

Classification	Item No.
Open	

<b>Body:</b>	Employment Panel
<b>Date:</b>	24 <sup>th</sup> January 2022
<b>Title of report:</b>	Chief Officer Job Evaluation Scheme
<b>Report by:</b>	Cllr. Tahir Rafiq, Cabinet Member for HR & Corporate Affairs
<b>Decision Type:</b>	Council
<b>Ward(s) to which report relates</b>	All

### Executive Summary:

Bury Council currently employs 37 Chief Officers, paid across 7 pay bands (A-H) with the Chief Executive and Deputy Chief Executive paid outside of these bands. Pay for those in bands A to H ranges from £59,385 to £134,364.

Posts in this cohort are currently evaluated through the Hay Job Evaluation (JE) scheme and paid in accordance with JNC terms and conditions. The Hay JE scheme is not sustainable in the medium-term as only two Council employees are trained in evaluating using this scheme, the provider no longer trains external parties to conduct evaluations, and the rate for externally evaluating the roles using Hay (now owned by Korn Ferry) is £2,500 per role.

This paper sets out a broad proposal for endorsement by Employment Panel to consult staff on a proposal to transition from evaluation under the Hay scheme to the Local Government Association (LGA) scheme. Initial work by the LGA has been undertaken to ensure the applicability of this scheme to our pay structure and map the scores of existing Chief Officer evaluations to the new proposed scheme. – There will be no changes to pay for individuals as a result of this transition.

The LGA are able to offer training to a wider range of Council staff to ensure evaluations can be undertaken within existing capacity going forward.

### Recommendation(s)

That the Employment Panel agree the transition of the Council's job evaluation scheme for Chief Officers from the Hay to the LGA scheme, subject to consultation with affected staff.

## Key considerations

### 1. Proposed Approach

- 1.1 The Council's current evaluation method for evaluating the grading of Chief Officers is the Hay scheme; Hay Group was acquired by Korn Ferry in 2015. Since the 2015 acquisition, the opportunity to pay for further evaluators to be trained in the scheme has been removed by Korn Ferry and the cost to have Korn Ferry evaluate posts using this scheme is now £2,500 per role.
- 1.2 Internally the Council has two Hay-trained evaluators, both of whom are Chief Officers, and no internal solution to enable continued application of this scheme outside of the current resource.
- 1.3 The Local Government Association works with several Local Authorities across the UK, including a number within Greater Manchester, and has developed an alternative job evaluation scheme for senior leaders in Local Government. The LGA scheme is the only viable alternative to the Hay scheme, and is increasing in its popularity as the financial challenges of using the Hay scheme become known on a wider level. The scheme values strategic capability and responsibility not merely operational responsibility, staff numbers and direct budget management etc.
- 1.4 A comparison exercise, using a sample of existing job descriptions evaluated using the Hay methodology, and assessing where these roles sit within the LGA framework, was conducted in July 2022. The purpose of this was to establish whether the two schemes were like-for-like in-terms of outcome. Of all 13 roles which were considered, across the full breadth of the current Chief Officer grading structure, each grade outcome was identical to that achieved through the Hay evaluation. This provides reassurance that the move from the Hay to the LGA scheme does not generate any grade outcome differences in and of itself.
- 1.5 It is therefore suggested that the LGA scheme is used for future Chief Officer appointments, with existing CO roles mapped over to the LGA scheme to develop a full points-to-pay line for this group of staff.
- 1.6 The LGA will provide training to 9 internal evaluators, which will include Trade Union representatives who will not, in practice, undertake evaluations but will be trained to ensure their understanding of the scheme and capacity to support individuals in the event of any appeal.
- 1.7 Although there is no legal requirement to consult on the job evaluation scheme used, the proposal is that a period of consultation (30 days) is provided as a sensible mechanism by which feedback on the application of a new scheme could be collated. As part of this the LGA will host an open presentation on the operation of the scheme to Chief Officers. – Given the above evidenced transferability of evaluations across the two schemes, the current (Hay) evaluation approach will continue to be used for new roles until the conclusion of this process.
- 1.8 There is a one-off fee payable to the LGA for their support with this work, including activity to ensure the cross-applicability of the LGA scheme and to train

a cohort of staff of 9 HR staff, the cost of which will be met from existing budgets. As part of this fee the LGA will also provide support in strengthening the Council's policy position on the management of job evaluations which have the potential to move from the NJC scheme to Chief Officer scheme to ensure a robust approach is taken here going forward.

**Community impact/links with Community Strategy**

A sustainable model to Job Evaluation will assure the Council's ongoing ability to engage Chief Officers at appropriate and fair rates of pay going forwards.

**Equality Impact and considerations:**

*Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:*

*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;*
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.*

*The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services.*

<b>Equality Analysis</b>	Please provide a written explanation of the outcome(s) of either conducting an initial or full EA.
An Equality Impact Assessment has been carried out in relation to the proposed changes and no negative impacts have been identified.	

**Assessment of Risk:**

The following risks apply to the decision:

<b>Risk / opportunity</b>	<b>Mitigation</b>
Consultation at senior level is unsettling and could affect morale at this level.	Reassurance that the two schemes are comparable and that no grade or pay changes will result from this will be provided.

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**Consultation:**

Subject to approval by Employment Panel and endorsement by the Local Government Services Consultation Meeting, a period of 30 days consultation with Chief Officers will begin subject to the changes proposed.

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**Legal Implications:**

It is proposed that there will be consultation regarding the proposed change in scheme, this will provide information to officers and assurance. The scheme operated to evaluate roles is not a contractual matter, Members will note that staff pay will not change as consequence of this decision.

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**Financial Implications:**

There is a one-off fee of £10,500 payable to the LGA for the training of 9 staff and their initial review of the comparability of the two schemes, which will be met from the existing HR budget. However, at a future cost of £2,500 per job evaluation going forward if we were to continue with the Hay scheme this provides value for money and future cost avoidance.

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**Background papers:**

*None*

**Please include a glossary of terms, abbreviations and acronyms used in this report.**

Term	Meaning
Hay	Hay – Current Job Evaluation Scheme -
LGA	Local Government Association

