



HUMAN RESOURCES COMMITTEE

Tuesday, 9 January 2024

2.00 pm

**Sedgemoor Room, Bridgwater House, King
Square, Bridgwater, TA6 3AR**

SUPPLEMENT TO THE AGENDA

To: The members of the Human Resources Committee

We are now able to enclose the following information which was unavailable when the agenda was published:

Agenda Item 5 Pay Policy Statement 2024/25 (Pages 3 - 32)

To consider the report in reference to Pay Policy Statement 24/25.

This page is intentionally left blank

Somerset Council
Human Resources Committee
 – 9 January 2024

Pay Policy Statement – 2024/25

Executive Member: Cllr Theo Butt Philip, Lead Member for Transformation and Human Resources

Lead Officer: Dawn Bettridge, Service Director Workforce

Authors: Cherry Russell, Strategic Manager HR Business Partner and Sarah Lewis, Service Manager Workforce Reward.

Contact Details: Cherry.Russell@somerset.gov.uk or Sarah.lewis@somerset.gov.uk

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

	Seen by:	Name	Date
Report Sign off	Legal	Jill Byron	4/01/24
	Corporate Finance	Jason Vaughan	29.12.23
	Workforce	Dawn Bettridge	13.12.23
	Executive Member	Cllr Theo Butt Philip	28.12.23
	Monitoring Officer	David Clark	14.12.23
	Summary:	<p>The report sets out proposed amendments to the 2024/25 Pay Policy Statement (PPS) for Somerset Council.</p> <p>The minor amendments relate to updated senior salaries information, constitution references, terminology linked to the new Council structure and salary/pay data following the national Green Book 2023/24 pay award confirmation. Additionally, clarification is outlined for the approval processes for agency interims.</p> <p>The report acknowledges that in-year amendments will be required as the 2024/25 pay awards for the Chief Executive, Chief Officers and Green Book have yet to be agreed and is therefore, not reflected in the current policy.</p>	
Recommendations:	<p>The members of the HR Committee are asked to:</p> <ol style="list-style-type: none"> 1. Having considered Appendix A to this report and noting that it will have effect from 1st April 2024, recommend that the Chief Executive submit the amended Pay Policy Statement for 2024-25, to Full Council for approval. 2. Note that the Pay Policy Statement will require in-year amendments to reflect the 2024/25 pay awards once agreed. 		

<p>Reasons for Recommendations:</p>	<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>Determination of any salary/cost of living progression for Chief Executive and Corporate Leadership Team is undertaken by the HR Committee, subject to an annual review, as outlined in Somerset Council Constitution.</p>
<p>Links to Priorities and Impact on Service Plans:</p>	<p>Appropriate pay provisions for staff are fundamental to the delivery of the Council's objectives and services.</p>
<p>Financial, Legal and HR Implications:</p>	<p>The amended 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.</p> <p>In terms of applying the requirements of the PPS to pay / grading / appointment and dismissal of staff including termination payments, the Council will follow all statutory and collectively agreed requirements that apply to local authority employers and employees.</p>
<p>Equalities Implications:</p>	<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.</p>
<p>Risk Assessment:</p>	<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 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>
<p>Scrutiny comments / recommendation (if any):</p>	<p>None</p>

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. The PPS will need to go before Full Council on 20th February 2024 for approval to have effect from 1st April 2024.

- 1.2. The proposed minor amendments to the PPS (outlined at Appendix A with tracked changes showing), relate to the removal of wording that no longer applies and to updated senior salaries information, Council Constitution references, terminology linked to the new Council structure and salary/pay data following the national Green Book 2023/24 pay award confirmation.
- 1.3. Additionally, clarification of the current approval process for agency interims below Chief Officer level is outlined in paragraph 11.1 of the PPS following the removal of any specific reference in the Council's Constitution with effect from April 2023. The current approval level for agency interim and consultant appointments on a day rate over £500 is reduced to require additional financial scrutiny for appointments over £350 per day. The majority of these are in specialist difficult to recruit skills shortage roles, undertaking statutory functions, including roles in Adults Social Care, Legal, Planning and Building Control.
- 1.4. The Accounts and Audit (England) Regulations 2011 and Local Government Transparency Code 2015 require local authorities to publish information about senior employee salaries, which is outlined under paragraph 6 in the PPS. A link to the senior salaries will be added to the PPS when this information is published on the Council external website. For background this is attached at Appendix B of this report. The pay and grading structure below Chief Officers is outlined in Appendix 1 of the PPS.
- 1.5. The PPS will require in-year amendments as the 2024/25 pay awards for the Chief Executive, Chief Officers and NJC Green Book have yet to be agreed and is therefore, not reflected in the current policy statement.

2. Options Considered

- 2.1. No alternative options were considered in relation to the review of the PPS for 2024/25, this is a statutory requirement.

3. Consultations undertaken

- 3.1. The proposed amendments to the PPS for 2024/25 have been circulated to the recognised trade unions for information and comment at the meeting on 13th December 2023, with a request for final responses by end of the day on 4th January 2024. Any comments received will be shared verbally at this Committee in January.
- 3.2. Updates on the Green Book NJC national pay negotiations for 2023/24 have been discussed with the recognised Trade Unions at the Joint Negotiation Forum in Somerset. Union members were consulted throughout 2023 as to their views on the pay offer and the recognised Unions conducted a national ballot. The national negotiations for Green Book 2024/25 pay award have not started.

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 proposed amendments to the approval process for agency interim appointments below Chief Officer level as outlined in paragraph 11.1 in the attached PPS, is intended to provide further rigor and financial scrutiny to support the Councils Medium Term Financial Planning (MTFP) targets.

5. Background paper

- 5.1. Appendix A – proposed amended Pay Policy Statement 2024/2025 with tracked changes. (attached separately)

- 5.2 Appendix B – Senior Leadership Salaries – December 2023 (attached separately)

Somerset Council Pay Policy Statement 1st of April 2024

1. Purpose

This Pay Policy Statement (PPS) is provided in accordance with Section 38 (1) of the Localism Act 2011 and will be updated annually or in-year as required. It sets out Somerset Council's policies relating to the pay of its workforce (excluding schools' employees) for the year 2024-25; in particular, it includes:

- The methods by which salaries of all employees are determined.
- The remuneration of its Chief Officers.
- The remuneration of its lowest paid employees.
- The relationship between the remuneration of its Chief Executive 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. Scope

The PPS covers the following statutory roles at Somerset Council:

- a. The Chief Executive (Head of Paid Service)
- b. Executive Director – Resources and Corporate Services (Section 151 Officer)
- c. Service Director – Governance, Democratic, and Legal Services (Monitoring Officer)
- d. Executive Director - Children, Families, and Education
- e. Executive Director - Adult Services
- f. Executive Director - Public Health

And non-statutory roles:

- g. Executive Director – Strategy, Workforce, and Localities
- h. Executive Director – Community Services
- i. Executive Director – Climate and Place

And additionally;

- j. Service Directors and any other officer who reports or is directly accountable to the officers listed in (a) to (i) above (with the exception of officers reporting to the Service Director – Governance, Democratic, and Legal Services).

3. Definitions

For the purpose of the PPS the following definitions will apply:

- 3.1. The Localism Act (section 43) defines remuneration widely. In this policy 'remuneration/pay', in addition to salary includes charges, fees, allowances, benefits in kind, increases in or enhancements to pension entitlement and termination payments.
- 3.2. For the purposes of this statement, 'Chief Officer' refers to all the Council's senior officers. These are collectively referred to as the Corporate Leadership Team (CLT). In addition, some Service Director posts fall within the legal definition of 'deputy chief officer'.
- 3.3. The definition of 'lowest paid employee' is a fully competent employee undertaking a defined role and excludes apprentices who are undertaking approved training.

4. Accountability and decision making

- 4.1. In accordance with Part D.3 of the constitution of the council, the Human Resources (HR) Committee acts as the Council's Remuneration Committee for Chief Officer pay (with the exception of the post of Monitoring Officer). In exercising this function, the HR Committee reviews at least on an annual basis the pay and grading structure of the Council (including CLT Officer grades and salaries) and makes recommendations for any changes considered necessary to Full Council by way of a revised PPS.
- 4.2. The PPS must be approved formally by Full Council each year by the end of March for the following financial year.
- 4.3. As outlined in **Part I2 and I5** of the constitution of the Council, the Chief Executive as 'Head of the Paid Service', is responsible for the Council's Corporate Leadership Team and supporting officer structures. The Chief Executive has authority to approve changes to the terms and conditions of all post specified in (b)-(j) above on the recommendation of the Appointments Panel or the Appointments Committee or on their 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. -
- 4.4. Before making decisions in relation to the staffing structure or individual posts, the Chief Executive is required to consider:
 - The views of the relevant Executive Member, the Chair of the HR Committee, and the Opposition Spokesperson, and as appropriate:
 - The outcome of job evaluation.
 - Any data/advice/evidence or views collated 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 senior officers.
 - The performance of individual CLT Officers.
 - The requirements of the PPS.

- Fluctuations in the local and national job market.

5. Pay Principles

The key principles underpinning this PPS 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 Southwest, 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.

6. 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 CLT on its website and in the Annual Statement of Accounts. Only employees whose salaries are more than £150,000 must be named.

In relation to other senior officers of the Council, 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 including role 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. [The data detailed within the Pay Policy Statement reflects the pay award for 2023/24 as the 2024/25 pay award has not been agreed at the point of publishing this PPS.](#)

7. Lowest Paid Employee

The lowest paid posts in the Council which include posts of Cleaner, Domestic Assistant, Distribution Assistant, and General Kitchen Assistant, are paid on national spinal point 2 with a salary of £22,366 as at 1st April 2023 (excluding the pay award for 2024-25)

8. Pay Multiples

The recommendation of the Hutton Report into “Fair Pay in the Public Sector”, as recognised 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.

The ratio of the pay of the new Council’s median earner (£30,825) to that of its Chief Executive (£195,000) was 1:6.33 based on salaries at the end of November 2023.

Note: This figure excludes apprentices, casuals, and those on zero hours contracts.

9. Pay and Grading Structure

9.1. Grading and Job Evaluation

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.

- Job evaluation is a consistent process used for determining the relative worth of jobs. The Council uses two schemes to evaluate jobs, covering virtually all employees, except centrally employed teachers and Soulbury staff, which are subject to national grading schemes. The Hay Scheme is used for the Chief Executive, CLT, and other senior/management posts from grade 8.
- The New Somerset Scheme, based on the Greater London Provincial Council scheme (formerly GLEA), is used for posts up to Grade 9. The relationship between pay at the lowest and highest levels is controlled by job evaluation. The job evaluation score is set within a pay structure and linked to the pay spinal column points which determines what posts are paid. The Greater London Provincial Scheme job families are used when matching roles.

9.2. Pay scales

- The Chief Executive and CLT pay, and cost of living progression is locally agreed and subject to annual review by the HR Committee.
- The Chief Executive current annual salary is £195,000 as at December 2023 pending the 2023/24 pay award.

9.2.1. Executive Director Pay Structure

The pay structure for Executive Directors has been agreed by the Appointments Panel for the posts, following benchmarking with other organisations and similar roles. Salaries are on a spot pay basis, within the following levels and are based on job evaluation outcomes and market comparisons.

- £129k - £150k (This includes 2023/2024 pay award)

9.2.2. Service Director Pay Structure

The following salary ranges have been agreed for Service Director posts, following benchmarking with other organisations and similar roles. **These include 2023/24 pay award.** They will be made on a spot rate basis, in line with Job Evaluation scores for the level.

Service Director Grade	Salary Range
SD1	£115,000 - £118,000
SD2	£110,000 - £115,000
SD3	£100,000 - £105,000

9.2.3. Staff Below The Corporate Leadership Team Level

The Somerset Pay and Grading structure for staff below CLT and on Green Book terms and conditions incorporates National Pay Points up to spinal column point (scp) 38 and locally determined pay points above. The current pay and grading structure is shown as Appendix 1.

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. The 2024/25 pay award has not been agreed at this point of publishing this PPS.

Post holders on Grades 15 – 9 are eligible for annual incremental increases up the pay scale until they reach the top of their grade.

With effect from 1st April 2023 the lowest point on the NJC Green Book pay scale, spinal column point (SCP) 1 has been removed so the new lowest point will be SCP2. As an interim arrangement, Somerset Grade 17 will be merged with Grade 16 from this date and both grades will receive the spot salary aligned to national spinal column point 2, while a review of the Council's Green Book pay, and grading structure is undertaken.

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.

Staff who have transferred into Somerset Council under TUPE regulations, may be subject to different pay scales.

10. Other pay arrangements for Chief Officers

10.1. Performance related pay and bonuses

The Council does not operate a performance-related pay scheme and does not pay a bonus to any Council employees.

10.2. Allowances

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

Any allowances paid to The Chief Executive, Executive and Service Directors or CLT Officers are disclosed in the Annual Statement of Accounts.

10.3. Election payments

No additional payments are made by the Council for election duties. This statement does not affect Chief Officers who receive separate payments that are recoverable from central government and others for returning officer and deputy returning officer positions.

10.4. Professional subscriptions

- ~~• The Council currently meets the cost of Practising Certificate required by Solicitors employed by the Council.~~
- The Council does not pay fees and subscriptions payable by the Chief Executive, CLT Officers, and other employees to professional qualification bodies and local government-based societies and associations.
- Fees and subscriptions payable by the Chief Executive, CLT Officers and other employees, 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, Executive Director and Service Director – Workforce, in consultation with the relevant Executive Member.
-

10.5 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:

- CLT posts (with the exception of the post of Chief Executive) shall be determined by the Chief Executive following consultation with the Leader of the 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 Corporate Consultation Group comprising the Service Director – Workforce and two other representatives from the Corporate Leadership Team. The Strategic Manager – HR Admin and Payroll Services will support the group and provide technical advice~~

11. Other Employment-Related Arrangements

11.1 Appointment of Agency Interims

- 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.
- The Council has various options to supply interims in adherence with relevant Procurement, Legal, and Financial Regulations.
- The Council has a requirement to assess the employment status of the interim prior to the recruitment of interims being approved. An interim's terms of employment and contract is direct with the supplier and not the Council.
- In respect of the appointment of interims to CLT . A business case to the Chief Executive will take 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.
- If the interim is below Chief Officer level and the proposed rate of pay is over £350 per day, the appointment will be subject to formal approval by the Resource Management Board (RMB) comprising the Executive Director Strategy, Workforce and Localities and Service Director Finance and Procurement (deputy section 151 officer) and will be subject to review processes before extensions are agreed..

11.2 Pension

Subject to qualifying conditions, employees are eligible to join the Local Government Pension Scheme (LGPS). The Council has the ability to determine certain Local Government Pension Scheme Discretions. The Council's Pension Discretion Policy applies equally to the whole workforce and are subject to the approval of the HR Committee.

Employee pension contribution rates are defined by statute in accordance with the LGPS and employer contributions rates are set by Actuaries advising the Somerset Pension Fund and reviewed on a triennial basis to ensure the scheme is appropriately funded.

If the Council employs a Chief Officer already in receipt of a Local Government Pension Scheme pension, the Council will apply the normal pension abatement rules that apply to all employees (the combined pension and salary of their new post should not exceed the salary of their previous post).

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.

11.3 Salary Protection

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

Salary protection arrangements for Chief Officers is one year frozen pay protection during which annual cost of living pay increases will be awarded. At the end of this period the substantive grade of the new post will be applicable.

Salary protection is in place to ease the financial implications on those being redeployed and does not extend beyond salary.

12. Termination payments

Chief Officers follow the same arrangements and policies for redundancy as applied to all other staff.

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 take account of all legal, financial, contractual, and other responsibilities.

A proposed financial settlement for an officer leaving the Council in excess of £100,000 must be agreed by a meeting of the Full Council, in accordance with the Localism Act 2011 and outlined in [Part 15 para 3.3.4 of the constitution](#).

Aside from the provisions set out in [Part 15 Officer Employment Procedures/Arrangements of the Council's constitution](#) for the Chief Executive and CLT Officer posts, all other settlement payments on termination of the contract of a post require the approval of the relevant Senior Officer in line with HR Policy.

Appendix 1

Somerset Council Pay Scale April 2023					
SCP	Grade		Salary 01/04/23	HourlyRate 01/04/23	SCCSpot Points
1	17		N/A	N/A	
2	17	16	22,366	11.59	
3	15		22,737	11.79	
4	15	14	23,114	11.98	
5		14	23,500	12.18	
6	13	14	23,893	12.38	
7	13		24,294	12.59	
8	13		24,702	12.80	
9	13		25,119	13.02	
10	13		25,545	13.24	
11	13		25,979	13.47	
12		12	26,421	13.69	
13		12	26,873	13.93	
14		12	27,334	14.17	
15		12	27,803	14.41	
16		12	28,282	14.66	
17		12	28,770	14.91	
18		12	29,269	15.17	
19		12	29,777	15.43	
20	11		30,296	15.70	
21	11		30,825	15.98	
22	11		31,364	16.26	
23	11		32,076	16.63	
24	11		33,024	17.12	
25	11		33,945	17.59	
26		10	34,834	18.06	
27		10	35,745	18.53	
28		10	36,648	19.00	

29		10	37,336	19.35	
30		10	38,223	19.81	
31	9	10	39,186	20.31	
32	9		40,221	20.85	
33	9		41,418	21.47	
34	9		42,403	21.98	
35	9	8	43,421	22.51	
36		8	44,428	23.03	
37		8	45,441	23.55	
38		8	46,464	24.08	SCC Spot Point
39	7	8	47,536	24.64	
40	7		48,613	25.20	
41	7		49,744	25.78	
42	7		51,106	26.49	
43	7		52,090	27.00	SCC Spot Point
44	7		53,339	27.65	
45		6	54,618	28.31	
46		6	55,942	29.00	
47		6	57,279	29.69	
48		6	58,669	30.41	
49		6	60,087	31.14	
50		6	61,533	31.89	SCC Spot Point
51		5	76,261	39.53	SCC Spot Point
52		4	86,078	44.62	SCC Spot Point

Senior Leadership Salaries - December 2023

	Role Title	Responsible Areas and Functions	Revenue Budget at end October	Estimated FTE of Workforce Overseen	Grade	Salary Range	Actual Salary	Employers Pension Contribution
Tier 1	Chief Executive – Duncan Sharkey* <small>*Name provided due to remuneration level</small>	Head of Paid Services	£492.1m	5534	CE1	£195,000	£195,000	£39,195
Tier 2	Executive Director Children, Families, & Education	Children & Families, Commissioning & Performance, Inclusion & Education, Partnership & Skills	£122.8m	1293	ED1	£129,000 - £150,000	£146,892	£29,525
	Executive Director Climate & Place	Climate, Environment & Sustainability, Infrastructure & Transport & Economy, Employment & Planning	£91.6m	958	ED1	£129,000 - £150,000	£142,000	£28,542
	Executive Director of Resources & Corporate Services Section 151 Officer	Finance & Procurement, Strategic Asset Management, Information Communication Technology	£492.1m + (£31.5m HRA) + £2.9bn pension fund	735	ED2	£129,000 - £150,000	£146,000	£29,346
	Executive Director Strategy, Locality, & Workforce	Partnership & Locality, Strategy & Performance, Governance Democratic & Legal Services, Workforce	£22.5m	525	ED2	£129,000 - £150,000	£136,000	£27,366
	Executive Director Public Health	Public Health	£1.0m	303	ED2	£129,000 - £150,000	£138,600	£27,859

Executive Director Adult Services	Operations, Commissioning & Transformation	£185.4m	580	ED2	£129,000 - £150,000	£144,000	£28,944
Executive Director Community Services	Housing, Customer Services, Cultural Services, Regulatory & Operational Services	£53.9m + (£21.5)m HRA	1008	ED2	£129,000 - £150,000	£132,000	£26,532
Service Director Climate & Sustainability	Carbon Neutrality, Climate Resilience, Renewable Energy, Country Parks, Sustainability, Emergency Planning Water Management, Flooding Response, Coastal Protection, Flood & Land Drainage	£55.2m	171	SD2	£110,000 - £115,000	£112,000	£22,512
Service Director Infrastructure & Transport	Highways Authorities, Public Rights of Way, Active Travel, Transport, Road Safety, Infrastructure Commissioning and Fleet Management	£22.4m	473	SD1	£115,000 - £118,000	£117,000	£23,517
Service Director Economy, Employment & Planning	Planning, Economic Development, Affordable Housing Building Control, Trading Standards, Economic Infrastructure & Innovation Centres, Scientific Services, Nuclear Power	£10.5m + £3.5m (Accountable Bodies)	314	SD2	£110,000 - £115,000	£112,000	£22,512
Service Director Housing	HRA Business Plan, Homelessness, Housing Development, Sheltered & Extra Care, People Displacement Schemes, Tenant Services	£27.6m + (£21.5)m HRA	259	SD2	£110,000 - £115,000	£110,000	£22,110

Service Director Customer Services	Customer Services Strategy, Corporate Customer Services, Contact Centre, Customer Engagement, Complaints, Compliance & Ombudsman	£5.4m	225	SD3	£100,000 - £105,000	£105,000	£21,105
Service Director Cultural Services	Libraries, Museums, Theatres, Leisure Centres, Sports Development, Heritage, Arts Centre, Culture Facilities, Community Facilities	£8.5m	156	SD2	£110,000 - £115,000	£110,000	£22,110
Service Director Regulatory & Operational Services	Environmental Health & Licensing, Coroners, Environmental Protection, Street Cleaning & Grounds Maintenance, Private Housing Sector, CCTV, Anti-Social Behaviour, Parks & Play Areas	£12.4m	368	SD1	£115,000 - £118,000	£115,000	£23,115
Service Director Finance & Procurement	Finance Services, Revenues & Benefits, Pension Funds, Capital Management, Treasury & Corporate Debt Management, Housing Revenue, Internal Audit, Procurement, External Audit, Risk & Insurance, Direct Payments, Financial Assessment Deputyship	£13.2m	406	SD2	£110,000 - £115,000	£113,000	£22,713
Service Director Strategic Asset Management	Estates & Valuations, Facilities Management, Construction, Property Records, Commercial Investment, Asset Management Strategy	(£9.5)m	173	SD2	£110 - £115K	£110,000	£22,110
Service Director Information	Future Technology, Service & Supplier Management, Innovation & Development	£17.3m	156	SD2	£110,000 - £115,000	£110,000	£22,110

Communication & Technology	Application, Telephony Infrastructure, Operations & Security							
Service Director Partnership & Locality	LCN Networks, City Town & Parish Council Liaison, Volunteering Services, Community Projects, Grants & Lottery One, Locality Management	£2.8m	50	SD3	£100,000 - £105,000	£105,000	£21,105	
Service Director Strategy & Performance	Transformation Strategy & Policy, Performance & Benchmarking, Business Intelligence, Digital Development Programme, Project Management, Statutory Returns, Communications	£4.5m	201	SD2	£110,000 - £115,000	£115,000	£23,115	
Service Director Governance, Democratic & Legal Services	Democratic Services, Elections Services, Member Services, Lieutenancy, Information Governance, GDPR	£9.3m	127	SD2	£110,000 - £115,000	£112,000	£22,512	
Service Director Workforce	Human Resources, Payroll & Pensions, Health & Safety, Diversity & Inclusion, Workforce Strategy & Planning, Health & Wellbeing, Policy & Reward	£5.9m	147	SD2	£110,000 - £115,000	Covered by Interim	Covered by Interim	
Service Director Public Health	Domestic Abuse, Healthy Lifestyle Services, Population Health, Health Improvement, Inequalities, Inclusion & Diversity, Public Health Commissioning	£1.0m	303	SD3	£100,000 - £105,000	£110,250** inclusive of on call allowance	£22,161	
Service Director Children & Families	Children with Disabilities, Preventative Services, Quality Assurance, Principle Social	£82.1m	715	SD2	£110,000 - £115,000	£110,000	£22,110	

	Worker, Children Looked After and Care Leavers							
Service Director Commissioning & Performance	Commissioning, Business Support, Partners & Market Development, Safeguarding Partnership	£10.5m	46	SD2	£110,000 - £115,000	£110,000	£22,110	
Service Director Inclusion	Special Educational Needs & Disability, Access & Additional Learning Needs, Virtual Learning Support Service, Advisory Services, Educational Psychology	£15.4m	254	SD3	£100,000 - £105,000	£105,000	£21,105	
Service Director Education, Partnerships and Skills	Support Services, School Improvement, Sufficiency, Somerset Association of Primary Headteachers and Early Years	£14.1m	208	SD3	£100,000 - £105,000	£105,000	£21,105	
Service Director Adult Social Care Operations	Acutes, Safeguarding, Integration, Rapid Response	£247.6m	494	SD2	£110,000 - £115,000	£110,000	£22,110	
Service Director Adult Social Care Commissioning	Market Development, Joint Commissioning, Community & Innovation Assurance	(£62.2)m	48	SD2	£110,000 - £115,000	£110,000	£22,110	
Service Director Adult Social Care Strategy Transformation & Performance	Transformation programme, Legislative Change, Strategy & Alignment, Service Governance & Forward Planning, Inspection & Quality Performance	£0.0m	21	SD3	£100,000 - £105,000	£100,000	£20,100	

This page is intentionally left blank

Somerset Council Pay Policy Statement 1st of April 2024

1. Purpose

This Pay Policy Statement (PPS) is provided in accordance with Section 38 (1) of the Localism Act 2011 and will be updated annually or in-year as required. It sets out Somerset Council's policies relating to the pay of its workforce (excluding schools' employees) for the year 2024-25; in particular, it includes:

- The methods by which salaries of all employees are determined.
- The remuneration of its Chief Officers.
- The remuneration of its lowest paid employees.
- The relationship between the remuneration of its Chief Executive 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. Scope

The PPS covers the following statutory roles at Somerset Council:

- a. The Chief Executive (Head of Paid Service)
- b. Executive Director – Resources and Corporate Services (Section 151 Officer)
- c. Service Director – Governance, Democratic, and Legal Services (Monitoring Officer)
- d. Executive Director - Children, Families, and Education
- e. Executive Director - Adult Services
- f. Executive Director - Public Health

And non-statutory roles:

- g. Executive Director – Strategy, Workforce, and Localities
- h. Executive Director – Community Services
- i. Executive Director – Climate and Place

And additionally;

- j. Service Directors and any other officer who reports or is directly accountable to the officers listed in (a) to (i) above (with the exception of officers reporting to the Service Director – Governance, Democratic, and Legal Services).

3. Definitions

For the purpose of the PPS the following definitions will apply:

- 3.1. The Localism Act (section 43) defines remuneration widely. In this policy 'remuneration/pay', in addition to salary includes charges, fees, allowances, benefits in kind, increases in or enhancements to pension entitlement and termination payments.
- 3.2. For the purposes of this statement, 'Chief Officer' refers to all the Council's senior officers. These are collectively referred to as the Corporate Leadership Team (CLT). In addition, some Service Director posts fall within the legal definition of 'deputy chief officer'.
- 3.3. The definition of 'lowest paid employee' is a fully competent employee undertaking a defined role and excludes apprentices who are undertaking approved training.

4. Accountability and decision making

- 4.1. In accordance with Part D.3 of the constitution of the council, the Human Resources (HR) Committee acts as the Council's Remuneration Committee for Chief Officer pay (with the exception of the post of Monitoring Officer). In exercising this function, the HR Committee reviews at least on an annual basis the pay and grading structure of the Council (including CLT Officer grades and salaries) and makes recommendations for any changes considered necessary to Full Council by way of a revised PPS.
- 4.2. The PPS must be approved formally by Full Council each year by the end of March for the following financial year.
- 4.3. As outlined in Part I2 and I5 of the constitution of the Council, the Chief Executive as 'Head of the Paid Service', is responsible for the Council's Corporate Leadership Team and supporting officer structures. The Chief Executive has authority to approve changes to the terms and conditions of all post specified in (b)-(j) above on the recommendation of the Appointments Panel or the Appointments Committee or on their 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. -
- 4.4. Before making decisions in relation to the staffing structure or individual posts, the Chief Executive is required to consider:
 - The views of the relevant Executive Member, the Chair of the HR Committee, and the Opposition Spokesperson, and as appropriate:
 - The outcome of job evaluation.
 - Any data/advice/evidence or views collated 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 senior officers.
- The performance of individual CLT Officers.
- The requirements of the PPS.
- Fluctuations in the local and national job market.

5. Pay Principles

The key principles underpinning this PPS 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 Southwest, 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.

6. 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 CLT on its website and in the Annual Statement of Accounts. Only employees whose salaries are more than £150,000 must be named.

In relation to other senior officers of the Council, 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 including role 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. The data detailed within the Pay Policy Statement reflects the pay award for 2023/24 as the 2024/25 pay award has not been agreed at the point of publishing this PPS.

7. Lowest Paid Employee

The lowest paid posts in the Council which include posts of Cleaner, Domestic Assistant, Distribution Assistant, and General Kitchen Assistant, are paid on national spinal point 2 with a salary of £22,366 as at 1st April 2023 (excluding the pay award for 2024-25)

8. Pay Multiples

The recommendation of the Hutton Report into “Fair Pay in the Public Sector”, as recognised 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.

The ratio of the pay of the new Council’s median earner (£30,825) to that of its Chief Executive (£195,000) was 1:6.33 based on salaries at the end of November 2023.

Note: This figure excludes apprentices, casuals, and those on zero hours contracts.

9. Pay and Grading Structure

9.1. Grading and Job Evaluation

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.

- Job evaluation is a consistent process used for determining the relative worth of jobs. The Council uses two schemes to evaluate jobs, covering virtually all employees, except centrally employed teachers and Soulbury staff, which are subject to national grading schemes. The Hay Scheme is used for the Chief Executive, CLT, and other senior/management posts from grade 8.
- The New Somerset Scheme, based on the Greater London Provincial Council scheme (formerly GLEA), is used for posts up to Grade 9. The relationship between pay at the lowest and highest levels is controlled by job evaluation. The job evaluation score is set within a pay structure and linked to the pay spinal column points which determines what posts are paid. The Greater London Provincial Scheme job families are used when matching roles.

9.2. Pay scales

- The Chief Executive and CLT pay, and cost of living progression is locally agreed and subject to annual review by the HR Committee.
- The Chief Executive current annual salary is £195,000 as at December 2023 pending the 2023/24 pay award.

9.2.1. Executive Director Pay Structure

The pay structure for Executive Directors has been agreed by the Appointments Panel for the posts, following benchmarking with other organisations and similar roles. Salaries are on a spot pay basis, within the following levels and are based on job evaluation outcomes and market comparisons.

- £129k - £150k (This includes 2023/2024 pay award)

9.2.2. Service Director Pay Structure

The following salary ranges have been agreed for Service Director posts, following benchmarking with other organisations and similar roles. These include 2023/24 pay award. They will be made on a spot rate basis, in line with Job Evaluation scores for the level.

Service Director Grade	Salary Range
SD1	£115,000 - £118,000
SD2	£110,000 - £115,000
SD3	£100,000 - £105,000

9.2.3. Staff Below The Corporate Leadership Team Level

The Somerset Pay and Grading structure for staff below CLT and on Green Book terms and conditions incorporates National Pay Points up to spinal column point (scp) 38 and locally determined pay points above. The current pay and grading structure is shown as Appendix 1.

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. The 2024/25 pay award has not been agreed at this point of publishing this PPS.

Post holders on Grades 15 – 9 are eligible for annual incremental increases up the pay scale until they reach the top of their grade.

With effect from 1st April 2023 the lowest point on the NJC Green Book pay scale, spinal column point (SCP) 1 has been removed so the new lowest point will be SCP2. As an interim arrangement, Somerset Grade 17 will be merged with Grade 16 from this date and both grades will receive the spot salary aligned to national spinal column point 2, while a review of the Council's Green Book pay, and grading structure is undertaken.

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.

Staff who have transferred into Somerset Council under TUPE regulations, may be subject to different pay scales.

10. Other pay arrangements for Chief Officers

10.1. Performance related pay and bonuses

The Council does not operate a performance-related pay scheme and does not pay a bonus to any Council employees.

10.2. Allowances

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

Any allowances paid to The Chief Executive, Executive and Service Directors or CLT Officers are disclosed in the Annual Statement of Accounts.

10.3. Election payments

No additional payments are made by the Council for election duties. This statement does not affect Chief Officers who receive separate payments that are recoverable from central government and others for returning officer and deputy returning officer positions.

10.4. Professional subscriptions

- The Council does not pay fees and subscriptions payable by the Chief Executive, CLT Officers, and other employees to professional qualification bodies and local government-based societies and associations.
- Fees and subscriptions payable by the Chief Executive, CLT Officers and other employees, 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, Executive Director and Service Director – Workforce, in consultation with the relevant Executive Member.

10.5 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:

- CLT posts (with the exception of the post of Chief Executive) shall be determined by the Chief Executive following consultation with the Leader of the 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.

11. Other Employment-Related Arrangements

11.1 Appointment of Agency Interims

- 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.
- The Council has various options to supply interims in adherence with relevant Procurement, Legal, and Financial Regulations.
- The Council has a requirement to assess the employment status of the interim prior to the recruitment of interims being approved. An interim's terms of employment and contract is direct with the supplier and not the Council.
- In respect of the appointment of interims to CLT. A business case to the Chief Executive will take 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.
- If the interim is below Chief Officer level and the proposed rate of pay is over £350 per day, the appointment will be subject to formal approval by the Resource Management Board (RMB) comprising the Executive Director Strategy, Workforce and Localities and Service Director Finance and Procurement (deputy section 151 officer) and will be subject to review processes before extensions are agreed.

11.2 Pension

Subject to qualifying conditions, employees are eligible to join the Local Government Pension Scheme (LGPS). The Council has the ability to determine certain Local Government Pension Scheme Discretions. The Council's Pension Discretion Policy applies equally to the whole workforce and are subject to the approval of the HR Committee.

Employee pension contribution rates are defined by statute in accordance with the LGPS and employer contributions rates are set by Actuaries advising the

Somerset Pension Fund and reviewed on a triennial basis to ensure the scheme is appropriately funded.

If the Council employs a Chief Officer already in receipt of a Local Government Pension Scheme pension, the Council will apply the normal pension abatement rules that apply to all employees (the combined pension and salary of their new post should not exceed the salary of their previous post).

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.

11.3 Salary Protection

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

Salary protection arrangements for Chief Officers is one year frozen pay protection during which annual cost of living pay increases will be awarded. At the end of this period the substantive grade of the new post will be applicable.

Salary protection is in place to ease the financial implications on those being redeployed and does not extend beyond salary.

12. Termination payments

Chief Officers follow the same arrangements and policies for redundancy as applied to all other staff.

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 take account of all legal, financial, contractual, and other responsibilities.

A proposed financial settlement for an officer leaving the Council in excess of £100,000 must be agreed by a meeting of the Full Council, in accordance with the Localism Act 2011 and outlined in Part I5 para 3.3.4 of the constitution.

Aside from the provisions set out in Part I5 Officer Employment Procedures/Arrangements of the Council's constitution for the Chief Executive and CLT Officer posts, all other settlement payments on termination of the contract of a post require the approval of the relevant Senior Officer in line with HR Policy.

Appendix 1

Somerset Council Pay Scale April 2023					
SCP	Grade		Salary 01/04/23	Hourly Rate 01/04/23	SCC Spot Points
1	17		N/A	N/A	
2	17	16	22,366	11.59	
3	15		22,737	11.79	
4	15	14	23,114	11.98	
5		14	23,500	12.18	
6	13	14	23,893	12.38	
7	13		24,294	12.59	
8	13		24,702	12.80	
9	13		25,119	13.02	
10	13		25,545	13.24	
11	13		25,979	13.47	
12		12	26,421	13.69	
13		12	26,873	13.93	
14		12	27,334	14.17	
15		12	27,803	14.41	
16		12	28,282	14.66	
17		12	28,770	14.91	
18		12	29,269	15.17	
19		12	29,777	15.43	
20	11		30,296	15.70	
21	11		30,825	15.98	
22	11		31,364	16.26	
23	11		32,076	16.63	
24	11		33,024	17.12	
25	11		33,945	17.59	
26		10	34,834	18.06	
27		10	35,745	18.53	
28		10	36,648	19.00	

29		10	37,336	19.35	
30		10	38,223	19.81	
31	9	10	39,186	20.31	
32	9		40,221	20.85	
33	9		41,418	21.47	
34	9		42,403	21.98	
35	9	8	43,421	22.51	
36		8	44,428	23.03	
37		8	45,441	23.55	
38		8	46,464	24.08	SCC Spot Point
39	7	8	47,536	24.64	
40	7		48,613	25.20	
41	7		49,744	25.78	
42	7		51,106	26.49	
43	7		52,090	27.00	SCC Spot Point
44	7		53,339	27.65	
45		6	54,618	28.31	
46		6	55,942	29.00	
47		6	57,279	29.69	
48		6	58,669	30.41	
49		6	60,087	31.14	
50		6	61,533	31.89	SCC Spot Point
51		5	76,261	39.53	SCC Spot Point
52		4	86,078	44.62	SCC Spot Point