

**Committee:** OPERATIONS COMMITTEE  
**Date:** November 16, 2006  
**Title:** ORGANISATION DEVELOPMENT AND  
REWARD STRATEGIES  
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**Agenda Item**

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Item for  
decision

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### Summary

At the forthcoming council meeting scheduled for December 12, 2006, the Chief Executive intends to submit a report laying out management changes and a programme of transformation for the council's operations. In order to enable this report to provide robust cost information, it is necessary to assess the likely future pay structures for senior officers. This report recommends the establishment of a short duration 'Chief Officer Pay Review Task Group' to assess whether any change to current pay structures and levels will be necessary.

### Recommendations

1. That the engagement of an Interim HR Advisor to the Council be noted.
2. That a 'Chief Officer Pay Review Task Group' be established with the following membership: the leader of the council, the chairman of Operations Committee and the leader of the Conservative Group.
3. That the remit for the group be as follows:  
*To agree any necessary changes to pay structures and levels for the council's Chief Officers.*
4. That the Interim HR Advisor act as lead advisor to the Task Group and should support the group to complete its work in time for its findings to be incorporated into the Chief Executive's report to council in December.

### Impact

Communication/Consultation	The forthcoming report will table a wide ranging set of changes to the future operations of the council. These will be subject to wide ranging consultation and discussion before and after the council meeting and in the months which follow.
Community Safety	None
Equalities	Pay structures will be developed according to a robust assessment of the value of roles and in comparison with similar roles in other authorities.
Finance	Any changes to the pay scheme will need to

	be assessed for their affordability. The interim HR advisor post will be funded from part of the 2006/07 savings on the proposed deleted Executive Manager post.
Human Rights	None
Legal implications	None
Ward-specific impacts	None
Workforce/Workplace	All proposals will be subject to appropriate consultation with staff and their representatives.

**Situation**

1. Over recent months the Chief Executive has been developing a series of proposals for improving the operations of the council’s internal machinery and improved service delivery. These will be presented to council for its consideration at its meeting of December 12.
2. The former Executive Manager (Human Resources) left the council’s employ on October 31. The intention is to appoint a new Head of HR at a lower level within the organisation in the early new year. Pending that appointment, an interim HR advisor is to be appointed, funded by part of the savings from the proposed deletion of the Executive Manager post.
3. The advisor’s role will be to:
  - advise the chief executive on the creation of a revised approach to HR management within the council
  - provide support and advice to the council’s HR team as a ‘senior professional’
4. In order to advise the council fully on the potential costs and savings associated with the proposed changes, it is necessary to make an assessment of the likely pay structures that will be required. The appropriate mechanism for such an assessment would be a small, limited life, member task group.
5. The interim advisor will also take the role of lead officer to this task group since their interim role will mean that they will be able to offer advice in a disinterested way.
6. The proposed examination of Chief Officer pay will be followed by a wider examination of pay and remuneration across the Council.

**Risk Analysis**

The following have been assessed as the potential risks associated with this issue.

Risk	Likelihood	Impact	Mitigating actions
That the report of proposed changes is not capable of adequate assessment by the council	Low	High	A short term effective review with appropriate disinterested advice will enable this risk to be avoided.