

Report to:	Council
Relevant Cabinet Member	Councillor Simon Blackburn
Date of Meeting :	25 November 2015

CHIEF OFFICERS

1.0 Purpose of the report:

1.1 To ratify the recommendations of the Chief Officers Employment Committee.

2.0 Recommendation(s):

2.1 That the current grade range of the Chief Executive, agreed by Council in July 2011, be reduced by three spinal column points as set out in paragraph 5.3.

2.2 To note that the remuneration package for the Director of Public Health has not changed since the transfer to the Council on 1 April 2013.

2.3 To ratify the remuneration package for the new post of Director of People, as set out in paragraph 5.5 in line with the Council's Pay Policy Statement.

2.4 To confirm that Delyth Curtis be designated as statutory Director of Children's Services and Karen Smith statutory Director of Adult Services on a permanent basis.

3.0 Reasons for recommendation(s):

3.1 The Chief Executive had previously highlighted to the Chief Officers Employment Committee that the temporary statutory posts of Director of Children's Services (Delyth Curtis) and the Director of Adult Services (Karen Smith), in particular, were subject to a high level of challenge and external scrutiny in terms of performance. These temporary designations had since been agreed by Council to the end of November 2015.

The above recommendations require Council ratification as a result of the recommendations of the Committee.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No – although the salary for the positions of Chief Executive, Director of Public Health and Director of People need Council ratification.

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

4.0 Council Priority:

4.1 The relevant Council Priority is to deliver quality services through a professional, well-rewarded and motivated workforce.

5.0 Background Information

5.1 In February 2015, a report was presented to the Chief Officers Employment Committee, which explained that a number of temporary changes had taken place over the previous year in relation to the Council's senior management structure, namely the secondment of a chief officer to Blackpool Coastal Housing Limited and the interim arrangements put in place following the resignation of the previous Director of Children's Services.

5.2 At that meeting the Hay group had been commissioned by the Committee, as a specialist service that had experience of working with the Council in respect of the chief officer core, to work with the Chief Executive in reviewing the senior management structure. The result of that review was reported to the Chief Officer Employment Committee on Monday 16 November 2015.

5.3 The review did not include the Chief Executive post, but the Committee agreed a proposal that the current grade range of £137,840-161,560, that included eight spinal column points (SCPs) should be reduced to contain five SCPs to match the other Chief Officer posts and the new grade range is therefore reduced to £137,840-151,396. The Chief Executive has for the last four years taken a reduction in pay beneath the bottom point for the role on the basis of a personal agreement which has now ended. The current grade is the same grade, which was agreed by Council on the Chief Executive's appointment on 20 July 2011. This grade is put forward for Council ratification in accordance with the Council's Pay Policy Statement.

5.4 The Hay review also did not include the Director of Public Health as he had transferred to the Council under TUPE arrangements on 1 April 2013 (agreed by full Council on 13 March 2013) and his current pay band of £84,667 - £101,451 (with additional allowances) still applies and has not changed.

5.5 The Hay review did assess the appropriate pay banding for the new post of Director of People which included responsibilities for Children's and Adults Services. The proposed pay band for this position is £103,846 to £116,453. The Council has provision in its pay policy to apply market supplements subject to the provision of documentary evidence from at least three sources to support it. Based on current data the Chief Officer's Employment Committee agreed to apply a £5,000 supplement to the Director of People role which includes the Director of Children's Services statutory designation. All market supplements are reviewed annually and

the Committee delegated to the Chief Executive to take a decision about the continuance or otherwise of the market supplement based on the evidence provided by the Human Resources Team each year. This grade is put forward for Council ratification in accordance with the Council's Pay Policy Statement.

- 5.6 The Committee at its meeting on 16 November 2015 also wished to see the temporary arrangements in place for the two statutory positions be confirmed and accordingly recommend to Council that that Delyth Curtis be designated as statutory Director of Children's Services and Karen Smith statutory Director of Adult Services on a permanent basis.

Does the information submitted include any exempt information? No

List of Appendices:

None.

6.0 Legal considerations:

- 6.1 Equal Pay considerations are at the heart of all processes connected with structures, responsibility and pay grade. This independent review process by an organisation that are well established for their gender bias free pay evaluation model is recommended as a means of ensuring that all proposals in this regard are free of gender bias.
- 6.2 The Council's current Pay Policy Statement states that "appointments made to posts with a remuneration package of more than £100,000 being ratified by Council".

7.0 Human Resources considerations:

- 7.1 The Chief Executive, chief officers and senior managers were consulted in the development of the Hay report by members of the Hay group.
- 7.2 The Trades unions have been invited to comment on their position on the matter of chief officer pay in advance of the publication of this report and are of the view that the Council allows for officers duties to be reviewed as part of its Job Evaluation scheme and this same opportunity should therefore be available to Chief Officers.

8.0 Equalities considerations:

- 8.1 Please see legal considerations above.

9.0 Financial Considerations:

- 9.1 Over the past four years, the cost of senior management to the organisation has reduced by £3 million.
- 9.2 Implementing this new chief officer structure agreed by the Chief Officer Employment Committee will save £33,000 in the year 2016/ 2017 and will allow for a possible investment of £60,000 in alternative education provision to be discussed with the Schools Forum.

10.0 Risk management considerations:

- 10.1 The Council must have a senior management structure that enables it to deliver services and outcomes for the people of Blackpool in line with the Council Plan. It needs to attract and retain talented people in a difficult market, particularly given the very difficult financial climate in which it operates. The risks associated with having a weak management team are significant in terms of service failure.
- 10.2 The Council operates in a difficult financial climate and must consider affordability in determining its arrangements for senior officers and their pay. This must however be balanced in such a way that is fair in terms of equal pay legislation and enables the attraction and retention of talent and meets the Council's obligations in terms of equal pay.

11.0 Internal/ External Consultation undertaken:

- 11.1 Consultation has been undertaken internally within the Council and with the recognised trades unions.

12.0 Background Papers

- 12.0 None.