

Report of the Head of Business HR

Changes to Terms and Conditions for Chief Officers

Summary

1. This report confirms the outcome of consultations with Chief Officers regarding a proposed 4 day reduction to their annual leave entitlement and the introduction of a link between incremental salary progression and the Chief Officer Performance Development Review (PDR) process.
2. The report recommends that these contractual changes to Terms and Conditions are now implemented.
3. It is also recommended that the Chief Officer out of hours on-call rota arrangements are made contractual and a requirement of the role.

Detail of proposals

4. On the 5th August 2013 Members considered a report which proposed the introduction of a market supplement policy for Chief Officers. This policy has now been implemented, however market supplement payments will only ever be used in exceptional circumstances and when there is evidence that the pay for a particular post is significantly below the market rate.
5. The report also requested agreement to commence consultation with Chief Officers and Trade Unions on the introduction of a link between incremental progression and the Chief Officer Performance Development Review (PDR) process and a proposed 4 day reduction to annual leave entitlement.

Introduction of Performance related incremental progression for Chief Officers

6. Directors are employed on grades which have five salary levels and Assistant Directors are employed on grades which have four salary levels. Once appointed progression through the salaries in the grade currently is on a 'time served' basis with annual progression each April until the post holder reaches the top salary of the grade. This is common practice across most public sector employers.
7. The Chief Executive is employed on a grade which links performance to pay and progression though the salary levels is only achieved if performance is determined to be judged to be satisfactory using the Performance Development Review (PDR) process.
8. It is proposed to introduce a link between pay and performance for all Chief Officers to drive improved performance through linking desired organisational outputs to incremental progression. Progression through the salaries in the grade would be based on the assessment of performance though the PDR process which now incorporate behaviour standards.
9. Where it is agreed that the performance targets and behavioural standards have been achieved a Chief Officer may progress by one increment annually.
10. Following consultation, Chief Officers have confirmed that they would accept this contractual change which would be implemented from the next round of PDR's commencing in May 2014.

Proposed reduction to annual leave

11. The current annual leave entitlement for Chief Officers is 34 days increasing by five days to 39 days after five years continuous local government service. This is in addition to the eight public holidays per year. The Council's flexi time scheme does not apply to Chief Officers.
12. Under national terms and conditions for Chief Officer's annual leave and holiday arrangements are at the discretion of the local authority, but set out a minimum entitlement of 30 working days including annual and long service leave.

13. The annual leave entitlement for Local Government staff in York is 24 days, increasing to 29 days after five years continuous local government service. In addition the flexi time scheme operates for most employees which allow staff to take accrued time off work, subject to the needs of the service.
14. Leave arrangements in other Local Authorities vary significantly, however information obtained from other local authorities suggest that the Council does provide more annual leave for Chief Officers than some other Local Authorities.
15. It is proposed to reduce the annual leave entitlement to 30 days increasing by five days to 35 days after five years continuous local government service.
16. Following consultation, Chief Officers have confirmed that they would accept this contractual change which would commence from the start of their next annual leave year.

Standby rota

17. In the last year all Chief Officers have been included on an out of hours on call rota. This requires Chief Officers to be 'on call' in the event of an emergency and may require them to attend to assist in the co-ordination to an emergency response. This has strengthened the councils planning and business continuity and parallels arrangements made by other category 1 respondents.
18. All Chief Officers have agreed to be included on this rota, but the arrangements should be made contractual, this would be a new additional duty.
19. It is proposed to use the same standby arrangements which are in place for all other council staff. This would mean that when a Chief Officer is on the rota they would be paid a standby allowance of 52p per hour. If a Chief Officer was called out in an emergency situation they would be paid for this time at their normal hourly rate.
20. Following consultation, Chief Officers have confirmed that they would accept this contractual change which would commence with immediate effect.

Consultation

21. Formal consultation regarding these proposals has taken place with the Chief Officers and trade unions. All Chief Officers have confirmed that they would agree to these proposed contractual changes.

Options

22. The Committee has the power within the Council's procedures to agree these changes to terms and conditions.

Council Plan

23. The actions being proposed in the report are consistent with the Council Plan and the Council's Workforce Strategy 2012 – 15, which has 'Pay, reward and Recognition', 'Performance and Change' and 'Recruitment and Retention' are its key strategic aims.

Implications

24. The implications of this proposal are detailed within the body of the report.
25. The Council currently has published on the Council website a Pay Policy for Chief Officers and these changes would require incorporating into the document when it is next updated.

Risk Management

26. Any specific risks associated with this proposal are detailed within the body of this report. The risks associated with the recommended option are financial, legal and guidance has been taken from these services.

Recommendations

27. Staffing Matters and Urgency Committee is asked to consider the information in this report and to agree to;
 - i) The introduction of a link between incremental salary progression and the Chief Officer the PDR process. This change which would be implemented from the next round of PDR's commencing in May 2014.

- ii) A 4 day reduction to Chief Officer annual leave for Chief Officers, meaning their entitlement would be 30 days increasing by five days to 35 days after five years continuous local government service. This change would take effect from the start of their next annual leave year
- iii) Make it a contractual requirement that Chief Officers are included on the out of hours on call rota and that they are paid a standby allowance and when necessary a call out payment. This change would be implemented with immediate effect.

Reason: In order that Chief Officer terms and conditions meet current organisational requirements.

Contact Details

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Chief Officer Responsible for the report:

Kersten England, Chief Executive

Report Approved

Date 1st May 2014

Specialist Implications Officer(s):

Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the author of the report

Background Papers: None