

Joint Appointments Committee Report

Ward(s) affected: n/a

Report of Director of Transformation and Governance

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## Chief Executive's Pay Award 2023/24

### Executive Summary

The remuneration package of the Guildford and Waverley Joint Chief Executive is determined by the Joint Appointments Committee.

The accompanying benchmarking information sets out the current landscape for comparable roles across other Councils with joint arrangements, other local South East Councils and the proposed national pay award information. The figures are also included for the 2023/24 pay award agreed for both councils up to Director level.

Based on the benchmarking figures, the current salary of the Chief Executive role, £155,625 based on other joint local authorities sits above average taking into account the 2022/23 National Pay Award Figure of £1,925, which would bring the average to £146,380.

Due to the wider economic climate and the high cost of living, it has been agreed at both councils to make a pay award for 2023/24 consisting of a consolidated fixed amount and a separate non-consolidated amount. The figures for these vary slightly due to the current affordability and financial situation of each council. These pay awards have been agreed as part of the councils' budget setting processes.

Applying the Waverley Borough Council pay award to the Chief Executive salary would equate to an overall percentage increase of 2.7%, with 1.6% consolidated and 1.1% non-consolidated.

The current proposal from Employers Nationally is for a 3.5% increase to Chief Executive Pay, but it should be noted both Waverley and Guildford negotiate pay locally.

## **Recommendation to Joint Appointments Committee**

That the Committee approves the pay award for the Chief Executive of Guildford and Waverley for the 2023/24 Financial Year based on the same pay award agreed for Waverley staff up to Director level comprising:

- (a) a consolidated increase to salary of £2,500, taking the new salary to £158,125 per annum, and
- (b) the three cost of living payments of £550 payable in April, May and June 2023, totalling £1650 as a non-consolidated payment.

### Reasons for Recommendation:

- Waverley and Guildford both have local pay negotiation processes in place and whilst they should consider the National Pay approach, they are not bound by it.
- The current Chief Executive salary is currently above average when considering other joint local authorities.
- This year Waverley and Guildford have both taken the approach to recognise the significant impact of the cost of living on lower paid staff and to make an 'across the board' equitable consolidated pay award to all incremental points supplemented with a separate non-consolidated payment paid in three consecutive monthly instalments from April 2023.
- The Joint Chief Executive undertakes the role across both Waverley and Guildford Borough Councils and as with the other Senior Team members of three Strategic Directors and twelve Executive Heads of Service are all Waverley employees. All the others will all be awarded the £2,500 consolidated pay award and the £1,650 non-consolidated cost of living payment as agreed by the Waverley Joint Negotiation Committee. These are the Chief Executive's closest contemporaries, and the role leads this team.

**Is the report (or part of it) exempt from publication? No**

## **1. Purpose of Report**

- 1.1 To seek approval for the pay award for the Joint Chief Executive role.

## **2. Strategic Priorities**

- 2.1 This report supports the commitment in Waverley's Corporate Strategy to continue to explore shared opportunities with other local authorities to work at scale where there are benefits to be achieved for our residents.

In order to meet changing circumstances, we will embrace new ways of working whilst maintaining standards, improving public participation and caring for our staff.

- 2.2 The report also supports the commitment in Guildford's Corporate Plan to collaborate with Waverley Borough Council in order to deliver cost savings and protect or enhance frontline services in priority areas.

### **3. Background**

- 3.1 The remuneration package of the Guildford and Waverley Joint Chief Executive is determined by the Joint Appointments Committee.
- 3.2 Both Guildford and Waverley negotiate and agree pay locally through their agreed mechanisms.
- 3.3 Consideration should be given to the National Employers Pay Award which is currently offering a 3.5% increase to the Chief Executive salaries level but note this is not binding as both councils are not part of the National Negotiation arrangements.
- 3.4 Consideration should also be given to benchmarking information for comparable joint chief executives nationally and other closely located councils in the South East of England. This information is provided in the accompanying Benchmarking information document attached as Appendix 1. This data currently shows that the existing Chief Executive salary is above the average for other joint local authorities.
- 3.5 Consideration of the Pay Award for Waverley and Guildford staff this year has taken into account the broader challenging environment of the UK cost of living crisis and the impact on staff, particularly on lower salaries.
- 3.6 Consideration has also been given to the payment of both a fixed consolidated amount to all salary increments and a separate non-consolidated cost of living payment rather than a set percentage increase for 2023/24.
- 3.7 It was an important element of the pay award for both Guildford and Waverley for 2023/24 that an equitable payment was made across all salary points and that an equal cost of living payment was made.
- 3.8 The Senior Team of Strategic Directors and Executive Heads of Service are employed by Waverley Borough Council and are the closest contemporaries of the Chief Executive role which leads this team.

- 3.9 The approach this year does not create a precedent for future years, and it has been clear as part of the negotiations that future years' pay awards would be considered based on the relevant pay claims and taking into consideration the broader financial situation at that time.
- 3.10 The pay award for the Chief Executive should be in line with the award approach agreed by both councils for all staff up to Director level.
- 3.11 The award for the Chief Executive as a Waverley employee should be in line with the consolidated and non-consolidated awards for all Waverley staff for the financial year 2023/24 of an increase of £2,500, taking the salary to £158,125 per annum, and a non-consolidated cost-of-living payment of £1,650 in three instalments of £550 paid in April, May and June 2023. The cost-of-living payments require the individual to be in post on the last day of each of these months to qualify for them.
- 3.12 The Guildford award for comparison was a £2,000 consolidated increase and a £1,700 non-consolidated cost of living payment.

#### **4. Consultations**

- 4.1 The Leaders of both Guildford and Waverley were both asked to comment on the recommendation, but a reply was not received.

#### **5. Key Risks**

- 5.1 It is important that we ensure that remuneration package levels remain competitive within the South East, both to ensure that we can retain Senior Staff and also that we are competitive when going out to market to recruit,

#### **6. Financial Implications**

- 6.1 The recommended pay award of a £2,500 consolidated payment would take the Chief Executive's salary to £158,125 per annum. The non-consolidated cost of living payment is payable only in the year 2023/24 as it is a one-off payment.
- 6.2 The cost of the Chief Executive's salary is split equally between the two councils.

#### **7. Legal Implications**

- 7.1 There are no direct legal implications arising from this report.

## **8. Human Resource Implications**

8.1 None

## **9. Equality and Diversity Implications**

9.1 Both councils have a statutory duty under section 149 of the Equality Act 2010 which provides that public authorities must, in exercise of their functions, have due regard to the need to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation

9.2 There are no specific equality and diversity implications associated with this proposed decision. However, it should be noted that the recommended pay award is in line with an overall approach of fairness and equity across all pay points for 2023/24.

## **10. Climate Change/Sustainability Implications**

10.1 None

## **11. Summary of Options**

11.1 Make no pay award for the Chief Executive role for 2023/24.

11.2 Make the payment in line with the National Employer's Figure of 3.5% for 2023/24.

11.3 Make a payment in line with the approach for staff at Waverley of a consolidated and non-consolidated amount agreed for 2023/24 (Recommended).

11.4 The Chief Executive, as the Head of Paid Service for both Waverley and Guildford, is responsible for leading both councils through a significant period of change and needs to maintain a competitive market salary rate, whilst recognising current budget and affordability.

- 11.5 Whilst acknowledgement of the National Pay approach is important to ensure salaries remain competitive, the majority of councils, particularly in the South East, negotiate pay locally and so are not bound by national agreements. Waverley and Guildford have not been part of national negotiations for many years and so have developed their own pay approach and scales to tackle local challenges and to be able to reflect and consider specific requests from staff side.
- 11.6 The last 12 months have been particularly challenging with the UK going through a period of high inflation and the increase in the cost of living has been particularly difficult for those on lower salaries.
- 11.7 An important part of our pay award approach is that it is transparent, fair and equitable. The approach agreed at both Guildford and Waverley acknowledges particular challenges for the lower paid but also provides a consistent and fair award across all salary points, whilst allowing for a one off non-consolidated payment to reflect the specific challenges of the cost-of-living crisis.
- 11.8 For 2023/24, a pay award for the Chief Executive in line with that agreed at Waverley for all staff up to Director level would be most appropriate.

## **12. Background Papers**

None.

## **13. Appendices**

Appendix 1: Benchmarking Information