

# Public Agenda Pack



## **HUMAN RESOURCES COMMITTEE**

**Monday, 11 November 2024**

**2.00 pm**

**JMR, The Deane House, Taunton, TA1 1HE**

### **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 4      Pay Award - 2024/25 (report to follow) (Pages 3 - 10)

To consider a report regarding 2024/25 pay award for the Chief Executive and Chief Officers.

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**Somerset Council**

HR Committee  
11 November 2024



## Pay Award – 2024/2025

Executive Member: Councillor Theo Butt Philip, Lead Member for Transformation, Human Resources and Localities.

Lead Workforce Officer: Dawn Bettridge – Interim Service Director Workforce

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<i>Please complete sign off boxes below prior to submission to Democratic Services</i>			
<b>Report Sign off</b>	<b>Seen by:</b>	<b>Name</b>	<b>Date</b>
	Legal	Jill Byron	06.11.2024
	Corporate Finance	Maria Christofi/Nicola Hix	07.11.2024
	Workforce	Dawn Bettridge	05.11.2024
	Executive Member	Theo Butt Philip	06.11.2024
	Monitoring Officer	Scott Wooldridge	05.11.2024
<b>Summary:</b>	<ul style="list-style-type: none"> <li>The report seeks a decision on the Chief Officer pay award for 2024/25 pay award, now that the Green Book pay award has been agreed nationally.</li> <li>The report seeks a decision on the Chief Executive’s salary for 2024/25 now that the Green Book pay award has been agreed nationally.</li> </ul>		
<b>Recommendations:</b>	<p><b>The members of the HR Committee are asked to:</b></p> <ol style="list-style-type: none"> <li><b>Note the nationally agreed Green Book pay award for 2024/25 as outlined in paragraph 1.2 below and the updated Somerset salary rates for grades 17 to 4 at Appendix 1.</b></li> <li><b>Agree that a 2.5% pay award is awarded to Chief Officers (Executive Directors and Service Directors) for the financial year 2024/25, as outlined in paragraph 2.5 below.</b></li> <li><b>To make a recommendation to Full Council that a 2.5% increase is awarded to the Chief Executive for the financial year 2024/25, as outlined in paragraph 2.5 below.</b></li> </ol>		
<b>Reasons for Recommendations:</b>	Determination of any salary/cost of living progression for Chief Officers and the Chief Executive is undertaken by the HR		

	Committee. For the Chief Executive any increase will require the approval of Full Council.
<b>Links to Priorities and Impact on Service Plans:</b>	Appropriate pay provisions for all staff including our leadership team are fundamental to the delivery of the Council's objectives and services as set out in the County Plan.
<b>Financial, Legal and HR Implications:</b>	The forecast budget for the annual cost of living increase for all staff was set at 4% for 2024/25 and the recommendation of a 2.5% increase is below the forecasted budget. The recommended increase is in line with the increase that has been agreed nationally for Green Book staff who are paid above spinal column point 43 and will therefore ensure fairness and equity in pay awards for the 2024/25 financial year.
<b>Equalities Implications:</b>	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. Following consultation with Somerset Council's Equalities in Employment Officer, it is considered there are no direct equality impacts associated with the pay award.
<b>Risk Assessment:</b>	Failure to pay competitive salaries for the Leadership team may result in retention and recruitment issues and leadership instability across services.
<b>Scrutiny comments / recommendation (if any):</b>	N/A

## 1. Background

- 1.1 On 22 October 2024, the National Joint Council (NJC) for local government services reached agreement on a one year pay award for 2024/25, applicable to Green Book staff. This pay award will be backdated to 1 April 2024 and will cover the period until 31 March 2025.
- 1.2 The pay award confirms an increase of £1,290 (pro-rata for part time employees) for Spinal Column Points (SCP) 2 – 43, which reflects a different percentage increase, depending on basic salary. Staff on NJC Green Book conditions who are paid above SCP 43 will receive a 2.50% pay increase.
- 1.3 For the lowest paid workers on SCP 2, on a new salary of £23,656 this will equate to a 5.7% increase from the previous year. The maximum Green Book NJC national pay spine is SCP 43, on a new salary of £52,805, this will equate to a 2.5% increase.
- 1.4 The Council has a legacy local agreement to vary some pay and conditions for Somerset Grade 8 and above. This introduced one pay point per grade from Grade 8 (SCP 38) up to Grade 4 (SCP 52). The Council's salaries therefore deviate from the NJC pay spine from SCP 39 and go beyond the maximum point.

- 1.5 However, the national agreement address this by confirming, all locally determined pay points above the maximum of the pay spine but graded below deputy chief officer, should be increased by 2.5 per cent, in accordance with Green Book Part 2 Para 5.4 (The Green Book Part 2 Para 5.4 provides that posts paid above the maximum of the pay spine but graded below deputy chief officer are within scope of the NJC. The pay levels for such posts are determined locally, but once fixed are increased in line with agreements reached by the NJC).
- 1.6 The Somerset Council salary rates by spinal column points for Green Book staff are outlined at Appendix 1, showing Grades 17 to 4, with the 2024 pay award applied.
- 1.7 Employers are encouraged to implement the pay award and any backpay as swiftly as possible after agreement is reached. The Green Book pay award will be implemented in the November 2024 payroll for Grades 17 to 4.
- 1.8 The Council is currently opted out of national pay agreements by the Joint Negotiating Committee (JNC) for Chief Officers and Chief Executives of Local Authorities. Under the Councils constitution (Part D3), the HR Committee acts as the Council's Remuneration Committee for Chief Officers pay which includes all Service Directors, Executive Directors, and the Chief Executive.
- 1.9 In recent years the pay awards for Chief Officers and the Chief Executive in the legacy Somerset County Council have mirrored the Green Book pay award for staff. This was also applied by Somerset Council for the 2023/24 pay award to the Chief Executive and Chief Officers.
- 1.10 Although the Council is currently opted out of national pay agreements for its top three tiers, the national agreement can be an option for consideration by this Committee. This year the national agreement for Officers in scope of the JNC for Chief Executives and Chief Officers of local authorities was confirmed as an increase of 2.5% to be backdated with effect from 1 April 2024. This is therefore in line with the increase awarded to staff on Green Book terms and conditions whose salary is above spinal column point 43.
- 1.11 The salary structure for Somerset Council Tier 2 Executive Director and Tier 3 Service Director roles were outlined in Full Council reports in February and May 2023. Executive Director roles have been set based on job evaluation outcomes within the range £129,000 to £150,000. Service Director roles have been set at three levels, to reflect job evaluation outcomes, these are as follows:  
SD1: £115,000 - £118,000  
SD2: £110,000 - £115,000,  
SD3: £100,000 - £105,000.
- 1.12 Following the restructure of the Senior Leadership team in the summer all new appointments to Executive and Service Director roles were appointed on a spot salary basis in 2024 in line with the salaries set out in paragraph 1.11.

- 1.13 The HR Committee is asked to consider the options outlined below at paragraphs 2.5 – 2.7 on whether a pay award is awarded to the Council's Chief Officers (Executive and Service Directors) for the financial year 2024/25.
- 1.14 The Chief Executive for Somerset Council took up his appointment in October 2022. The salary was agreed on appointment in the summer of that year. A pay award for 2023/24 was applied to the Chief Executive in line with the pay award agreed nationally for Green Book staff. The HR Committee is asked to consider the options outlined below at paragraphs 2.5 – 2.7 on whether a pay award is awarded to the Chief Executive for the 2024/25 financial year.
- 1.15 Any change to the Chief Executive's pay requires Full Council approval following HR Committee recommendation. The next Full Council is scheduled for 18 December 2024 so any agreed pay award for the Chief Executive would be actioned in the January payroll at the latest (and backdated to 1 April 2024) and the Councils Pay Policy would be amended to reflect the change.

## **2. Options considered and recommendation**

- 2.1 No alternatives are available in relation to the application of the pay award for Green Book staff (staff in Grades 17 – 4 in both schools and Somerset Council) as this is nationally agreed.
- 2.2 The nationally agreed pay award for Chief Executives of Local Authorities for 2024/25 was agreed on 16 May 2024 and awarded a 2.5% increase.
- 2.3 The nationally agreed pay award for Chief Officers of Local Authorities for 2024/25 was agreed on 22 July 2024 and awarded a 2.5% increase.
- 2.4 As Somerset Council is currently opted out of national pay negotiations for Chief Executives of Local Authorities and Chief Officers of Local Authorities there are three options for consideration for both the Chief Executive and Chief Officers salary review covering the period 1 April 2024 to 31 March 2025 as outlined below.
- 2.5 **Option 1**  
Apply the nationally agreed pay award for 2024/25 that has been agreed for both Chief Executives and Chief Officers of Local Authorities of a 2.5% increase (this is the same increase that has been agreed nationally for Green Book staff who are paid above spinal column point 43). Although Somerset Council is currently opted out of national pay negotiations for Chief Executives of Local Authorities as a legacy from the continuing authority, it is open to the Council to follow the 2024/25 pay agreement for those within scope of the JNC. **It is recommended that the Committee considers this option for adoption which is intended to ensure fairness and equity in pay awards for the 2024/25 financial year and to ensure our pay remains competitive with other Councils. This is not intended to set a precedent for the future.**

## 2.6 **Option 2**

It is open to the Council to apply a different percentage increase to those agreed nationally for Chief Executives and Chief Officers. If this option were to be considered it is recommended that any percentage increase does not exceed 2.5% as that is in line with the award for 2024/25 to staff covered by Green Book terms and conditions who are paid above scp 43.

## 2.7 **Option 3**

Another option is to freeze the Chief Executive's and Chief Officers' salaries at the level that is currently applied with no pay increase for the period 1 April 2024 to 31 March 2025.

## 3. **Consultation**

3.1 Updates on the Green Book NJC national pay negotiations have been discussed with the recognised Trade Unions at the Joint Negotiation Forum in Somerset. Union members were consulted throughout as to their views on the pay offer and the recognised Unions conducted a national ballot of their members.

3.2 A summary of the recommendation in this report has been circulated to the recognised trade union representatives of the Council's Joint Consultation Forum for information and responses requested to be received by the end of the day on 7 November 2024. Any comments received will be shared verbally at this Committee.

## 4. **Implications**

4.1 The 2024/25 budget provision for pay award increases to salary was set at 4% which would equate to £0.194m for the Chief Executive and Chief Officers (this is based on the structure as of 1 April 2024). The financial impact of the three options for the Chief Executive's and Chief Officers pay award all fall within budget forecasts. The cost of the proposed Chief Executive's and Chief Officers pay award at 2.5% is £0.121m. This figure is based on the structure that was in place as of 1 April 2024. The actual cost will be less due to the reduction in the number of Chief Officer roles that is effective from 1 November 2024 onwards.

## 5. **Background papers**

5.1 Appendix 1: Updated Somerset Council salary rates by spinal column points for Green Book staff with 2024/25 pay award applied (Excel spreadsheet attached separately)

5.2 Full Council report of the Chief Executive – 24 May 2023 Agenda item 9 (available separately on request) - confirmation of salary structure for Executive Directors (Tier 2) and Service Director (Tier 3) roles.

## ANNEX 1

SCP	Grade		Salary 01/04/2024	Hourly Rate 01/04/2024
1	17		N/A	N/A
2	17	16	£23,656	£12.26
3	15		£24,027	£12.45
4	15	14	£24,404	£12.65
5		14	£24,790	£12.85
6	13	14	£25,183	£13.05
7	13		£25,584	£13.26
8	13		£25,992	£13.47
9	13		£26,409	£13.69
10	13		£26,835	£13.91
11	13		£27,269	£14.13
12		12	£27,711	£14.36
13		12	£28,163	£14.60
14		12	£28,624	£14.84
15		12	£29,093	£15.08
16		12	£29,572	£15.33
17		12	£30,060	£15.58
18		12	£30,559	£15.84
19		12	£31,067	£16.10
20	11		£31,586	£16.37
21	11		£32,115	£16.65
22	11		£32,654	£16.93
23	11		£33,366	£17.29
24	11		£34,314	£17.79
25	11		£35,235	£18.26
26		10	£36,124	£18.72
27		10	£37,035	£19.20
28		10	£37,938	£19.66
29		10	£38,626	£20.02
30		10	£39,513	£20.48



SCP	Grade		Salary 01/04/2024	Hourly Rate 01/04/2024	
31	9	10	£40,476	£20.98	
32	9		£41,511	£21.52	
33	9		£42,708	£22.14	
34	9		£43,693	£22.65	
35	9	8	£44,711	£23.17	
36		8	£45,718	£23.70	
37		8	£46,731	£24.22	
38		8	£47,754	£24.75	SCC Spot Point
39	7	8	£48,826	£25.31	
40	7		£49,903	£25.87	
41	7		£51,034	£26.45	
42	7		£52,396	£27.16	
43	7		£53,392	£27.67	SCC Spot Point
44	7		£54,672	£28.34	
45		6	£55,983	£29.02	
46		6	£57,341	£29.72	
47		6	£58,711	£30.43	
48		6	£60,136	£31.17	
49		6	£61,589	£31.92	
50		6	£63,071	£32.69	SCC Spot Point
51		5	£78,168	£40.52	SCC Spot Point
52		4	£88,230	£45.73	SCC Spot Point

NB: hourly rate calculated by dividing annual salary by 52.143 weeks (which is 365 days divided by 7) and then divided by 37 hours (the standard working week).

## ANNEX 2

### Chief Officer Pay Scales

	<b>Salary 01/04/2023</b>	<b>Salary 01/04/2024</b>
<b>Chief Executive</b>	£201,825	£206,870

	<b>Salary 01/04/2023</b>	<b>Salary 01/04/2024</b>
<b>Executive Directors</b>	£129,000 - £150,000	£132,225 – £153,750

<b>Service Directors</b>	<b>Salary 01/04/2023</b>	<b>Salary 01/04/2024</b>
<b>SD1</b>	£115,000 - £118,000	£117,875 - £120,950
<b>SD2</b>	£110,000 - £115,000	£112,750 - £117,875
<b>SD3</b>	£100,000 - £105,000	£102,500 - £107,625