

SUBJECT:	INDEPENDENT REVIEW FOR SENIOR LEADERSHIP PAY
MEETING:	REMUNERATION COMMITTEE
DATE:	22nd OCTOBER 2024
DIVISION/ WARDS AFFECTED:	ALL WARDS

PURPOSE:

To consider the independent review of the Chief Executive Officer and Chief Officer Remuneration by Anne Philimore, FCIPD, HR Consultant that was commissioned by Cabinet due to the current salary structures of the Strategic Leadership Team not being comparable with other councils in the Gwent area/Borders.

1. RECOMMENDATIONS:

That Committee:

- 1) Notes the contents of the independent review.

2. KEY ISSUES:

Monmouthshire is strategically placed as the gateway to southeast Wales which means that we work alongside our neighbouring Welsh authorities and those along the borders. Therefore, we are competing with Welsh and English Local Authorities to attract our people. They are our greatest asset and make us an employer of choice. But the challenges we face are great and at times like these we need high-caliber senior staff to drive the council's strategic goals forward.

Monmouthshire County Council (MCC) last evaluated its salary bands for its Strategic Leadership Team in 2009. Since this time other Local Authorities have re-evaluated their pay scales to remain competitive and to attract talented senior leadership professionals. Whilst we punch above our weight, in terms of the calibre of strategic leaders we have been able to recruit and develop, the salary offered is starting to impact on the attractiveness of the package offered.

This was recognised by Cabinet and the previous Chief Officer for People and Governance was tasked with instructing Anne Phillimore, FCIPD, HR Consultant to review the Chief Executive Officer and Chief Officer Remuneration of MCC. This work was commissioned by Cabinet and sanctioned by the Leader who has asked Cllr Callard to be the principal Cabinet member leader.

Anne Phillimore is an experienced public sector HR Consultant. She has undertaken similar reviews in other Welsh Local Authorities and her Curriculum Vitae is attached to the Review at

Appendix B. She has provided a comprehensive analysis and benchmarking of our remuneration levels against other local authorities. The findings and recommendations from this review are critical for ensuring that we attract and retain high-calibre senior staff.

The scope of the independent review is concerned with the remuneration levels for strategic leadership roles including the Chief Executive. This includes 8 roles which are:

- Chief Executive
- Deputy Chief Executive/Chief Officer, Resources (& s.151 Officer)
- Chief Officer, Children and Young People
- Chief Officer, Social Care & Health
- Chief Officer, People, Performance & Partnerships
- Chief Officer, Law & Governance
- Chief Operating Officer, Customer, Culture & Wellbeing
- Chief Officer, Communities & Place

The reason for instructing an independent review is that these posts are not included in any Job Evaluation Scheme. Cabinet is committed to ensuring that a job evaluation process is revisited for all grades to ensure a fair and equitable pay structure in MCC.

An initial draft of the review was presented to Cllr Callard, Executive Member, Resources and the Lead HR Business Partner in June 2024 and amendments were requested to reflect Lower, Median and Top Quartiles so that clear recommendations could be made. An updated review was sent to Cllr Callard and the Lead HR Business Partner in September 2024.

The Review sets out the terms of reference at section 2 and explains the salary benchmarking in section 6. The Recommendations are set out as follows:

- Paragraph 8.1 CEX pay -Tier 1
- Paragraph 8.2 Deputy/Assistant CEX/Strategic Director Tier 2
- Paragraph 8.3 Strategic Director/Director/Chief Officers Tier 3
- Paragraph 8.4 Chief Officers only Tier 4

The benchmarking of these salaries are within Appendices B to G. These are:

- Appendix References
- Appendix B Reviewer Biography
- Appendix C Comparative Local Authority Salaries -South/Mid Wales examples.
- Appendix D Comparative Local Authority Salaries – English examples
- Appendix E(i) Tier 1 set out the Council benchmark data.
- Appendix E (ii) Tier 2 set out the Council benchmark data.
- Appendix E (iii) Tier 3 set out the Council benchmark data.
- Appendix E (iv) Tier 4 set out the Council benchmark data.
- Appendix F Local Authority Benchmarks by population
- Appendix G Pay levels for senior civil servants in Wales
- Appendix H Salary levels for NHS Wales CEO's and Directors

It should be noted that the Terms of Reference for the review solely focussed on Chief Executive Officer and Chief Officer Remuneration. Two of the current Chief Officers within the Strategic Leadership Team (the Chief Officer, People, Performance & Partnerships, and the Chief Operating Officer, Customer, Culture & Wellbeing) are currently paid on the Tier 4 (Band B) scale. There are also nine Head of Service positions also paid within this tier, but they are not part of this review.

Members will have the opportunity to discuss the findings with Anne Phillimore at the meeting and to ask any questions. They can then task her with providing written answers if necessary.

3. EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING):

The aim of this report is to provide an independent, transparent and informed approach to managing senior pay which doesn't disproportionately affect protected characteristics.

4. OPTIONS APPRAISAL

At this stage the draft initial recommendations in the review will be discussed without asking for a recommendation to be made by the Remuneration Committee. This allows the Committee to consider its overall approach to senior pay and reward in an objective and transparent manner. The options/recommendations will be set out in a report for the next meeting.

5. EVALUATION CRITERIA

The purpose of this report is to consider the Independent Review of the Chief Executive Officer and Chief Officer Remuneration. In due course the Committee will make recommendations.

6. REASONS:

It is important that we have the ongoing ability to attract and retain high caliber leaders capable of delivering a complex agenda of the coming years. This will ensure that there is strong and effective leadership to achieve the Council's strategic objectives. Our senior leadership play a pivotal role in shaping and implementing the Council's vision and strategies. They also cement our organisational values as they matter to us and set out our expectations for ourselves, each other, and the way we conduct business with organisations that we work with.

As stated in our pay policy 2024, Monmouthshire County Council recognises that in the context of managing scarce public resources remuneration at all levels needs to be adequate to secure and retain high quality employees dedicated to the service of the public, but at the same time needs to avoid being unnecessarily generous or excessive.

Competitive pay structures contribute to a positive organisational culture by demonstrating the Council's commitment to valuing and rewarding its staff. This, in turn, fosters employee

engagement, motivation, and loyalty, which are crucial for our success. We want to continue to be an employer of choice.

7. RESOURCE IMPLICATIONS:

There are no resource implications arising from the recommendations in this report. This is meant to be informative and is part of the decision-making process. The report for the next meeting will set out the options/recommendations.

8. CONSULTEES:

Cabinet colleagues continue to be consulted on the process and engagement with Trade Unions is ongoing. This will continue as the Committee progresses its work.

Justine Cass, Deputy Monitoring Officer, Torfaen Council Borough Council

Jonathan Davies, Head of Finance & Acting Section 151 Officer, Monmouthshire County Council

9. BACKGROUND PAPERS:

Independent Review including:

- Appendix A References
- Appendix B Reviewer Biography
- Appendix C Comparative Local Authority Salaries -South/Mid Wales examples.
- Appendix D Comparative Local Authority Salaries – English examples
- Appendix E(i) Tier 1 set out the Council benchmark data.
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Terms of Reference

Governance for the Remuneration Committee

People Strategy - [People Strategy \(monmouthshire.gov.uk\)](https://www.monmouthshire.gov.uk/people-strategy)

Pay Policy 2024 - [Pay Policy 2024 \(monmouthshire.gov.uk\)](https://www.monmouthshire.gov.uk/pay-policy-2024)

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