

Report of the leader of the council

SENIOR MANAGEMENT STRUCTURE

1 Purpose of report

This report makes a recommendation for amendments to the senior management structure of the council

2 Executive summary

Following the restructure of the council's senior management team, which was approved in 2017 and updated in 2018, the senior officers have been focusing on members' agreed priorities; good progress has been made on many of the historic/existing projects and future project priorities were agreed by resources committee on 19 June 2019.

Since the creation of the existing management team in late 2018/early 2019, proposals have been agreed in relation to the future of local government in Northamptonshire. Inevitably this has divided the focus of the council in two directions – needing to consider both immediate priorities and also preparations for the future.

The director of place and strategic growth left the role on 09 September 2019. As previously stated in the council report in July 2019 and shown in Appendix 1 a shared director of growth and infrastructure will be employed by East Northamptonshire Council to deliver planning for Wellingborough (BCW), East Northants (ENC) and Kettering (KBC) and a new chief legal officer is being employed by Kettering to lead District Law and act as BCW's and ENC's monitoring officer.

This has reduced the number of directly employed officers in BCW's senior management team to six. Members are asked to consider a proposal to change the current terms and conditions of these posts relating to the job descriptions, person specifications and remuneration.

3 Appendices

Appendix 1: Proposed structure

Appendix 2: New Job descriptions and Person specification

Appendix 3: Proposed remuneration changes and benchmarking

4 Proposed action: Council is invited to RESOLVE to:

4.1 Approve the proposed structure as set out in Appendix 1

4.2 Approve the job descriptions and person specifications as set out in Appendix 2, removing the previous 'Primus Inter Pares' generic approach with effect from 1 November 2019

4.3 Approve the proposed changes to remuneration as set out in Appendix 3 with effect from 1 November 2019

4.4 Appoint Bhupinder Gill as the council's monitoring officer from the commencement of his employment and Karen Denton as the deputy monitoring officer from the same date.

5 Background

5.1 A decision was made at council on 11 April 2017 to restructure the senior management team in order to realise some cost savings. A further phase of this restructure saw the assistant director posts created on 11 July 2017. As a result many of the council's priorities and key projects have either been delivered or significantly progressed.

5.2 Since the alteration to the structure in 2017 changes have occurred shaping the way the council is planning for its future regarding the creation of unitary authorities for the county. Rather than stagnate, the council chose to be agile, both to ensure that members' agreed priorities for the borough can be met or significantly progressed, and also to protect the interests of the local community in the proposed new unitary arena.

5.3 As a result of the local government reform in Northamptonshire the council's priorities and focus have changed; its workload has shifted to deal with what is to come; new projects are being analysed in a different way; and our employees are beginning to evaluate their future plans. There is significant evidence that some employees have decided that they wish to leave the county or the sector, with the council's previous S151 Officer securing an appointment elsewhere and more recently the council's director of place and strategic growth. This is a significant risk for the council and measures need to be taken to ensure responsibilities are shared appropriately across SMT and that retention is seen as a priority.

5.4 Had it not been for the recent departure of the director of place and strategic growth the previously agreed structure would have been fit for purpose to take the organisation into unitary status. However, the aim was always to look for opportunities to create shared roles across North Northants authorities in preparation for the new unitary councils should the opportunity arise. This is now the case as the equivalent role, executive director and monitoring officer, at ENC is also currently vacant, presenting an opportunity to do a joint recruitment.

5.5 KBC also has a need for director level resource for these service areas and as such the joint recruitment has been undertaken across all three councils to employ a joint director for planning and growth and a head of legal services, who can perform

monitoring officer functions for District Law clients. This proposal was reported to and agreed by Council in July 2019.

6 Discussion

- 6.1 The local government reform programme has had the following impacts:
- (a) The managing director now spends a significant amount of time out of the office, either at county-wide meetings or meetings of north Northamptonshire authorities on design boards, programme boards and transformation boards as well as supporting joint committees ensuring the unitary authority is designed and created in the most effective way to deliver the quality services demanded by residents from vesting day;
 - (b) SMT are supporting the LGR programme in their relevant workstreams and this will become more and more intensive as we near vesting day;
 - (c) Member seminars have been held to consider priorities and focus the plans until vesting day. These initiatives/projects will require dedicated resource to ensure that as much as possible is delivered in the time available;
 - (d) The right skills will be needed to deliver projects, but also to represent the council in discussions about future structures, plans and service delivery.
- 6.2 The managing director has analysed all the strands which need to be provided in the senior management team and in collaboration with the other managing directors/chief executives of the councils in North Northamptonshire has determined that she requires a structure which provides her with:
- (a) A shared director who is dedicated to the growth agenda and infrastructure of the borough and can act across BCW, ENC and KBC ensuring the growth programme going forward is combined in advance of and appropriate for the new unitary. The appointment to this role has already taken place.
 - (b) An executive director who can act as S151, is dedicated to resources, change and transformation, supporting the managing director by ensuring that existing agreed projects are delivered - as well as the significant amount of work which will be needed to ensure the council plays its part in designing a unitary authority that meets the needs of our residents and agile to cover any other aspects of the council as necessary so that the managing director can both look ahead to the future and manage the authority to ensure that "business as usual" is protected.
 - (c) A shared chief legal officer who will manage the already operating District Law service and act as monitoring officer for BCW. The appointment to this role has already taken place. Council are asked at 4.4 to appoint Bhupinder Gill as the council's monitoring officer from the commencement of his employment, hoped to be early November 2019 but an exact date is still to be confirmed.
- 6.3 In 2017 a "primus inter pares" model of management was introduced and the role of chief executive deleted from the structure, with the head of paid service role being undertaken by one of the three directors. It was envisaged that the primary role of the chief executive could be undertaken by the three directors jointly and as such a generic job description for the role of director was drafted and agreed. The new structure of the SMT, with one less directly employed director, now makes the

previous “primus inter pares” model unworkable and as such a new job description and person specification for the roles of executive director and managing director have been drafted and are included at Appendix 2 for approval.

- 6.4 Based on the new roles it is also proposed to review the remuneration for these posts, removing the need for the special responsibility allowances previously awarded and instead creating two distinct grades for the executive director and managing director posts.
- 6.5 In 2017 the salary levels were benchmarked to similar authorities as job evaluation is not used for chief officer posts. The levels were set at the lower end of the range and below local neighbouring authorities. The proposal now is to benchmark the remaining internal director post with the shared director post in the new structure to give parity across both roles and to peers at the same level in neighbouring authorities. This is also to ensure that remuneration within the whole senior management team is comparable and reflects the necessary pay differential between roles and grades within the structure. Currently there is insufficient pay differential between the shared director post and the managing director post within BCW. The proposed salaries are outlined in Appendix 3.
- 6.6 This will have a direct impact on all of the SMT as both the managing director role and assistant director role are both based on the basic salary grade for the director role and the revised salary scales are also set out in Appendix 3. All of the changes in salary can be accommodated within the existing SMT salary budget and after contributions to the shared posts will provide an £18k saving to the revenue budget.
- 6.7 Council is asked at recommendations 4.2 and 4.3 to agree the proposed changes to the job descriptions and salary scales as outlined in the report with effect from 1 November 2019. The chief officers will be assimilated to the same spinal column point of the new salary grades as they are currently on to reflect their service in the roles to date. These changes not only reflect the changing nature and responsibilities of these roles, as detailed below, but will also move the terms and conditions closer to the peer group in the North Northamptonshire area.
- 6.8 All assistant directors have assumed an enhanced role in the transformation of local government (LGR) on the journey towards unitary status and the creation of the North Northamptonshire Council. The assistant director – people, will be in a position to directly support the managing director and executive director in relation to the preparations for a unitary authority and the joining up of shared services where opportunities arise in advance of vesting day. This post will also hold the deputy returning officer and deputy monitoring officer responsibilities.
- 6.9 When the local government reform proposal is formally agreed further resources will be needed to support its implementation. At this time, a further project manager will be recruited to support the assistant director – people, in ensuring the council is fully involved in the process and the borough’s interests represented adequately. This will be on a fixed term basis for no more than 2 years and has already been agreed by council in July 2017 with funding identified.

- 6.10 The other existing assistant directors will also undertake key roles in the transformation of the council: the assistant director (corporate landlord) will be working closely with county colleagues in relation to the management of land, property and assets as the unitary proposals progress, using his experience and knowledge to protect the council's interests and supporting the one public estate agenda; the deputy S151 Officer ensuring the finances are managed effectively for BCW and are robust going into unitary and running the revenues and benefits function and aligning this with ENC as far as possible; and the assistant director who covers the housing and environmental health functions will be fully occupied in relation to housing and homelessness and the health and wellbeing agenda turning the role into a housing and communities assistant director aligned to the unitary.
- 6.11 As there is no intention of progressing any further formal shared services because of the likely time constraints imposed by local government reorganisation, changes to operational delivery will be identified and delivered by the senior management team in order to create efficiencies and a more agile working environment where opportunities arise throughout the remainder of this and the coming financial year. Where we can move towards a more harmonised position for the North Northants authorities prior to vesting day we will endeavour to do so. There may be some secondment opportunities for staff across organisations, but no formal TUPE processes will be needed.
- 6.12 All colleagues in the senior management team took part in the discussions to determine the most suitable arrangements for the officer leadership team for the next eighteen months, and the solution proposed in this report was recommended by all.

7 Legal powers

- 7.1 The Local Government Act 1972 (s 112) states that local authorities have a duty to appoint officers as they think necessary to enable them to discharge their own functions and any functions they carry out for another local authority.
- 7.2 Section 4 of the Local Government & Housing Act 1989 requires that a council identifies an officer as Head of Paid Service to determine the organisation, structure and management of the council's officers.
- 7.3 Regulations made under the Local Government Act 2000 reinforce these duties by making the appointment of staff below chief officer level the exclusive function of the Head of Paid Service or someone nominated by him or her.

8 Financial and value for money implications

- 8.1 The cost of this structure is £18k less than the cost of the previous SMT structure and will enable greater partnership working towards the new unitary council as well as strengthening the cohesiveness of the core BCW SMT to lead on members' priorities and support the LGR programme.
- 8.2 Details of likely costings are included in the appendix 3, which is exempt. The council's pay policy will be updated accordingly following this if approved.

9 Risk analysis

- 9.1 This report has identified a number of risks in paragraph 6.1 above. These are largely related to capacity, skills, availability and succession planning, as well as visibility to, and credibility with, key partners and stakeholders. The solution proposed seeks to mitigate those risks.
- 9.2 There is also a potential further risk of key officers leaving the authority, given the restructure of local government. Again, the proposed solution mitigates this as far as possible from a retention and resilience perspective.
- 9.3 Any further proposed changes to mitigate this risk further within the council will be dealt with by the Head of Paid Service using her delegated powers, but she may need to submit reports to members if additional resources or funding are proposed.

10 Implications for resources, equalities, and stronger and safer communities

There are no direct implications for resources, equalities, or stronger and safer communities other than those already outlined above.

11 Author and contact officer

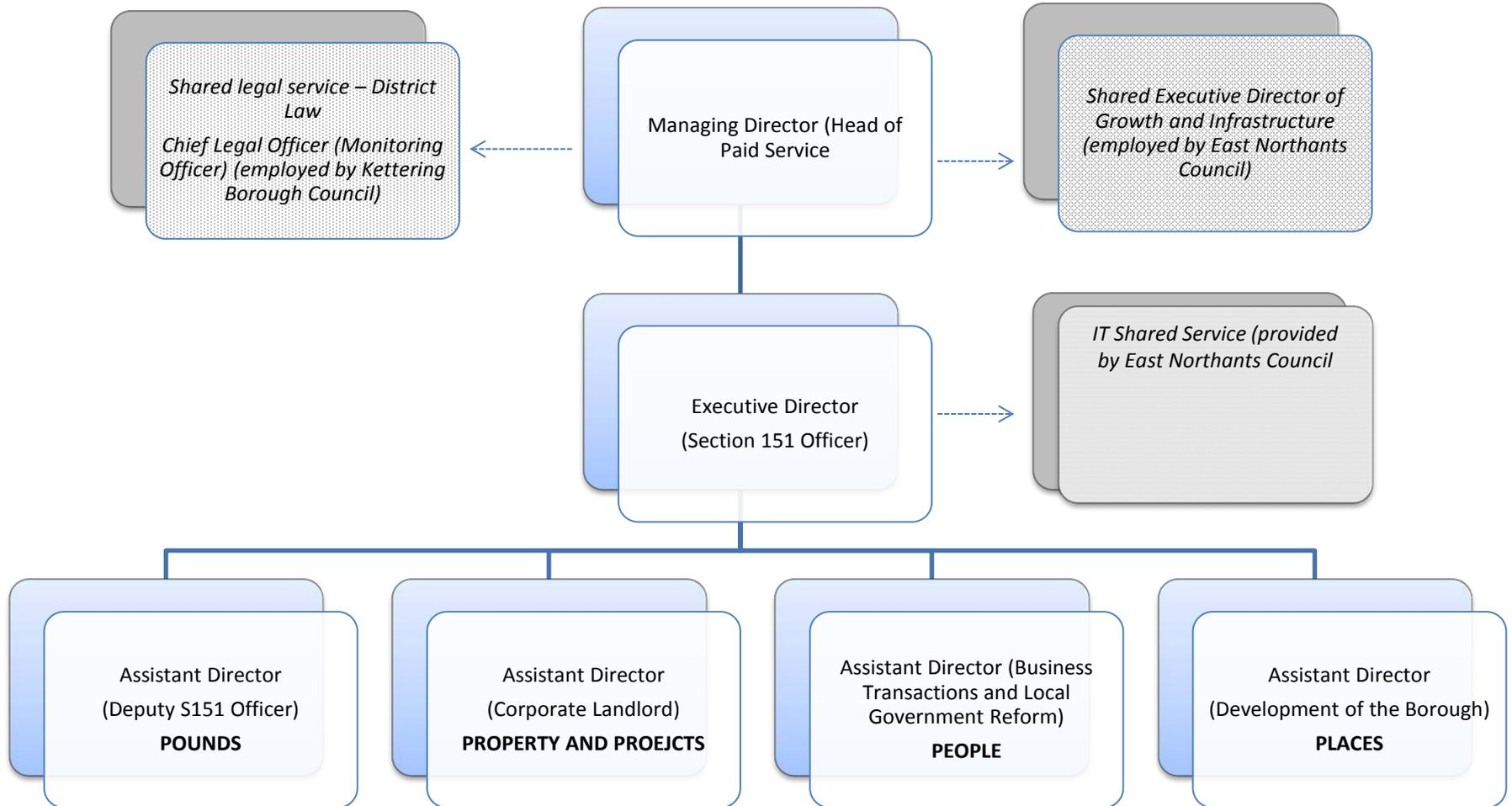
Cllr Martin Griffiths, Leader of the Council

12 Consultees

Sam Maher, HR Director, East Midlands Councils
Stella Jinks, Interim HR Shared Service Manager
Liz Elliott, Managing Director
Shaun Darcy, Director
Karen Denton, Assistant Director
Eric Symons, Assistant Director
Adrian Piper, Assistant Director
Vicki Jessop, Assistant Director

13 Background papers

None other than as referred to in the body of this report.



JOB DESCRIPTION

<u>POST TITLE</u> : Managing Director	<u>GRADE</u> : Local
<p>Purpose of the role:</p> <ul style="list-style-type: none">• Be responsible for the leadership and overall management of the council and its services.• Act as the Head of Paid Service, working with elected members and the senior management team to provide leadership, vision and strategic direction for the Council.• Deliver the strategic aims and objectives of the council, ensuring value for money for residents, striving for continuous improvement and providing high quality services in accordance with statutory requirements, the council's policies and sound financial management principles.• Work with a range of partners and stakeholders at a local, sub-regional and national level developing successful partnerships and relationships and to promote and advance the council's objectives• Be a source of strategic advice to elected members of the council.	
<p><u>WORKING RELATIONSHIPS</u> :</p> <p>Responsible to: The Council</p> <p>Responsible for: Executive Director and statutory roles as allocated</p> <p><u>CONTACTS:</u></p> <p>Internal: All officers within the authority and elected members</p> <p>External: Customers, external partners, organisations and agencies; officers and members from other local authorities</p>	
<p><u>SPECIAL CIRCUMSTANCES</u> :</p> <ul style="list-style-type: none">• Required to attend meetings of the council outside office hours, as well as carrying out other relevant responsibilities in their capacity as Managing Director.• Act as Returning Officer for Borough/Parish elections and Electoral Registration Officer.• Act as the Proper Officer in accordance with the Constitution.• Act as Head of Paid Service for the Council.• To fulfil the statutory duties concerned with emergency planning.• To fulfil the statutory duties concerned with health and safety.	
<p><u>DETAILS OF MAIN ACCOUNTABILITIES</u></p> <ul style="list-style-type: none">• To work with, advise and support, elected members in formulating appropriate strategies and plans which deliver effective, efficient and affordable services, involving partners and promoting the Borough's interests.• Provide a comprehensive and corporate approach to achieve the council's vision and objectives.• Ensure council objectives are translated into effective plans to achieve the council's desired outcomes.• Lead a culture of strong and effective performance and financial management through engagement and empowerment of staff to deliver excellent services, and to achieve the aims and objectives of the Council.• Establish and maintain effective working relationships with the Leader and the controlling group, other political groups and all Members; working with them to support Member development and to foster a positive and productive interface between Members and officers across the Council.• Promote the development of effective policies in response to the changing demands imposed by legislation and the changing nature of local government locally, regionally and nationally.• Take a positive lead in the active promotion of the Borough's strengths and potential at local,	

regional and national levels and to represent its interests in meetings with partners and government.

- Ensure that the Council meets its statutory obligations including health and safety, data protection and equal opportunities. Promote a culture of fairness, equality, diversity and respect.
- Ensure there is good governance and sound management of risks and performance throughout the council.
- Provide modern and effective democratic arrangements that meet legislative requirements.
- Lead an effective and efficient range of services which will change over time, and facilitate the development of the officers of the council using the principles of performance management to set targets, monitor outcomes and reward performance in the attainment of the corporate plan.
- Promote a culture of political awareness amongst officers that helps translate political will into appropriate future strategies and achievement of objectives.
- Provide clear and visible leadership to all council employees ensuring they are well informed and engaged, can maximize their potential and are able to embrace the need for continuous change.
- Ensure the effective motivation, performance and learning and development of employees, and promote harmonious relations.
- Proactively lead and manage the council, via a range of projects and transformation programmes.
- Contribute to the development and delivery of the council's financial strategy, developing entrepreneurial approaches and more efficient ways to deliver services, driving out savings and prioritising and maximising resources effectively, demonstrating value for money, incorporate best practice and utilise new technology and innovation.
- Identify and maximise opportunities for joint working and shared services with other partners and more commercial ways of delivering services.
- Develop and maintain effective relationships with partners at all levels to inform long term strategic planning and ensure maximum influence with regard to council objectives and the future of the borough.
- Represent the council on relevant partnership bodies and boards.
- Keep abreast of economic, legislative and social development affecting local government in general and the Borough in particular, and develop strategies as appropriate.
- Act as Committee Manager for meetings as allocated and attend, as required, other meetings of the council or outside bodies.

General

The post holder may from time to time be required to carry out other duties provided they are within the general level of responsibility of the post and within the abilities of the post holder.

The job description is not a definitive list of tasks. It is designed to give an overall view of the job it is not an indicator of the sole requirements of the work required. It is expected that you will use initiative and develop your own style to achieve the overall purpose. The precise service responsibilities may change from time to time in line with the organisational requirements of the Council.

**BOROUGH COUNCIL OF WELLINGBOROUGH
PERSON SPECIFICATION
MANAGING DIRECTOR**

CRITERIA Justifiable as necessary for effective performance in the post.	ESSENTIAL A clear definition of the necessary criteria.	ADDITIONAL/USEFUL Where available, elements that contributes to improved/ immediate performance in the job.
Education and Qualifications	<p>Educated to degree level or relevant equivalent experience to the key responsibilities of the post</p> <p>Evidence of senior leadership and management capability to undertake the complex demands of the role.</p>	
Experience	<p>Experience in local government or similar public sector multi-functional organisation with significant, proven success in achieving corporate goals.</p> <p>Experience of developing effective relationships with key stakeholders, partners, external agencies and statutory bodies in pursuit of corporate success and delivery of objectives.</p>	
Knowledge	<p>Knowledge of the challenges and issues facing local government and the public sector local, regionally and nationally.</p> <p>Comprehensive understanding of change management, with proven analytical and team working skills to transform services across the organisation and how to ensure buy-in of employees.</p> <p>Knowledge of working in a political environment, balancing the needs and aspirations of political groups and members sensitively and appropriately to achieve goals and deliver the corporate plan successfully for the people of the Borough.</p>	

CRITERIA Justifiable as necessary for effective performance in the post.	ESSENTIAL A clear definition of the necessary criteria.	ADDITIONAL/USEFUL Where available, elements that contributes to improved/ immediate performance in the job.
Personal Qualities and Skills	<p>Able to nurture a culture that promotes economic and social investment, strengthens partnerships and collaborates with our public and third sector networks.</p> <p>Highly developed influencing, networking, advocacy, oral and written communication and presentation skills, with the ability to work with people at all levels and communicate effectively.</p> <p>High level analytical skills and the ability to anticipate, interpret and develop innovative and creative solution focussed responses to local and national requirements.</p> <p>Able to identify innovative opportunities for transforming services, plan and successfully implement changes to organisational structure and culture.</p> <p>Excellent inter-personal skills which inspire confidence, trust and respect. Demonstrate integrity by upholding council values, and model the highest standards of professional and ethical behaviour.</p> <p>Able to make valid judgements and effective decisions based on good analysis of relevant information and team-work to solve complex problems, even when under pressure.</p> <p>High level of resilience with the ability to look ahead, anticipate and assess options, taking into account political priorities.</p> <p>Proven ability in formulating, implementing and monitoring strategic plans to achieve council objectives and advance the Borough's position at a local, regional and national level.</p>	

BOROUGH COUNCIL OF WELLINGBOROUGH

JOB DESCRIPTION

<u>POST TITLE</u> : Executive Director	<u>GRADE</u> : Local
<p>Purpose of the role:</p> <ul style="list-style-type: none">• To provide strategic leadership, in conjunction with the Managing Director, to the Senior Management Team• To lead and direct the operational functions of the council• To represent and deputise for the Managing Director• Act as the Section 151 Officer, working with elected members and the senior management team to deliver the statutory function.• Assist in the delivery of strategic aims and objectives of the council, ensuring value for money for residents, striving for continuous improvement and providing high quality services in accordance with statutory requirements, the council's policies and sound financial management principles.• Work with a range of partners and stakeholders at a local, sub-regional and national level developing successful partnerships and relationships and to promote and advance the council's objectives• Be a source of strategic advice to elected members of the council.	
<p><u>WORKING RELATIONSHIPS</u> :</p> <p>Responsible to: Managing Director</p> <p>Responsible for: Assistant Directors and statutory role as allocated</p> <p><u>CONTACTS:</u></p> <p>Internal: All officers within the authority and elected members</p> <p>External: Customers, external partners, organisations and agencies; officers and members from other local authorities</p>	
<p><u>SPECIAL CIRCUMSTANCES</u> :</p> <ul style="list-style-type: none">• Required to attend meetings of the council outside office hours, as well as carrying out other relevant responsibilities in their capacity as Section 151 Officer.• Act as committee manager for meetings as allocated, and attend meetings as required.• To act in gold capacity as part of emergency planning arrangements.	
<p><u>DETAILS OF MAIN ACCOUNTABILITIES</u></p> <ul style="list-style-type: none">• To work with, advise and support the Managing Director and elected members in formulating appropriate strategies and plans which deliver effective, efficient and affordable services, involving partners and promoting the Borough's interests.• Lead a culture of strong and effective performance and financial management through engagement and empowerment of staff to deliver excellent services, and to achieve the aims and objectives of the Council.• Provide strategic, influential leadership and direction to promote and deliver strong financial management and use of resources.• Deputise for the Managing Director as required.• Lead on the development and delivery of the council's financial strategy, developing entrepreneurial approaches and more efficient ways to deliver services, driving out savings and prioritising and maximising resources effectively, demonstrating value for money, incorporate best practice and utilise new technology and innovation.• Provide strategic direction and line management for the Assistant Directors and respective operational services.	

- Promote the development of effective policies in response to the changing demands imposed by legislation and the changing nature of local government locally, regionally and nationally.
- Take the strategic lead on managing risk within the council, ensuring strong governance and management of risks and performance throughout the council.
- Support the transition to a unitary council for North Northamptonshire.
- Lead an effective and efficient range of services and facilitate the development of the officers using the principles of performance management.
- Ensure the effective motivation, performance and learning and development of employees, and promote harmonious relations.
- Develop and maintain effective relationships with partners at all levels to inform long term strategic planning and ensure maximum influence with regard to council objectives and the future of the borough.
- Represent the council on relevant partnership bodies and boards.
- Act as Committee Manager for meetings as allocated and attend, as required, other meetings of the council or outside bodies.

General

The post holder may from time to time be required to carry out other duties provided they are within the general level of responsibility of the post and within the abilities of the post holder.

The job description is not a definitive list of tasks. It is designed to give an overall view of the job it is not an indicator of the sole requirements of the work required. It is expected that you will use initiative and develop your own style to achieve the overall purpose. The precise service responsibilities may change from time to time in line with the organisational requirements of the Council.

**BOROUGH COUNCIL OF WELLINGBOROUGH
PERSON SPECIFICATION
EXECUTIVE DIRECTOR (SECTION 151 OFFICER)**

CRITERIA Justifiable as necessary For effective performance in the post.	ESSENTIAL A clear definition of the necessary criteria.	ADDITIONAL/USEFUL Where available, elements that contributes to improved/immediate performance in the job.
Education and Qualifications	Educated to degree level or relevant equivalent experience Qualification in a relevant professional discipline, S151 officer must hold a relevant accountancy qualification Evidence of continuing personal and professional development	Management qualification
Experience	Experience in local government or similar public sector multi- functional organisation with proven success in achieving corporate goals. Experience of developing effective relationships with key stakeholders, partners, external agencies and statutory bodies in pursuit of corporate success and delivery of objectives.	
Knowledge	Demonstrable knowledge of the challenges and issues facing local government and the public sector local, regionally and nationally. Demonstrable understanding of change management, with proven analytical and team working skills to transform services across the organisation and how to ensure buy-in of employees. Knowledge of working in a political environment, balancing the needs and aspirations of political groups and members sensitively and appropriately to achieve goals and deliver the corporate plan successfully for the people of the Borough.	

CRITERIA Justifiable as necessary For effective performance in the post.	ESSENTIAL A clear definition of the necessary criteria.	ADDITIONAL/USEFUL Where available, elements that contributes to improved/immediate performance in the job.
Personal Qualities and Skills	<p>Demonstrable leadership and effective change management skills with resilience to cope with the demands of the role.</p> <p>Highly developed influencing, networking, advocacy, oral and written communication and presentation skills, with the ability to work with people at all levels and communicate effectively.</p> <p>Ability to foster partnerships, work collaboratively and achieve performance and results through others.</p> <p>Political awareness and capability of working effectively within the political dimension.</p> <p>Excellent written skills to formulate reports, policies and other documentation on complex issues, with the audience in mind.</p> <p>Excellent inter-personal skills to manage diversity and to influence and motivate staff effectively.</p> <p>An ability to lead in the continuing process of culture change, responding to constraints with a 'can do' attitude to work</p> <p>Able to make valid judgements and effective decisions based on good analysis of relevant information and team-work to solve complex problems, even when under pressure.</p> <p>High level of resilience with the ability to look ahead, anticipate and assess options, taking into account political priorities.</p>	



Report for the Borough Council of Wellingborough Regarding Senior Management Structure

1. Introduction

East Midlands Councils is the body representing the interests of all local authorities in the region, and is also the Regional Employers' Organisation. As a member of East Midlands Councils, the Borough Council of Wellingborough is able to access independent advice on employment issues.

We have been commissioned to help the Council to review its senior management structure and remuneration levels and offer information and recommendations regarding the salary for the roles and structure being proposed.

The purpose of this report is to set out the findings of a pay benchmarking exercise that we conducted, along with our advice in relation to the remuneration levels, within the context of the revised senior management structure.

2. Background and Context

The salary paid to a chief executive and its senior officers is determined by the local authority and, for the purposes of good governance, decisions on pay and reward packages for chief executives should be made in an open and accountable way. The salaries determined by the Council are also subject to any nationally negotiated pay awards.

Salaries are either paid at a single pay point or on a grade range, which has a minimum and maximum pay point and usually a small number of incremental pay points in between. The benefit of a single pay point is that it can limit costs. The advantages of a grade range are:-

- Greater flexibility. It helps when recruiting, as a grade helps to attract a wider pool of candidates.
- Recognises the increased contribution that someone can bring to a role as experience and organisational knowledge increases over time. As long as a range has no more than 6 incremental pay points, there would be no risks of being indirectly discriminatory (based on age).
- Supports retention – staff can see the potential to increase their salary without the need to move elsewhere.

3. Pay Benchmarking

East Midlands Councils has conducted a pay benchmarking exercise to provide a comparison of senior manager salaries in comparable district/borough councils nationally. The

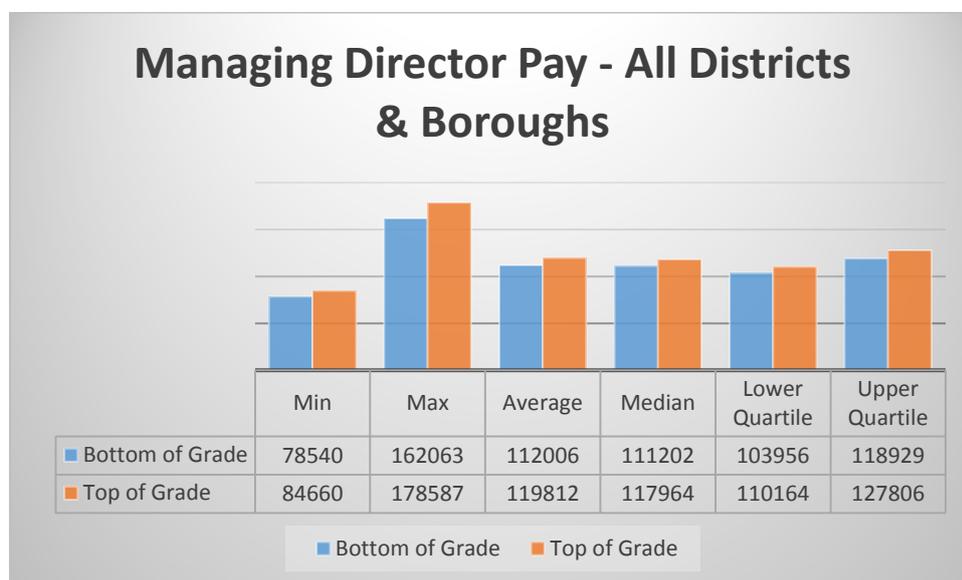
benchmarking is based on pay data held on a national database, E Paycheck, which holds real-time data for jobs in local government.

It is recommended to focus on levels around the lower quartile and median level of salaries as a guide when considering reviewing pay levels against the market as part of restructure.

a. Managing Director Salary Benchmarking

The proposal is to review the current structure with the change of role at the highest level, to one of Managing Director.

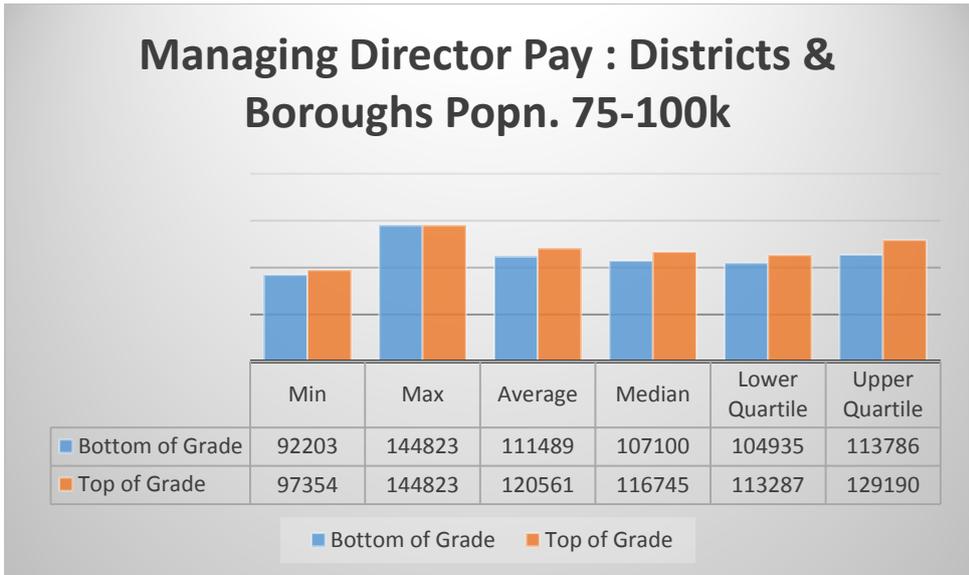
Benchmarking has been conducted on salaries for this most senior officer role within local government. The role is sometimes designated Managing Director, Chief Executive or Head of Paid Service, for simplicity and to relate more closely with the terminology in the proposed structure, the charts all refer to Managing Director. The results are provided below:-



There was a wide range of salaries, from £78,540 to £178,587, generally reflecting the different sizes of authority.

Given such a wide range within this sample group (comprising 54 authorities), we targeted district and borough councils with a similar population size to that of the Borough of Wellingborough. Population size is an indicator of the size of the authority. However, it is reasonable to argue that regardless of the size of the organisation, the challenges of the most senior role remain at a similar level. It should be noted that linking population to salary is a very rough guide and is not always helpful. For example, within a recruitment process, candidates would not particularly view authorities with smaller populations as easier to run and therefore deserving a lower salary.

This more targeted comparator group comprised 11 local authorities and the results are set out below:-



Area-based Benchmarking

Neighbouring councils of a similar size to Wellingborough (those within the north of Northamptonshire and in the south of Leicestershire), from their pay policy statements, have the following as their salaries paid to their Chief Executives:-

Melton Borough Council	£98,838 - £109,242
Blaby District Council	£95,147 - £108,254
East Northamptonshire Council	£91,539 - £111,384

b. Executive Director Pay Benchmarking

Benchmarking was conducted to compare salaries for roles at Director level that also included the statutory responsibility of s151 officer. When looking at pay levels across districts and boroughs (comprising a comparator group of 28), the results were:-

Exec Director Pay - Districts & Boroughs



Focusing on those councils with a similar population size, (comprising 9 comparators), the results were:-

Exec Director Pay - Districts & Boroughs Popn 75-100k



Area-based Benchmarking

Neighbouring councils, according to their published pay data, indicate the following salary levels for their 2nd tier or Executive Director posts:-

East Northamptonshire £82,368 - £89,086

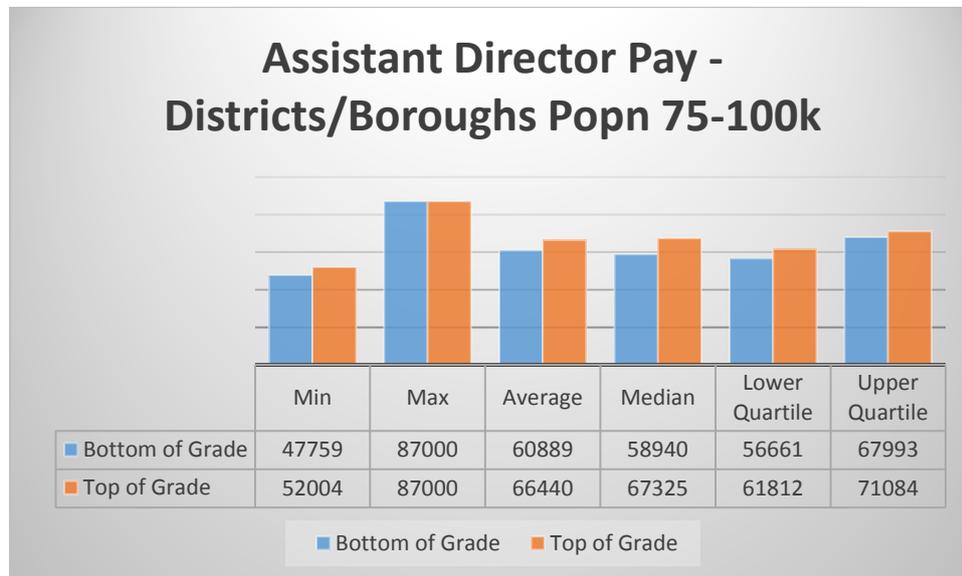
Corby Borough Council £76,000 - £80,000

Kettering Borough Council £90,000 – 95,000 and £100,000 - £105,000

c. Assistant Director Pay Benchmarking

Roles at the third tier or Assistant Director level in local authorities vary greatly in scope and this was reflected in particularly large differences in pay, which could be misleading when used for benchmarking.

To provide a more effective comparison, benchmarking was conducted against 3rd tier roles in Districts and Boroughs of a similar size to Wellingborough, covering 49 comparators. The results are as follows:-



Area-based Benchmarking

Neighbouring councils, according to their published pay data, indicate the following salary levels for their 3rd tier posts:-

East Northamptonshire £59,000 – £66,000

Corby Borough Council £54,000 - £65,000

Kettering Borough Council £70,000 – £75,000

Recommendations

When using benchmarking to set a salary level for as part of a structure review, then it would be recommended to look at a level at or around the average or median level, and to avoid the maximum salary point being below or too far away from the lower quartile for the top of the grade.

It is also recommended to retain a grade range, rather than a single pay point for the reasons set out above. The range could consist of 5 points, to provide flexibility and pay progression, supporting the retention of staff. Progression is based on satisfactory performance each year until the maximum is reached.

The following senior management pay structure is proposed:-

Salary Point	Assistant Director	Executive Director	Managing Director
1	60,164	85,949	97,949
2	60,711	86,730	98,730
3	61,257	87,510	99,510
4	61,803	88,290	100,290
5	62,349	89,070	101,070

This brings salaries more in line with the levels paid at other local authorities and are all within the rates of pay indicated from the benchmarking exercise that has been conducted.

Within the context of the proposed local government reform in Northamptonshire, it is critical that the Council has an appropriate senior management structure and associated remuneration to support recruitment and retention when continuity of senior officer leadership is particularly important. It is therefore timely that the Council reviews the structure to ensure that the senior roles reflect the responsibilities and focus required, and that remuneration levels are reviewed to provide assurance that pay structures are fair and in line with the market.

Sam Maher

Director HR & Cllr Development

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