

Bath & North East Somerset Council		
DECISION MAKER:	Employment Committee	
MEETING DATE:	14 May 2025	
TITLE:	Being Our BEST: Implementation of new pay and grading structure	
WARD:	All	
<p>List of attachments to this report:</p> <p>Appendix 1: Job categories</p> <p>Appendix 2: Proposed Pay Model</p> <p>Appendix 3: Impact on staff (exempt)</p> <p>Appendix 4: Pay protection policy</p> <p>Appendix 5: Leadership Pay (exempt)</p> <p>Appendix 6: Avon Pension Fund Market Supplements (exempt)</p> <p>Appendix 7: TU consultation timetable (exempt)</p> <p>Appendix 8: 24th April 2024 letter to trade unions (exempt)</p> <p>Appendix 9: Risk Assessment</p> <p>Appendix 10: Equality Impact Assessment</p>		

1 THE ISSUE

- 1.1 This report details the work and steps taken to implement a new pay and grading structure, including role profiles for all staff employed by the council and requests Employment Committee approves the decision to implement this.
- 1.2 The council has set aside £2.1m to fund salary increases for a third of our workforce – nearly 900 staff - including for those in lower paid roles such as care workers. This is in addition to the national pay award which will be paid to all of our staff when it is agreed and will be backdated to 1 April 2025.

2 RECOMMENDATION

Employment Committee, on behalf of Council, is asked to;

- 2.1 Approve the new pay and grading structure for the council to be implemented on 1 June 2025 backdated to 1 April 2025.**

2.2 Approve the move to role profiles from the same date

3 THE REPORT

3.1 Background

In July 2023, Bath & North East Somerset Council launched an ambitious culture change programme, the Being Our BEST programme, to deliver “great jobs, smarter structures and a culture of excellence” all with overall aim to enable staff to deliver the best services for our residents to improve people’s lives. The council has a strong leadership team in place and a clear and ambitious vision. However, we identified a disconnect between how we deliver against our corporate strategy, as the overall plans and values are not supported by the right structures, role clarity and ways of working. The programme was set up with three key workstreams each with the following aims:

Great Jobs focuses on making sure work happens at the right levels with the right reward policies and structures in place. This means having a clear and simple understanding of what the job does, recognising and valuing those who are technical experts in their field and how their career can progress from their role. We will establish a number of job categories for the whole council to group together roles and then set career pathways both up and across the organisation.

Smarter Structures focuses on ensuring the whole council reduces duplication across roles, with better integration between departments. and simpler structures. This allows us to better understand the capabilities between specialisms and other managerial roles.

Culture of Excellence focuses on helping all staff maximise their potential through our current BEST values (Bold/Empowered/Supportive/Transparent). We want to enable staff to be change ready, identifying opportunities to improve our services and engaging with our residents. We also want to retain and reward our staff whilst encouraging others to join us and grow, through apprenticeships or otherwise.

Key issues:

- 3.2 In the months preceding the launch of the programme there were a number of key issues identified by managers across the council that led to the development of the programme.
- 3.3 Whilst HAY has been the job evaluation method used at B&NES since 1996, it has been over ten years since a pay review (single status) was undertaken. Managers have identified job evaluation as a cumbersome and lengthy process, which they felt often slowed down recruitment to roles and didn’t always explain roles in a clear and consistent way. It was considered the right time to check role sizing and equity across all roles in the organisation.
- 3.4 Despite grades 13 and 14 being consecutive in job evaluation terms, there is a large gap in salary (around £20k) between the two grades. This has caused challenges with career progression between the two grades and has inadvertently resulted in the pay for grades 11-13 to be suppressed. The pay for these grades is under the current market value. To resolve some of these

issues there has been an increase in the use of market supplements and this is often ad hoc and used across the council to uplift salaries to recruit and retain certain roles where the current pay structure has failed to keep pace with the labour market for certain grades (10-13) and for specific roles within those grades (eg: surveyors).

- 3.5 Also, it is acknowledged that managers could be more effective at managing performance and there is a tendency to avoid having difficult conversations or giving constructive feedback. With greater clarity of role and associated levels of accountability and responsibility managers will be more confident about managing performance.

Working with Korn Ferry

- 3.6 We engaged Korn Ferry as our expert advisers on this programme of work. They own the intellectual property rights to the HAY job evaluation scheme and are experts in the areas of job evaluation, work architecture and organisation design. Korn Ferry undertook the writing of the role profiles following discussions with Heads of Service about the roles within their services and helped to design the job categories and zones of work, based on HAY job evaluation principles. They have also supported the pay modelling work. The council has used the HAY job evaluation method for all roles for many years and Korn Ferry have provided HAY training for council staff and union representatives during that time. They have also undertaken independent job evaluation of all leadership roles where required.

Role profiles

- 3.7 We have moved from 999 job descriptions to 355 role profiles covering all roles at the council. The role profiles were written by Korn Ferry with input and a steer from our Design Authority Group. This group comprised of senior managers from across all parts of the council. All of the role profiles are saved on a share point [folder](#) and have been made available for all staff. They were evaluated using the HAY job evaluation methodology.
- 3.8 Most staff were written to on 25th July 2024 to confirm the role profile they were matched to. This letter was sent for information only at this point. We did not write to Directors or Heads of Service who were informed of their role profile match as part of restructures undertaken earlier in 2024. Staff in the Avon Pension Fund and those included in the Commissioning review were also matched as part of restructures.

Additional Work Elements

- 3.9 The Council already uses 2 Additional Work Elements (AWEs) which describe the conditions that roles operate in. These are those that assess the level of physical demand and environmental factors. We have added two further additional work elements – to assess mental demands and emotional demands of roles. The AWEs scoring range from 0 – 7 points per category and this forms part of the overall evaluation for specific roles.

Job categories and zone levels of work

- 3.10 We have designed six job categories with six zone levels of working sitting across them (appendix 1). The Design Authority Group were consulted fully on the development of these.
- 3.11 A job category is a set of roles that require similar knowledge, skills and abilities. For example, roles that have been categorised in the 'enabling' job category will all have similar skills and requirements for drawing on legislation, regulation, and best practice to ensure effective service delivery. In this example, roles which have been assigned the category of 'enabling' will be focused on ensuring that the council is legally compliant, financially sound and delivers services efficiently.
- 3.12 A zone describes the level of work e.g. senior manager, manager, supervisor, expert, advisors etc. Roles are assigned to a zone, and these are on a scale that represents a vertical career path from the lowest to highest level job.
- 3.13 Individuals will be able to use their allocated 'zone' and 'category' to map their career journey in a variety of ways; vertically (securing a role into the next level of seniority), horizontally (securing a role at the same level of work but in a different service area), or diagonally (securing a role which is a more senior role and in a different service area). These different ways of mapping careers, offers much more flexibility to develop skills and experience. It should be noted that these newly visible career paths are voluntary.

Proposed pay and grading structure

- 3.14 The proposed new pay and grading structure for B&NES is set out in appendix 2. It was developed with advice and guidance from Korn Ferry within principles agreed by the Executive Leadership Team.
- 3.15 The following principles have been set out:
- Clear, fair and consistent salary progression and career opportunities for all staff
 - Use HAY job evaluation methodology to identify logical grade boundaries
 - Identify external market data (both local data and national data from the Public and Not-For-Profit sector) to inform the council's arrangements
 - Define the point within the external market to 'anchor' pay arrangements
 - Retain national pay bargaining arrangements
 - Pay protection applied for a period of 3 years
- 3.16 The B&NES pay and grading arrangements will cover all staff (including casuals and maintained schools support staff) on NJC and JNC (Chief Officers) pay and terms and conditions. It does not include staff on teachers or Soulbury payscales or those on other pay, terms and conditions protected by TUPE.
- 3.17 The proposed changes to each grade are summarised as below:
- Grades 1,2,3,8,9 – no change
 - Grades 4 – widen to 3 scps, additional point at top added in
 - Grade 5,6,7 – min scp and max scp the same – reduction in scp increments from four to three.
 - Grade 10 – four scps remain, value of top scp increased to anchor the pay with the market median

Grade 11 - four scps remain, value of top two scps increased to anchor the pay with the market median

Grade 12, 13 – widen to four scps, value of all scps increased to anchor the pay with the market median

Grade 14 – widen to four scps, value of all scps decreased to anchor the pay with the market median.

All spinal column points will be uplifted by the 1 April 2025 national pay award when agreed.

- 3.18 There are no changes to any other terms and conditions proposed within this work. The only change in terms and conditions will be those associated with a role-profile mapping change that means a change in grade from Grade 6 to Grade 7. Currently staff on grades 1-6 (scp 22 and under) received the enhancements outlined below when working at night, weekends or bank holidays and staff on grades 7 and above do not receive these enhancements.

Hours between 22.00 hours & 06.00 hours Monday to Friday: time & one third

Hours between 06.00 & 22.00 on weekdays: plain time

Hours between 06.00 & 22.00 on Saturdays: Time & 27%

Hours between 22.00 & 24.00 on Saturdays: time & a third

Hours between 00.00 & 24.00 on Sundays and Bank Holidays; time & a half

- 3.19 The impact of these changes for all staff are set out in detail in appendix 3. Any individual who see a decrease in pay either as a result of a decrease in grade or SCP values will be entitled to pay protection as set out in appendix 4 - the Council's pay protection policy.

Leadership pay

- 3.20 The pay ranges for Directors and Executive Directors have been reviewed in line with national and local market data. Directors will be appointed on spot salaries with an annual performance review in line with the current pay policy and their statement of particulars. The detailed proposals are included in appendix 5.

Avon Pension Fund market supplements

- 3.21 Whilst administered (hosted) by B&NES, the Avon Pension Fund (APF) is governed and managed separately via the Director of Financial Services, Assurance and Pensions. The APF competes for talent largely with local private sector Finance companies across Bristol and Bath. Appendix 6 sets out the proposal for a specific local market factor to be applied to APF roles from Grade 10 and above to address the identified recruitment and retention issues.

Trade union and staff consultation

- 3.22 The council formally recognises three trade unions; UNISON, Unite and GMB. Trade union representatives were briefed, in general terms, on a regular basis at monthly corporate TU meetings from the start of the programme. A Unison representative was also appointed to the Design Authority Group (see 3.7 above).
- 3.23 On 8 August 2024 a series of consultation and negotiation meetings commenced with regional and local representatives from all three trade unions to consider the proposals around pay and grading. Detailed papers and data were shared including

all of the information included in this report and the appendices. A summary of the meetings that were held are included in appendix 7.

3.24 On 19th November 2024, we reached an in principle proposal with the trade unions and this was shared with all staff. Feedback was invited either through TU representatives, managers or directly to the programme team in person and in writing. Over 280 comments were received and considered.

3.25 As a result of the feedback received the proposals were amended as follows:

- Introduced 355 role profiles for all roles (subject to staff feedback we made some changes and introduced the role specific criteria for clarification of the role which has been agreed between Managers and Staff – the majority of the Role Profiles stayed the same)
- Move to new pay and grading structure from 1 April 2025 (stayed the same)
- Carefully and openly reviewed the job evaluation scores including AWE

application

- for all of the roles facing a grade decrease
- Pay protection period extended from 2 years to 3 years
- High Performance Reward Scheme removed

3.26 We were expecting all three trade unions to each undertake a consultative ballot during February and March. On 4th March 2025 GMB raised queries over the market supplement proposals which meant that GMB did not raise a ballot. Unite confirmed that they were ready to hold a ballot on 4th April 2025 but have not done so related to the market supplement proposal queries. Unison did hold a consultative ballot which closed on 28th March 2025 and we were informed on 2nd April 2025 that Unison members rejected the proposals.

3.27 The council accepts that this has been a challenging programme over a considerable period of time whilst ongoing consultation and negotiations have been taking place with the unions. Whilst the council does not have an agreed local collective bargaining agreement in place, we consider that we have followed the principles of such arrangements and have exhausted the consultation process which has taken over 9 months.

3.28 After taking confidential legal advice around our overall decision, we have made a decision to continue with implementing these proposals without collective agreement from the trade unions to provide stability and reassurance to all staff. A copy of the letter to the trade unions is included in appendix 8.

4 STATUTORY CONSIDERATIONS

4.1 There is no one specific piece of legislation that covers this programme of work.

4.2 Under Section 1 of the Equality Pay Act, 1970, employers are required to give equal treatment as regards terms and conditions of employment to men and to women. The Act's core principle is that men and women employed on "like work" should receive equal pay, and it also recognised that work could be of equal value even if it wasn't the same or similar.

4.3 In accordance with the requirements of Section 38 of the Localism Act 2011 and of the Revised Guidance and the associated statutory guidance set out in the Openness and Accountability in Local Pay: Guidance and Supplementary Guidance under section 40 of the Localism Act (February 2012 & 2013), together

with the Local Government Transparency Code 2015 from the Department for Communities and Local Government, B&NES Council is required to publish a Pay Policy Statement for each financial year detailing: a) The council's definition of senior posts b) The council's definition of lowest paid employees c) Reasons for adopting these definitions d) The relationship between the remuneration of senior posts and that of the lowest paid employees.

- 4.4 Under the council's constitution, annex 8, Pay and Reward Policy 2025/2026, paragraph 27:

Working with Trade Unions

37. The Council will endeavour to maintain a joint working approach with its recognised Trade Unions and will work closely with them on pay related matters. There has been consultation with representatives of the recognised Trade Unions during the development of this Pay and Reward Policy. Collective bargaining processes will be followed as appropriate for any proposed changes to pay and/or allowances.

- 4.5 The council does not have a formal collective bargaining agreement with recognised trade unions. It has always sought to work in an inclusive and collaborative manner with the unions and in accordance with the above statement, which states that

"The council will 'endeavour' to maintain a joint working approach with its recognised trade unions and will work closely with them on pay related matters"

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 5.1 The estimated total cost of introducing this new pay and grading structure is £2.1m including on-costs. This has been built into the 2025/2026 budget planning approved by Council in February 2025. The annual pay lift is negotiated nationally and will be applied to salaries on top of the changes we are proposing. This is also budgeted for in the 2025/2026 budget. We have agreed to fund £54k which is the cost of implementation for one year for our four maintained schools to support their transition to the new pay and grading structure.

- 5.2 The people implications have been covered in appendix 3 above.

6 RISK MANAGEMENT

- 6.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance. Our risk log is reviewed by the programme board at each monthly meeting and a summary is included as appendix 9.
- 6.2 The Council acknowledges that there may be some challenges with regard to those employees that will suffer a reduction in pay, and have therefore sought to mitigate this risk, not just through the consultation and negotiation stages, but to also:

- (1) To give 3 months' notice as to this change in pay which will start from 1st June 2025 and expire on 31st August 2025

- (2) Have a pay protection policy for 3 years to be applied up to the maximum of their current salary, which will start on 1st September 2025 and expire on 31st August 2028
- (3) Those affected staff will still benefit from the national cost of living increase that is awarded from 1st April 2025 before pay protection is applied.

7 EQUALITIES

- 7.1 An equality impact assessment for the programme – focussed on these changes is included in appendix 10.

8 CLIMATE CHANGE

- 8.1 This programme does not specifically and directly help to tackle climate change. However, overall, it will ensure that we are a modern and attractive employer and ensure that we employ the best staff to enable us to undertake the work that is needed to tackle the climate and ecological emergencies.

9 OTHER OPTIONS CONSIDERED

- 9.1 We considered changing our job evaluation scheme and framework, but discounted this as HAY job evaluation is well established here at B&NES and it would be much larger and a more complex set of changes to move schemes.
- 9.2 We also considered not implementing these changes but given the risks involved we discounted this option too.

10 CONSULTATION

- 10.1 This report has been cleared by the Chief Executive, S151 Officer and Monitoring Officer for circulation.

Contact person	<i>Cherry Bennett, Director of People & Change</i>
Background papers	Annex 8, Pay and Reward Policy 2025/2026
Please contact the report author if you need to access this report in an alternative format	