

HR Policy Committee
Monday 13 March 2017
2.00 pm Luttrell Room - County Hall,
Taunton



To: The Members of the HR Policy Committee

Cllr A Groskop (Chairman), Cllr J Bailey, Cllr A Bown, Cllr Coles, Cllr J Hunt and Cllr H Siggs

Issued By Julian Gale, Strategic Manager - Governance and Risk - 3 March 2017

For further information about the meeting, please contact Rebecca Dunstan on 01823 359039 or rdunstan@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, 13 March 2017

*** 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 held on 16 January 2017 (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 2017/18 (Pages 7 - 24)**

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 – Jamie Jackson on 01823 357628 or jajackson@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 Jamie Jackson on 01823 359628; Fax 01823 355529 or jajackson@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, Jamie Jackson, 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 in the Luttrell Room - County Hall, Taunton, on Monday, 16 January 2017 at 2.00 pm

Present: Cllr A Groskop (Chairman), Cllr J Bailey, Cllr A Bown, Cllr Coles and Cllr J Hunt

Other Members present: Cllr L Vijeh

Apologies for absence: Cllr H Siggs

145 **Declarations of Interest** - Agenda Item 2

At Item 6 all members present declared an interest as candidates for the 2017 County Council elections.

146 **Minutes from the previous meeting** - Agenda Item 3

The Committee confirmed the minutes as a correct record.

Councillor Bailey raised the issue of when the issue of implementation of policies is coming back to HR Policy Committee. Chris Squire confirmed that the process of looking at current policies would start in the new financial year. He is working with NHS colleagues to develop a single suite of policies across both organisations. Councillor Coles asked that policies need to be put on a cycle to be regularly reviewed.

The Chairman raised the issues of County Hall Parking and Officer Appeals Committee which were discussed at the last meeting and were due to be agenda items again at this meeting however there is still more work and consultation required before they can come back to HR Policy Committee.

147 **Public Question Time** - Agenda Item 4

There were no members of the public present.

148 **Workforce Equalities Report 2016** - Agenda Item 5

The committee discussed the Workforce Equalities report and they liked the case studies and they were pleased to see the number of disabled applicants.

Officers explained that the Council has a Statutory duty to report annually on Equalities data. Members were encouraged to talk to families, friends and constituents about the opportunities available here at SCC.

In discussion regarding apprenticeships, officers confirmed that an apprenticeship co-ordinator has been appointed. Ideally officers would hope that apprentices could fill a vacant post at the end of their apprenticeships but this won't always be possible. Officers are also looking into rotation apprenticeships with the NHS/Care Homes etc. to give a broad experience.

The Committee noted the report and recommended that it be circulated electronically to all members.

149 Time Off Policy relating to Election Duties - Agenda Item 6

The Committee considered the report regarding the existing provision for leave arrangements for Somerset county council employees when assisting with County Council elections.

Officers confirmed that the large majority neighbouring authorities aligned with our SCC policy. No other authority apart from Sedgemoor District Council required employees to take a day's leave.

The Committee agreed to maintain the current provision within the request for Time Off Policy with regards to work on County Council elections. Councillor Bown has requested that it be noted that she did not agree with the committee on this issue.

The Chairman asked that this policy should be discussed at HR Policy Committee in the first year of each quadrennium.

The Committee discussed the officer report and the two options proposed.

The Committee agreed option (a) within the report, to maintain the current provision within the Request for Time Off Policy (last updated June 2016) with regards to work on County Council elections.

150 Any other urgent items of business - Agenda Item 7

There were no other items of business.

(The meeting ended at 2.35 pm)

CHAIRMAN

Somerset County Council

HR Policy Committee

– 13th March 2017

Pay Policy Statement – 2017/18

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

Lead Officer: Chris Squire, HR&OD Director

Author: Vicky Hayter, Strategic Manager HR Business Relations

Contact Details: 01823 359858

<i>Please complete sign off boxes below prior to submission to Community Governance</i>			
Report Sign off	Seen by:	Name	Date
	Legal	Honor Clarke	28/02/17
	Corporate Finance	Kevin Nacey	28/02/17
	Human Resources	Chris Squire	28/02/17
	Cabinet Member	Anna Groskop	03/02/2017
	Monitoring Officer	Julian Gale	28/02/17
Summary:	<p>The Report sets out proposed minor changes to the Pay Policy Statement (PPS) for 2017/18.</p> <p>The report also sets out for information an update on the National Living Wage rate from 1 April 2017, the pay award that was agreed in May 2016 for a 2 year period for NJC staff and the pay award for Chief Officers that was proposed in March 2016 and agreed by HR Policy Committee in June 2016 for a 2 year period.</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 2017-18 attached as Appendix A to this report. 2. Note the changed rate in relation to the National Living Wage, the NJC Pay Agreement and the Chief Officers' Pay Agreement all applicable on 1st April 2017. 		
Reasons for Recommendations:	<p>To respond to the statutory requirement to publish our pay policy statement annually as per the Transparency Code 2015.</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>		
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	<p>The revised PPS meets the requirements of the Localism Act</p>		

HR Implications:	<p>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.</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 and the associated statutory guidance. The Council is required to have regard 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 26th April 2017 to be applied retrospectively.
- 1.2. There are no substantive changes to the PPS. The only changes are minor and bring the PPS up to date in terms of dates and pay figures.
- 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 2017 will be £7.50 per hour, and will apply to those aged 25 and over.

Last year's report set out The National Employers 2 year offer which was agreed with the unions on 16 May 2016. The award was applied in June 2016 with backdating to 1 April 2016.

The Employers' final offer was constructed to achieve a two-year agreement with a headline of one per cent in each of 2016 and 2017 in addition to increasing the bottom pay points to take account of the National Living Wage increase.

As a reminder, The National Employers agreed the following offer for the second year (2017) with the unions:

From 1 April 2017:

- On SCP 6, £500 (equivalent to 3.4%)
- On SCP 7, £500 (equivalent to 3.4%)
- On SCP 8, £475 (equivalent to 3.2%)
- On SCP 9, £400 (equivalent to 2.6%)
- On SCP 10, £375 (equivalent to 2.5%)
- On SCP 11, £300 (equivalent to 1.9%)
- On SCP 12, £300 (equivalent to 1.9%)
- On SCP 13, £300 (equivalent to 1.9%)
- On SCP 14, £300 (equivalent to 1.8%)
- On SCP 15, £300 (equivalent to 1.8%)
- On SCP 16, £250 (equivalent to 1.5%)
- On SCP 17, £225 (equivalent to 1.3%)
- On SCPs 18 and above, 1.0%

- 1.3.** The Chief Officers Pay Award, which was proposed in March 2016 and agreed by HR Policy Committee in June 2016, set down a 2 year deal of 1% per year to be applied from 1st April 2016 and 1st April 2017.

2. Options Considered

- 2.1.** No options were considered in relation to the PPS for 2017/18.

3. Consultations undertaken

- 3.1.** The NJC Pay Offer was agreed in May 2016
- 3.2.** The Chief Officers Pay Award was agreed by HR Policy Committee in June 2016
- 3.3.** 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.

5. Background papers

- 5.1** Appendix 1 - a draft copy of the Pay Policy Statement 2017/2018 with no changes proposed other than the updates to pay with effect from April 2017.

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

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SOMERSET COUNTY COUNCIL PAY POLICY STATEMENT -2017/18

This document sets out Somerset County Council's Pay Policy Statement (PPS) for 2017/18 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. In addition the post of Monitoring Officer at Grade 5 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 Officer Pay

The Chief Executive and 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 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 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:
Group Director of Operations

Lead Commissioner Children & Learning (DCS)
Finance 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
Economic and Community Infrastructure Operations Director
Adults and Health Operations Director
Learning Disabilities Operations Director
Deputy Director Children and Families
Deputy Director Education
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 the PPS.

Appointments Panel

An Appointments Panel of the Council reviews the terms and conditions of any Chief Officer post that becomes vacant 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: 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 Pay Policy Statement and therefore with elected member approval through the Full Council's decision to agree the PPS. This is in accord with the statutory guidance that guides such appointments.

Appointments Committee

The Appointments Committee of the Council is responsible for all Chief Officer appointments 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

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 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 chief 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:

- (a) Where the dismissal of a Chief Officer (other than the Chief Executive or the Section 151 Officer) is proposed, 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) 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) The Panel has authority to meet as a Committee of the Council to determine any question of disciplinary action in relation to a Chief Officer or the Monitoring Officer.

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

- (a) The Leader of the Council (or his/her nominated representative)
- (b) 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 for a dismissal of a statutory post-holder holding the position of Chief Executive, the Chief Finance Officer or the Monitoring Officer 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:

- to appoint and dismiss all employees except where this function is specifically delegated to Members.
- to approve changes to the terms and conditions of all Chief Officer posts 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 . 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 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 Chief Officer 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 Chief Officer level in accordance with the requirements of section 11 of this Statement.

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 chief officers;
- the performance of individual 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, in line with normal Council appointments processes.

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

9. Chief 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 (£20,455) to that of its Chief Executive (£154,530) was 1: 7.6.

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

Where the Council is unable to permanently recruit officers, 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 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 Chief Officer level to assess their suitability for the role and will confirm appointments.

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 Chief Officer level

All interim appointments below Chief Officer level will be sourced by the relevant Chief Officer or the Chief Executive where a 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 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 Officer posts (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.

Chief Officers are subject to the same policies as all other staff. Expenses paid to 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 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 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.

Settlement payments on termination of the contract of a post below Grade 3 require approval from the relevant Chief Officer.

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