

MINUTES OF JNC APPOINTMENTS, SALARIES AND STRUCTURES PANEL

Monday, 22 May 2023
(11:33 - 11:47 am)

Present: Cllr Darren Rodwell (Chair), Cllr Muhammad Saleem and Cllr Dominic Twomey

Apologies: Cllr Donna Lumsden

1. Declaration of Members' Interests

There were no declarations of interest.

2. Private Business

It was resolved to exclude the public and press from the remainder of the meeting by reason of the nature of the business to be discussed which included information exempt from publication by virtue of paragraphs 1 and 4 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended).

3. Senior Leadership Salary Pay Review and Appointment to JNC Officer Vacancies

The Chief Executive presented a report on the outcome of an independent review of the senior management pay structure, alongside a number of recruitment proposals to help stabilise the Council's senior management structure.

With regard to the pay review, the Chief Executive advised that a full review had not been undertaken since 2013/14 even though there had been a commitment at the time to do so every three years. In August 2020, the JNC Panel agreed arrangements for the commissioning of an external, independent review and, following a competitive tender process, PricewaterhouseCoopers (PwC) was appointed to undertake the review, which commenced in May 2022. The review encompassed all senior management roles across the Council, including the 21 JNC-level posts currently within the Council's structure.

Key factors that PwC was asked to take account of as part of the review related to the Council's organisational needs, talent pressures and fairness, all aligned to the Council's long-term vision and the affordability issues that it faced. PwC had proposed a new approach which established four main pay zones of 'learning', 'competent', 'discretionary' and 'maximum' within each of three JNC-level categories (Chief Executive (x1), Strategic Directors (x6) and Operational, Commissioning and other Directors (x14)) to reflect an individual's experience and/or market factors. The new grading structure would also retain flexibility where extenuating circumstances existed, such as was the case for the Strategic Director, Children and Adults post which the JNC Panel had previously agreed a market supplement. The Chief Executive advised that across the 21 JNC-level posts, the additional cost of the new pay structure (excluding any pay award for 2023/24) amounted to approximately £16,000 (or £22,000 inclusive of on-costs) in a full year.

It was further recommended that six-month probationary arrangements be introduced for newly appointed JNC officers, beginning with the Chief Executive and the Strategic Director, My Place who were formally appointed at the Assembly meeting on 17 May 2023.

The Chief Executive explained that the above proposals represented Phase 1 of the review exercise, while Phase 2 would cover the following timescales and activities:

- **May - September 2023:** review of expectations of the Council's leaders and managers; a formal pay progression policy setting out the steps that need to be taken to review expectations; and moderation panel governance arrangements.
- **September/October 2023:** formally agree the pay progression scheme/moderation panels; mandatory training and guidance for all staff involved in setting expectations and agreeing performance measures.
- **October/November 2023:** finalised set of expectations in place for the Performance, Feedback and Development (PDF) conversations.
- **Ongoing:** Evidence of achievement against expectations to support pay decisions to be gathered.

The Chief Executive confirmed that no additional pay issues would be presented for consideration by the JNC Panel until the above had been completed and formally moderated.

In respect of current / impending vacant posts amongst the Executive Management Team and other senior leadership positions, the Chief Executive outlined plans to extend current interim arrangements in respect of the Strategic Director, Inclusive Growth and Director of Strategy posts while arrangements for the permanent recruitment to those posts and the posts of Strategic Director, Finance and Investment and Director of Homes and Assets were progressed. It was further proposed that a new JNC-level post of Director of Law and Governance (and Monitoring Officer) be established to replace the two current posts of Strategic Director, Law and Governance and Chief Legal Officer.

In discussing the proposals, Members stressed the importance of continuing to increase the ethnic diversity of the senior management team as well as the wider workforce. To that end, officers were asked to ensure that all possible steps were taken in the impending recruitments to achieve the Council's aim of having a workforce that represented the make-up of the local community at all levels. The Director of Workforce Change undertook to provide Members with details of a London-wide benchmarking exercise that had recently been undertaken on diversity issues at Leadership level.

The Panel **resolved** to:

- (i) Agree the proposals for a revised JNC Officer pay and grading structure relating to the Chief Executive, Strategic Directors and Operational, Commissioning and other Directors under Phase 1 of the Senior Leadership Salary Pay Review proposals, as detailed in Appendices A and B to the report;

- (ii) Agree the timelines for Phase 2 of the Senior Leadership Salary Pay Review relating to expectations, pay progression policy and moderation panel governance arrangements, as set out in section 6 of the report;
- (iii) Agree the formal probation arrangements for JNC Officers, as set out in Appendix C to the report, subject to consultation with JNC Officers and Trade Unions;
- (iv) Agree the arrangements for recruitment to the following senior leadership posts on a permanent basis, with the recruitment being undertaken internally and externally at the same time and a package of support for internal applicants:
 - Strategic Director, Finance and Investment.
 - Strategic Director, Inclusive Growth
 - Director of Strategy
 - Director of Homes and Assets
- (v) Delegate authority to the Chief Executive, in consultation with the Cabinet Member for Finance, Growth and Core Services, to appoint an interim Strategic Director, Finance and Investment for a period of up to 12 months while arrangements to fill the post on a permanent basis were progressed;
- (vi) Delegate authority to the Chief Executive to progress arrangements to extend the existing secondment arrangements in relation to the interim Strategic Director, Inclusive Growth and the interim Director of Strategy for up to a further six-month period, while arrangements to fill the posts on a permanent basis were progressed;
- (vii) Approve the creation of the new JNC-level post of Director of Law and Governance and Monitoring Officer, who shall be designated the Council's Monitoring Officer (subject to the approval of the Assembly) and, on the appointment to that post, the subsequent deletion of the posts of Strategic Director, Law and Governance (and Monitoring Officer) and Chief Legal Officer (and Interim Monitoring Officer); and
- (viii) Delegate authority to the Chief Executive, in consultation with the Leader of the Council, to progress the necessary arrangements, including determining the job description, person specification and grade, relating to the Director of Law and Governance and Monitoring Officer post.