

Council



Forest Heath
District Council

Title of Report:	Senior Pay	
Report No:	COU/FH/18/013	
Report to and date:	Council	25 April 2018
Portfolio holder:	Councillor James Waters Leader of the Council Tel: 07771 621038 Email: james.waters@forest-heath.gov.uk	
Purpose of report:	To re-align the salary range for West Suffolk Councils' Leadership Team roles.	
Recommendation:	It is recommended that Council: (1) Approves the proposed salary range for the Joint Chief Executive of the West Suffolk Councils and the subsequent amendment to Leadership Team pay bands, as set out in Section 1.2 of Report No: COU/FH/18/013; and (2) Notes that the Pay Policy Statement will be revised accordingly.	
Key Decision:	<i>Is this a Key Decision and, if so, under which definition?</i> No, it is not a Key Decision - <input checked="" type="checkbox"/>	
Consultation:	<ul style="list-style-type: none">East of England Local Government Association (EELGA), Unison	
Alternative option(s):	<ul style="list-style-type: none">To retain existing pay bands	
Implications:		
<i>Are there any financial implications? If yes, please give details</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<ul style="list-style-type: none">Can be delivered within budget parameters 2018/2019
<i>Are there any staffing implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<i>Are there any ICT implications? If yes, please give details</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	

<i>Are there any legal and/or policy implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
<i>Are there any equality implications? If yes, please give details</i>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <ul style="list-style-type: none"> The proposed bands will apply to Leadership Team (Chief Officers) regardless of any protected characteristics 	
Risk/opportunity assessment:		<i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>	
Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
Inability to attract and retain the high calibre of senior staff in a very competitive labour market	High	Following review of pay data to amend the salary bands for CEO and Leadership Team	Low
Inability to deliver the Strategic Plan within satisfactory timescale if lose key chief officers; subsequent risk to delivery of MTFS	High	As above	Low
Ward(s) affected:		All	
Background papers: <i>(all background papers are to be published on the website and a link included)</i>		Pay Policy Statement 2017	
Documents attached:		Appendix 1: Independent Professional Report (EELGA)	

1. Key issues and reasons for recommendation

1.1 Proposal to amend the Salary Band of the Chief Executive

1.1.1 The purpose of this paper is to seek approval to amend the salary band of the Joint Chief Executive of the West Suffolk Councils.

1.1.2 The salary bands of the top three pay tiers (Leadership Team) of the Councils are determined by the band of the Joint Chief Executive, calculated as a percentage of the highest salary band. Approval will, therefore, also, increase the pay bands of the two Directors and the six Assistant Directors, who are the Councils' Leadership Team.

1.2 Recommendation

That the top tiers of the councils pay bands should be amended as follows, with effect from 1 April 2018.

1.2.1

Post	Current grade maximum To be deleted 1 April 2018 (£)	SCP 1 (£)	SCP 2 (£)	Maximum SCP 3 (£)
Chief Executive	121,091	130,000	137,500	142,500
Director (75%)	84,238	97,500	103,125	106,875
Assistant Directors (60%)	73,708	78,000	82,500	85,500

2. Reasons for the Recommendation

2.1 The West Suffolk Councils recognise that, in the context of managing scarce public resources, remuneration at all levels needs to be adequate to attract and retain high calibre employees dedicated to the service of our communities, but at the same time needs to avoid being unnecessarily generous or otherwise excessive.

2.2 Local Authorities are able to determine their own pay structures in order to address local priorities and to compete in the appropriate, and local, labour markets.

2.3 Members have previously agreed the criteria for the Councils' pay and reward strategy which include the requirement that pay is affordable, attractive to recruit and retain, responsible, fair and rewards excellent performance.

2.4 The Joint Chief Executive (and Leadership Team) perform their roles for two local authorities (Forest Heath District and St Edmundsbury Borough Councils) with costs shared on a 50/50 basis. In due course, a new single council is to be created, which will be the seventh largest district council in England.

- 2.5 The Joint Chief Executive is the Councils' statutory Head of Paid Service (section 4(1) of the Local Government and Housing Act 1989) and currently has a salary band range of £110,562 - £121,091. He is currently paid at the top of the band.
- 2.6 Performance of the Joint Chief Executive is reviewed regularly by the Leaders of the Councils, supported by an advisor from the East of England Local Government Association ('EELGA'). Salary has increased incrementally twice since the current Joint Chief Executive was appointed in 2012. He has been at the top of the pay band and had no incremental, performance based pay increase since January 2015.
- 2.7 All pay bands increase in accordance with national pay awards applicable to officers. Both West Suffolk councils abide by the outcomes of national pay bargaining. National pay awards have been influenced by the 1% wider public sector pay cap.
- 2.8 Any change to the pay bands of the Chief Officers need to be approved by Council.
- 2.9 There are no additional bonus, performance, honoraria or ex-gratia payments in place for this role. The Joint Chief Executive has been appointed to the post of Returning Officer for St Edmundsbury and for West Suffolk parishes, wards, divisions and constituencies which attract a set allowance when an election takes place. The current Joint Chief Executive has not always taken all election payments to which he is entitled.
- 2.10 Other conditions of service are as prescribed by the Joint National Council for Local Authority Chief Executives.
- 2.11 Salary benchmarking carried out by the East of England Local Government Association (attached as Appendix A) demonstrates that similar roles in other councils have overtaken West Suffolk in terms of pay and reward. This presents a risk to West Suffolk in terms of recruiting and retaining key staff and delivering their future plans.
- 2.12 The case for change is driven by other factors including:
- (a) the desire to be proactive in dealing with this issue rather than waiting until we have a recruitment or retention problem at a leadership level which carries significant risk.
 - (b) reflection on the growth in the scale and scope of the CEO role since 2012, leading for members an ambitious and inclusive growth agenda, whilst supporting our communities and businesses and encouraging quality of life for all, and building the new governance model that is the single council for 2019.
 - (c) the need for organisation stability and continued excellence in leadership during the next significant phase of organisational change.
- Continued....*
- (d) the maintenance of appropriate pay differentials and ratios, which

have always been low, but are eroding over time and, subject to approval, will reinstate the ratios in place in 2014.

- 2.13 The attached independent professional advice from the EELGA provides an assessment of the current situation and includes their insight and benchmarking data in support of this report.