

# Report

## Council

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### Part 1

Date: 26 September 2017

**Subject** Review of Chief Education Officer Pay Grade

**Purpose** To review the current Chief Education Officer pay grade.

**Author** Will Godfrey – Chief Executive

**Ward** All

**Summary** The Head of Service structure was last considered by Council in September 2016 and matters related to Heads of Service pay inequalities were resolved.

**Proposal** Council is asked to:

1. Acknowledge the outcome of a re-evaluation under the Hay job evaluation scheme for the post of Chief Education Officer
2. Revise the pay grade of the Chief Education Officer in line with the other Heads of Service

**Action by** Chief Executive

**Timetable** Immediate

This report was prepared after consultation with:

- Strategic Directors
- Leader of the Council

**Signed**

## **Background**

The Head of Service structure was the subject of a Council report in September 2016. The 8 posts were subject to a formal job evaluation exercise which was carried out by the Hay group as in 2005 the Council had previously used the Hay scheme as the basis for senior officer pay. Independent legal advice was sought from Geldards who confirmed that a formal job evaluation scheme would be the most appropriate way of determining the pay grades for this group of posts. The subsequent report which was approved by Council removed one of the pay ranges that Heads of Service were placed in.

The rank order set the Chief Education Officer as the highest scoring post with 1142, with 6 Heads of Service scoring equally at 994 and the Head of Streetscene and City Services scoring 964. Whilst the points difference between 964 and 994 did not separate the pay grade that these posts were matched to, the difference between the Chief Education Officer and the remaining posts did mark a separation between pay grades.

The Chief Education Officer post was therefore set at the HDS01 pay grade (£81,466 - £90,022) and the 7 other Heads of Service were set at the HDS02 pay grade (£73,109 – £78,726).

### **Chief Education Officer vacancy**

Since the 2016 changes to Head of Service pay there has been turnover at Strategic Director level and internal appointments were made to both the Strategic Director for Place and People. This has resulted in the Chief Education Officer post becoming vacant.

The job description has been subject to review and the Strategic Director for People will be responsible for some of the Chief Education Officer's regional duties with the Education Achievement Service. The amended job description and expectation of the role of Chief Education Officer has been referred to the Hay group for re-evaluation under the Hay job evaluation scheme.

The recommendation from Hay recommends that the point score should reduce as a result of the changes to the role. The pay grade of HDS01 would therefore no longer be appropriate for the Chief Education Officer and the post should be placed within the HDS02 pay grade. As the post is currently vacant there are no implications for any employee as a result of implementing this recommendation, however there will be some residual saving to the Council on salary costs.

### **Independent Remuneration Panel**

As is required when any changes to Chief Officer pay are proposed a referral must be made to Welsh Government's Independent Remuneration Panel (IRP) for their assessment of the proposal. Their recommendations must be considered by Council before implementing any changes.

The IRP considered the matter on 14 September 2017 and the following day confirmed that they were content with the Council's proposal to implement the re-evaluation and therefore align the pay grade for the Chief Education Officer.

### **Financial Summary**

#### **Removing HDS01 and assimilating to HDS02**

Should approval be granted by Council, movement to the new pay grade will be immediate.

There are no additional costs to implementing the results of this re-evaluation other than the cost of the Hay group conducting the re-evaluation.

The salary saving made on reducing the pay grade for the Chief Education Officer is set out in the table below:

	Year 1 (Current) £	Year 2 £	Year 3 £	Ongoing £	Notes including budgets heads affected
Costs (Income)					The difference between the budgeted amount of HDS01 and HDS02.
Net Costs (Savings)	(14,400)				
Net Impact on Budget	(14,400)				

## Risks

### Failure to recruit to the post when advertised

The change to the pay grade could result in difficulty when the post is advertised and recruited to. This is no different to any other Head of Service post that becomes vacant and mitigation for this risk is considered under the Council's Corporate Risk Register.

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Chief Education Officer – not approving the proposed changes to the pay band	H	L	Implementing an independently conducted job evaluation process validates pay grade	Head of Paid Service/Council
Pay – Inequality continuing with a higher pay band when duties have been removed is inconsistent to the council's commitment to equality proofed pay arrangements	H	L	Proposing the adoption of an equality proofed pay structure that has been job evaluated	Head of Paid Service Head of People and Business Change

\* Taking account of proposed mitigation measures

### Links to Council Policies and Priorities

Corporate Plan 2017-2022

People Plan 2013-2017

## **Options Available**

**Option 1** – no change is made to the current pay grade of the Chief Education Officer

**Option 2** – approve the implementation of the re-evaluation by deleting the pay grade HDS01, and assimilate the Chief Education Officer to HDS02.

## **Preferred Option and Why**

Option 1 is not considered to be a viable option for several reasons which are outlined throughout this report. The Council remains at risk of equal pay claims if no change takes place, further strengthened by the outcome of the job evaluation exercise which has shown that the roles are considered to have equal job weight to those posts that are graded at HDS02.

Option 2 is therefore considered to be the appropriate option available to the Council.

## **Comments of Chief Financial Officer**

The difference between the budgeted pay including on-costs between HDS01 and HDS02 is c£14k, which would be available as a saving. There are no other financial consequences arising from this report.

## **Comments of Monitoring Officer**

The Council has a statutory duty as an employer, under the Equality Act 2010, to ensure that equal pay is paid for comparable jobs where the work carried out has been assessed as equivalent in value, according to the level of expertise and responsibility involved. In addition, the Council has a statutory duty as a local authority, under the Localism Act and the Local Government (Wales) Measure 2011, to ensure that all decisions in relation to its pay and remuneration policy are carried out in an open and transparent manner and that its Pay Policy is adopted and published annually. In order to ensure that its Chief Officer pay grades are equal pay compliant, the Council decided in September 2017 to evaluate the jobs in accordance with the Hay proprietary job evaluation scheme and the posts were then graded in two salary bands, according to the relative scores. At that time, only the Chief Education Officer post was assessed as falling within the upper pay band, with all other Heads of Service posts being scored within the other pay band.

However, the duties attached to the Chief Education Officer post have now been revised, following the post becoming vacant, with some of the regional responsibility being transferred to the Corporate Director (People). The revised roles and responsibilities have now been re-evaluated under the Hay scheme and the reduced score now places the post within the lower pay band, along with the other Heads of Service. Given that the revised Chief Education officer post has now been rated as equivalent to the other Heads of Service posts under the adopted job evaluation scheme, then the salary grades need to be brought into line to avoid any future equal issues.

Under the Local Authorities (Standing Orders) (Wales) Regulation 2014 and the Council's Constitution, full Council needs to approve the duties for each Chief Officer post and any change to the level of remuneration being paid. Therefore, it is a matter for Council to approve the proposed changes to the roles and responsibility of the Chief Education Officer post and the commensurate change in salary band. In accordance with the Local Government (Wales) Measure (as amended by the Local Government (Wales) Act 2015), full Council must have regard to any representations made by Independent Remuneration Panel for Wales before fixing chief officers pay.

The IRP have been consulted about the proposals and they have no objection to the proposed changes in pay grade for the Chief Education Officer post.

## **Staffing Implications: Comments of Head of People and Business Change**

The starting point for assessing Head of Service pay is to determine the job weight and responsibilities of each post, resulting in a rank order being determined. Hay have independently carried out this exercise, and have provided a re-evaluation since the post of Chief Education Officer became vacant. The outcome of the job evaluation exercise was that the Chief Education Officer post has had duties removed and should therefore be placed in the HDS02 pay grade with all other Heads of Service. This recommendation was therefore duly sent to the Independent Remuneration Panel (IRP) who concluded that the proposal was acceptable. The post is vacant and there are no implications as a result of this report.

### **Comments of Cabinet Member**

N/A

### **Local issues**

N/A

### **Scrutiny Committees**

N/A

### **Equalities Impact Assessment**

N/A

### **Children and Families (Wales) Measure**

N/A

### **Consultation**

N/A

### **Background Papers**

Appendix 1 – Hay report on re-evaluation of the Chief Education Officer, September 2017

Dated: 18 September 2017