note: The membership of the Panel will not include any Member previously involved in an individual Officer's case.

Independent Persons' Panel

Any proposal ~~to for a dismissal of~~ a statutory post-holder holding the position of Chief Executive, the Chief Finance Officer or the Monitoring Officer must be is determined by the Council on the recommendation of the Independent Persons' (IPs) Panel comprising a minimum of 3 IPs ~~selected to participate by the Chief Executive~~ in accordance with the Local Authority (Standing Orders) (England) (Amendment) Regulations 2015. The IPs are selected from a joint Somerset Councils' Panel of IPs. The Panel is appointed by the Chief Executive (or the Head of HR where the Chief Executive is the subject of the proposed dismissal). The Panel shall be appointed a minimum of 20 days before the Council is due to meet to consider the dismissal.

Note

This section summarises the detailed arrangements set out in Section- 7 of Part 1 of the Constitution.

Chief Executive : Delegated Powers

The Chief Executive has been designated by the Council as the Head of the Paid Service and is therefore responsible for the Council's Senior Leadership Team and supporting officer structures of the Council. Any changes proposed by the Chief Executive to the staffing structure shall be subject to consultation with the Cabinet before the changes are agreed by way of an Officer Decision taken by the Chief Executive. Full Council will be informed of changes agreed at the next available opportunity.

The Chief Executive has authority:

- Ito appoint and dismiss all employees except where this function is specifically delegated to Members.
- Ito approve changes to the terms and conditions of all SLT Chief Officer posts and the post of Monitoring Officer on the recommendation of the Appointments Panel or the Appointments Committee or on his / her own initiative and having obtained the agreement of the Leader of the Council-. The exception to this authority is the post of Chief Executive. All decisions taken by the Chief Executive on such matters will be the subject of a formal Officer Decision which will be published on the Council's website as soon as it is confirmed.
- After having sought the agreement of the Leader, and after appropriate consultations, to agree:

- (a) acting up arrangements into ~~SLT Chief Officer~~ positions (other than that of Chief Executive) to cover periods of temporary absence either planned or unplanned
- (b) emergency cover arrangements for the statutory ~~cChief oOfficer~~ roles (other than that of Chief Executive) where these positions become vacant between Full Council meetings. Any such agreement will be subject to review and confirmation at the next available Full Council meeting
- (c) the recruitment of interims at ~~SLT Chief Officer~~ level in accordance with the requirements of section 11 of this Statement.

NB Only Full Council may approve acting up or temporary cover arrangements for the role of Chief Executive.

Before making decisions in relation to the staffing structure or individual ~~Chief Officer~~ posts, the Chief Executive is required to consider:-

- the views of the relevant Cabinet Member, the Chairman of the HR Policy Committee and the Opposition Spokesperson, and, as appropriate:-
- the outcome of job evaluation,
- any data/advice/evidence or views collected from appropriate sources, including: the Council's HR function; National and/or Regional Employers' Organisations; independent external pay data
- the needs of the business to recruit and retain ~~seniorechief~~ officers;
- the performance of individual ~~SLT Chief~~ Officers
- the requirements of the PPS and
- fluctuations in the local and national job market.

The Chief Executive has authorised other officers to appoint and dismiss staff Grades 4 and below (with the exception of the Monitoring Officer), in line with normal Council appointments processes.

~~SLT Chief~~ Officers are subject to the same terms and conditions as other employees ~~who are not Chief Officers~~ in respect of termination of employment. The only exception is that SLT Officers and the Monitoring Officer~~the Chief Executive and Chief Officers~~ are subject to modified disciplinary procedures as which are outlined in this Statement and in the Council's Constitution.

9. Chief ~~Executive~~ Officer Remuneration relative to other Council employees

The recommendation of the Hutton Report into "Fair Pay in the Public Sector", as recognised by the Government in the Local Government Transparency Code 2015, was that the Council should publish the pay ratio of the salary of the Chief Executive compared to the median average salary in the organisation.

As at 1st December 2016, the ratio of the pay of the Council's median earner

(£23,3980,455) to that of its Chief Executive (£156,0754,530) was 1: 6.77.6.

10. Pay Policy upon Appointment to posts below SLT level Chief Officer

Internally Appointed Candidates

On promotion an officer must be appointed to the spot pay point or the minimum point on the scale, whichever is applicable. If there are special circumstances where it is considered that an increase in excess of the minimum is merited then it will be necessary to consult the Director of HR and OD (or their nominated representative) and this must be done before any formal offer is made to the candidate. by the relevant Chief Officer.

Externally Appointed Candidates

The starting salary of an externally appointed candidate would normally be the spot pay point or the minimum point on the scale, whichever is applicable. However, the Council could pay a point within the incremental scale if the candidate is already paid on a higher salary or where their experience is beneficial to the Council. Should there be any doubt about repercussions elsewhere, the Director of HR and OD (or their nominated representative) should be consulted.

Transferred Officers

Where employees move between operational areas on the same grade with an incremental scale, no increment is payable at the time of transfer. The service is regarded as continuous for the purpose of annual incremental advancement. Therefore, where an officer's salary on 1 April following appointment, promotion or re-grading would be less than one spinal column point of their old salary the officer shall be entitled to their first increment on 1 April.

Promotion or Re-grading

On promotion within the Council to a post on a grade with an incremental scale, and which carries a higher maximum salary than their previous grade, or on the re-grading of their existing post based on increased duties and responsibilities, the officer shall be paid a salary in accordance with the new grade which is at least one spinal column point in excess of the salary they would have received on the old grade on the day of appointment, promotion or re-grading.

11. Appointment of Agency Interims at SLT Chief Officer level

Where the Council is unable to permanently recruit officers at the most senior level, there could be a requirement for that substantive post to be covered by an interim appointment. Interims will be supplied to the Council through a supplier to deliver the required cover.

The Council has various supplier options to supply interims in adherence with Procurement and Financial Regulations.

An interim's term of employment and contract is direct with the supplier and

not the Council. The interim shall be solely responsible for complying with legal requirements including the payment and accounting of taxes. In addition, the supplier should make the relevant declaration and checks in order to satisfy themselves that the interim abides by the relevant UK tax law.

Having obtained the agreement of the Leader of Council, the Chief Executive will approve the recruitment of interims at SLT Chief Officer level on a case by case basis and based on a business case presented by the Appointments Panel which takes into account:

- value-for-money for the taxpayer
- the evaluated grade of the post to be covered
- the public profile of the post
- risks to the Council
- the labour market, both nationally and locally in the South West, for interims providing cover for similar posts in councils of a similar size

Interims will be supplied to the Council in accordance with its Contract Standing Orders, relevant Procurement, Legal and Financial Regulations.

The Appointments Committee will interview candidates for interim appointments at SLT Chief Officer level to assess their suitability for the role and will confirm appointments.

SLT Chief Officer level interim appointments will be subject to formal review by the Chief Executive at the end of six months and at six monthly intervals thereafter to assess whether there is a requirement to retain their services. The original Appointments Committee will be consulted where the Chief Executive proposes to extend the engagement of an interim. The final decision on the extension of an interim rests with the Chief Executive.

Appointment of Agency Interims below SLT Chief Officer level

All interim appointments below SLT Chief Officer level will be sourced by the relevant SLT Chief Officer or the Chief Executive where an SLT Chief Officer is unable to act.

If this interim is to be employed at a rate of over £500 per day:

- The appointment will be subject to a formal review process at the end of the first six months and six monthly thereafter; and
- Any decision to extend the engagement of such an interim will require the approval of the Chief Executive.

All other interim appointments will be subject to a formal review process at the end of the first six months and six monthly thereafter and the decision to extend the engagement of such appointments rests with the relevant SLT Chief Officer.

12. Recruitment and Retention Allowances

External recruitment and internal retention problems are tackled by

temporarily increasing the total pay awarded to a post, when it can be shown that the pay on the evaluated grade is significantly lower than competitors' rates of pay.

The payment of an allowance is temporary and will not be renewed if a review finds evidence that demonstrates the payment of the allowance is no longer justified.

An allowance forms part of an employee's pay (all the salary, wages, fees and other payments paid to them for their own use in respect of their employment) and as such is pensionable. An allowance is expressed as a cash lump sum, pro-rata to the contracted hours, and is not subject to annual cost of living/inflation pay awards.

Approval of recruitment and retention allowances in respect of:

- Chief OfficerSLT posts and the Monitoring Officer post (with the exception of the post of Chief Executive) shall be determined by the Chief Executive following consultation with the Leader of Council and on the recommendation of the appropriate Appointments Panel in relation to new appointments
- The post of Chief Executive will be agreed by Full Council
- All other posts shall be determined by the Director of HR and OD, following a business case presented by the manager and having consulted with a group of senior managers.

13. Travel and Subsistence

The Council's intention is that employees should not be financially disadvantaged in going about its business and that they are fairly compensated for expenditure incurred. However, managers and employees are expected to organise journeys in the most efficient and effective manner possible and, in submitting claims, to adopt a reasonable approach.

SLT Chief Officers are subject to the same policies as all other staff. Expenses paid to SLT Chief Officers are published in the Annual Statement of Accounts.

14. Reimbursement of Fees

The Council will meet the cost of:-

- Practising Certificate required by Solicitors employed by the Council.
- Annual cost of membership of ARCUK required by practising Architects employed by the Council.

The Council will not pay fees and subscriptions payable by the Chief Executive and other Officers, to professional qualification bodies and local government based societies and associations.

Fees and subscriptions payable by the Chief Executive and SLT Chief Officers to associations that are inter-Council networking organisations (as distinct from subscriptions to professional bodies) should be reimbursed subject to individual cases being approved by the Chief Executive and Director of HR and OD in consultation with the relevant Cabinet Member.

Where Committees consider that the Council may derive benefit by such officers attending meetings/working parties of local government based societies/associations travelling and subsistence expenses incurred may be reimbursed subject to prior approval.

15. Additional Payments

Allowances are paid in line with NJC terms and conditions (Green Book), or by local agreements where relevant.

Any allowances paid to SLT Chief Officers are disclosed in the Annual Statement of Accounts.

The Council has no policy for making benefits in kind.

16. Salary Protection for Redeployed Employees at Risk of Redundancy

This applies to all staff (excluding Officers on Grade 8 and above - please see below).

Protection will not apply to redeployed employees with less than two years local government service.

Salary protection arrangements will be for a period of three years during which annual cost of living pay increases and incremental progression will be awarded.

At the end of this period the substantive grade of the new post will be applicable.

It should be noted that salary protection is in place to ease the financial implications on those being redeployed and does not extend beyond salary.

As from 1st April 2014, Officers on Grades 8 and above receive one year's frozen pay protection.

17. Pension

All employees are eligible to join the Local Government Pension Scheme (“LGPS”). The Redundancy & Efficiency Compensation Policies and Flexible Retirement Policy apply to all staff, ~~including Chief Officers~~. The Council has determined and published policies around the discretions available under the LGPS. The Council makes no enhancements or increases to individual pension benefits.

The Council applies its discretion under the regulations of the LGPS to allow employees aged 55 and over who are members of the LGPS to request payment of early retirement benefits whilst remaining in the Council's employment on reduced hours/lower grade. This does not apply to employees who are receiving a redundancy payment and early pension benefits or who are taking early retirement in the interests of the efficiency of the service.

Re-engagement of employees who are in receipt of a Local Government Pension should be through Somerset Staffing or Reed Recruitment.

The Council may re-employ employees who have been made redundant whether through voluntary, compulsory or early retirement.

Managers who are employing an employee in this category should ensure that the usual selection processes are applied.

Employees should be advised that they should not earn in excess of the combined pension and salary of their new post. Otherwise their pension will be abated.

A number of employees have transferred to the Council under a specific staff transfer arrangement which allowed them to continue membership of the NHS pension scheme. The Council makes contributions on their behalf and complies with Pension Legislation in respect of the NHS scheme.

18. Settlement Agreements

In exceptional circumstances to avoid or settle a claim or potential dispute, the Council may agree payment of a settlement sum on termination.

All cases must be supported by a business case and take account of all legal, financial, contractual and other responsibilities.

~~Aside from the provisions in section 8, all s~~Settlement payments on termination of the contract of a post ~~below Grade 3~~ require the approval ~~offrom~~ the relevant SLT Chief Officer.

~~The arrangements for settlement payments on termination of the contract of a Chief Officer are set out in section 8 above.~~

National Employers for Local Government Services

**To: Chief Executives in England, Wales and N Ireland
(additional copies for HR Director and Finance Director)
Members of the National Employers' Side
Regional Directors**

5 December 2017

Dear Chief Executive,

LOCAL GOVERNMENT PAY 2018

I am writing to update you on the work we have been doing on your behalf on the local government national pay negotiations for 2018.

The National Employers have today made a final pay offer covering the period 1 April 2018 to 31 March 2020. A letter sent to the trade unions setting out the detailed offer is attached at **Annex A** and a copy of the Employers' press release is attached at **Annex B**.

The Pay Offer

1 April 2018 ('Year One'):

Bottom-Loading on SCPs 6-19 incl

The Employers considered it was necessary for higher increases on the lower pay points in order to continue to close the significant gap with the National Living Wage (NLW). Therefore this part of the offer would result in a new bottom rate of £8.50 per hour on SCP6

Increase on SCPs 20 and above

A flat-rate increase of 2.0%

This first year of the pay offer would increase the national paybill by 2.707%

1 April 2019 ('Year Two'):

The Employers agreed that the bottom rate of the new pay spine should not be pegged to the NLW rate but should allow for some 'headroom'. Therefore the offer is for a bottom rate of £9.00 per hour

In order to deal with the compacting of differentials at the lower end of the spine it is proposed that the existing bottom twelve pay points are 'paired off' into six new pay points, ie. current SCPs 6 & 7 become the new SCP1; current SCPs 8 & 9 become the new SCP2 etc until you reach current SCPs 16 & 17 which become the new SCP6

To further dilute the impact of compacting the lower pay points, the offer includes 'ironing out' the current random gaps between pay points and having even increments of 2.0% between new SCPs 1 to 22 incl (equivalent to SCPs 6 to 28 on the current spine). This portion of the pay spine covers approximately 60% of NJC employees

From new SCP23 onwards, a flat-rate increase of 2.0% and retention of the current random differentials

This second year of the pay offer would increase the national paybill by 2.802%

The total increase to the national paybill over the two-year period would be 5.584%

Background

This pay offer is much more complex than any offer since the Single Status agreement in the mid-1990s, so I want to set out in detail the reasons behind it.

The introduction of the National Living Wage (NLW) was announced by George Osborne in his July 2015 Budget. He indicated that its target level was to reach 60% of median hourly earnings by 2020. At the time of the announcement, the forecast for 2020 was £9.35 per hour and in his speech Mr Osborne referred to it being "at least £9.00", although the most recent (November 2017) Office of Budgetary Responsibility forecast was £8.56.

At the time of the Chancellor's statement in 2015 the minimum hourly rate on the 'Green Book' pay spine was £7.00. That meant that it would have to increase by approximately £2.00 in five years if the initial 'target' for the NLW in 2020 of £9.00 was to be reached. By way of context, the increase in the bottom rate from £5.00 to £7.00 had taken thirteen years to achieve (2002-15).

The current two-year pay agreement covering 1 April 2016 to 31 March 2018, made some headway in bridging that gap and introduced minimum hourly rates of £7.52 (1 April 2016) and £7.78 (1 April 2017). This agreement included some further bottom-loading in each of the two years to assist in maintaining differentials and then annual pay awards of 1.0% further up the pay spine. This two-year deal added 2.40% to the national pay bill. The two-year increase for the lowest pay point was 10.28%. These rates provided some headroom in relation the NLW which was £7.20 (1 April 2016) and £7.50 (1 April 2017). The 1 April 2018 rate announced in the Budget is £7.83.

The 2016-18 pay deal included a commitment for the NJC to review its pay spine. To support the development of an employers' position, a sounding board of about a dozen officers from councils across the country was established. This included a balance in terms of: types of council; geography; those paying / not paying the voluntary living wage; and it also included councils that have local pay bargaining and representation from the regional employers' organisations.

The NJC set up a pay spine review working group to look at what could be done from a technical point of view. It was not a negotiating group and on the Employers' Side included three or four members of our sounding board.

The working group initially agreed to concentrate on potential models that covered one, two and three year options. A one-year settlement assimilating on to a new pay spine in 2018 could not realistically be implemented by councils in the time available. It would also be too costly if it were to start at a level that could ensure compliance with the likely levels of the NLW in 2019 and 2020, without further significant changes to its structure. A three-year settlement, whilst potentially attractive to councils from a financial planning aspect, would involve too much second-guessing of the broader economic position in 2020 and would be much more difficult for the unions to sell to their members.

All the work highlighted above was undertaken in the context of the Government's public sector pay policy remaining at 1.0% until 2020.

The unions' claim was lodged in mid-June. It was for one year and sought a 5.0% increase on all NJC pay points, plus the deletion of the bottom four NJC pay points. The unions made clear in private conversations that in the current climate it would not be possible for them to agree any offer that included 1.0% as the headline rate.

Regional pay consultation briefings took place between late June and August. There was widespread recognition that the work on the pay spine was a necessity as a result of the introduction of the NLW. It was also recognised that this could not be delivered within 1.0% increases to the overall pay bill and there was no suggestion that the additional costs be funded through providing for increases of less than 1.0% for better paid employees.

There was broad consensus on the need to have some 'headroom' from the statutory minimum NLW rate and for a two-year agreement. It was recognised that achieving a collective agreement with 1.0% as the headline rate would be nearly impossible. It was acknowledged that any agreement was likely to add between 4.5%-6.0% to the national pay bill over two years. It was also recognised that costs locally could vary significantly from this depending on a council's workforce profile and that it would have a significant impact on schools' budgets.

The political deliberations over the past few months have been difficult and while there was broad political consensus on issues such as the length of any deal, the need for headroom from the NLW and the need to reconfigure the lower end of the pay spine, this was not the case regarding the headline rate within a potential offer, which meant that in the end the only way to make a decision was to hold a vote in a meeting of the Employers' Side of the National Joint Council, which is the body that is ultimately responsible for these decisions. This is only the second vote on a pay offer since 1997 when the Local Government Services NJC was established.

Therefore whilst the decision to make a headline offer of 2.0% was not reached through consensus, it was achieved in line with the clear voting arrangements set out in the Employers' Side Constitution.

For colleagues in London Boroughs, you will be aware that there are separate pay spines for inner and outer London and in normal circumstances the nationally agreed percentage increases would be applied to the London pay points. However, given the proposed significant changes to the national pay spine, discussions are currently taking

place between London employers and trade unions and further updates will be issued by them in due course.

Finally, there has been a huge amount of technical work involving many colleagues from councils and Regional Employer Organisations from across England, Wales and Northern Ireland that has brought us to this point and we would like to thank them for the advice and assistance that they have provided to the national Secretariat.

Yours sincerely,

Simon Pannell

Simon Pannell
Employers' Secretary

**Heather Wakefield, Rehana Azam, Jim Kennedy
Trade Union Side Secretaries
NJC for Local Government Services
c/o UNISON Centre
130 Euston Road
London NW1 2AY**

5 December 2017

Dear Heather, Rehana and Jim,

LOCAL GOVERNMENT PAY 2018

I am writing on behalf of the Employers' Side of the NJC to respond formally to the Trade Union Side's pay claim.

The National Employers wish to make the following final offer:

From 1 April 2018:

- On SCP 6, £1,380 (equivalent to 9.191%)
- On SCP 7, £1,380 (equivalent to 9.130%)
- On SCP 8, £1,380 (equivalent to 9.052%)
- On SCP 9, £1,380 (equivalent to 8.976%)
- On SCP 10, £1,250 (equivalent to 8.006%)
- On SCP 11, £1,200 (equivalent to 7.592%)
- On SCP 12, £1,050 (equivalent to 6.512%)
- On SCP 13, £900 (equivalent to 5.458%)
- On SCP 14, £900 (equivalent to 5.363%)
- On SCP 15, £900 (equivalent to 5.272%)
- On SCP 16, £900 (equivalent to 5.167%)
- On SCP 17, £900 (equivalent to 5.064%)
- On SCP 18, £800 (equivalent to 4.427%)
- On SCP 19, £700 (equivalent to 3.734%)
- On SCPs 20 and above, 2.0%

The Employers acknowledge the constructive way in which the NJC Pay Spine Review Group has worked together over the past eighteen months and therefore propose that a revised pay spine be introduced with effect from **1 April 2019**. The Employers' detailed offer in regard to this is attached as **Annex 1**.

The proposed 2019 pay spine is based on the following:

- A bottom rate of £9.00 per hour (£17,364) on new SCP1 (equivalent to old SCP6)
- 'Pairing off' old SCPs 6-17 incl to create new SCPs 1-6 incl
- Equal steps of 2.0% between each new SCPs 1 to 21 incl (equivalent to old SCPs 6-28 incl)
- By creating equal steps between these pay points new SCPs 10, 13, 16, 18 and 21 are generated to which no old SCPs would assimilate. This would mean that in some organisations the current number of pay points in a grade would change. The Employers therefore suggest that we work together to consider appropriate advice as such issues arise
- On new SCPs 23 and above (equivalent to old SCPs 29 and above), 2.0%

We hope that you will now put this offer to your members for consultation and understand that you will be considering this over the next few days.

Yours sincerely,

Simon Pannell

Simon Pannell
Employers' Secretary

ANNEX 1

1 April 2018			1 April 2019			
SCP	£ per annum	£ per hour*	New SCP	£ per annum	£ per hour*	Old SCP[s]
6	£16,394	£8.50	1	£17,364	£9.00	6/7
7	£16,495	£8.55				
8	£16,626	£8.62	2	£17,711	£9.18	8/9
9	£16,755	£8.68				
10	£16,863	£8.74	3	£18,065	£9.36	10/11
11	£17,007	£8.82				
12	£17,173	£8.90	4	£18,426	£9.55	12/13
13	£17,391	£9.01				
14	£17,681	£9.16	5	£18,795	£9.74	14/15
15	£17,972	£9.32				
16	£18,319	£9.50	6	£19,171	£9.94	16/17
17	£18,672	£9.68				
18	£18,870	£9.78	7	£19,554	£10.14	18
19	£19,446	£10.08	8	£19,945	£10.34	19
20	£19,819	£10.27	9	£20,344	£10.54	20
			10	£20,751	£10.76	
21	£20,541	£10.65	11	£21,166	£10.97	21
22	£21,074	£10.92	12	£21,589	£11.19	22
			13	£22,021	£11.41	
23	£21,693	£11.24	14	£22,462	£11.64	23
24	£22,401	£11.61	15	£22,911	£11.88	24
			16	£23,369	£12.11	
25	£23,111	£11.98	17	£23,836	£12.35	25
			18	£24,313	£12.60	
26	£23,866	£12.37	19	£24,799	£12.85	26
27	£24,657	£12.78	20	£25,295	£13.11	27
			21	£25,801	£13.37	
28	£25,463	£13.20	22	£26,317	£13.64	28
29	£26,470	£13.72	23	£26,999	£13.99	29
30	£27,358	£14.18	24	£27,905	£14.46	30
31	£28,221	£14.63	25	£28,785	£14.92	31
32	£29,055	£15.06	26	£29,636	£15.36	32
33	£29,909	£15.50	27	£30,507	£15.81	33
34	£30,756	£15.94	28	£31,371	£16.26	34

35	£31,401	£16.28	29	£32,029	£16.60	35
36	£32,233	£16.71	30	£32,878	£17.04	36
37	£33,136	£17.18	31	£33,799	£17.52	37
38	£34,106	£17.68	32	£34,788	£18.03	38
39	£35,229	£18.26	33	£35,934	£18.63	39
40	£36,153	£18.74	34	£36,876	£19.11	40
41	£37,107	£19.23	35	£37,849	£19.62	41
42	£38,052	£19.72	36	£38,813	£20.12	42
43	£39,002	£20.22	37	£39,782	£20.62	43
44	£39,961	£20.71	38	£40,760	£21.13	44
45	£40,858	£21.18	39	£41,675	£21.60	45
46	£41,846	£21.69	40	£42,683	£22.12	46
47	£42,806	£22.19	41	£43,662	£22.63	47
48	£43,757	£22.68	42	£44,632	£23.13	48
49	£44,697	£23.17	43	£45,591	£23.63	49

*hourly rate calculated by dividing annual salary by 52.143 weeks (which is 365 days divided by 7) and then divided by 37 hours (the standard working week in the National Agreement 'Green Book')

PRESS RELEASE: 5 DECEMBER 2017

Council employees' pay offer announced

Council employees have been offered a two-year pay increase from 1 April 2018. The majority of employees - those on salaries starting at £19,430 per annum - would receive an uplift of 2 per cent on 1 April 2018 and a further 2 per cent on 1 April 2019, with those on lower salaries receiving higher increases.

The offer also includes the introduction of a new national pay spine on 1 April 2019.

The National Employers, who negotiate pay on behalf of 350 local authorities in England, Wales and Northern Ireland, made the offer to unions today. It will affect over 1 million employees.

Notes to editors

The total increase to the national paybill resulting from this offer is 5.6% over two years (covering the period 1 April 2018 to 31 March 2020).

This pay offer does not apply to council chief executives, senior officers, teachers or firefighters, who are covered by separate national pay arrangements.

The National Joint Council negotiates the pay, terms and conditions of staff in local authorities. It agrees an annual uplift to the national pay spine, on which each individual council decides where to place its employees. Each council takes into account a number of factors such as job size and local labour market conditions when deciding an employee's salary. There are no nationally determined jobs or pay grades in local government, unlike in other parts of the public sector.

-ENDS-

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Simon Pannell Esq
Employers' Secretary
Joint Negotiating Committee for Chief Executives of Local Authorities
Local Government Association
18 Smith Square
London SW1P 3HZ

Dear Simon,

21 December 2017

Pay claim for 2018-19 and 2019-20

I am pleased to submit the pay claim from the Association of Local Authority Chief Executives and Senior Managers in respect of staff covered by the Joint Negotiating Committee for Chief Executives of Local Authorities.

The pressures facing heads of paid service in leading their organisations through very challenging times continue unabated. Local government is widely accepted to be the most efficient part of the public sector. While we recognise the contribution of staff at all levels, chief executives play a central role in securing this reputation. Leadership of the highest quality and resilience is demanded from chief executives in transformation of councils, delivering public service reform and securing economic and housing growth, against the backdrop of increasing pressures on demand-led services, the continuing real terms decline in resources for local services as a result of austerity, and the uncertainty caused by Brexit.

ALACE warmly welcomed the approach adopted for the pay increases for 2016 and 2017 which applied to all chief executives (rather than the approach in 2015 which applied only to those earning less than £100,000). We are strongly of the view that an award should apply to all relevant officers covered by the JNC and should not be selective.

ALACE seeks pay increases for 1 April 2018 and 1 April 2019 that match whatever is implemented for the generality of staff covered by the National Joint Council for Local Government Services. ALACE does not believe that chief executives should receive less generous treatment than other staff. (We recognise and accept that, in the Employers' recent offer in respect of the NJC, some NJC staff will receive more than others simply because there will be bottom-loading to deal with the implications of the national living wage.)

We look forward to receiving the Employers' offer. If it is consistent with the claim set out above, it will not be necessary to convene a meeting of the Joint Negotiating Committee.

Yours sincerely,

A handwritten signature in black ink that reads "I Miller". The letters are cursive and somewhat stylized.

Ian Miller
Honorary Secretary, ALACE
Officers' Secretary, JNC for Chief Executives of Local Authorities

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