



Gwasanaeth Democraidd
Democratic Service
Swyddfa'r Cyngor
CAERNARFON
Gwynedd
LL55 1SH

Cyfarfod / Meeting

PWYLLGOR PENODI PRIF SWYDDOGION
CHIEF OFFICERS APPOINTMENTS COMMITTEE

Dyddiad ac Amser / Date and Time

10:30a.m., DYDD MERCHER, 13 CHWEFROR 2013

10:30a.m., WEDNESDAY, 13 FEBRUARY 2013

Lleoliad / Location

YSTAFELL GLYDER FAWR
SWYDDFEYDD Y CYNGOR/COUNCIL OFFICES,
PENRALLT, CAERNARFON

Pwynt Cyswllt / Contact Point

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Dosbarthwyd / Distributed 06.02.13

PWYLLGOR PENODI PRIF SWYDDOGION
CHIEF OFFICERS APPOINTMENTS COMMITTEE

Aelodaeth/Membership (15)

Plaid Cymru (7)

Y Cynghorwyr/Councillors

Dyfed Edwards Sian Gwenllian

Peredur Jenkins Linda W. Jones

Liz Saville Roberts Dyfrig Siencyn

R.H. Wyn Williams

Annibynnol/Independent (4)

Y Cynghorwyr/Councillors

Trefor Edwards Jean Forsyth

Eric M. Jones Angela Russell

Llais Gwynedd (2)

Y Cynghorwyr/Councillors

Alwyn Gruffydd Aeron M. Jones

Llafur/Labour (1)

Y Cynghorydd/Councillor

D. Gwynfor Edwards

Democratiaid Rhyddfrydol/Liberal Democrats (1)

Y Cynghorydd/Councillor

Stephen Churchman

Aelod Ex-officio/Ex-officio Member

Cadeirydd ac Is-gadeirydd y Cyngor/Chairman and
Vice-chairman of the Council

AGENDA

1. APOLOGIES

To receive any apologies for absence.

2. DECLARATION OF PERSONAL CONNECTION

To receive any declaration of personal interest.

3. URGENT ITEMS

To note any items that are a matter of urgency in the view of the Chairman for consideration.

4. MINUTES

The Chairman shall propose that the minutes of the meeting of this committee held on 27 July 2012 be signed as a true record (copy herewith – white paper)

5. PAY POLICY FOR CHIEF OFFICERS

To submit the report of the Chief Executive (copy herewith – blue paper)

CHIEF OFFICERS APPOINTMENT COMMITTEE, 27.07.12

Present: Councillor Linda W. Jones (Chair)
Councillor Alwyn Gruffydd (Vice-chair)

Councillors: Stephen Churchman, Gwynfor Edwards, Trevor Edwards, Jean Forsyth, Sian Gwenllian, Peredur Jenkins, Eric M. Jones, Angela Russell, Dyfrig Siencyn, R.H. Wyn Williams

Also Present: Harry Thomas (Chief Executive), Alwyn Evans-Jones (Head of Human Resources Department), Iwan Evans (Legal Services Manager – for items 1, 2 and 3 of the agenda) and Gwyn Parry Williams (Members' Support and Scrutiny Officer – for items 1, 2 and 3 of the agenda)

Apologies: Councillors Dyfed Edwards and Liz Saville Roberts

1. DECLARATION OF PERSONAL INTEREST

No declarations of personal interest were received from any member present.

2. URGENT ITEM

The Chair agreed, under Section 100B (4) (b) of the Local Government Act 1972, to include the minutes of this committee held on 5 and 20 July 2012 as an urgent matter as they had not been included on the agenda.

The Chair signed the minutes of the previous meetings of this committee held on 5 and 20 July 2012 as a true record.

3. EXCLUSION OF PRESS AND PUBLIC

RESOLVED to exclude the press and public from the meeting during the discussion on the following item because of the likely disclosure of exempt information as defined in paragraph 12, Part 4, Schedule 12A of the Local Government Act 1972. This paragraph applies because the report contains information relating to specific individuals and those individuals have a right to privacy. There is no public interest that calls for disclosing personal information regarding individuals or for them to be identified. Consequently, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

4. THE APPOINTMENT OF HEAD OF SOCIAL SERVICES, HOUSING AND LEISURE DEPARTMENT

A report was given on the results of the Assessment Centre.

One applicant who was on the short list for the post was interviewed.

RESOLVED to appoint Morwena Edwards to the post of the Head of Social Services, Housing and Leisure.

The meeting commenced at 10:00am and concluded at 11.45am.

Meeting	Chief Officer Appointment Committee
Date	13 February, 2013
Title	Pay Policy for Chief Officers
Purpose	To make recommendations to the full Council
Author	Chief Executive – Harry Thomas
Portfolio Leader	Council Leader – Councillor Dyfed Edwards

1. **BACKGROUND**

- 1.1 Last year, for the first time, all Councils were legally obliged to adopt a pay policy for Chief Officers on an annual basis. The statutory provision requires that this should be a function of the full Council.
- 1.2 In adopting a pay policy for 2012/13, the full Council resolved to request this committee to review the sustainability of the pay policy for the future and to report back to the Council. This Committee is therefore required to advise the Council on its Chief Officer pay policy for 2013/14 which will be considered by the full Council on 28th February.
- 1.3 In order to do this, the Committee must first consider the effects of the reorganisation of services that took place last summer when the post of Head of Social Services, Housing and Leisure was created to undertake all the functions of the previous Head of Social Services and many of the functions of the Head of Provider Services. When the appointment to the post was made, it was decided to use the salary of the former Head of Social Services post as a temporary salary for the new post pending an independent evaluation of the appropriate salary.

2.0 **EVALUATION OF THE EFFECTS OF RESTRUCTURING**

- 2.1 The Hay Group was commissioned to evaluate the following roles due to an increase in responsibilities
- Head of Education Added operational delivery of schools cleaning and catering.
 - Head of Customer Care Added non-school building cleaning and caretaking.
 - Head of Highways and Municipal Added public convenience cleaning
 - Head of Strategic and Improvement As part of a separate restructuring, has taken on the Democratic Service.

- Head of Social Services, Housing and Leisure Management of social care as well as the majority of the provider services (leisure, residential and care homes etc).

2.2 A summary of the Hay Group evaluation is included at APPENDIX 1. In short, the recommendations are:-

- Head of Education – no change
- Head of Customer Care – no change
- Head of Highways and Municipal – no change
- Head of Strategic and Improvement – no change
- Head of Social Services, Housing and Leisure - the additional duties, over and above the old social services post are significant and the total Hay points is significantly higher than the next ranked head of service post. The Hay Group therefore recommend a salary using the same policy (lower quartile) as HS3 and Director posts. When this policy is applied to the evaluated size of post it equates to a salary of £80,972. (This compares with the temporary salary used at appointment of £75,111)

2.3 The additional financial responsibilities – direct responsibility for an extra £29m – and the additional manpower responsibilities – over 1,000 extra staff – lead me to recommend accepting the Hay Group recommendations.

2.4 The additional cost of £5,861, plus on costs for a full year (£3,419 for 2012/13) will be more than covered by the savings arising from the deletion of the Head of Provider Service post which are £120,000 for a full year.

3.0 **THE REMAINDER OF THE PAY POLICY**

3.1 The existing pay policy stipulates that:-

- Directors are paid at just below the lower quartile of the public sector market (lower quartile means that 75% of the sector that has been evaluated as having equal job sizes are paid more).
- The Heads of Education and Social Services, Leisure and Housing are also paid at the level of the lowest quartile.
- The others Heads of Service are paid at the median of the public sector market for similar sized jobs.

3.2 Whilst there are several factors which affect Gwynedd Council's ability to attract and retain senior managers, I believe that for those Heads of Service paid at the median level, the pay policy is broadly sustainable at this point in time. I therefore recommend no change for these posts.

- 3.3 The situation regarding the Directors and remaining Heads of Service is more difficult. Paying at the lowest quartile level does expose the Council to risks. For example, it is my understanding that the highest paid Directors in the other five North Wales authorities and Powys are paid at a higher level than Gwynedd Directors (even after the recent re-rating). To have the lowest pay in a group of which Gwynedd is one of the larger authorities brings risks in the medium term.
- 3.4 On balance, though, I think we can afford to risk deferring this issue for at least another year. Therefore I recommend no change in 2013/14.
- 3.5 Another issue that needs attention is the timing of re-rating actual pay to the benchmarks. The Council needs to be more explicit about this issue. Given that a re-rating has occurred this year, I recommend that the next re-rating applies to the financial year 2015/16.

4.0 **CONCLUSIONS**

- 4.1 Both paying too much and paying too little can represent bad value ultimately to taxpayers and service users. Striking a balance is difficult at the best of times but the overall aim has to be the same as it is with the remuneration of other staff - sustainability. I believe that on balance, an unchanged policy for next year meets this aim but I cannot say the same for the longer term.

5.0 **RECOMMENDATIONS**

- 5.1 That the pay of the newly evaluated Head of Social Services, Housing and Leisure be set at £80,972 with effect from 1 September 2012.
- 5.2 That there is no change to the pay bands of the other Heads of Service affected by the re-structuring last year.
- 5.3 That there is no change to the overall pay policy for next year in terms of the benchmark levels i.e. median and lower quartile for the same posts.
- 5.4 That the re-rating of actual pay to benchmark levels next occurs in 2015/16.

SUMMARY OF THE HAY GROUP

RECOMMENDATIONS

Head of Education

While considerable challenges remain, and the department has taken on an additional operational service (catering and cleaning), the role is broadly the same size and shape. The role remains one of the larger Heads of Service roles.

*Job Evaluation Summary: F II+ 3 460 E4(43) 200
E4-S+ 264 = 924 Total Hay Points*

The role is a seasoned professional with considerable breadth and depth of experience in education (strategy, policy and delivery). The role leads (directly and indirectly) education improvement, resources and performance for the authority – with medium and long term planning, including collaborative work. The role involves high levels of leadership and interaction with schools, other authorities, agencies and the Welsh Government. As the authority's primary Education lead, the role owns delivery of policy and standards, with schools ultimately accountable for performance. The policy landscape is complex and changeable. The role is accountable for education policy for Gwynedd, sharing direct accountability with Head Teachers for achievement.

- **The role should remain HS3**

Head of Customer Care

The role is broad and very much a 'corporate' rather than functional post. While the additional cleaning function will provide a large proportional increase in the department's workforce – the overall breadth and complexity is essentially the same. The role has increased in accountability (and hence job size) slightly, but is broadly the same (remaining in the same grade).

*Job Evaluation Summary: F II 3 400 E4 (43) 175
E4-S 264 = 775-839 Hay Points Range*

The role is a seasoned professional who is required as much for corporate/customer understanding as professional expertise. The role has breadth across a range of diverse areas (libraries, IT, information, land and property, emergency planning, customer care, cleaning), with complexity to coordinate and integrate/align over time. The role is a key change agent corporately, and hence requires high levels of leadership and influence. The role determines how things must be done across services to develop and implement change (e.g. IT), tackling challenges with no natural 'right answer'. The role is accountable across the authority directly, particularly for customer, information, communication and transformation aspects.

- **The role should remain HS2**

Head of Highways and Municipal

The role is the largest amongst the second tier, with examples of scale, complexity, budget and timeframes for policy/development. The newest addition to the department (convenience cleaning) does not provide the rationale for a high grade, and while strategic thinking is evident, it is not an ongoing element of the role (which should rest with the Director level).

*Job Evaluation Summary: F II 3 400 E4 (43) 175
E3P 264 = 775-839 Hay Points Range*

The role is a seasoned professional who is required for a range of operational and strategic engineering expertise. The role has breadth across a range of diverse areas (maintenance, waste, cemeteries, street scene, fleet, grounds maintenance, conveniences and playing areas, CCTV), with complexity to coordinate and integrate/align over time – as well as plan and develop long term responses to Council issues (waste). The role must drive change and lead a considerable function which responds to immediate and long term issues. The role determines the approach across services to develop and deliver performance, tackling challenges with no natural ‘right answer’. The role is very directly accountable for performance in its area, as well as for longer term provision.

- **The role should remain HS2**

Head of Strategic and Improvement

The role is critical in developing and delivering Council priorities, and increasingly key in developing and engaging with Members (particularly) non-executive Members. The reach and scope of the role has not changed markedly enough to justify an increase in grade, as the current level reflects the current level of responsibility.

*Job Evaluation Summary: F II 3 400 E4 (43) 175
E4C+ 230 = 775-839 Hay Points Range*

The role is a seasoned professional with a range of policy, performance, governance and transformational expertise and experience. The role leads a small service area, but has corporate reach in improving and driving change/performance. The role must integrate and align priorities, plans and measures to deliver a critical change plan. The role must lead officers and Members, as well as drive cooperation with other stakeholders across the region.

The role develops the approach to service and policy delivery, and faces considerable challenges which require innovative and adaptive approaches. Accountability lies for immediate services (including Democratic Services now) and supporting the authority more widely to deliver and improve. The role has increased in size, having taken on more direct service activity, but overall the level of work / grade has remained the same.

- **The role should remain HS2**

Head of Social Services, Housing and Leisure

Job Evaluation Summary for the role:

F II+ 3 460 E+4 (50) 230 E+4-P 350 = 1040 Total Hay Points

The role is a seasoned professional across care and varied provision, as well as a statutory position, the role requires varied expertise and experience in change and service leadership. The integration of services is complex, with sub functions being varied and diverse (larger in scale than most others). The leadership challenge is considerable – internally and externally – in driving high levels of performance in a complex and critical service. The role, in having access and influence at the senior leadership team, is more strategic than many of its peers.

Remuneration

On the basis of re-evaluating the role as 1040 Hay Points, we would recommend remunerating the role using the same policy (Lower Quartile) as standard HS3 and Strategic Director grades. Based on the January 2012 data which informed the most recent pay review, the lower quartile market rate for roles of 1040 Hay Points is £80,972.

Role size	UD	UQ	Median	LQ	LD
1040	115,551	100,825	89,897	80,972	73,428

- We would recommend a salary rate of around the lower quartile (£80,972).