
Appointment of Chief Executive and Amendment of Pay Policy

Committee considering report:	Council
Date of Committee:	8 July 2021
Portfolio Member:	Councillor Howard Woollaston
Date Portfolio Member agreed report:	17 June 2021
Report Author:	Abigail Witting
Forward Plan Ref:	C4086

1 Purpose of the Report

- 1.1 The Council's current Chief Executive, Nick Carter, will retire in August 2021. This report therefore seeks approval for the appointment of a Chief Executive, details of which will appear in Appendix E. The report also seeks approval for the appointment of an Interim Chief Executive, as detailed in Appendix F.
- 1.2 The report also seeks Council approval for a revised salary range for the role of Chief Executive.

2 Recommendations

- 2.1 It is recommended that Council:
 - (a) Approve the appointment of the candidate for the role of Chief Executive proposed by the Member Appointment Panel detailed in Appendix E, who will be designated as the head of paid service when they commence their employment with the Council.
 - (b) Approve the extension of the salary range for Chief Executive to £165,000.
 - (c) Approve the appointment of the candidate for the role of Interim Chief Executive, as detailed in Appendix F, following the retirement of Nick Carter until the new Chief Executive referenced in paragraph 2.1(a) commences their employment with the Council.

3 Implications and Impact Assessment

Implication	Commentary
Financial:	<p>The increase to the salary range will impact on the 2021/22 budget for the final 6 months of the financial year as the new Chief Executive is likely to commence their role from mid Oct 2021. The increase in cost in 2021-22 will be offset by the likely vacancy period between August and October. Future years budget will be adjusted as part of the salary budget build for 2022-23.</p> <p>Report discussed with the S151 Officer Joseph Holmes.</p>
Human Resource:	<p>The Council must have an officer designated as the head of paid service.</p> <p>The change in salary will apply for the appointment of the new Chief Executive.</p>
Legal:	<p>The Council is required, in accordance with the provisions of section 4 of the Local Government and Housing Act 1989, to designate one of their officers as the Council's head of paid service. The proposals in this report seek to ensure that the Council complies with that duty.</p> <p>Council must approve any interim changes to the pay policy statement and approve the appointment of a Chief Executive, who will be designated as the Council's Head of Paid Service.</p> <p>Advice was sought from the Monitoring Officer Sarah Clarke.</p>
Risk Management:	N/A
Property:	N/A
Policy:	Amendment to the pay policy statement approved in March 2021.

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	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
Environmental Impact:		X		
Health Impact:		X		
ICT Impact:		X		
Digital Services Impact:		X		
Council Strategy Priorities:		X		
Core Business:		X		
Data Impact:		X		

Consultation and Engagement:	<p>The recommendation in this report is made following a recruitment process undertaken by a cross party Member Appointments Panel. The Panel were supported by officers in HR, and an executive search company which had been appointed to assist in this exercise.</p> <p>Independent advice regarding pay scales was sought from South East Employers as part of the Senior Management Review undertaken in 2019 and again in 2021 by the nominated recruitment partner.</p> <p>S151 Officer and Monitoring Officer.</p>
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4 Executive Summary

- 4.1 Following the decision of Nick Carter to retire, the Council engaged the services of the executive search company Gatenby Sanderson, to support the Council with the recruitment of its new Chief Executive.
- 4.2 After a comprehensive recruitment process, it is proposed that Council approve the appointment of the candidate detailed in Appendix E, as the Council's Chief Executive and head of paid service, with the starting salary detailed in that Appendix.
- 4.3 This report also recommends that Council amend the pay policy statement to provide a salary range of £148,988 to £165,000 for the role of Chief Executive, to ensure the Council attracts and appoints a suitable candidate to the role of Chief Executive.
- 4.4 It is proposed that Council approve the appointment of an Interim Chief Executive, who will be appointed within the current salary range of £148,998 to £152,070. Details of the proposed candidate for the role of Interim Chief Executive and the proposed salary are contained in Appendix F.

5 Supporting Information

Introduction

- 5.1 This report seeks the approval of Council for the appointment of a new Chief Executive, who will be designated as the Council's head of paid service.
- 5.2 The report also seeks approval for the appointment of an Interim Chief Executive and head of paid service for the period between the retirement of Nick Carter, and the new Chief Executive starting their employment with the Council.
- 5.3 As part of the 2019 Senior Management Review, independent advice was sought from South East Employers in relation to senior officers' salaries, which resulted in revised pay scales being approved as detailed in Appendix B. A further benchmarking exercise has been undertaken as part of this recruitment process, and this has resulted in a proposal to extend the salary range for the role of Chief Executive.

Background

- 5.4 Following the announcement by Nick Carter, the current Chief Executive that he would retire with effect from August 2021, the Council engaged the support of Gatenby Sanderson, the executive search company, to support the Council with the recruitment of its new Chief Executive.
- 5.5 The Council has an ambitious strategy over the coming years for building on our strengths as a high performing Council and to transform the way we do business. The Council is therefore seeking a new Chief Executive who will support that ambition.
- 5.6 In order to select the new Chief Executive, a cross party Member Appointments Panel was convened, made up of the following Members:
- **Councillor Graham Bridgman** - Deputy Leader, Executive Portfolio Holder for Adult Social Care (now Executive Portfolio Holder for Health & Wellbeing)
 - **Councillor Jeff Brooks** - Shadow Portfolio Holder for Finance & HR
 - **Councillor Lee Dillon** - Leader of Liberal Democrat Group and Shadow Portfolio Holder for Strategy, Governance and IT
 - **Councillor Lynne Doherty** - Leader of the Council, Executive Portfolio Holder for District Strategy & Communications
 - **Councillor Alan Law** – Chairman of Overview and Scrutiny Management Commission
 - **Councillor Joanne Stewart** - Executive Portfolio Holder for Internal Governance (now Executive Portfolio Holder for Adult Social Care)
- 5.7 As part of the Senior Management Review in 2019, South East Employers carried out a benchmarking exercise to review the salary ranges for the newly created Executive Director and Service Director posts. Benchmarking advice was also provided on the Chief Executive salary which advised that West Berkshire Council was in the lower quartile and as a result the Chief Executive salary was revised at that time to its current range of £148,998 to £152,070. Details of this are contained in Appendix D.
- 5.8 Gatenby Sanderson have provided updated salary benchmarking for the role of Chief Executive and details of that can be found in Appendix C.

Proposals

- 5.9 Following a detailed and comprehensive recruitment process that has been undertaken by the Member Appointments Panel supported by Gatenby Sanderson, it is proposed that Council endorse the recommendation of that Panel to appoint the candidate detailed in Appendix E as the Council's Chief Executive and head of paid service.
- 5.10 In light of the updated benchmarking information provided by Gatenby Sanderson it is proposed that Full Council approves a change to the pay policy statement in year to reflect the revised salary range for the role of Chief Executive to £148,988 to £165,000.
- 5.11 This proposal has financial implications for the budget set for 2021/22 as the budget was based on current salary scales. It is unlikely a new Chief Executive will start before Q3 so the impact on the budget is reduced. In addition, any interim arrangements will

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cost less than the full salary requirements for the period they are covering as there will be a gap between Nick Carter leaving at the end of August and a new person starting October/November thus mitigating the pressure on the budget.

- 5.12 In addition, there are legal implications as the pay policy statement approved in March 2021 was also based on existing pay scales. However, the policy does provide for in-year changes should these be deemed necessary subject to the approval of Council.
- 5.13 The risk of not recruiting to the role first time could incur additional executive search fees and risk which could exceed any financial implications of the salary not being fully budgeted for.
- 5.14 There is potential for reputational risk of changing the salary range mid-year however as independent advice has been sought and can be clearly demonstrated, the risk is reduced. All senior salaries must be declared as part of any transparency publication on an annual basis so any changes will be reported appropriately.
- 5.15 It is further proposed that Council approve the appointment of the candidate detailed in Appendix F for the role of Interim Chief Executive and head of paid service, for the period between the retirement of Nick Carter and the new Chief Executive starting their employment with the Council.

6 Other options considered

- 6.1 The Council is required by law to designate an officer as the Council's head of paid service and this appointment must be approved by Council. Not making an appointment was not therefore an option.
- 6.2 To keep the salary range at the current levels and seek to appoint a candidate at that level. This would have run against the advice received regarding salary level (see Appendices) and was likely to lead to a limited field of candidates.

7 Conclusion

The Council has an ambitious strategy for building on our strengths as a high performing Council and to transform over the next few years. In order to achieve this ambition the Council seeks to appoint an experienced Chief Executive from a public sector background to take support the Council with its ambitions and therefore wishes to appoint a high calibre candidate to drive this transformation.

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Appendices

- 7.1 Appendix A – Equalities Impact Assessment
- 7.2 Appendix B – Extract of current pay scales
- 7.3 Appendix C - Gatenby Sanderson proposal extract
- 7.4 Appendix D - South East Employers Report extract
- 7.5 Appendix E - Recommendations for the appointment of the Chief Executive.
RESTRICTED
This Appendix is **not for publication** by virtue of exempt information of the description contained in Paragraphs 1, 2 and 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended by the [Local Government \(Access to Information\)\(Variation\) Order 2006](#). [Rule 8.10.4 of the Constitution also refers](#).
- 7.6 Appendix F - Recommendations for the Interim Chief Executive

Background Papers:

N/A

Subject to Call-In:

Yes: No:

- | | |
|--|-------------------------------------|
| The item is due to be referred to Council for final approval | <input checked="" type="checkbox"/> |
| Delays in implementation could have serious financial implications for the Council | <input type="checkbox"/> |
| Delays in implementation could compromise the Council's position | <input checked="" type="checkbox"/> |
| Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months | <input type="checkbox"/> |
| Item is Urgent Key Decision | <input type="checkbox"/> |
| Report is to note only | <input type="checkbox"/> |

Wards affected: N/A

Officer details:

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Document Control

Document Ref:		Date Created:	
Version:		Date Modified:	
Author:			
Owning Service			

Change History

Version	Date	Description	Change ID
1			
2			

Appendix A

Equality Impact Assessment (EqIA) - Stage One

We need to ensure that our strategies, policies, functions and services, current and proposed have given due regard to equality and diversity as set out in the Public Sector Equality Duty (Section 149 of the Equality Act), which states:

- (1) A public authority must, in the exercise of its functions, have due regard to the need to:
 - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;*
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; This includes the need to:
 - (i) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;*
 - (ii) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;**
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it, with due regard, in particular, to the need to be aware that compliance with the duties in this section may involve treating some persons more favourably than others.**
- (2) The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.*
- (3) Compliance with the duties in this section may involve treating some persons more favourably than others.*

The following list of questions may help to establish whether the decision is relevant to equality:

- Does the decision affect service users, employees or the wider community?
- (The relevance of a decision to equality depends not just on the number of those affected but on the significance of the impact on them)
- Is it likely to affect people with particular protected characteristics differently?
- Is it a major policy, or a major change to an existing policy, significantly affecting how functions are delivered?
- Will the decision have a significant impact on how other organisations operate in terms of equality?
- Does the decision relate to functions that engagement has identified as being important to people with particular protected characteristics?
- Does the decision relate to an area with known inequalities?
- Does the decision relate to any equality objectives that have been set by the council?

Please complete the following questions to determine whether a full Stage Two, Equality Impact Assessment is required.

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What is the proposed decision that you are asking the Executive to make:	To approve the revised salary range for the role of Chief Executive.
Summary of relevant legislation:	Council Constitution Local Government & Housing Act 1989 Localism Act 2011 Accounts and Audit (England) Regulations 2011 Local Government Transparency Code 2014 Pay Policy Statement as required by S38 of the Localism Act 2011
Does the proposed decision conflict with any of the Council’s priorities for improvement? <ul style="list-style-type: none"> • Ensure our vulnerable children and adults achieve better outcomes • Support everyone to reach their full potential • Support businesses to start develop and thrive in West Berkshire • Develop local infrastructure including housing to support and grow the local economy Maintain a green district • Ensure sustainable services through innovation and partnerships 	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, please indicate which priority and provide an explanation
Name of Budget Holder:	Chief Executive
Name of Service/Directorate:	Head of Paid Service
Name of assessor:	Abi Witting
Date of assessment:	26 th April 2021
Version and release date (if applicable):	N/A

Is this a ?		Is this policy, strategy, function or service ... ?	
Policy	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	New or proposed	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Strategy	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Already exists and is being reviewed	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Function	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Is changing	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Service	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		

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(1) What are the main aims, objectives and intended outcomes of the proposed decision and who is likely to benefit from it?	
Aims:	To ensure our salary range for CEx is competitive
Objectives:	To attract high calibre candidates for the role of CEx
Outcomes:	Appointment of a high calibre CEx
Benefits:	New CEx will help deliver our ambitious vision for the future

(2) Which groups might be affected and how? Is it positively or negatively and what sources of information have been used to determine this?		
<i>(Please demonstrate consideration of all strands – Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion or Belief, Sex and Sexual Orientation)</i>		
Group Affected	What might be the effect?	Information to support this
Age	Younger candidates	Given the seniority of the role it is likely candidates will be older as they are most likely to meet the skills and experience requirements for the role. This role would not be suitable for someone with little or no work experience.
Disability	N/A	
Gender Reassignment	N/A	
Marriage and Civil Partnership	N/A	
Pregnancy and Maternity	N/A	
Race	N/A	
Religion or Belief	N/A	
Sex	N/A	
Sexual Orientation	N/A	
Further Comments:		

(3) Result	
Are there any aspects of the proposed decision, including how it is delivered or accessed, that could contribute to inequality?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Please provide an explanation for your answer: The salary range would apply for all candidates who meet the criteria for the role regardless of any protected characteristics	
Will the proposed decision have an adverse impact upon the lives of people, including employees and service users?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Please provide an explanation for your answer:	

If your answers to question 2 have identified potential adverse impacts and you have answered ‘yes’ to either of the sections at question 3, or you are unsure about the impact, then you should carry out a EqlA 2.

If an EqlA 2 is required, before proceeding you should discuss the scope of the Assessment with service managers in your area. You will also need to refer to the EqlA guidance and template – <http://intranet/index.aspx?articleid=32255>.

(4) Identify next steps as appropriate:	
EqlA Stage 2 required	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Owner of EqlA Stage Two:	
Timescale for EqlA Stage Two:	

Name: Abigail Witting

Date: 26th April 2021

Please now forward this completed form to Pamela Voss, Equality and Diversity Officer (pamela.voss@westberks.gov.uk), for publication on the WBC website.

Appendix B

Extract of current pay scales as of 1st April 2020*

	N- Service Lead	53	£	65,760	£	5,480.00	34.0852
		54	£	66,788	£	5,565.63	34.6177
		55	£	67,815	£	5,651.25	35.1503
		56	£	68,843	£	5,736.88	35.6829
		57	£	69,870	£	5,822.50	36.2155
		58	£	70,898	£	5,908.13	36.7481
		59	£	71,925	£	5,993.75	37.2806
HOS-phasing out		62	£	74,827	£	6,235.56	38.7846
		63	£	77,276	£	6,439.69	40.0543
		64	£	79,703	£	6,641.93	41.3123
		65	£	82,150	£	6,845.80	42.5803
		66	£	84,586	£	7,048.82	43.8431
		67	£	87,033	£	7,252.77	45.1116
	O- Service Directors	68	£	90,420	£	7,535.00	46.8671
		69	£	91,961	£	7,663.44	47.6660
		70	£	93,503	£	7,791.88	48.4648
		71	£	95,044	£	7,920.31	49.2637
		72	£	96,585	£	8,048.75	50.0626
P-ED Place		79	£	121,245	£	10,103.75	62.8445
		80	£	122,273	£	10,189.38	63.3771
		81	£	123,300	£	10,275.00	63.9097
		82	£	124,328	£	10,360.63	64.4422
		83	£	125,355	£	10,446.25	64.9748
	Q- ED People/Resources	84	£	126,383	£	10,531.88	65.5074
		85	£	127,410	£	10,617.50	66.0400
		86	£	128,438	£	10,703.13	66.5726
		87	£	129,465	£	10,788.75	67.1051
		88	£	130,493	£	10,874.38	67.6377
		89	£	131,520	£	10,960.00	68.1703
	CEX	90	£	148,988	£	12,415.63	77.2242
		91	£	150,015	£	12,501.25	77.7568
		92	£	151,043	£	12,586.88	78.2893
		93	£	152,070	£	12,672.50	78.8219

*Pay award decision effective from 1st April 2021 yet to be confirmed

Extract from Gatenby Sanderson proposal

Salary recommendation

The local government Chief Executive market was buoyant in 2019 but slowed in 2020 as the focus of activities shifted to the COVID-19 response. We anticipate that there will be a fair amount of movement in 2021 as some serving Chief Executives retire having delayed their plans in 2020, local gov re-organisation displaces serving district Chief Executives, and there is a push from aspirant first timers whose experience of working at the most senior stakeholder levels the COVID-19 response has given them confidence to step-up. We are also seeing an increase in interest from candidates outside of local government who have realised during the last 12 months their sense of public service and duty and are interested in roles in front-line economic and community recovery.

In 2019, the LGA reported that in England & Wales, the median Chief Executive salary was £132,177 with a maximum salary of £214,200, and for London Boroughs it was £184,811 with a maximum salary of £201,798. There has been little salary inflation for Chief Executive in the last 12 months, in fact quite the opposite in some cases where Administrations are keen not to be seen to be over-paying in a wider context of economic hardship. Data gathered from Chief Executive appointments we have been contracted to in the last two years can be seen in the three tables below:

- Salaries based on population size, indicating a scale of £105,000 - £180,000 for populations <250,000 people.

	Lowest salary starting point	Average salary starting point	Average salary maximum	Maximum salary offered
<250,000	£105,000	£140,772	£147,472	£180,000
>250,000	£115,000	£160,128	£172,219	£221,754

- Salaries from across our practice. Your scale proposed would allow you to approach all market areas should you wish.

Practice Area	Lowest salary starting point	Average salary starting point	Average salary maximum	Maximum salary offered
Health	£115,669	£147,612	£196,274	£250,000
Education	£120,000	£170,000	£186,000	£220,000
Housing	£85,000	£160,875	£170,875	£250,000
Local Government	£105,000	£149,375	£158,471	£221,754

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Central Government	£65,000	£120,455	£136,818	£210,000
Regulation	£80,000	£118,130	£127,975	£210,000

Based on this data and benchmarking, we believe your salary scale of £145k will not attract many existing Local Authority Chief Executives across the region but would be attractive to first time chief executives, an approach that has worked for a number of authorities previously including West Berkshire last time around. We would provide a more detailed analysis of these provisional conclusions should you wish. It is a combination of intelligence we possess about the aspirations of certain individuals across this geography, public data sources on current salary levels and the additional factor of knowing the number of appointments made across the region over the last 18 months, which is a factor.

Appendix D

Extract from South East Employers report – 4th April 2019

Chief Executives salaries 2018

	Population size *	Max Salary
Berkshire Unitary councils		
West Berkshire	156,800	141,101
Royal Borough of Windsor & Maidenhead	148,800	149,083
Slough Borough Council	147,200	160,645
Wokingham Borough Council	161,900	182,500 Plus 13,000 PRP/Bonus
Reading Borough Council	162,700	159,120
Bracknell Forest	119,400	160,000

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Other SE region Unitary councils	Population size *	Max salary
Portsmouth City Council	214,800	151,878
Brighton & Hove City Council	289,200	156,075 Plus 5,326 Election Fees
Milton Keynes Council	264,500	157,095
Medway	278,500	157,843
Other councils	Population size *	Max Salary
Bath & NE Somerset	187,800	153,015
North Somerset	211,700	148,470
South Gloucestershire	277,000	165,600
Herefordshire	189,300 (county of)	145,000
Swindon	217,900	164,240

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Wiltshire	488,400	105,809 – 151,265 (Shared 4 posts)
Blackburn & Darwen	147,000	152,415
NE Lincolnshire (joint)	159,100	135,000

*Population figures from NOMIS 2016

Appendix E

Recommendation for the appointment of a Chief Executive - To Follow

Note: This document will be RESTRICTED.

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Paragraph 1 – information relating to an individual

Paragraph 2 – information identifying an individual

Paragraph 3 – information relating to financial/business affairs of particular person

To Follow

Recommendation for the appointment of an Interim Chief Executive

It is proposed by the Member appointment Panel that XXXXXXXXXXXX be appointed as the Council's Interim Chief Executive and be designated as the Council's head of paid service.

It is proposed that the offer of employment be made at £xxxxxx.