

EAST HERTS COUNCIL

LOCAL JOINT PANEL – 24 FEBRUARY 2016

REPORT BY SECRETARY TO THE EMPLOYER'S SIDE

SENIOR MANAGEMENT PAY PROPOSALS

WARD(S) AFFECTED: NONE

Purpose/Summary of Report

- Members are invited to approve the senior management pay proposals which are made in the context of the Senior Management Restructure and to make a recommendation or not to Human Resources Committee.

RECOMMENDATIONS FOR LOCAL JOINT PANEL:

That Human Resources Committee be advised that:

(A)	the pay scales for Grade 13 be approved and pay increments for Grade 13 and directors be made on the basis of performance rather than time-served increments;
(B)	the Council's S151 Officer; Monitoring Officer and Head of Paid Service be given a payment of £5,000 per year; and
(C)	Grade 13 and above be restricted from participating in the Flexi-time scheme.

1.0 Background

1.1 Consultation on the senior management restructure commenced with employees and Unison on 5 January to 3 February 2016.

1.2 The purpose of the restructure is to create a strong leadership team which:

- operates together in a corporate space, leading from the front;
- is able to react quickly and without the need for unnecessary bureaucracy;
- avoids the duplication of a number of layers of management meetings and structures (CMT, DMTs, SMG);
- releases Directors to lead organisation-wide or partnership projects (such as Channel Shift, Devolution, commercialisation, Old River Lane etc)
- ensures that Heads of Service are accountable for their own service areas and able to make decisions about their services.

Further detail on the restructure can be found at **Essential Reference Paper 'C'**

2.0 Report

2.1 To support the changes in the new Leadership Team, pay proposals were made as part of the consultation process. To summarise:

A. The proposal is to change SCP in grade 13 to remove the overlap with grade 12 and to increase the scale points to recognise the increase in responsibilities for the Head of Service roles.

B. Progression through the proposed pay range and scale points will be based on performance and linked to the PDRS process for directors and Grade 13.

C. For Statutory posts to receive a payment of £5,000 per year (currently £10,000).

D. Grade 13 employees and above are restricted from participating in the Flexi-time scheme.

2.2 The report on senior management pay proposals can be found at **Essential Reference Paper 'B'**. Supporting documents as detailed in the report are **Essential Reference Paper 'D' to 'G'**

2.3 The senior management restructure proposals include a decrease of FTEs at SMG level from 16 to 12 and an increase of 1 post at manager level. The total reduction in headcount is 3 FTE posts.

- 2.4 The current SMG structure costs £1,303,616 including on-costs (NI, pension). The proposed new senior management structure costs £1,093,181 which includes the salary adjustments as proposed in the supporting report on the new leadership team and the creation of a new Housing Manager post. The savings identified in the new structure are approximately £210k.
- 2.5 The Pay Policy statement 2016/17 has been updated to reflect the proposals made.
- 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

Contact Officer: Emma Freeman – Head of HR and OD
Ext 1635
Emma.Freeman@eastherts.gov.uk

Report Author: Emma Freeman – Head of HR and OD
Ext 1635
Emma.Freeman@eastherts.gov.uk