

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

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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:	The report sets out proposed amendments to the 2024/25 Pay Policy Statement (PPS) for Somerset Council. 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. 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.	
Recommendations:	The members of the HR Committee are asked to: 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)