

Title of report: Revised salary for Director of Governance and Law Post

Meeting: Employment panel

Meeting date: 10 May 2022

Report by: Director of Human Resources and Organisational Development

Classification

Open

Decision type

This is not an executive decision

Wards affected

(All Wards);

Purpose

To agree an increased salary package for the Director of Governance and Law post and recommend that salary package to Full Council.

Recommendation(s)

That:

- a) A new search for the Director of Governance and Law is initiated;**
- b) Employment panel recommends to Full Council that the new search should be on the basis of a salary of £108,472; and**
- c) Employment panel recommends to Full Council that the threshold for salaries that are considered at Full Council is increased from £100,000 to £130,000.**

Alternative options

1. Employment panel could determine that the new search is initiated on the current salary. This is not recommended as the recruitment agency has provided clear

feedback from prospective candidates that the salary currently on offer is not sufficient to secure a strong field of candidates.

2. Employment panel may determine that the threshold for salaries that are considered at Full Council should remain at £100,000. This is not recommended. The £100,000 threshold was deemed to be the appropriate level in 2011 and has not been adjusted for inflation since.

Key considerations

Salary for post of Director of Governance and Law

3. In February 2022 a recruitment agency was engaged to undertake a national search for candidates for the Director of Governance and Law.
4. On 30 March 2022 employment panel was due to consider the applications for the post and develop a short list of candidates. Unfortunately there were no suitable candidates that could be short listed for this role.
5. The search was thorough with over 75 candidates targeted during the month long campaign and the role was advertised nationally in the Municipal Journal on two occasions.
6. The advice from the recruitment agency is that extending the deadline or going back out to advert would be unlikely to produce a different outcome unless the council is able to offer an improved salary package and a salary that is comparable with other councils and other director posts in the council.
7. The current salary for this role is £89,379 and although there was an expectation that a market forces supplement of up to £10,000 would be required, this has not proved to be sufficient in terms of value or in terms of the clarity it offers candidates about their prospective pay package.
8. A comparison of similar roles being advertised recently shows that the salary for this post does not benchmark well and feedback from multiple candidates approached as part of the search gave clear feedback that the salary was insufficient to attract their interest.
9. A sample of salaries for similar Director of Law and Governance roles which have been advertised recently is pasted in the table below:

Council	Role	Pay
Birmingham City Council	City Solicitor	£149,999
Blackburn with Darwen Council	Director of Legal Services	Up to £100,000
Blackpool Council	Director of Governance (Monitoring Officer)	£95,000
Bradford Council	Director of Law and Governance	£106,000

Breckland District Council and South Holland District Council	Executive Director: Strategy & Governance (Monitoring Officer)	To £111,295
Derbyshire County Council	Director of Legal Services	£98, 924
Greater Manchester CA	Director of Governance	£140,000
Lancaster City Council	Head of Legal Services and Monitoring Officer	£113,000
Leeds City Council	City Solicitor	£102,000
Manchester City Council	Deputy City Solicitor	£97,000
Staffordshire County Council	County Solicitor	£111,618 + Car allowance £5,438
Walsall Council	Head of Legal and Democratic Services	Up to £95,000

10. Since the corporate leadership team (CLT) restructure last year and the resignation of the service director for corporate services this role has grown to include a broader remit including elections, registrars and wider governance responsibilities. To date these changes have not previously been factored into the grading of this role. A grading review of the CLT roles is planned for later in the year but the imminent need to recruit to this role and the challenging recruitment market coupled with significant wage inflation has brought forward the need to re-look at the salary package for this role. A desktop grading assessment has shown that job evaluation has changed and the salary for this role should now be the same as the Director of Resources and Assurance (s151 officer) which is currently £108,472.
11. It is therefore proposed that employment panel recommend to Full Council that the salary for this role is increased to £108,472. A new search for a field of candidates will then be initiated on the basis of the improved salary package.

Threshold for salaries considered at full council

12. The Localism Act 2011 (the Act) seeks to improve openness and accountability in local government pay. Section 40 of the Act brought in a number of measures including the requirement for Full Council, or a meeting of members, to vote on large salary packages in local government. At the time of introduction, the then Secretary of State considered that £100,000 would be the right threshold although councils are free to determine alternative thresholds.
13. In accordance with the Act, new salary packages not listed in the pay policy statement over £100,000 have been subject to a vote at Full Council since 2011.
14. The threshold has not been adjusted since its introduction 11 years ago and it is proposed that this threshold is now adjusted for inflation to £130,000. This sum has been determined by using the Bank of England's inflation calculator which shows that inflation has averaged at 2.6% annually over the time period involved.

15. Increasing the threshold to £130,000 would still provide Full Council the right to vote on new and very large local government salary packages.

Community impact

16. In accordance with the adopted code of corporate governance, the council needs appropriate structures and leadership, as well as people with the right skills, qualifications and mind-set, to operate efficiently and effectively. The council is accountable for how it uses the resources under its stewardship, including accountability for outputs and outcomes achieved. In addition the council has an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies.

17. The post holder for this role provides strategic leadership to council services and has a key leadership role in Herefordshire, regionally and nationally. Without effective leadership, outcomes for communities and individuals in Herefordshire could be adversely affected.

Environmental Impact

18. The council's directors have shared responsibility for the delivery of the county plan and corporate delivery plan and the inherent environmental objectives and outcomes within these plans.

Equality duty

19. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to

- a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The council's policies in relation to job evaluation and recruitment and selection pay full regard to the council's responsibilities as set out in the public sector equality duty. The council is a disability confident employer and the council encourages applications from candidates from diverse backgrounds.

Resource implications

20. The establishment budget is available for this post and any appointment will be made within this budget.

21. The current salary is currently £84,744 - £89,378, and it is recommended that this increases to £108,472. The salary costs will be met from within the existing directorate revenue budget.
22. Allowing time for a successful candidate to serve notice with the current employer, a start date of 1 October 2022 is assumed.

Revenue budget implications	2022/23	2023/24	Future Years	
	£000s	£000s	£000s	
Salary for Director of Governance and Law (not including on costs)	54	108	108	
TOTAL	54	108	108	

Legal implications

23. The council is required to designate a suitably qualified officer to act as Monitoring Officer as prescribed in the Local Government and Housing Act 1989.
24. The Director of Governance and Law will act as Monitoring Officer as prescribed in the Local Government and Housing Act 1989 and as determined at Full Council on 4 March 2022.
25. Any employee employed by the council must be employed on the council's normal terms and conditions and will be subject to all relevant policies and procedures as any other employee would be.
26. The Localism Act 2011 provides that the council's pay policy statement must be approved at Full Council. The proposed salary specified in paragraph 8 of this report is not set out in the council's current pay policy statement that was approved at Full Council on 11 February 2022 and must therefore be recommended to and considered by Full Council.

Risk management

27.

Risk / opportunity	Mitigation
The council will not be able to recruit to this role.	This report recommends an improved salary package so that it is comparable with other councils and so the council is more likely to be able to attract a field of qualified candidates.

Consultees

28. None.

Appendices

None

Background papers

None identified.

Report Reviewers Used for appraising this report:

Please note this section must be completed before the report can be published

Governance	Sarah Buffrey, Democratic Services Officer	25/04/2022
------------	--	------------

Finance	Louise Devlin	25/04/2022
---------	---------------	------------

Legal	Alice McAlpine	25/04/2022	Kate Charlton	25/04/2022
-------	----------------	------------	---------------	------------

Communications	Luenne Featherstone	25/04/22
----------------	---------------------	----------

Equality Duty	Harriet Yellen	26/4/22
---------------	----------------	---------

Risk	Kevin Lloyd	24/04/2022
------	-------------	------------

Approved by	Paul Walker	Date 29/04/2022
-------------	-------------	-----------------