

EAST HERTS COUNCIL

HUMAN RESOURCES COMMITTEE – 11 JULY 2012

REPORT BY HEAD OF PEOPLE, ICT AND PROPERTY SERVICES

JOB EVALUATION FOR SENIOR MANAGERS

WARD(S) AFFECTED: NONE

Purpose/Summary of Report

- To introduce a job evaluation process for Chief Executive and Chief Officers and to review the Hays job evaluation process for Heads of Service

<u>RECOMMENDATIONS FOR Human Resources Committee: That:</u>	
(A)	the Hays job evaluation process be adopted for Chief Executive and Chief Officer Roles be approved; and
(B)	A job evaluation review be completed for Head of Service roles, be approved

1.0 Background

1.1 The Council is a member of the Local Government Employers association for national collective bargaining in respect of chief Executives, Chief Officers and other employees. There are separate negotiations and agreements in respect of each of these three groups. It is the Council's policy to implement national agreements. Chief Executive and Chief Officers are under the JNC conditions of service including pay. All other employees are under the NJC national agreement on pay and conditions of service.

- 1.2 All employees other than Chief Executive and Chief Officers (grades 1/2 to 13) have their basic pay determined by a job evaluation scheme (the Hay scheme) which ensures that different jobs having the same value are paid at the same rate. The “job score” determines the pay scale for the job range within which there is provision for progression by annual increments until the top of the pay scale is reached.
- 1.3 Chief Executive and Chief Officer posts are paid on a spot salary basis (external advice on pay is sought on appointment) and the posts have not been job evaluated.
- 1.4 The Councils’ 2012 Pay Policy Statement states that consideration will be given to a job evaluation scheme for Chief Executive and Chief Officers during 2012/13.
- 1.5 The Council is currently exploring shared support services with North Hertfordshire District Council and Stevenage Borough Council and therefore consideration of their current job evaluation schemes will be taken.

2.0 Report

- 2.1 East Herts Council is keen to establish a fair salary level for the Chief Executive, Chief Officer and Head of Service roles that is underpinned by a robust job evaluation and is in line with benchmark pay. The Council would like to use this opportunity to introduce a job evaluation process for Chief Executive and Chief Officers and to also carry out a broader evaluation and salary benchmarking exercise, which will include the Heads of Service.
- 2.2 The current grading structure goes up to grade 13; however, some of the Head of Service roles have grown beyond this grade, as accountabilities have been shared over a smaller number of roles following the senior management restructure. As part of the restructure of senior management the new Head of Service roles were evaluated and came back above the current grade 13. This review will focus on the options available to the Council to consider.
- 2.3 It is proposed that robust job evaluations are carried out for Chief Executive, Directors and Head of Service roles and benchmark salary data is provided to the Council with data about the level of

which other authorities remunerate roles of this size. This will include:

- A fair process by which to agree on remuneration for senior staff, underpinned by a robust job evaluation methodology that is clear, equitable and defensible.
- Provision of pay benchmarking data that is representative of the salaries provided by a broad range of other local authorities.
- The ability to move towards aligning job evaluation and reward processes in the future between East Herts, North Hertfordshire and Stevenage in order to minimise bureaucracy and create clarity for staff regarding pay arrangements.

3.0 Job Evaluation schemes

3.1 East Herts has considered two job evaluation schemes, Hays and LGA when scoping this piece of work. Essential Reference Paper B sets out the comparisons made between both schemes.

4.0 Conclusions

4.1 It is proposed based on the comparisons made that the Hays scheme is introduced for job evaluation of the Chief Executive and Chief Officer roles, ensuring that compatibility with the Council's existing job evaluation scheme and pay benchmarking is maintained.

4.2 Extending the use of the Hays scheme to chief officer levels will also provide the Council the ability to move towards aligning job evaluation and reward processes between East Herts, North Hertfordshire and Stevenage Councils in order to minimise bureaucracy and create clarity for staff regarding pay arrangements.

4.3 It is proposed that the Head of Service roles are re-evaluated as part of this review by Hays and benchmark salary data is provided to give the Council information about the level of which other authorities remunerate roles of this size.

3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers - none

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