

REPORT OF:
Lead Member for Finance and Support Services
Chair of the Workforce Panel

TO
Council

ON
22nd February 2023

TITLE: Senior Manager Appointments & Remuneration

RECOMMENDATIONS:

That Council:

- Approve the changes to remuneration level for senior posts as detailed in the report as agreed by the Workforce Panel on 24th January 2023.
 - Note the establishment of the two posts of Executive Director of Children's Services and Executive Director of Adult Social Care and Health Partnerships.
 - Approve the remuneration level for these posts in line with the revised pay structure at a salary range of £125,000 to £140,000.
 - Authorise the Monitoring Officer to make any necessary or consequential amendments to the Council's Constitution required as a result of this decision or the decision of the Workforce Panel.
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EXECUTIVE SUMMARY:

Significant challenges have recently been felt across all sectors regarding recruitment and retention of high-quality staff. Salford City Council has not been immune to these challenges and has experienced a marked increase year on year in staff turnover as well as problems filling vacancies, particularly for specialist positions and senior officer posts which in turn can have a detrimental impact on service delivery as it affects the capacity and capability to deliver quality services for residents and businesses.

These problems have been exacerbated by the offering of more competitive pay rates by similar and neighbouring local authorities, leading to many staff seeking similar positions elsewhere. Additionally, Salford City Council's exemplary commitment to being a Foundation Living Wage employer, whilst pertinent, has presented an issue for fair pay with the erosion in differentials between pay levels as living wage rates have increased on an annual basis.

To rectify these issues, a review and refresh of the current pay structures and pay line in its entirety has been undertaken with a clear focus on fair and equitable pay across the organisation.

At a meeting of the Workforce Panel in January 2023 approval was given to implement the revised local pay model on 1st April 2023 subject to the approval by Full Council of the budget required for the revised model.

In line with the Council Constitution, the Council makes determinations in relation to the remuneration of posts whose remuneration is, or would become, £100,000 per annum or above. As the salary range for a number of posts affected by this review already exceed £100,000 Council must be offered the opportunity to consider the revised salary ranges and are asked to approve the remuneration levels as agreed by the Workforce Panel.

BACKGROUND DOCUMENTS:

Peer Review Report 2022

Workforce Panel Report 22nd November 2022

Workforce Panel Report 24th January 2022

KEY DECISION: YES / NO

DETAILS:

1. Background

Significant challenges have recently been felt across all sectors regarding recruitment and retention of high-quality staff. Salford City Council has not been immune to these challenges and has experienced a marked increase year on year in staff turnover as well as problems filling vacancies, particularly for specialist positions and senior officer posts which in turn can have a detrimental impact on service delivery as it affects the capacity and capability to deliver quality services for residents and businesses.

These problems have been exacerbated by the offering of more competitive pay rates by similar and neighbouring local authorities, leading to many staff seeking similar positions elsewhere. Additionally, Salford City Council's exemplary commitment to being a Foundation Living Wage employer, whilst pertinent, has presented an issue for fair pay with the erosion in differentials between pay levels as living wage rates have increased on an annual basis.

To rectify these issues, a review and refresh of the current pay structures and pay line in its entirety has been undertaken with a clear focus on fair and equitable pay

across the organisation. This review has been undertaken over the past number of months with a range of evidence-led processes being incorporated into the work to ensure robust analysis in reaching a conclusion.

Agreement was reached with the joint trade unions in relation to a jointly agreed model to be put forward for formal consultation with their members resulting in an overwhelmingly positive response of **97% voting to accept** the revised new pay model.

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In line with the Council Constitution, the Council makes determinations in relation to the remuneration of posts whose remuneration is, or would become, £100,000 per annum or above. As the salary range for a number of posts affected by this review already exceed £100,000 Council must be offered the opportunity to consider the revised salary ranges and are asked to approve the remuneration levels as agreed by the Workforce Panel.

2. Changes to leadership posts

On 24 January 2023 the Workforce Panel considered a report of the Chief Executive regarding Senior Leadership Arrangements & Appointments and agreed the recommendations. In summary the report proposed that:

- The vacant Strategic Director for People post be redesignated as the Executive Director of Children's Services and hold the statutory role and responsibilities of the Director of Children's Services (DCS). This post would also have service responsibilities for Children's Social Care, Early Help and School Readiness, Education and Public Health Nursing and Wellbeing.
- The post of Director of Social Care, which was hosted by Salford Royal Foundation Trust as part of the Integrated Care Organisation leadership arrangements (which is substantively vacant following the resignation of the permanent postholder) transfer with funding to Salford Council and be designated as holding the statutory role and responsibilities of the Director of Adult Social Services (DASS). This new post of Executive Director of Adult Social Care and Health Partnerships would initially take responsibility for Adult Services, a strengthened integrated commissioning function, and Public Health. The post will provide Director leadership to Salford Care Organisation and be part of the Salford Care Organisation leadership team.
- The Director of Public Health (DPH) role will report directly to the Executive Director of Adult Social Care and Health Partnerships (DASS). However, in line with statutory requirements, the post will retain a dotted line to the Chief Executive and contribute to the corporate management of the council, in particular through membership of the Corporate Management Team.
- The Assistant Director for People and Communities, whose role includes the management of housing options, homelessness and supported tenancies will

report directly to the Executive Director of Adult Social Care and Health Partnerships (DASS). However, the post will have a dotted reporting line to the Executive Director of Place to build greater alignment with the place lead responsibility for delivering affordable housing without losing the alignment of housing support with the delivery of services to people.

- To reflect the change in context and following the conclusion of the pay review that the posts of Strategic Director be re-designated as Executive Director and Assistant Director posts will be redesignated as Director.

The Workforce Panel have established appointment panels and agreed the approach and process for the recruitment, selection, and appointment to the posts of Executive Director of Children's Services and Executive Director of Adult Social Care and Health Partnerships.

Council is recommended to:

- Note the establishment of the two posts of Executive Director of Children's Services and Executive Director of Adult Social Care and Health Partnerships.
- Approve the remuneration level for these posts in line with the revised pay structure detailed below.
- Authorise the Monitoring Officer to make any necessary or consequential amendments to the Council's Constitution required as a result of this decision or the decision of the Workforce Panel.

3. Revised pay structure

The agreed key guiding principles to underpin the council wide pay review have remained the core reference point throughout and have ensured that the revised pay model has incorporated the pay line and structures in their entirety across all pay bands, maintained the integrity of the job evaluation schemes and is equitable and equal pay compliant.

As detailed in the Pay Policy Statement the council uses the chief officer job evaluation scheme developed by the Local Government Employers. This scheme applies to all senior posts paid on locally determined salary points from spinal column point 53 and above, incorporating all chief officer posts. This provides assurance that all pay differentials can be objectively justified through the use of job evaluation mechanisms which directly establish the relative levels of posts and grades according to the requirements, demands and responsibilities of the role.

There are eight posts affected by the pay review where the salary range already exceeds £100,000. The revised arrangements for which are outlined in the table below:

Job Type	Post	Salary Range	
		Point	Salary £
Chief Executive / Head of the Paid Service	Chief Executive	1	170,000
		2	175,000
		3	180,000
		4	185,000
Executive Director	Executive Director Children's Services	1	125,000
		2	130,000
	Executive Director Adult Social Care & Health Partnerships	3	135,000
		4	140,000
Director / Statutory Officer	City Solicitor	1	100,000
		2	106,000
	Director of Public Health	3	112,000
		Chief Finance Officer	

There is a requirement for transparency in setting pay and any changes to the pay structure and therefore these changes will also be reflected in the City Council's annual pay policy statement.

4. Conclusion

Ensuring fair and equitable pay across the organisation is imperative in order to recruit and retain a high calibre of talent and provide quality services for residents and businesses within the city.

Therefore, Council is asked to:

- Approve the changes to remuneration level for senior posts as detailed in the report as agreed by the Workforce Panel on 24th January 2023.
- Note the establishment of the two posts of Executive Director of Children's Services and Executive Director of Adult Social Care and Health Partnerships.
- Approve the remuneration level for these posts in line with the revised pay structure at a salary range of £125,000 to £140,000.
- Authorise the Monitoring Officer to make any necessary or consequential amendments to the Council's Constitution required as a result of this decision or the decision of the Workforce Panel.

KEY COUNCIL POLICIES:

Salford City Council Constitution

EQUALITY IMPACT ASSESSMENT AND IMPLICATIONS:

To ensure potential modelling did not have a disproportionate negative impact on particular groups, equality impact analysis was carried out on an ongoing basis throughout the course of the pay review. Informing this approach, a newly designed equality survey which was broken down by protected characteristics as laid out in the Equality Act, 2010 was distributed across the organisation supported by an internal communication plan to encourage completion. The survey was created in collaboration with workforce equality groups to ensure it was in line with best practice and used the most relevant wording regarding inclusivity. A new digitalised process was implemented to make it as simple as possible for staff to supply data with the trade unions providing a point of access for staff who may lack digital accessibility.

The gathered equality data was then amalgamated alongside proposed pay modelling. The outcome of the review and revised model provide a positive outcome for all, and a summary of findings are outlined below with further details contained within the EIA:

- There was no significant disproportionate negative impact as a result of applying the revised model when analysed across the range of protected characteristics.
- The most notable impact was found within the 'gender' protected characteristic, with females receiving a slightly lower increase in basic pay on average compared to males under the revised model. On further analysis this primarily relates to a high proportion of females occupying posts in the first pay band which has benefited historically from investment in ensuring minimum pay rates in line with the foundation living wage and higher percentage uplifts from national pay negotiations. This band therefore has remained largely unaffected by the pay review alone. This is reflective of Salford's most current statutory reported Gender Pay Gap data, particularly looking at the roles occupied by women.
- Analysis against the 'race' protected characteristic found that those employees identifying as BAEM will receive a higher average increase in monetary terms than others across this indicator, with the exception of those employees selecting 'prefer not to say'.

The recruitment, selection and appointment process will be undertaken in a lawful, fair, transparent and consistent manner in line with our recruitment and selection and equal opportunities policies, commitments and frameworks.

ASSESSMENT OF RISK:

Stability and capacity of the workforce is reported as a strategic risk in the Council's Strategic Risk Register with a likely impact and major risk for the continuity of the delivery of quality service provision if action is not taken to address. This review is reported as a priority action to mitigate the impact and address the issues as outlined.

LEGAL IMPLICATIONS Supplied by: Jeanette Williams, Principal Solicitor, Employment Team

In order to address significant challenges throughout the City Council regarding recruitment and retention of staff, it was agreed that formal discussions with the joint trade unions should commence to review and refresh the current pay structures and pay line in its entirety with a clear focus on fair and equitable pay across the organisation.

At its meeting on 24th January 2023 Workforce Panel approved the implementation of the revised pay model with effect from 1 April 2023 in principle, subject to the approval by Full Council of the budget required for the revised model.

The approval of Full Council is required for implementation of the revised pay model as it affects the remuneration of officers earning above £100,000.

Furthermore, there is a requirement for transparency in setting pay and any changes to the pay structure and this will need to be reflected in the City Council's annual pay policy statement.

It is noted that the redesignation of some senior posts as part of the work undertaken will require changes to the Constitution to ensure that this accurately reflects the current management structure. Council can delegate the power to make the necessary changes to the Monitoring Officer.

FINANCIAL IMPLICATIONS Supplied by: Joanne Hardman, Chief Finance Officer

The budget process, for both the annual 2023/24 budget and the medium-term financial strategy are due to be discussed at Budget Council in February. The revenue budget report will propose a balanced budget position for 2023/24 which incorporates the estimated costs of the pay review including the changes outlined in this report.

PROCUREMENT IMPLICATIONS Supplied by: n/a

HR IMPLICATIONS Supplied by:

Are contained within the body of the report.

CLIMATE CHANGE IMPLICATIONS Supplied by: n/a

OTHER DIRECTORATES CONSULTED: ALL

CONTACT OFFICER: Samantha Betts, Assistant Director Human Resources and Organisational Development

Samantha.betts@salford.gov.uk

WARDS TO WHICH REPORT RELATES:
