

# Chief Officers' Employment Panel

## AGENDA

**DATE:** Thursday 25 September 2014

**TIME:** 6.30 pm

**VENUE:** Committee Room 5  
Harrow Civic Centre

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**MEMBERSHIP** (Quorum 3)

**Councillors:**

Susan Hall

Barry Macleod-Cullinane

Keith Ferry

Graham Henson

Sachin Shah

**Contact:** Alison Atherton, Senior Professional - Democratic Services  
Tel: 020 8424 1266 E-mail: [alison.atherton@harrow.gov.uk](mailto:alison.atherton@harrow.gov.uk)

# AGENDA - PART I

## 1. MEMBERSHIP

To note under the provisions of the formula membership the attendance of the following nominee:

Original Member

Nominee Member Attending

Councillor David Perry

Councillor Sachin Shah

## FOR INFORMATION

## 2. CHAIRMAN FOR THE MEETING

In the absence of the Chairman, it is necessary to appoint a Chairman for this meeting.

## 3. DECLARATIONS OF INTEREST

To receive declarations of disclosable pecuniary or non pecuniary interests, arising from business to be transacted at this meeting, from:

- (a) all Members of the Panel;
- (b) all other Members present.

## 4. MINUTES (Pages 1 - 2)

That the minutes of the meeting of the Chief Officers' Employment Panel held on 5 March 2014 be taken as read and signed as a correct record.

## 5. PETITIONS

To receive petitions (if any) submitted by members of the public/Councillors under the provisions of Committee Procedure Rule 15 (Part 4B of the Constitution).

## 6. DEPUTATIONS

To receive deputations (if any) under the provisions of Committee Procedure Rule 16 (Part 4B) of the Constitution.

## 7. PUBLIC QUESTIONS \*

To receive any public questions received in accordance with Committee Procedure Rule 17 (Part 4B of the Constitution).

Questions will be asked in the order notice of them was received and there be a time limit of 15 minutes.

**[The deadline for receipt of public questions is 3.00 pm, Tuesday 23 September 2014. Questions should be sent to [publicquestions@harrow.gov.uk](mailto:publicquestions@harrow.gov.uk)**

**No person may submit more than one question].**

**8. RECRUITMENT TO THE POST OF CHIEF EXECUTIVE AND THE STATUTORY ROLE OF HEAD OF PAID SERVICE (Pages 3 - 24)**

Report of the Divisional Director of Human Resources, Development & Shared Services

**AGENDA - PART II - Nil**

**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

In accordance with the Local Government (Access to Information) Act 1985, this meeting is being called with less than 5 clear working days' notice by virtue of the special circumstances and grounds for urgency stated below:-

To commence an early recruitment process for the post of Chief Executive.

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# CHIEF OFFICERS' EMPLOYMENT PANEL MINUTES

## 5 MARCH 2014

**Chairman:** \* Councillor Susan Hall

**Councillors:** \* Margaret Davine \* Barry Macleod-Cullinane  
\* Thaya Idaikkadar \* David Perry

\* Denotes Member present

### 45. Membership

**RESOLVED:** To note that there were no nominee Members in attendance.

### 46. Declarations of Interest

**RESOLVED:** To note that there were no declarations of interests made by Members.

### 47. Minutes

**RESOLVED:** That the minutes of the meetings held on 14 November and 26 November 2013, be taken as read and signed as correct records.

### RESOLVED ITEMS

### 48. Motion to Exclude Press and Public

**RESOLVED:** That in accordance with Part I of Schedule 12A to the Local Government Act 1972, the press and public be excluded from the meeting for the following item(s) for the reasons set out below:

<u>Item</u>	<u>Title</u>	<u>Reason</u>
4.	Consideration of severance payments of £100,000 or greater	Information under paragraph 1 (contains information relating to any individual).
5.	Corporate Director of Children and Families	Information under paragraph 1 (contains information relating to any individual).

**49. Consideration of Severance Payments of £100,000 or Greater**

This report was withdrawn as a result of the Constitutional changes agreed by Council on 27 February 2014.

**50. Corporate Director, Children and Families**

Members agreed to consider an urgent report from the Interim Head of Paid Service in relation to the Corporate Director of Children and Families for the reasons set out on the supplemental agenda.

Members agreed that they would not be involved in the appointment process for an Interim Director of Children's Services. Members noted the Corporate Director of Children and Families' last day of service would be 28 March 2014 and that this would facilitate an effective handover to the Interim Director of Children's Services. Members were keen to ensure there was stability through the interim period.

**RESOLVED:** That

- (1) the employment of the Corporate Director of Children and Families would be terminated in March 2014;
- (2) the severance package set out in Table 1 of the report of the Interim Head of Paid Services and which was subject to the approval of the Pension Fund Committee be noted;
- (3) the arrangements for discharging the statutory duties and responsibilities of the Director of Children's Services following the termination of the Corporate Director's employment be noted.

(Note: The meeting, having commenced at 6.00 pm, closed at 6.45 pm).

(Signed) COUNCILLOR SUSAN HALL  
Chairman

**REPORT FOR: Chief Officer Employment Panel**

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<b>Date of Meeting:</b>	25 September 2014
<b>Subject:</b>	Recruitment to the post of Chief Executive and the statutory role of Head of Paid Service
<b>Responsible Officer:</b>	Jon Turner, Divisional Director of Human Resources, Development & Shared Services
<b>Exempt:</b>	No
<b>Enclosures:</b>	Appendix 1: Draft Job Description Appendix 2: Draft Person Specification Appendix 3: Executive Summary of the House of Commons Communities and Local Government Committee report on Local Government Chief Officers' Remuneration

## **Section 1 – Summary and Recommendations**

This report makes recommendations in relation to the job description and remuneration for the post of Chief Executive and the statutory role of Head of Paid Service.

**Recommendations:**

The Panel is requested to:

1. Agree the draft job description and person specification for the post of Chief Executive;

2. Agree the remuneration on which a recommendation for appointment to the post of Chief Executive would be made;
3. Agree the arrangements for selecting a candidate to recommend to Council for appointment to the post of Chief Executive and the statutory role of Head of Paid Service.

**Reason: (For recommendation)**

To put in place arrangements to support the recruitment of a Chief Executive and statutory Head of Paid Service

## **Section 2 – Report**

### **Background**

2.1 The Council is required to appoint a Head of Paid Service.

2.2 The Chief Officers' Employment Panel (COEP) is responsible for making recommendations to Council on the appointment of a Head of Paid Service and for agreeing the remuneration package if £100,000 or greater.

2.3 On 18 September 2014, Cabinet received a report on the Outcome of Consultation on Options for the Council's Senior Management Arrangements. Cabinet agreed to re-instate the post of Chief Executive in the Council's management structure; and to instruct the Divisional Director HR, Development & Shared Services, in consultation with the Leader, to make such arrangements as necessary to make a permanent appointment to the role. These decisions cannot be implemented until either the period for call-in has expired, or any call in has been resolved.

2.4 It is for the COEP to select a candidate to recommend to Council for appointment to the post of Chief Executive and the statutory role of Head of Paid Service.

### **Job Description and Person Specification**

2.5 Pursuant to this the Panel is requested to agree :

- i. The draft job description for the post of Chief Executive (appendix 1), which sets out the duties and accountabilities of



- the post including the statutory duties and responsibilities of the role of head of Paid Service;
- ii. The draft person specification for the post of Chief Executive (appendix 2), which sets out the knowledge, skills, experience, qualifications and qualities to be sought in the person to be appointed;
  - iii. The pay scale for the post of Chief Executive (see 2.21 below), on which a recommendation for appointment to the post of Chief Executive would be made.

## **Remuneration**

2.6 The Council delegates authority to the Chief Officer Employment Panel to make recommendations to Council on the appointment of the Head of Paid Service and make appointments of Chief Officers in accordance with the Council's Pay Policy.

2.7 The Council's delegations to the Chief Officer Employment Panel also include determination of any remuneration package of £100,000 or greater

## **Harrow Council's Pay Policy Statement**

2.8 Harrow Council agreed a Pay Policy Statement for 2014/15 which states: 'The Council's policy is to minimise the senior management pay bill. The pay rates and numbers of senior managers reduced in 2012/13 and the post of Chief Executive was deleted in January 2014.'

2.9 The Pay Policy Statement also identifies 'Interim arrangements to cover the statutory duties of the Head of Paid Service will be put in place until after the local government elections in May 2014, at which point a decision will be taken on the permanent arrangements.'

The 2014/15 Pay Policy Statement can be found at:

[http://www.harrow.gov.uk/info/200110/council\\_budgets\\_and\\_spending/1094/pay\\_policy\\_statement](http://www.harrow.gov.uk/info/200110/council_budgets_and_spending/1094/pay_policy_statement)

## **House of Commons Communities and Local Government Committee report on Local Government Chief Officers' Remuneration**

2.10 In late 2013, the House of Commons Communities and Local Government Committee, which includes Bob Blackman MP for Harrow East, commenced an inquiry into the pay and remuneration of senior council staff.

2.11 The report, published in September 2014, notes that 'overall senior public sector salaries have plateaued' and Chief Executives' of local authorities in national pay bargaining have not been awarded a pay rise in the last 4 annual settlements and that 'many councils, such as Doncaster Metropolitan Council and the London Borough of Harrow, cut salaries'. The report also notes that 'across the country there is now a clear pattern of pay restraint'.

## Conclusions and Recommendations - Setting Locally Appropriate Remuneration

2.12 The select committee concluded that council's should set 'locally appropriate remuneration' and that in order to do so 'they need accurate data about what they need to pay in their local area so that they neither over-pay their senior officers nor fail to attract the best candidates'. They recommended the Local Government Association work with regional employer organisations to provide a regular analysis of regional pay trends'. [See London Councils Pay Data at 2.14 below]

2.13 The select committee also welcomed 'the fact that most councils have a relatively low ratio between the pay of the highest paid officers and staff on lower pay grades since this indicates a broad fairness within council pay approaches.' [The pay multiple for Harrow's previous Chief Executive was 8:1]

The executive summary of the select committee's report is attached at appendix 3, the full report can be found at:

<http://www.publications.parliament.uk/pa/cm201415/cmselect/cmcomloc/191/191.pdf>

### Chief Executives' Pay Data

2.14 The London Councils Heads of HR network conducts a Chief Officer Pay Survey, which provides data on Chief Executives' pay. The table below shows the average, median and upper quartile basic salaries and total package for Chief Executives from 30 London Boroughs in 2013<sup>i</sup>.

	Basic Salary			Total Package		
	Minimum (£)	Maximum (£)	Actual (£)	Minimum (£)	Maximum (£)	Actual (£)
<b>Average</b>	£163,626	£185,695	£179,194	£166,282	£188,351	£181,632
<b>Median</b>	£165,150	£185,000	£180,000	£166,994	£185,192	£180,771
<b>Upper Quartile</b>	£175,751	£195,000	£188,495	£179,623	£195,251	£189,882

2.15 Harrow Council's most recent (2013/14) pay scale for a Chief Executive is set out below:

£147,813  
 £150,900  
 £154,062  
 £157,287  
 £160,596  
 £167,997

2.16 The Chief Executive pay scale reflects the pay reduction of 3%, implemented in 2013 as part of the modernising terms and conditions collective agreement.

## Chief Executive Pay Comparators

2.17 Published pay details for recent London Chief Executives appointments and Chief Executives in neighbouring Boroughs are set out below for information:

London Borough	Pay Scale
Croydon	£180,000 (Fixed for 2 years)
R. B. Kensington & Chelsea and Hammersmith & Fulham (Joint Chief Exec)	£157,000 - £211,000 (Actual £180,000) Plus withheld performance related pay of 3, 5 or 10%)
Barnet	£177,613 - £187,613
Haringey	£175,724 - £199,736 (Up to £210,032 with performance)
Camden	£147,015 - £179,685 (Actual £163,747)
Brent	£170,778 - £185,192
Ealing	£167,532 - £178,341
Hillingdon	£167,977 - £209,978 (Actual £183,250)
Hounslow	£140,103 - £164,828

2.18 Overall, remuneration packages for local authority Chief Executives have declined in recent years and this is also true in London.

2.19 The 2013 London Councils averages and a number of recent appointments have been around £180,000. The top of Harrow's previous Chief Executive pay scale is below this and was the basis for the previous post holder receiving a market supplement of £15,100 p.a. bringing the total pay to £183,096. However, the pay scales for some Boroughs are now closer to Harrow's previous Chief Executive pay scale.

### Remuneration Package

2.20 The Chief Officers' Employment Panel are therefore requested to agree whether the post of Chief Executive should be advertised on the previous pay scale (see 2.15 above); or whether that pay scale should be revised.

2.21 The Chief Officers' Employment Panel are also asked to consider whether the post holder should also receive an Essential Car User Allowance lump sum of £619 p.a.<sup>ii</sup>.

### **Performance Related Pay**

2.22 Harrow Council's Pay Policy Statement for 2014/15 states: 'Council employees including the Chief Executive and Chief Officers do not currently receive performance related payments or bonuses.' Therefore no recommendation has been made regarding performance related pay for the Chief Executive.

2.23 The COEP may wish to consider recommending whether this should be reconsidered by Council when agreeing the Pay Policy Statement for 2015/16.

### **Arrangements for Selection**

2.24 Upon agreement of the job description, person specification and remuneration package an advert will be drafted and the post of Chief Executive advertised.

2.25 Applicants will be invited to submit applications for consideration by the Chief Officers' Employment Panel and, if shortlisted, for selection for interview by the Panel.

2.26 The COEP are invited to consider whether they wish to engage a specialist 'executive search' organisation to support the selection process. Indicative costs for using 'executive search' are in the region of £30,000 and would require a procurement exercise in accordance with the Council's Procurement Rules

### **Legal comments**

The Constitutional position is set out in this report

### **Financial Implications**

Any costs incurred in 2014/15 will be funded from the Transformation and Priority Initiatives Fund (TPIF) with the ongoing costs dealt with in the 2015/16 budget process.

The salary range for the post is £147,813 to £167,997. With NI and Pension costs this gives a total cost in the range of £190k - £216k

### **Section 3 - Statutory Officer Clearance**

Name: Simon George.



Chief Financial Officer

Date: 19 September 2014.

Name: Hugh Peart.



Monitoring Officer

Date: 19 September 2014.

### **Section 4 - Contact Details and Background Papers**

**Contact:** Jon Turner, Divisional Director of Human Resources,  
Development & Shared Services

Email: [jon.turner@harrow.gov.uk](mailto:jon.turner@harrow.gov.uk)

DD: 0208 424 1225

#### **Background Papers:**

Report on the Outcome of Consultation on Options for the Council's Senior Management Arrangements and minutes of Cabinet on the 18 September 2014.

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<sup>i</sup> Data from 2014 is currently being collected but was not available at the time of drafting

<sup>ii</sup> This reflects the 50% reduction implemented in 2012 as part of the modernising terms and conditions collective agreement

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## **LONDON BOROUGH OF HARROW**

### **CHIEF EXECUTIVE**

**Responsible to: - Leader of the Council**

#### **Job Purpose**

To be the Council's Head of Paid Service and responsible for duties as set out in the statutory guidance on role and responsibilities.

To oversee the strategic and general management of the council

To lead and develop strategic partnerships

To sustain the democratic process to ensure the effective delivery of the Council's goals

To deliver the vision and priorities of the administration

#### **MAIN ACCOUNTABILITIES**

##### **Leadership**

In collaboration with Elected Members to establish and implement a vision for Harrow in the development of its services, organisation and workforce.

To provide dynamic and innovative managerial leadership to the authority

To deliver efficiency and value for money and sound financial management

To lead and develop a successful, effective and innovative top management team to fulfil the Council's objectives

To develop and maintain a learning culture designed to encourage an effective contribution by all staff within the organisation

To ensure that structures and process inform sound decision-making and service delivery

To develop and maintain a sense of collective responsibility amongst senior managers in relation to Council services as a whole

To be the Council's principal adviser on the corporate policies of the authority

To chair and oversee the Council's Management Board

To advise the Cabinet in its decision making processes

To develop and maintain a healthy and effective interface between the Council's Elected Members and Officers

To attend Civic and ceremonial functions and other events as required

To oversee the Statutory Officers and to ensure that their duties are fulfilled and that they have sufficient resources. The Statutory Officers are:

- The Chief Finance Officer
- The Monitoring Officer
- The Director of Children's Services
- The Director of Adult Social Services
- The Director of Public Health

This responsibility is automatically extended/amended should the number or duties of Statutory Officers change subsequent to the date of this Job Description

### **Partnership**

To champion Council engagement with residents and the community.

To chair the Harrow Chief Officers Group and any other such partnerships entered into by the Council where it is appropriate to do so.

To develop and promote the organisational and leadership framework that will generate and sustain partnerships and networks to facilitate social inclusion and economic wealth

To build effective and productive relationships with the voluntary and community sector in order to deliver improved outcomes for Harrow residents.

To ensure the Council is represented at local, regional and national levels to promote opportunities for regeneration and investment

To support Elected Members to determine the most effective democratic process and means of communication with the people they represent



## **Service Delivery**

To develop a corporate culture designed to promote quality service delivery through devolution, effective communication and focus on customer services.

To provide the commitment and leadership to ensure a process of continuous improvement of customer services can be sustained

To encourage promote and lead innovation in the development of new approaches to service delivery

To challenge and develop services to provide value for money for Council Tax payers.

## **Performance and Resource Management**

To provide effective management arrangements to ensure the council's resources are used to best effect and will meet the Council's goals and objectives

To sustain a culture to encourage a meaningful contribution by all employees through their continuing development and commitment

To develop and maintain a governance and performance frameworks to clarify accountabilities, expectations and ensure that effective monitoring, reporting and challenge mechanisms are in place

To provide effective civil emergency planning, leadership and management.

## **Equality and Diversity**

To provide the leadership, communication and action which will exemplify the Council's values, sense of purpose and commitment to ensure equality of opportunity and strengthen cohesion in the local community.

September 2014

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# LONDON BOROUGH OF HARROW

Person Specification: **Chief Executive**

Reporting To: **Leader of the Council**

<b>Essential Job Requirements</b>	<b>Assessment Method</b>
<p><b>Equal Opportunities</b></p> <p>Able to demonstrate through understanding of and personal commitment to, the principles of equal opportunities and diversity and evidence successful implementation in employment and service delivery.</p>	A/I
<p><b>Job Related Knowledge / Aptitude / Skills</b></p> <p>Demonstrable understanding of the key issues facing local government</p> <p>Knowledge of the legislative framework within which local authorities operate</p> <p>Ability to articulate a clear vision for Harrow and strategies for its realisation</p> <p>Ability to deliver improvements in value for money and financial savings.</p> <p>Ability to develop effective working relationships both internally and externally and to promote and represent Harrow's interests both locally and nationally</p> <p>Understanding of partnership working and the ability to develop effective partnerships with the community, private, public and voluntary sectors.</p> <p>Ability to communicate effectively in writing and orally to a wide range of audiences</p> <p>Ability to oversee and deliver substantive revenue and capital budgets.</p>	<p>A/I</p> <p>A/I</p> <p>A/I</p> <p>I</p> <p>A/I</p> <p>A/I</p> <p>A/I</p> <p>A/I</p>

<p>Able to lead and encourage others to achieve high quality performance and results and manage resources effectively in a highly accountable culture</p> <p>Ability to listen, communicate and advise Elected Members on matters of resource management and investment, probity and financial challenge</p> <p>Political sensitivity and an ability to handle difficult policy issues.</p> <p>Ability to deal effectively and appropriately with the media.</p>	<p>A/I</p> <p>I</p> <p>I</p> <p>I</p>
<p><b>Experience</b></p> <p>Significant experience at chief executive or senior management level in a large and complex organisation within the public or private sector.</p> <p>A successful track record of resource and people management, inward investment and the creation of economic and social wealth successful delivery of value for money improvements and savings programmes.</p> <p>Experience of working with, advising and building relationships of trust with, elected representatives or complex (e.g. non-executive) stakeholders in an environment of comparable complexity.</p> <p>A successful track record of partnership and network building in a variety of communities, public and private agencies.</p> <p>Demonstrable experience of devising, developing and implementing successful change management and innovations in the delivery of service.</p> <p>Demonstrable experience of effective financial management of large complex budgets, including budget monitoring and control.</p> <p>Experience of developing and implementing effective performance management, quality and other review processes.</p>	<p>A/I</p> <p>A/I</p> <p>A/I</p> <p>A/I</p> <p>A/I</p> <p>A/I</p> <p>A/I</p>

<p><b>Education</b></p> <p>Educated to graduate level or other recognised management or professional qualification</p>	<p>A</p>
<p><b>Personal Skills</b></p> <p>An effective leader with a high level of personal drive and motivation.</p> <p>Outcome orientated and able to find creative solutions to issues.</p> <p>Authoritative and influential with the ability to get people to work with you easily and enthusiastically.</p> <p>High professional and personal standards with obvious integrity.</p> <p>Well organised and disciplined, resilient, capable of meeting deadlines and managing a demanding workload.</p>	<p>I</p> <p>I</p> <p>I</p> <p>I</p> <p>I</p>
<p><b>Other Qualities</b></p> <p>Capacity to work under constant and considerable pressure in a demanding job, which requires evening and weekend working.</p>	<p>I</p>

A = Application Form  
I = Interview/Assessments

September 2014

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House of Commons  
Communities and Local  
Government Committee

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# Local government Chief Officers' remuneration

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**Second Report of Session 2014–15**

*Report, together with formal minutes relating  
to the report*

*Ordered by the House of Commons  
to be printed 8 September 2014*

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## The Communities and Local Government Committee

The Communities and Local Government Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Communities and Local Government.

### Current membership

Mr Clive Betts MP (*Labour, Sheffield South-East*) (Chair)

Bob Blackman MP (*Conservative, Harrow East*)

Simon Danczuk MP (*Labour, Rochdale*)

Mrs Mary Glendon MP (*Labour, North Tyneside*)

David Heyes MP (*Labour, Ashton under Lyne*)

Mark Pawsey MP (*Conservative, Rugby*)

John Pugh MP (*Liberal Democrat, Southport*)

Alec Shelbrooke MP (*Conservative, Elmet and Rothwell*)

John Stevenson MP (*Conservative, Carlisle*)

Heather Wheeler MP (*Conservative, South Derbyshire*)

Chris Williamson MP (*Labour, Derby North*)

The following member was also a member of the committee during the inquiry:

James Morris MP (*Conservative, Halesowen and Rowley Regis*)

### Powers

The committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the internet via [www.parliament.uk](http://www.parliament.uk).

### Publication

Committee reports are published on the Committee's website at [www.parliament.uk/clg](http://www.parliament.uk/clg) and by The Stationery Office by Order of the House. Evidence relating to this report is published on the Committee's website at [www.parliament.uk/clg](http://www.parliament.uk/clg).

### Committee staff

The current staff of the Committee are Glenn McKee (Clerk), Sarah Coe (Second Clerk), Stephen Habberley (Inquiry Manager), Kevin Maddison (Committee Specialist), David Nicholas (Senior Committee Assistant), Eldon Gallagher (Committee Support Assistant), Gary Calder (Media Officer) and Jonathan Olivier Wright (Web and Publications Assistant)

### Contacts

All correspondence should be addressed to the Clerk of the Communities and Local Government Committee, House of Commons, 7 Millbank, London SW1P 3JA. The telephone number for general enquiries is 020 7219 1234; the Committee's email address is [clgcom@parliament.uk](mailto:clgcom@parliament.uk)



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## Summary

During the first decade of this century salaries for senior council staff increased by some 75%, far greater than salaries increased for most people. There was justifiable public concern over this steep rise but in the past four years, as with the rest of the population, pay for local authority Chief Executives and senior directors has not risen. Indeed some senior staff have taken pay cuts. It is encouraging that, in isolated cases where significant increases have been proposed, action by local communities has been effective in questioning and reversing them. With the exception of some specific service areas, this welcome pay restraint has to date not apparently affected councils' ability to secure good staff to lead service delivery for their communities.

There is no 'one size fits all' formula applicable to all councils' decisions on senior pay since levels are set within the context of local needs and priorities. Setting a pay rate entails, first, establishing the responsibilities of a job and next identifying the appropriate local pay rate for such a job. Councils have access to local market data but the Local Government Association and regional employers' bodies should address a lack information on the broader pay and recruitment trends over time and across regions. Councils must critically assess the remuneration levels suggested by consultants and job evaluation schemes to ensure a good officer cannot be secured under local market conditions at a lower pay rate.

We had some concerns. Bonuses, although not the norm in the sector, should not be paid to someone simply doing their job, rather only when there is clear evidence of personal additional contribution, with sensitivity to local circumstances. But, of more significance, councils are in many cases failing to establish robust appraisal systems, making it difficult to link performance to pay effectively. The Local Government Association should publish updated guidance and councils should be required to get full council agreement to, and publish, details of the processes used to appraise staff so that the public can understand the basis on which reward decisions are made.

There has been much public concern at a lack of clarity when payments have been made to underperforming staff to incentivise them to leave a council. Councils should publish information on the rationale for, and amount of, such a payment within a month of the decision being made to award it. We welcome Government proposals to stop the 'revolving door' of senior staff leaving one high paid job with a pay-off only to take on another, or to act as a consultant, provided this is implemented so that staff leaving a post through no fault of their own are not penalised.

Innovative approaches such as removing or sharing the post of Chief Executive can reduce overall salary bills and it is right that each council considers whether such approaches will deliver best value for their communities. But we do not support merging the posts of Leader of the Council and Chief Executive since both are needed—the former to determine political direction and the latter to manage policy implementation—and there are benefits from the robust challenge between the two posts.

Government regulations introduced over the course of this Parliament appear to have established a largely effective set of controls but, whilst there has been pay restraint during

the period of austerity, the challenge for councils in future will be to maintain this against improving economic conditions. Well-informed local action is more effective in moderating pay levels than centrally imposed approaches, but, it is essential to have full and transparent data and robust powers for democratic scrutiny of decisions. The changes set out in this report, including provision by the local government sector of more easily comparable data, will help to strengthen local control.

