

Standing Order 42

Consultation with Appropriate Chairman and Vice-Chairman for Urgent Action to be Taken Under Standing Order 42

To (Chair & Vice Chair):	Chair <i>CLT T Grady</i> <i>CLT C Howorth</i>
Relevant Committee:	Corporate Management Committee
Date:	22.5.23
Report Author:	Paul Turrell, Chief Executive
Report Title:	<u>Regrading post of Corporate Head of HR & OD</u>
SO42 Proforma Number:	1022

1.	<p>Synopsis of report Due to the impending retirement of the existing postholder in the summer, market research has been undertaken on the market salary of the role and, as a consequence, there is a need to regrade the role from Corporate Head Two grade to Corporate Head One in order to pay the market rate and attract a suitable calibre of applicant.</p>
2.	<p>Reasons why this matter cannot wait for a Committee Decision. (Please state if agreement of Chairman and Vice-Chairman required within 24 hours, and why)</p> <p>The need to advertise the role in order to avoid having a damaging gap in the leadership of the function or incur costs from an interim</p>
3.	<p>Recommendation(s) To regrade the role from the grade of Corporate Head Two (£68,979 - £77,467) to Corporate Head One – (£77,467 - £84,897)</p>
4.	<p>Context of report</p> <ul style="list-style-type: none"> The current grading of this role emanated from the Senior Management Review of 2019 which deleted Director roles and created enhanced Corporate Head roles which were either graded at Corporate Head One or Corporate Head Two. The Corporate Head of HR was graded at Corporate Head Two. Although on a range, these postholders were given a fixed point within the range with the potential for a one off 2% payment each year if performance met the required standards. The current postholder is on a fixed salary of £73,605. Market research identified that the market salary is currently £75-£85k with most Heads of HR being appointed on £80 -£85k therefore Corporate Head Two is not a competitive salary range to advertise upon.
5.	<p>Report and, where applicable, options considered</p> <p>CLT considered a report on market research on the role, the jd and person spec and on this basis recommended that it would be wise to regrade the role.</p>
6.	<p>Policy framework implications</p> <ul style="list-style-type: none"> The post of Corporate Head of HR & OD is the author of and is in charge of the implementation of one of the key Corporate Plans – the OD Strategy. Implementing this strategy is a key area of strategic work for the organisation and its development.

7. Financial and Resource implications (where practicable)

At present the costs of the current Corporate Head of HR & OD's role is £73,605 plus 28.5% oncosts(i.e.£20,977) giving a total of £94,582.

Regrading to a potential ultimate maximum of £84,897 would be £84,897 plus28.5% oncosts(i.e.£24,196) which results in a total cost for the role of £109,093. The difference in cost required at the maximum of the grade would be £14,511.

This is a key role in a small but important service area. There is not natural successor and so the post will need to be filled by an external applicant.

8. Legal implications

None

9. Equality implications

There is only one remaining Corporate Head post on Corporate Head Two which is the Head of Planning Policy and Economic Development which will be deleted when the current postholder leaves in June 2023 and whose duties will be added to those of the Corporate Head of Development who will be on enhanced Corporate Head One. If the post of Corporate Head of HR & OD is the only remaining post on Corporate Head Two it will not only mean that the role is unattractive in the market place in terms of pay to prospective candidates for the role but will illustrate that people management is not regarded as a key role in the Council.

10. Other implications (Environmental/Biodiversity/Sustainability must be addressed)

None

11. Background papers

CMC draft report

REGRADING OF POST OF CORPORATE HEAD OF HR & OD

(Chief Executive)

Synopsis of report:

To propose the regrading of the post of Corporate Head of HR & OD from Corporate Head Two grade (£68,979 - £77,467) to Corporate Head One (£77,467 - £84,897) to reflect market pay due to the need to advertise this role and be attractive in the market place as a result of the impending retirement of the current postholder

Recommendation:

That this recommendation be approved.


1. Introduction

- 1.1 The current Corporate Head of HR & OD has given notice of her intention to retire. As a consequence of this, market research has been carried out on the current market rates of pay that are required to fill such a role. The post of Corporate Head of HR & OD is a key role in the organisation and is responsible for providing both strategic and operational direction to the HR service. The role covers providing a comprehensive HR service to the Council and its companies including recruitment, employee relations (covering the full range of casework- guiding managers on the handling of organisational reviews, change management, redundancies, TUPE, discipline, grievances and a wide range of other casework); industrial relations; policy development, the full range of OD work(including learning and development), and workforce health and safety and employee well-being.
- 1.2 Following the senior management review in 2019 when all Director roles were deleted, this role became one of 10 enhanced Corporate Heads. These roles were evaluated at either grade Corporate Head One or Corporate Head Two. This role was assessed as Corporate Head Two. The grade ranges of corporate heads are currently as follows:-

Corporate Head One - £77,467 -£84,897
Corporate Head Two - £68,979 - £77,467


Since then however some Corporate Heads have been given higher salaries due to market pay factors, so some are on enhanced salaries above Corporate Head One going up to the mid -£90ks. Two Corporate Heads are on Corporate Head Two which following the deletion of the role of Corporate Head of Planning Policy and Economic Development reduces to only one – the role of Corporate Head of HR & OD.

12. Chief Officer(s) Decision

X
Signature of authorised officer 

I have been consulted and am in agreement with the above

Signature(s) and position(s) of
other relevant Chief Officer, Corporate Heads or authorised representatives

.....
NB: this must include the Assistant Chief Executive or his authorised representative where the decision involves expenditure, loss of income, or future implications for budget or financial forecast.

13. Chief Executive's Decision

Signature of Chief Executive ... 

I have been consulted and am in agreement with the above

14. Chairman and Vice-Chairman Comments

I concur in the Chief Officer's decision

Signed 

Date 05/06/2023

Signed 

Date 12/06/2023

I have the following further comments:

The completed copy is to be returned by the Councillors to the Corporate Head of Law and Governance (Democratic Services) who will send a copy to the Chief Officer and report to the relevant Committee for information.

Draft Advert

CORPORATE HEAD OF HR & OD

£77467 - £84,897

Reporting to the Chief Executive, this key role provides strategic leadership and direction to the organisation on organisational development and people management, including taking a pro-active role on change management and service reviews. The successful candidate needs to be a skilled HR professional, with a strong knowledge of employment law and good HR practice as well as an experienced manager. He/she will lead a service responsible for both operational and strategic HR, Learning and Development, Employee relations, employee well-being and Health and Safety. They will possess a good working knowledge of the work of a generalist HR team including recruitment and selection, performance management, training and development, pay and conditions, and implementing organisational change. Working in a political environment, they will be capable of presenting reports to and liaising with Elected Members and management boards and preferably have experience of dealing with trade unions. Resilience, confidence, good interpersonal skills and a sense of humour are key skills in this role. Interested? If so please apply...

Jobs below Corporate Heads receive incremental progression within their scale(i.e. they are normally appointed to the minimum and receive an annual increment each year till they reach the maximum of the grade). Corporate Heads however were appointed on a fixed point within their salary range and normally do not get more than the cost of living percentage increase except at the Chief Executive's discretion, but after their annual appraisal they may receive a 2% one off performance related payment. The Corporate Head of HR is therefore on a fixed point of £73,605p.a.

2.0. Research on market pay for this role

2.1. Research has been conducted on the level of pay required to be attractive in the current market place for a Head of HR & OD role in this area in the public sector. (Private sector Head of HR roles are normally paid at a higher level). In terms of public sector Heads of HR roles, there are some variations between the surveys. Hays HR salary guide suggests that pay ranges from £65k to £80k with most salaries being over £70k. Pay tends to be higher in London or on the verges of London. The most recent advert for a Head of HR in Surrey was for a utilities company and that was advertised at £75k. Ashley Kate which is a specialist agency for HR recommended that for a straight Head of HR the pay range is currently £65 - £85k but where OD and change management is involved the pay is normally higher and the range is normally £75k -£90k. For Heads of HR where employee relations expertise is required the salary ranges tend to be between £70k and £90k in the south of England and between £75k and £95k in London. The recommendation of their lead executive recruiter was that we should pitch our salary between £75 and £85k. Due to the cost of living crisis she said that most successful applicants at present expected to receive between £80k and £85k. The results of this market research therefore suggested we pitch the salary between £75k and £85k. CLT considered this market research and recommended that this post be regraded to Corporate Head One(i.e. £77,467 -£84,897) in order to attract the necessary calibre of recruit.

(To resolve)
Background papers
None stated