



Committee: PERSONNEL COMMITTEE

Date: TUESDAY, 3RD APRIL 2018

Venue: LANCASTER TOWN HALL

Time: 6.10 P.M.

A G E N D A

1. Apologies for absence

2. Minutes

Minutes of meeting held on 20th February, 2018 (previously circulated).

3. Declarations of Interest

To receive declarations by Members of interests in respect of items on this Agenda.

Members are reminded that, in accordance with the Localism Act 2011, they are required to declare any disclosable pecuniary interests which have not already been declared in the Council's Register of Interests. (It is a criminal offence not to declare a disclosable pecuniary interest either in the Register or at the meeting).

Whilst not a legal requirement, in accordance with Council Procedure Rule 9 and in the interests of clarity and transparency, Members should declare any disclosable pecuniary interests which they have already declared in the Register, at this point in the meeting.

In accordance with Part B Section 2 of the Code Of Conduct, Members are required to declare the existence and nature of any other interests as defined in paragraphs 8(1) or 9(2) of the Code of Conduct.

4. Items of urgent business authorised by the Chairman

5. Pay Policy (Pages 1 - 10)

Report of the Interim HR Manager.

6. Interim Manager Appointments (Pages 11 - 14)

Report of the Interim HR Manager.

ADMINISTRATIVE ARRANGEMENTS

(i) Membership

Councillors Caroline Jackson (Vice-Chairman), Eileen Blamire, Ronnie Kershaw, Jane Parkinson, Margaret Pattison and Sylvia Rogerson and 1 Labour vacancy

(ii) Substitute Membership

Councillors Carla Brayshaw, Andrew Gardiner, Rebecca Novell, David Whitaker and Philippa Williamson

(iii) Queries regarding this Agenda

Please contact Stephen Metcalfe, Democratic Services - telephone 01524 582073, or e-mail sjmetcalfe@lancaster.gov.uk.

(iv) Changes to Membership, substitutions or apologies

Please contact Democratic Support, telephone 582170, or alternatively email democraticsupport@lancaster.gov.uk.

SUSAN PARSONAGE,
CHIEF EXECUTIVE,
TOWN HALL,
DALTON SQUARE,
LANCASTER, LA1 1PJ

Published on Thursday, 22nd March 2018.

PERSONNEL COMMITTEE

PAY POLICY**3 April 2018****Report of the Interim HR Manager**

PURPOSE OF REPORT

To enable the Committee to fully consider the 2018 / 19 Pay Policy document.
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This report is public.

RECOMMENDATIONS

That the Committee discuss the Pay Policy for 2018/19 and consider whether any amendments to it are required.

1.0 Introduction

1.1 Each year, the Council is required to produce and publish a 'Pay Policy' document, in line with the requirements of Section 38 Localism Act 2011, as set out below:

- (1) A relevant authority must prepare a pay policy statement for the financial year 2012-2013 and each subsequent financial year.
- (2) A pay policy statement for a financial year must set out the authority's policies for the financial year relating to—
 - (a) the remuneration of its chief officers,
 - (b) the remuneration of its lowest-paid employees, and
 - (c) the relationship between—
 - (i) the remuneration of its chief officers, and
 - (ii) the remuneration of its employees who are not chief officers.
- (3) The statement must state—
 - (a) the definition of "lowest-paid employees" adopted by the authority for the purposes of the statement, and
 - (b) the authority's reasons for adopting that definition.
- (4) The statement must include the authority's policies relating to—
 - (a) the level and elements of remuneration for each chief officer,
 - (b) remuneration of chief officers on recruitment,
 - (c) increases and additions to remuneration for each chief officer,
 - (d) the use of performance-related pay for chief officers,
 - (e) the use of bonuses for chief officers,
 - (f) the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and
 - (g) the publication of and access to information relating to remuneration of chief officers.

- (5) A pay policy statement for a financial year may also set out the authority's policies for the financial year relating to the other terms and conditions applying to the authority's chief officers.

- 1.2 The Pay Policy is a document which summarises information held in other policies about remuneration and terms and conditions of employment, primarily for senior staff. It also provides factual information in relation to comparisons of pay between Chief Officers and other staff.

2.0 Discussions at Council on 28 February 2018

- 2.1 At the Council meeting, the Pay Policy for 2018/19 was tabled for discussion and approval. Whilst the document contained no policy changes, it was shorter than the previous year's document as some commentary had been removed which was not required in the document. This commentary was primarily in relation to job evaluation.
- 2.2 In past years, the Pay Policy document has been submitted directly to full Council for approval, without any input from Personnel Committee. Previously the Statement of Pay Policy has been considered to be an articulation of the existing policies which are summarised and agreed at full council, the Personnel Committee being intimately involved with the creation of the policies which the Pay Policy Statement reflects.
- 2.3 It was agreed at the Council meeting that in future years, the Pay Policy Statement goes to Personnel Committee for consideration before it is sent to full Council. The HR Manager will put appropriate arrangements in place for this to happen. This places the statutory pay policy statement as agreed at full council (as recommended by the personnel committee) as the overarching enunciation of policy.

3.0 Other Policies, Processes and Agreements

The Pay Policy document rightly refers to other policies, processes and agreements where terms and conditions of employment are recorded and used for recruitment and staff management purposes. These include:

- Nationally agreed JNC Terms and Conditions (for Chief Officers)
- National Joint Council for Local Government National Agreement on Terms and Conditions of Service (the NJC Green Book)
- The Joint Negotiating Committee for Local Authority Chief Executives – Conditions of Service
- The NJC Negotiated Pay Spine
- Local Government (Early Termination of Employment Discretionary Compensation) (England and Wales) Regulations 2006
- The Early Termination of Employment Policy

Copies of these documents will be brought along to Personnel Committee. The Pay Policy for 2018/19 is appended to this report.

4.0 Policy Changes

- 4.1 Upon considering the Pay Policy document, should the committee wish to propose any changes to actual policy, then negotiations may need to take place through the standard processes involving our Trade Unions before proposals can be accepted.
- 4.2 Any amendments recommended by Personnel Committee to the statutory pay policy statement must be referred to full Council to be approved by resolution before it comes into force. As soon as is reasonably practicable after amending the pay policy statement, we must publish the amended statement, which must include publication on the authority's website.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

No impact.

FINANCIAL IMPLICATIONS

There are no financial implications of this report.

As background information, the Council's pay related policies and agreements form the basis for budgeting for staffing costs. Should Members wish to consider any proposed changes to policy in due course, the financial implications would need to be assessed and considered to inform decision-making.

SECTION 151 OFFICER'S COMMENTS

The s151 Officer has been consulted and has no further comments.

LEGAL IMPLICATIONS

There are no legal implications of this report.

MONITORING OFFICER'S COMMENTS

No comments. The statutory provisions are set out in the report

BACKGROUND PAPERS

None.

Contact Officer: Dave Rigby

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Pay Policy Statement 2018 - 2019

28 February 2018

Report of the Chief Executive

PURPOSE OF REPORT

To enable the Council to approve its Pay Policy Statement for 2018 - 2019, as required by the Localism Act 2011.

This report is public

RECOMMENDATIONS

- (1) That Council approve for publication the Pay Policy Statement for 2018 – 2019.**

1.0 Introduction

- 1.1 Section 38 of the Localism Act 2011 places a requirement on local authorities to publish a Pay Policy Statement by the 31st March in each year. The Statement must be approved by resolution of Council, and this function may not be delegated. The Statement must set out the Council's arrangements relating to:

- the remuneration of its Chief Officers;
- the remuneration of its lowest-paid employees, and
- the relationship between the remuneration of its Chief Officers and the remuneration of its employees who are not Chief Officers.

- 1.2 Chief Officers within this Council have been defined as the Chief Executive, the Assistant Chief Executive and the five Chief Officers. However, the definition in the Localism Act 2011 is wide enough to cover those reporting directly to these officers, and this is covered within the Pay Policy Statement. The Pay Policy Statement should be read in conjunction with the Arrangements for other aspects of Chief Officer Remuneration and Lancaster City Council's Pay and Grading Structure 1 April 2018, which are appended to the report.

- 1.3 The draft Pay Policy Statement has been prepared in accordance with the requirements of the Localism Act 2011, and having regard to the guidance issued by the Department for Communities and Local Government (DCLG) under Section 40 of the Act.

- 1.4 Members will recall that the Council's last Pay Policy Statement was approved on the 1st March 2017. That document has now been updated for 2018/19, and has been drafted in accordance with guidance issued by the DCLG. There is provision in the Act for the Council, if required, to amend the document by resolution during the year to which it relates.

- 1.5 During the course of the year, if the authority makes any determination relating to the remuneration or any other terms and conditions of a Chief Officer, it must comply with its Pay Policy Statement.

2.0 Proposal Details

- 2.1 Council is requested to approve the Pay Policy Statement for 2018-19.

3.0 Details of Consultation

- 3.1 There has been no consultation, but in preparing the Statement, regard has been had to government guidance and to advice given by North West Employers.

4.0 Options and Options Analysis (including risk assessment)

- 4.1 In order to comply with the Localism Act 2011, it is necessary for Council to approve a Pay Policy Statement. The attached draft document has been prepared by officers in order to comply with the statutory requirements.

5.0 Conclusion

- 5.1 Council is asked to approve the Pay Policy Statement.

CONCLUSION OF IMPACT ASSESSMENT (including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing) None directly arising from this report.	
LEGAL IMPLICATIONS There are no legal implications.	
FINANCIAL IMPLICATIONS The Council's budget is based on its pay policy. Any proposed changes in pay policy, that have budgetary implications, would need to be considered by Council following referral from Personnel Committee (as part of it considering pay policy update proposals). In particular, the Council still has on hold consideration of various pay and grading reviews, the progress of which will need to be considered and addressed as part of wider organisational developments.	
OTHER RESOURCE IMPLICATIONS Open Spaces, ICT, Property: None Human Resources, The Pay Policy Statement 2018 - 2019 has been prepared by the HR Manager.	
SECTION 151 OFFICER'S COMMENTS The s151 Officer has been consulted and has contributed to this report.	
DEPUTY MONITORING OFFICER'S COMMENTS The Deputy Monitoring Officer has been consulted and has no further comments.	
BACKGROUND PAPERS None	Contact Officer: Dave Rigby Telephone: 01524 582180 E-mail: darigby@lancaster.gov.uk Ref:

Lancaster City Council

Pay Policy Statement 2018-19

1. Introduction and Purpose

- 1.1 In accordance with the requirements of Section 38 of the Localism Act 2011, this Pay Policy statement has been produced to reflect the Council's approach to pay policy for the year 2018/19.
- 1.2 This statement sets out the Council's policies in relation to the remuneration of our Chief Officers and all other employees. It also clarifies the relationship between Chief Officer remuneration and the remuneration of our lowest paid employees.
- 1.3 The purpose of this statement is to demonstrate transparency with regards to setting the pay of Council employees.

2. Setting Terms and Conditions

- 2.1 The Council's Chief Officers, including the Chief Executive, are employed under the nationally agreed JNC terms and conditions. All other employees are employed under the nationally agreed NJC terms and conditions.
- 2.2 Pay increases relating to cost of living are agreed nationally by the NJC and JNC negotiating bodies.

3. Definitions of Chief Officers within Lancaster City Council

- 3.1 Chief Officers within this Council are currently defined as the Chief Executive, the Assistant Chief Executive and the five Chief Officers, namely:
 - Chief Officer (Legal and Governance (Monitoring Officer))
 - Chief Officer (Resources (Section 151 Officer))
 - Chief Officer (Environment)
 - Chief Officer (Health and Housing)
 - Chief Officer (Regeneration and Planning)
- 3.2 In addition to the above, the Council has a number of posts which may fall into the wider external definition of Chief Officer posts, although they are not designated as such within this Council. These other posts are as follows
 - Business Support Manager
 - Commercial Centre Manager
 - Council housing Building Programme Manager
 - Democratic Services Manager
 - Economic Development Manager
 - Financial Services Manager
 - HR Manager
 - ICT Manager
 - Internal Audit Manager (**under review)
 - Planning Manager
 - Principal Housing Manager
 - Private Sector Housing Manager
 - Public Protection Group Manager
 - Operations Manager
 - Regeneration Manager
 - Repairs and Maintenance Manager
 - Safety Manager
 - Senior Property Officer
 - Senior Solicitor
 - Sports and Leisure Manager
 - Waste & Recycling Manager

- 3.3 All of the posts named at 3.2 above fall into a pay grade which currently has a maximum pay point below £50,000. The terms of service for these posts are governed by the National Joint Council for Local Government National Agreement on Terms and Conditions of Service (the NJC Green Book).

4. Remuneration of the Chief Executive and Assistant Chief Executive

- 4.1 The post of Chief Executive (which also acts as Head of Paid Service) is paid on a fixed salary of £111,334 as at 1 April 2018 (subject to the national pay award being agreed). The post holder also acts as the Returning Officer for which additional fees are payable in relation to specific election based activities.
- 4.2 The Assistant Chief Executive is currently paid on a fixed salary of £84,150 as at 1 April 2018 (subject to the national pay award being agreed).

5. Remuneration of other Chief Officers

- 5.1 The Council has established a salary structure for the 5 Chief Officers spanning 4 agreed pay points, ranging from £65,658 up to £68,141. Staff within the Chief Officer posts normally receive an annual increment within the defined range until the post holder reaches the top of the grade. All existing Chief Officers are paid at the top of this scale.

6. Policy on Other Aspects of Chief Officer Remuneration

- 6.1 Aside from 'pay' there are other aspects of Chief Officer Remuneration which are outlined below:
- 6.1.1 **Travel and other expenses:** reimbursed through normal Council policies and procedures in the same way for all staff.
- 6.1.2 **Bonuses:** The terms of employment do not provide for the payment of any bonuses.
- 6.1.3 **Performance Related Pay:** The terms of employment do not provide for performance-related pay.
- 6.1.4 **Honoraria:** Honoraria payments do not apply to Chief Officer posts.
- 6.1.5 **Severance arrangements (for Chief Officers ceasing to hold office):**

The Council's normal policies in relation to redundancy and early retirement apply to these posts, in line with relevant regulations. Arrangements are the same for all employees of the Council.

Any payments falling outside the provisions above or the relevant periods of notice within the contract of employment shall be subject to formal decision made by Personnel Committee.

- 6.2 There are no provisions for any other increases or additions to Chief Officer remuneration, other than as outlined in this policy.

7. Returning Officer Fees

- 7.1 Fees for Returning Officers and other electoral duties are identified and paid separately for local government elections, elections to the UK Parliament and EU Parliament and other electoral processes such as referenda. As these relate to

performance and delivery of specific election duties as and when they arise, they are distinct from the process for the determination of pay for Chief Officers.

8 Other Chief Officer Conditions of Service

- 8.1 The other terms and conditions of service are set out in the relevant conditions of service handbooks, as follows:

Chief Executive: The Joint Negotiating Committee for Local Authority Chief Executives – Conditions of Service

All other Chief Officers: The Joint Negotiating Committee for Chief Officers in Local Authorities – Conditions of Service

9. Pension Contributions

- 9.1 For all employees, including Chief Officers, where employees have exercised their right to be a member of the Local Government Pension Scheme, the Council will make contributions to the Pension Fund in line with the Employer contribution rates determined by the Actuary.

10. Recruitment of Chief Officers

- 10.1 The Council's policy and procedures in relation to the recruitment of Chief Officers is set out within the Council's Constitution.
- 10.2 When recruiting for all posts, the Council will take full and proper account of all provisions of employment legislation and its own agreed policies.
- 10.3 The remuneration offered to any newly appointed Chief Officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment. New appointments for staff up to and including Chief Officers are normally made at the minimum of the grade for the post, although this can be varied if necessary to ensure the best candidate can be appointed.
- 10.4 Where the Council is unable to recruit Chief Officers, or there is a need for interim support to provide cover for a substantive Chief Officer post, the Council will, where necessary, consider engaging individuals under a 'contract for service' (rather than them being direct employees of the Council). These will be sourced through a relevant procurement process, under relevant Officer delegations, ensuring the Council is able to demonstrate the maximum value for money from securing the service.

11. Approval of Salary Packages in Excess of £100K

- 11.1 Before any offer of appointment is made, the Council will ensure that salary packages in excess of £100,000 will be considered by full Council. This salary package will be defined as base salary, bonuses, fees, routinely payable allowances and any benefits in kind which are due under the contract.

12. Re- Employment of Former Chief Officers

- 12.1 The Council currently has no specific policy with regard to the re-employment (or engagement through a contract for services) of former Chief Officers who were in receipt of redundancy or other severance payments. In general terms, any employee who is dismissed on redundancy grounds may be considered for re-employment to

posts within the Council, subject to the arrangements within the Council's Early Termination of Employment Policy.

13. Publication and Access to Information regarding Chief Officer Remuneration

- 13.1 Upon approval by Council, the Pay Policy Statement will be published on the Council's website. In addition, relevant information will be reported in the Council's annual Statement of Accounts.

14. Payment of Lower Paid Employees within the Council

- 14.1 The Council uses the NJC negotiated pay spine (i.e. a nationally agreed and defined list of salary points) as the basis for its local pay structure, which determines the salaries for the large majority of its workforce.
- 14.2 The Council operates a Job Evaluation Scheme to determine the pay grade for posts below Chief Officer level, and uses the Greater London Provincial Councils (GLPC) scheme.
- 14.3 The Council ensures that all staff (aside from Apprentices) are paid at least the 'Real Living Wage' rate. Spinal Column Point (SCP) 10 automatically defaults to the Living Wage on 01 April each year and the Council uses this to define its 'lowest paid' employees.
- 14.4 Where the Council experiences a difficulty in recruiting or retaining staff to a particular post, a temporary market supplement may be applied to the salary grade in accordance with the Council's Market Supplement Policy.
- 14.5 The Council employs Apprentices who are not considered within the definition of 'lowest paid employees'. They are paid under the separate Apprentice Pay Rates, the highest of which equates to the real Living Wage rate.
- 14.6 The Council does not have a policy on maintaining a specific pay ratio between its Chief Officers and its lowest paid staff, although it is conscious of the need to ensure that Chief Officer salaries are not excessive.
- 14.7 The pay levels from 1 April 2018 within the Council define the multiple between the median full time equivalent earnings and:
- the Chief Executive as 1:5.28
 - the 5 Chief Officers as 1:3.2
- 14.8 The pay levels from 1 April 2018 within the Council define the multiple between the lowest earnings and
- the Chief Executive as 1:6.6
 - the 5 Chief Officers as 1:4

15. Pension Contributions

- 15.1 Where employees have exercised their right to join the Local Government Pension Scheme, the Council agrees to contribute to the Scheme at rates set by Actuaries.

16. Payments on Termination

- 16.1 The Council's approach to statutory and discretionary payments on termination of employment of Chief Officers, prior to retirement, is set out within its policy statement and in accordance with:

- Local Government (Early Termination of Employment Discretionary Compensation) (England and Wales) Regulations 2006.
- Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007.
- Local Government Pension Scheme (Admin) Regulations 2008 (regulation 66).
- The Local Government Pension Scheme Regulations 2013.
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014.

17. Changes to Pay Policy

- 17.1 Should any amendments be required to this policy during the year, then matters will be reported to the Personnel Committee for consideration, for subsequent referral to Council.

18. Accountability and Decision Making

- 18.1 In accordance with the Constitution of the Council, the Personnel Committee is responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to employees of the Council.

PERSONNEL COMMITTEE**Interim Manager Appointments****3 April 2018****Report of the Interim HR Manager****PURPOSE OF REPORT**

To enable the Committee to consider the approach when engaging 'Interim Managers' through Contracts for Services to perform Chief Officer level duties, and decide if a change of approach is required.

This report is public.

RECOMMENDATIONS

- (1) That Personnel Committee consider the content of this report and discuss the options available in relation to the engagement of interim managers for Chief Officer level duties through contracts for services.

1.0 Introduction

- 1.1 Interim Managers, for the purpose of this report, are the individuals appointed through a 'contract for services' to carry out work for the Council. They are usually appointed and paid via an agency on a day-rate payment arrangement, and at no time are they employees of the Council during the period their services are being used in an interim management capacity.
- 1.2 Interim managers will typically be experienced business leaders who are able to manage an organisation or service through a period of change or transformation, provide stability to a business following the sudden departure of a senior leader, or provide a much needed and highly specialised skill set which a business may not have internally.
- 1.3 An organisation may choose to pursue the interim management route because the role in question is not a permanent position or a permanent executive/manager cannot be found fast enough. Similarly, interim management is a positive option to pursue when the terms and conditions for a fixed term role are not attractive enough for potential candidates.
- 1.4 Interim managers appointed by the Council to carry out some duties of a Chief Officer role are not given the delegated authority for a high level of decision making in the same way employed Chief Officers are. Chief Officer delegated responsibilities, in the absence of an employee in the role, automatically revert to the Chief Executive.
- 1.5 If there was a proposal for an interim manager to be given the delegated responsibility of an employed Chief Officer, Personnel Committee would need to approve that delegation to the interim manager.

2.0 Terms of Appointment and Comparisons to Council Employees

- 2.1 The value of contracts for interim manager appointments is arrived at taking into account:
- The financial resource available to the Council
 - The day rate the interim manager charges to the agency, and
 - The additional charge made by the agency on top of the interim manager's day rate.
- 2.2 Interim managers do not benefit from the substantial and generous standard terms and conditions available to employees of the Council. These include:
- Paid holidays
 - Paid public holidays
 - Access to a pension scheme with employer contributions
 - Flexi-time
 - Paid sickness absence
 - Personal development activities / funded training
- 2.3 Any comparison of the rate for paid staff against the hourly rate for interim managers should take account of the other benefits outlined above, which can make a significant difference to the perceived gap between simple hourly rates, depending on the 'specialism' and associated day rate charged at any given time.
- 2.4 Interim Managers are typically Directors or employees of their own Limited Company, with which the contract for services with the agency is agreed. This, in part, underpins the interim managers' reasons for not wanting to be employed by another organisation.

3.0 The Appointment Process

- 3.1 Rather than follow a typical recruitment process in the way we are required to do for Council employees, the appointment route for interim managers enables the Council to agree a 'contract for services' in the same way other contracts are entered into for other services, e.g. consultancy support, planning advice or strategy development work.
- 3.2 When the need for an interim manager is identified, and sufficient budget is available, the relevant Officer will approach an agency for help in sourcing / identifying suitable candidates for the work.
- 3.3 For interim management appointments, agencies will typically supply the Council with the CVs of individuals who are both suitable and available for work at the time they are approached. Both the agency and the Council expect a very rapid turnaround in the selection process, as the market for interim managers is very fast-moving.
- 3.4 Candidates for interim positions are interviewed for the post, so that their skills and experience can be assessed by Officers before the best candidate is selected and offered the position, subject to good quality references.
- 3.5 To delay decision making in the selection process for an interim manager leads to the loss of candidates, simply because of the pace of the market for highly skilled interims. As an example, when we recently sourced CVs for the interim legal post, three of our ideal candidates had been interviewed for, offered and accepted other roles during the two weeks between the Council receiving their CV and the planned interview date. This demonstrates the speed at which we have to work when seeking to appoint an interim manager, where even a two week delay is far too long.
- 3.6 The ability to agree a contract for services is delegated to senior Officers of the Council, subject to certain financial limits. The Chief Executive as the Head of Paid Service

make decisions about these contracts in relation to interim cover for vacant posts and Chief Officers make the decisions in relation to other interim management posts.

- 3.7 It should also be noted that it is highly unlikely that a candidate for an interim position would engage with a lengthy or complex appointment / selection process.

4.0 The Constitution

- 4.1 The Council's Constitution does not specifically mention the appointment of interim managers. Whilst there is specific provision for the appointment of Chief Officers, the Committee should note that a 'Chief Officer' is defined as an employee of the Council whose employment is governed by negotiated and agreed terms and conditions of employment. An interim manager who covers the duties of a Chief Officer is not governed by those terms and conditions.

The key issue in Constitutional terms does not relate to the duties, the day today issues being undertaken by the Chief Officer, but to the delegation of authority from Council to an employee to make decisions on behalf of the authority. The delegated authority to bind the Council is considered so important under the Constitution that the appointment of a Chief Officer, or delegation of the powers of a Chief Officer, is reserved to a proportional Committee of members.

5.0 Options for Consideration

- 5.1 The Committee should discuss the options below in relation to making interim manager appointments to cover the duties of a Chief Officer, and agree the most appropriate outcome for the Council.

5.1.1 That the Chief Executive, under delegated authority, continues to manage and agrees appointments for interim managers to cover Chief Officer level duties through contracts for services, potentially subject to a defined maximum length of appointment, e.g. 6 months, with approval required from Personnel Committee for any extension over 6 months. Were the Chief Executive to request that the interim manager be given the delegated powers of a Chief Officer, this matter would also come to Personnel Committee for a decision.

5.1.2 That the Personnel Committee play an active part in the selection and appointment process for an interim manager required to cover Chief Officer level duties, which could result in the usual delegated powers being delegated to the interim manager. This may require further amendments to the Constitution, but would clearly delay the appointment process, risking business continuity for the Council.

CONCLUSION OF IMPACT ASSESSMENT
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(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing):
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No impact.

LEGAL IMPLICATIONS

None.

FINANCIAL IMPLICATIONS

Any additional financial implications arising through the continued use of interim appointments would need to be managed from within existing resources, i.e. through service or corporate turnover savings in the first instance, and if appropriate to do so, then use of the Budget Support Reserve, thereafter, under delegated authority to the Chief Officer (Resources), in consultation with the Finance Portfolio Holder for non-key decisions with key decisions being subject to Cabinet approval.

With reference to the points raised under section 2.2, it is re-iterated that the equivalent hourly rate of vacant posts includes the employers pension scheme contribution costs and so although would increase slightly if other benefits such as holiday and sickness allowance were taken into account, as this is what it normally costs the Council to 'employ' rather than 'contract' staff, then regardless of how any terms and conditions are derived and subsequently reimbursed by an Agency, the Council's hourly rate is still significantly less than that often charged for interim appointments.

It is recognised, however, that there is on occasion the need to use contracted staff on a temporary basis, but that there remains the need to ensure this is the most cost effective means of providing temporary cover as and when deemed necessary until more permanent arrangements can be put in place.

OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces:

This report has been written by the Interim HR Manager. There are no other resource implications.

DEPUTY SECTION 151 OFFICER'S COMMENTS

The further use of interim appointments will be inevitable as the Council seeks to ensure it has sufficient capacity and expertise to deliver its stated objectives.

In order to improve the transparency and accountability around interim appointments, specific monitoring and reporting arrangements have been introduced for 2018/19 as part of the Councils existing quarterly monitoring framework. This enhanced reporting will assist in providing assurance that each interim appointment is providing value for money in meeting the Council's requirements.

It is worth noting that in addition to the internal reporting noted above, the Council is required to make disclosures within its statutory Statement of Accounts in relation to remuneration of senior officers and other employees.

MONITORING OFFICER'S COMMENTS

This report has been approved by the Monitoring Officer.

BACKGROUND PAPERS

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