

## **SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Employment & Appeals Committee

**DATE:** 12<sup>th</sup> September 2013

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**WARD(S):** All

### **PART 1** **To Resolve**

#### **AMENDMENTS TO SENIOR MANAGEMENT & LEADERSHIP GRADES**

##### **1 Purpose of Report**

- 1.1 To address anomalies in the grading structure of the Council's Senior Management and Leadership (SML) pay scales.

##### **2 Recommendation(s)/Proposed Action**

- 2.1 Employment & Appeals are asked to resolve;
1. Changes to incremental points 111 – 113 of SML Grade 11 with effect from 1 October 2013
  2. Changes to incremental points 121 – 124 of SML Grade 12 with effect from 1 October 2013.

##### **3. Other Implications**

###### **(a) Financial**

- 3.1 The proposal will be cost neutral and should deliver a small saving on salary costs as future appointments to SML 12 will be at the new starting rate of £63,165, a saving of £2790. The savings at the top of scale will be £6560, members should note, although not automatic, once an SML staff member has been awarded a scale point they remain on that level, therefore savings at the top of grade SML 12 will be recurrent.
- 3.2 Over time these savings will offset any cost of the increases at the lower points of SML11.

(b) Risk Management

Recommendation	Risk/Threat/Opportunity	Mitigation(s)
Changes to pay grades to prevent overlaps into grades below or above.	Risk of Challenge around inequality and possible equally pay claims.	Agree recommendations to change current grades

(c) Human Rights Act and Other Legal Implications

- 3.3 Section 3.4 of the constitution, Responsibility for Council Functions enables the Employment & Appeals Committee to determine matters relating to conditions of service. Members should note that, although the Chief Executive, Director and Assistant Director posts fall within the SML grading scheme, the proposals do not recommend any changes to their grades or arrangements. The grade of the report author is similarly unaffected.

(d) Equalities Impact Assessment

- 3.4 No equalities impact.

(e) Workforce

- 3.5 The council currently has one staff member at SML12, who is due to leave the council at the end of September 2013. Therefore no staff currently in post will be affected by the proposed changes to SML12.
- 3.6 Of the 22 staff currently on SML11, 15 are at the top of the grade point and will not be affected. 7 members of staff on the lower grades of SML11 will be affected by the modest changes to their incremental points. The increases will only cover a 6 month period and will not be backdated. As a consequence the actual increase for any individual represents a rise of less than 1%, compared to the increase of 2.02% that non SML grades have received over the period.

**4 Supporting Information**

- 4.1 Following the national pay award for main grade local government staff and the continued pay freeze for SML grades, anomalies are beginning to appear within the Council pay bands.
- 4.2 This paper proposes amendments to the Council pay bands to ensure proportionate and equitable pay arrangements are in place. The proposals also tackle historical issues where grades have overlapped or their design has meant unnecessary costs for the council and increased the risk of equal pay challenge.

### **Overlap between Top of L10 and bottom of SML 11**

- 4.3 Pay for non SML grades has risen 2.02% over the last 5 years, whilst SML pay has not increased. This has resulted in the top of L10 overtaking the bottom of the SML scale. This presents a number of difficulties and risks, including;
- Potential for staff to be paid more than their manager.
  - Pressure to appoint at the second incremental point in the SML11 band leading to increased costs for the council.
  - Potential challenges from staff around equal pay.
  - Problems increasing if the pay freeze for SML grades continues in 14/15.
- 4.4 To remedy the situation the three bottom incremental points of SML 11 have been adapted to ensure sufficient gaps and distance between them and the grade below.

### **Costly SML 12 grade that overlaps with SML 13**

- 4.5 The current SML12 grade is broad starting at £65,955 and finishing at £76, 925. The generous width of the incremental points is unsustainable within the current climate of budget restrictions. The start of the grade is over £5k more than the top of the preceding grade and the top of the grade overlaps unnecessarily into the grade above.
- 4.6 The proposal is to shorten the financial breadth of the grade saving £2790 at the bottom and £6560 at the top of the scale.

## **5. General**

- 5.1 Members should be aware that incremental progression is not automatic and is dependent on satisfactory delivery of performance objectives.

## **6. Conclusion**

The proposals represent a pragmatic response to a number of long-standing and emerging anomalies in the SML grading structure at roughly neutral cost to the Council.

### **Appendices Attached**

'A' - Current and Proposed SML Grades

## Appendix A: Current and Proposed SML Grades

### Current

Grade	Salary Range				
L10 01	47,464				
L10 02	48,424				
L10 03	50,361				
L10 04	52,281				
Grade	Salary Range	Grade	Salary Range	Grade	Salary Range
SML 111	52,094	SML 121	65,955	SML 131	72,743
SML 112	54,837	SML 122	69,426	SML 132	76,572
SML 113	57,725	SML 123	73,080	SML 133	80,600
SML 114	60,765	SML 124	76,925	SML 134	84,843

### Proposed

Grade	Salary
Current top of L10	52,281
Proposed	
SML 111	53,415
SML 112	55,865
SML 113	58,315
SML 114	60,765
SML 121	63,165
SML 122	65,565
SML 123	67,965
SML 124	70,365