

EMPLOYMENT COMMITTEE

THURSDAY 10 NOVEMBER 2016
7.00 PM

Bourges/Viersen Rooms - Town Hall

AGENDA

Page No

1. **Apologies for Absence**

2. **Declarations of Interest**

At this point Members must declare whether they have a disclosable pecuniary interest, or other interest, in any of the items on the agenda, unless it is already entered in the register of members' interests or is a "pending notification" that has been disclosed to the Monitoring Officer.

3. **Minutes of the Meeting Held on 24 June 2016**

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4. **Exclusion of the Press and Public**

In accordance with Standing Orders, Members are asked to determine whether item 6, 'Service Director (Finance) – Determination of Salary', which contains information relating to contemplated consultations or negotiations in connection with a labour relations matter arising between the authority and employees or office holders of the authority, as defined by Paragraph 4 of Schedule 12A of Part 1 of the Local Government Act 1972, should be exempt and the press and public excluded from the meeting when this item is discussed, or whether the public interest in disclosing this information outweighs the public interest in maintaining the exemption.

5. **Senior Management Pay Structure**

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6. **Service Director (Finance) - Determination of Salary**

11 - 28



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Committee Members:

Councillors: M Nadeem (Chairman), J Holdich (Vice Chairman), W Fitzgerald, D Lamb, N Khan, M Jamil and Davidson

Substitutes: Councillors: L Ayres, E Murphy and N Sandford

Further information about this meeting can be obtained from Philippa Turvey on telephone 01733 452460 or by email – philippa.turvey@peterborough.gov.uk



**MINUTES OF A MEETING OF THE EMPLOYMENT COMMITTEE
HELD AT THE TOWN HALL, PETERBOROUGH ON 24 JUNE 2016**

Members Present: Councillors Nadeem (Chair), Holdich (Vice Chair), Lamb, Khan, Jamil, Davidson, and Ayres

Officers Present: Mandy Pullen, Assistant Director of Human Resources and Development
Paul Smith, Human Resources Advisor
Pippa Turvey, Senior Democratic Services Officer

1. Apologies for Absence

Apologies for absence were received from Councillors Fitzgerald. Councillor Ayres was in attendance as substitute.

2. Declarations of Interest

There were no declarations of interest received.

3. Minutes of the Meeting Held on 23 February 2016

The minutes of the meeting held on 23 February 2016 were agreed as a true and accurate record.

4. Shared Chief Executive Arrangements Between Peterborough City Council and Cambridgeshire County Council

The Assistant Director of Human Resources and Development presented a report to the Committee, which provided an overview of the six month review of the shared Chief Executive arrangement between Peterborough City Council and Cambridgeshire County Council. The report also sought Committee's consideration on the proposal to make the arrangement permanent. The matter was considered under the Committee's Terms of Reference 2.3.1.1 to appoint Directors and Heads of Service, and determine terms of conditions of employment.

The Committee discussed the report and raised several key points:

- From a contractual point of view, the Chief Executive would still be an employee of Peterborough City Council. As such, any continuity of service accrued would remain.
- The condition put in place within the temporary arrangement, that either party may leave the arrangement, would be carried over to the permanent proposal.
- Any potential pension fund would be split 50/50 between the two Council's.
- Employer pension contributions were paid by Peterborough City Council, however 50% of this was reimbursed by Cambridgeshire County Council every quarter.
- It was considered that Cambridgeshire County Council needed to appoint an Assistant Chief Executive in order for the arrangement to work.

RESOLVED that Employment Committee:

1. Note the review undertaken in conjunction with Cambridgeshire County Council;
2. Agree that the shared Chief Executive arrangement be made permanent; and
3. Agree to a contractual variation for the Chief Executive.

RECOMMENDED that Council:

1. Agree that the shared Chief Executive arrangements be made permanent; and
2. Agree to a contractual variation for the Chief Executive.

Reasons for the decision:

The report dealt with the benefits of the arrangement in terms of joint working/sharing best practice, but also addressed the challenges for ensuring the Chief Executive worked effectively across both Councils ensuring the sovereignty of those Council's policies were robustly maintained.

Chairman
10:00am – 10:12am

EMPLOYMENT COMMITTEE	AGENDA ITEM No. 5
10 NOVEMBER 2016	PUBLIC REPORT

Contact Officer(s):	Kim Sawyer: Director of Governance	Tel. 452361
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SENIOR MANAGEMENT PAY STRUCTURE

R E C O M M E N D A T I O N S	
FROM : Director of Governance	Deadline date : N/A
<ol style="list-style-type: none"> 1. That Employment Committee approve the senior management pay structures (Appendix 1); 2. That progression be linked to performance as detailed in this report; and 3. That in-grade progression be determined by the employees' line manager subject to the performance criteria being met. 	

1. ORIGIN OF REPORT

- 1.1 This report arises following an agreement reached in 2014 whereby spinal column points were established for senior managers. However, they did not contain provision for incremental progression.

2. PURPOSE AND REASON FOR REPORT

- 2.1 The purpose of this report is to propose that the City Council incorporate a five point incremental scale for Senior Managers on Hay grades.
- 2.2 This report is for the Committee to consider under its terms of reference No 2.3.1.1 to determine terms and conditions of employment.

3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	NO	If Yes, date for relevant Cabinet Meeting	N/A
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4. BACKGROUND

- 4.1 In 2014 Peterborough City Council undertook a review of senior manager pay. As a result of this, 7 Hay grades were established with each grade having a minimum, a median and a maximum.
- 4.2 Since this time exiting staff or new staff have been assimilated or appointed onto these pay scales. Currently there are 30 employees on Hay scales with a further 5 employees remaining on the older senior manager pay scales. The latter group would not be affected by these proposals.
- 4.3 The current pay arrangement has certain limitations as follows:
- There is no formal mechanism for movement within grades (for example for high performance)
 - There is a lack of clarity on what salaries staff may be appointed on. In particular Employment Committee, when appointing staff have expressed concerns over what salary can be used.

- In some cases, market supplements have been used as an alternative to in grade progression which is not always satisfactory

5. PROPOSAL

Incremental Progression

- 5.1 It is proposed to supplement the existing 3 point pay range with further points thus allowing for incremental progression. The proposed pay scales are appended to this report.
- 5.2 The existing minimum, median and maximum points are retained but a further 2 increments have also been added to each grade. These represent approximately a 5% step by step increase from the minimum until the grade maximum is reached. There are no changes to the minimum, median and maximum points and therefore should not be viewed as a pay increase for senior managers
- 5.3 For administrative ease, all pay points have been rounded to the nearest pound.
- 5.4 It is proposed that incremental progression within these grades is solely linked to performance. Work is in hand to develop a progression related appraisal scheme for all staff. A separate senior manager scheme will also be developed to come into effect on 1st April 2017.
- 5.5 In the meantime, it is proposed that progression is linked to PDR outcomes for Hay graded staff and, in order to progress through the grade, a PDR score of at least 4 must be achieved. In exceptional circumstances (evidenced by a PDR score of 5) it may be possible to progress by more than one incremental point at the manager's discretion.

Governance

- 5.6 Previously the Employment Committee have had delegated authority with regards to setting salaries for senior staff on appointment or regrading. The terms of reference, which are under review are unclear on the position with regards to in grade progression. It is therefore, proposed that as performance management and PDRs are undertaken by officers, incremental progression (by being a key part of the PDR process) is also an officer function. The exception being the Chief Executive who has a separate contractual appraisal scheme.

Assimilation

- 5.7 A number of employees paid on Hay Grades are currently on salaries that do not correspond to any of the proposed increments. It is therefore proposed not to amend pay as it stands. However as employees are appraised and (assuming that they achieve PDR 4 or above) then they will progress to the next appropriate increment. Each case will be dealt with on its merits.

6. CONSULTATION

- 6.1 Trades Unions have been consulted on the proposals at Joint Consultation Forum on 21st October 2016.

7 REASONS FOR RECOMMENDATIONS

- 7.1 The recommendations would not only provide a formal mechanism for movement within grades but would also provide clarity for Employment Committee on what salaries staff may be appointed on.
- 7.2 The Employment Committee, as the Committee responsible for determining Chief Officers and Deputy Chief Officers' pay, would be clear with regards to appointment salary.

8. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985).

- Report to Council 16 April 2014 Peterborough City Council Pay Policy and Senior Management Pay Report

9. APPENDICES

Appendix 1 – Propose Senior Management Pay Structure

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Appendix 1

PROPOSED SENIOR MANAGER PAY SCALES

Pay Band	Point 1 Minimum (med – 10%)*	Proposed Point 2	Point 3 Median*	Proposed Point 4	Point 5 Maximum (Med + 10%)*
	£	£	£	£	£
1	154530	162256	171700	180285	188870
2	128284	134698	142538	148504	156792
3	104489	110091	116498	122330	128149
4	88082	92486	97869	101965	105545
5	75974	79772	84415	87949	92856
6	65102	68357	72335	75363	77569
7	54903	57648	61003	63557	67104

*Existing salary points

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EMPLOYMENT COMMITTEE	AGENDA ITEM No. 6
10 NOVEMBER 2016	PUBLIC REPORT This report contains an exempt Annex, not for publication, by virtue of Paragraph 4 of Schedule 12A of Part 1 of the Local Government Act 1972.

Contact Officer(s):	Paul Smith, HR Advisor	Tel. 456329
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SERVICE DIRECTOR (FINANCE) – DETERMINATION OF SALARY

1. ORIGIN OF REPORT

- 1.1 This report follows an evaluation of the role of Service Director Finance and requirement to assimilate the post holder onto the appropriate point on the Hay Salary Scale
- 1.2 Employment Committee is requested to determine the applicable salary for the post. The exempt annex to this report contains the information required by Employment Committee to determine the salary.

2. REASONS FOR EXEMPTION

- 2.1 The attached report is NOT FOR PUBLICATION in accordance with paragraph 4 of Schedule 12A of Part 1 of the Local Government Act 1972 in that it contains information relating to contemplated consultations or negotiations in connection with a labour relations matter arising between the authority and employees or office holders of the authority. The public interest test has been applied to the information contained within the exempt report and it is considered that the need to retain the information as exempt outweighs the public interest in disclosing it.

3. APPENDICES

Appendix 1: Senior Management Pay Scale

Appendix 2: Job Evaluation Data for the Post of Service Director (Finance)

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APPENDIX 1: SENIOR MANAGEMENT PAY SCALES wef 01/01/16

Pay Band	Point 1 Minimum (med – 10%)	Point 2 (Subject to EC approval)	Point 3 Median	Point 4 (Subject to EC approval)	Point 5 Maximum (Med + 10%)
	£	£	£	£	£
1	154,530	162,256	171,700	180,285	188,870
2	128,284	134,698	142,538	148,504	156,792
3	104,489	110,091	116,498	122,330	128,149
4	88,082	92,486	97,869	101,965	105,545
5	75,974	79,772	84,415	87,949	92,856
6	65,102	68,357	72,335	75,363	77,569
7	54,903	57,648	61,003	63,557	67,104

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APPENDIX 2: JOB EVALUATION DATA

Service Director (Finance)

POST TITLE	HAY POINT SCORE	PAY BAND	MEDIAN + 10 %	MEDIAN -10 %
Service Director (Finance)	1142	Pay Band 4	£105,545	£88,082

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By virtue of paragraph(s) 4 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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