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**REPORT FOR: COUNCIL**

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**Date of Meeting:** 16 May 2019

**Subject:** **INFORMATION REPORT –**  
Remuneration packages of £100,000 or  
greater

**Responsible Officer:** Sean Harriss, Chief Executive

**Exempt:** No

**Wards affected:** All

**Enclosures:** None

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

This report sets out a summary of the latest remuneration packages amounting to £100,000 or greater approved by the Chief Officers' Employment Panel.

**FOR INFORMATION**

## **Section 2 – Report**

### **Background**

The Localism Act 2011 requires Local Authorities to agree and publish an annual Pay Policy Statement.

DCLG guidance ('Openness and accountability in local pay: Guidance under section 40 of the Localism Act 2011') states that that full Council should be asked to determine whether it wishes to vote on any remuneration package or payment on termination of employment amount to £100,000 or greater.

The statutory guidance states: 'Remuneration includes salary, expenses, bonuses, performance related pay, as well as contractual arrangements involving possible future severance payments'. Authorities are required to take account of this guidance when preparing their pay policy statements.

The Council delegates authority to the Chief Officers' Employment Panel for determination of any remuneration package of £100,000 or payment on termination of employment amount to £100,000 or greater. Council also agreed that a summary of any remuneration packages or payments on termination of employment amounting to £100,000 or greater approved by the Chief Officers' Employment Panel be reported for information to full Council.

Since the last report to Council, the Chief Officers' Employment Panel has recruited a Corporate Director of Resources, a Corporate Director of People Services, and has revised the roles and responsibilities of the Director of Finance and the Director of Strategy (formerly called the Divisional Director of Strategic Commissioning). The Panel has also taken decisions to support the recruitment to the Divisional Director of Children and Young People and has approved the creation of the roles of Commercial Development Director and Head of Human Resources and Development.

### **Report**

#### **Appointment of the Corporate Director, Resources**

On 26<sup>th</sup> February 2019, the Chief Officers' Employment Panel approved the remuneration package for the post of Corporate Director, Resources.

The Corporate Director, Resources (Grade D4) is a non statutory Chief Officer post.

On reviewing the structure, the absence of an officer in this role was found to be a major capacity gap in driving forward organisational transformation in order to support the delivery of the Medium Term Financial Strategy (MTFS).

It was therefore proposed to recruit to this post on a fixed term contract to both provide corporate capacity in the short term and potential savings going forward.

On 7 March 2019, the Panel, having interviewed two shortlisted candidates for the post of Corporate Director Resources, adjourned and reconvened on 14 March 2019 and appointed Charlie Stewart to the post.

The Panel agreed the remuneration for the role and subsequent to the appointment, in line with the Panel's authorisation, the package and market supplement were agreed as £156,000 per annum for a fixed term period of two years comprised of a salary at grade D4 (point 4, £146,734, salary range £134,380 - £146,734) and a market supplement of £9,266 with effect from 20 May 2019.

### **Appointment of Corporate Director, People Services**

The Corporate Director, People Services (Grade D4) is a Chief Officer post (including the statutory role of Director of Children's Services) and was filled on an interim basis from 5 March 2018 by Paul Hewitt. The interim post holder and another suitably qualified internal candidate were invited to apply for this post by way of supporting statement and CV.

On 5 March 2019, the Chief Officers' Employment Panel appointed Paul Hewitt as the Corporate Director of People Services and statutory Director of Children's Services on Grade (D4). The acting up payment for assuming the role on an interim basis was removed at this time.

As a result of this appointment the Divisional Director Children and Young People Service (D2) role became vacant. It was therefore agreed at the Panel on 5 March 2019, to recruit to this vacant post, seeking internal applications only. The interviews for this role took place on 3 May 2019 and an appointment has been made.

### **Director of Finance and the Director of Strategy**

The Chief Officers' Employment Panel at its meeting on the 28<sup>th</sup> June 2018 agreed that the Director of Finance and the Divisional Director, Strategic Commissioning should continue to take on additional responsibilities as agreed by the Panel in February 2018 and receive acting up allowances.

These arrangements worked effectively and at the Chief Officers' Employment Panel on 26<sup>th</sup> February 2019 it was agreed that these arrangements were to be made permanent and the role profiles for the two posts, both within the Resources Directorate, be amended following consultation with the postholders in accordance with Harrow's Protocol for Managing Organisational Change.

Approval was given by the Panel for the Chief Executive to amend role profiles within the Resources Directorate and to either pay at a higher grade or an acting up allowance to reflect new responsibilities.

Following this exercise, the revised grade of the Director of Finance is now grade D3 (previously D2) and the revised grade of the Director of Strategy (previously the Divisional Director, Strategic Commissioning) is now grade D2 (previously D1).

Additional payments were removed with the officers placed on the appropriate pay point of the new grade to reflect the removal of the allowances and the pay award effective from 1<sup>st</sup> April 2019.

### **Corporate Director, Community**

This role is a non-statutory Chief Officer post (Grade D4). The Chief Officers' Employment Panel on 26<sup>th</sup> February 2019 agreed that the temporary transfer of the Planning and Regeneration Directorate to the Corporate Director Community be confirmed as a permanent change in responsibilities, and an amended role profile agreed. It was also agreed that there would be no additional remuneration following the permanent transfer of these duties.

### **Commercial Development Director**

The Council's regeneration programme is rightly ambitious and at the same time challenging. To progress this programme requires new capacity and capability within the Council, alongside delivering the existing programme of commitments and developments.

To support this, the Chief Officers' Employment Panel at its meeting on 26<sup>th</sup> February 2019 agreed to a new post of Commercial Development Director, to be recruited to on a fixed term contract for up to 2 years. This post will replace the Divisional Director of Regeneration and Planning and it is likely that the remuneration will exceed £100,000. The recruitment for this role has been made on an interim basis.

### **Head of Human Resources (HR) and Development**

The Human Resources and Development (HRD) Shared Service with Buckinghamshire County Council will end on 30<sup>th</sup> September 2019. A number of HRD staff will return to Harrow under the TUPE regulations but a service lead will not. Given the importance of this service to the organisation, the Chief Officers' Employment Panel at its meeting on 26<sup>th</sup> February 2019 agreed that a new post of Head of HRD be created and recruited to on a permanent basis. The role has been evaluated at D1 and as the top of the pay point of this grade will exceed £100,000 from 1<sup>st</sup> April 2019 approval was sought from the Panel. Recruitment for the role has yet to commence.

### **Redundancy/Severance payments over £100,000**

There are no redundancy or severance payments to report over £100,000.

### **Legal Implications**

Harrow Council's Pay Policy Statement 2018 provides that: 'All employees, including Chief Officers are normally appointed on the lowest pay spine column point for their job evaluated grade. In exceptional circumstances employees may be appointed at a higher point within the evaluated grade. The Council may apply market supplement payments to jobs with recruitment or retention difficulties.'

The Council's Constitution requires that all approved remuneration packages, for any post, of £100,000 or greater be reported by the Chief Officers Employment Panel to Council for information. In addition, an offer of employment shall only be made to a chief officer where there is no well-founded objection by any member of the Executive.

## **Financial Implications**

The financial implications of this report will be contained within the current resources of the appropriate directorates.

The interim senior management arrangements of payment for acting up to cover the Corporate Director of Resources post ceased on the 1<sup>st</sup> April 2019.

## **Risk Management Implications**

Risk included on Directorates risk registers? **No**

Separate risk register in place? **No**

The report complies with the Chief Officer and senior manager contractual terms and conditions of employment and relevant employment law.

## **Equality Implications/Public Sector Equality Duty**

Was an Equality Impact Assessment carried out? **No**

An Equality Impact Assessment (EqIA) has not been carried out, as the diversity of senior management is reported annually to the Employees Consultative Forum. The latest annual report considered in December 2018 identified from the Council's workforce profile data, that there is an under representation of women, BAME and disabled staff in the current senior management structure. The following actions have been proposed over the last number of years:

- The Council will ensure all affected managers are treated fairly and there is no discrimination.
- The Council will continue to promote equality of opportunity and encourage and facilitate the development and appointment of underrepresented groups into senior posts.

As the Change Management and Organisational Review Policy and Procedure will be used to implement the new structure, first consideration to either assimilation or ring-fencing is contractually required. The outcome of this exercise may result in no change to this under representation.

The Council will continue to monitor the representation of women, black and ethnic minorities and those with a disability in senior management through performance indicators and report this annually to the Employees Consultative Forum.

## Council Priorities

The Council's vision and priorities are supported by extending these arrangements.

The Council's priorities are:

- Build a Better Harrow
- Supporting Those Most in Need
- Protecting Vital Public Services
- Delivering a Strong Local Economy for All
- Modernising Harrow Council

## Section 3 - Statutory Officer Clearance

Name: Dawn Calvert  Chief Financial Officer

Date: 7<sup>th</sup> May 2019

Name: Caroline Eccles  On behalf of  
Monitoring Officer

Date: 7<sup>th</sup> May 2019

Name: Alex Dewsnap  Director of Strategy

Date: 9 May 2019

**Ward Councillors notified:** NO

## **Contact Details and Background Papers**

**Contact:** Jonathan Evans, [jonathan.evans@harrow.gov.uk](mailto:jonathan.evans@harrow.gov.uk)  
DD: 020 8736 6870

**Background Papers:** Report considered by the Chief Officers' Employment Panel – 26 February 2019

Minutes of the Chief Officers' Employment Panel – 26 February 2019, 5 March 2019 and 7 March 2019