

CANNOCK CHASE COUNCIL
MINUTES OF THE MEETING OF THE
PAY ADJUSTMENT & STAFF STRUCTURE REVIEW CABINET COMMITTEE
HELD ON FRIDAY, 8 JULY, 2011 AT 5.30 P.M.
IN THE CIVIC CENTRE, BEECROFT ROAD, CANNOCK
PART 2

5. Review of Senior Council Officer Salaries – Scoping

The Chief Executive distributed information packs and supplementary papers. These contained a variety of information, including details of the current management structure of the Council; Cannock Chase Council Chief Officers' pay and conditions; and comparative pay details for shire districts across Staffordshire and the West Midlands.

For clarification, the Chairman confirmed that the scope of the review of Senior Council Officer salaries applied only to posts graded at Head of Service and above.

Members sought clarification of the posts covered by the review and the names of the post holders. This covered the Chief Executive; a Director; and 8 Heads of Services.

Members expressed concern that there were currently two Heads of Financial Management under the shared services arrangement. The Head of Human Resources (SBC) advised that this was as a result of the agreed implementation process of the shared service arrangements and the statutory requirement to transfer employees from SBC to CCDC under the Transfer of Undertakings (Protection of Employment Regulations) 2006 ("TUPE"). Whilst CCDC was the lead authority for the service, a funding arrangement was in place whereby SBC refunded to CCDC the post holder's employment costs. This staffing situation would be resolved as part of the transformation stage of the process as set out in the formal Agreement between the two Councils.

Members enquired if they retained any influence over the pay and conditions of employees who had already transferred under the shared services arrangements to SBC. They were advised that this was not appropriate as any transferees became employees of the other authority. In any event, to date no one at Senior Officer level had been transferred from CCDC.

Members requested that, in addition to the information that had already been provided, the following be prepared:

- A report detailing the potential savings to be made from flat rate reductions in the base salaries of Senior Officers (as defined above) of 10%; 7.5%; and 5%.
- Information on the potential saving which would be made from Senior Officer salaries by including a ceiling of £100,00 per annum in the base salary for any Senior Officer.
- A report detailing pay levels for CCDC Senior Officers over the last 10 years, (preferably with a diagrammatic illustration). The Head of Policy suggested that information relating to roles and responsibilities should also be provided together with

the post titles and salaries during the 10 year period in order that Members were able to consider any changes in the proper context. By way of illustration, she cited the example of the previous post of Head of Policy, which was solely policy focussed, compared with the current one which, while sharing the same post title, includes responsibility for partnerships, communications, performance etc.

- The information in respect of Staffordshire and West Midlands Chief Executives' pay be presented in a more comparable form.

In respect of the first request, the Chief Executive advised that for indicative purposes only a 10% reduction would lead to savings in the region of £90K per annum. However a specific calculation could be provided by the Head of Financial Management.

Members also sought clarification as to the mechanisms for adjusting Senior Officers' pay and / or conditions.

The Head of HR (SBC) advised that there was a recognised legislative framework that would need to be followed, including full and appropriate consultation at all stages, with affected groups, individuals and the recognised trade union(s). He reminded Members that any proposals affecting any aspect of an individual's contract of employment, including pay, conditions of service, or continuing employment must have a sound business case, sustainable in an employment tribunal. For example, if it could be proven that an employee's terms and conditions were substantially higher or lower than comparators in the market (i.e. other comparative local authorities in the region); or substantially out of step with the responsibilities of the post, above and beyond those variations that occur from time to time without changing the general nature of the post.

He also reminded Members that CCDC Senior Officers' pay structure had been developed using the nationally recognised Hay Job Evaluation scheme to determine the relative pay band for each post.

RESOLVED:

That the Head of Human Resources' (SBC) advice be noted, and the additional information requested be brought back for consideration at the next meeting of the Cabinet Committee.

6. Review of Current Staff Structure – Scoping

Members sought clarification in respect of the "Interim" staffing structure.

The Chief Executive advised that the current interim management structure, which had been approved by Council in February 2011, had been developed in part as a result of changes necessary to address savings requirements in the current budget. The said report also committed to review the structure during 2011-12, following the completion of the current phase of shared services and the completion of the outsourcing of leisure management and ensure that the Council had the management capacity required to deliver current and future priorities of the Council.

Members expressed concern regarding the split of their portfolio responsibilities and that in some instances portfolio leaders were working with more than one Head of Service. The Chief Executive advised that the allocation of portfolio responsibilities was a matter for the Leader but acknowledged the current position.

With regard to staffing structures below Head of Service level, Members stated that Portfolio Leaders did not feel that they were sufficiently engaged in the development of staffing structures within the services in their portfolios.

The Chief Executive advised that in accordance with the Council's constitution, Senior Management Structures (Head of Service level and above) are considered by Cabinet and ultimately Council for approval. However, in respect of staffing structures below Head of Service, Heads of Service were responsible and had delegated responsibility for the development and implementation of service structures in order to deliver the Council's agreed budget and policy framework. Where changes in service structures would have an impact on the level and scope of service provided, such changes were deemed as 'policy options' and would be considered by the Cabinet in developing their recommended budget to Council. The Chief Executive confirmed that in practice, Heads of Service do, however, liaise with their Portfolio Leaders in respect of changes to staffing structures; including where such changes are within the budget and policy framework and do not impact on service delivery.

RESOLVED:

That:

- (A) The comments be noted.
- (B) The matter be raised with Cabinet Portfolio Leaders at the next joint meeting of Cabinet / DMT, in order to obtain their views on the staffing structures within their respective portfolio areas.

7. Date and Time of Next Meeting

Wednesday, 3 August, 2011 at 5.30 pm.

The meeting closed at 7.25 pm.

CHAIRMAN