

Report of the Chief Executive to the meeting of Full Council to be held on Tuesday 14 January 2020

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Subject:

Grade and salary range for the post of Director, West Yorkshire Pension Fund (WYPF).

Update of the Council's Pay Policy Statement 2019/2020.

Summary Statement:

This report recommends that Council approves:

- (i) The proposed change of grade and salary range for the post of Director, West Yorkshire Pension Fund from Assistant Director 1 (AD1) salary range £96,603 - £102,287 to Director 1 salary range £106,131 to £116,744, subject to consultation.
- (ii) The proposed update required to the Council's 2019/2020 Pay Policy Statement, to reflect the proposed change of grade and salary range for the post of Director, West Yorkshire Pension Fund.
- (iii) The backdating of the grade for the post of Director West Yorkshire Pension Fund to 1 April 2019 subject to consultation on the change

Kersten England
Chief Executive

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1. SUMMARY

- 1.1 The post of Director, West Yorkshire Pension Fund has been reviewed and evaluated in accordance with the Hay job evaluation scheme and has been evaluated at Director 1, salary range £106,131 - £116,744.
- 1.2 Council approval is sought for the new grade and salary range for the post of Director of West Yorkshire Pension Fund to Director 1 (£106,131 - £116,744) subject to consultation. It is proposed that the postholder will be assimilated at the minimum of the grade and salary increases will be subject to incremental progression.
- 1.3 Council approval is also sought to amend Appendix B of the Council's Pay Policy Statement 2019/2020 to reflect this proposed change as set out in Appendix 1 to this Report.

2. BACKGROUND

- 2.1 The current WYPF structure and grading was agreed in 2001. Since that time the Fund has grown in scale and complexity. WYPF's 2018 annual report and accounts sets this out; the value of the fund is £13.45 billion, with 286,471 members and 443 employers as at the end of March 2018.
- 2.2 The WYPF scheme also provides shared service administration arrangements for Lincolnshire Pension Fund, London Borough of Hounslow Pension Fund and circa thirteen Fire and Rescue Authorities. In addition, WYPF works in partnership with two other large metropolitan funds, Greater Manchester and Merseyside (previously known as the Northern LGPS, which is the largest public investment fund) with Northern Trust Global Services PLC appointed as the joint custodian.
- 2.3 In 2018 the Council, as the administering authority for the WYPF commissioned an external review of the WYPF organisational and pay structure for investment and administrative staff.
- 2.4 The review findings based on compensation data from UK pension funds or similar asset owners primarily from the private sector were received in the Autumn of 2018. At this time the findings were considered by the WYPF's Joint Advisory Group (JAG). The JAG endorsed these findings, following which the recommendations have been reviewed in line with Council policies and processes in relation to pay and grading.
- 2.5 For the purpose of this report the focus is on the post of Director WYPF which is the most senior graded role in WYPF with a proposed new salary in excess of £100,000 which requires Full Council approval. This post has been reviewed updated and evaluated in line with the Hay job evaluation scheme which is the applicable scheme for Chief Officers. Following this evaluation it is proposed to increase the grade and salary range from Assistant Director 1 (AD1), salary range £96,603 - £102,287 to Director 1, salary range £106,131 - £116,744, subject to consultation. It is important that the post grade remains competitive in a highly skilled market

place often where it is difficult to recruit.

- 2.6 The Council's Pay Policy for the Financial Year 2019/2020 agreed at Full Council in March 2019, sets out matters concerning pay of the Authority's staff, principally its Chief Officers and the Council's lowest paid employees. Section 4 of the Pay Policy sets out the grades and salary ranges at 1 April 2019 for the Council's Chief Officers Director 1 £106,131 - £116,744 is an agreed salary range within this Pay Policy.
- 2.7 As the original review was commissioned in 2018, it is recommended that Council approve the backdating of the grade for the post to 1 April 2019, subject to consultation on the change of grade.

3 OTHER CONSIDERATIONS

- 3.1 Chief Officers are employed pursuant to the terms and conditions of employment of the Joint Negotiating Committee for Chief Officers as amended and supplemented by local agreements and decisions.

4. FINANCIAL & RESOURCE APPRAISAL

- 4.1 The current grade of the post is AD 1 (£96,603 - £102,287). Following evaluation of the reviewed role the proposed grade of the post is Director 1 (£106,131 - £116,744).

5. RISK MANAGEMENT AND GOVERNANCE ISSUES

- 5.1 The post has been graded using the Hay job evaluation and grading scheme which is the scheme agreed for Chief Officers to ensure this sits within the parameters of the Council's Pay Policy.

6. LEGAL APPRAISAL

- 6.1 The Localism Act 2011 requires the Council to produce an annual pay policy statement that covers a number of matters concerning the pay of the Council's staff, principally its Chief Officers and the Council's lowest paid employees. (The "Pay Policy Statement").
- 6.2 Section 41 Localism Act 2011 requires the Council to comply with its Pay Policy Statement for the financial year when making any determination relating to the remuneration of or other terms and conditions applying to a Chief Officer of the Council.
- 6.3 The post of Director of West Yorkshire Pension Fund is a Chief Officer post as detailed in the Council's Pay Policy Statement.
- 6.4 The post of Director West Yorkshire Pension Fund is graded at AD1 in the Council's 2019/2020 Pay Policy Statement. It is proposed, subject to consultation with the recognised Trade Unions for Chief Officers, to pay the Director West Yorkshire Pension Fund at Director 1 grade as detailed in this Report.

6.5 Paragraph 7 of the Council's Pay Policy Statement states that the Authority will ensure that full Council must approve any salary packages of £100,000 pa or more before it is offered in respect of a new post not listed in Appendix B (Appendix B lists all the Chief Officer posts on the Council's Senior Management Structure together with their grades and salary ranges) or if it is proposed to pay more than the top of the salary range for an existing post in Appendix B (excluding pay awards) unless paragraph 9 of the Pay Policy applies. Paragraph 9 relates to recruitment issues for vacant posts and does not apply to matters detailed in this Report.

7. OTHER IMPLICATIONS

7.1 Equality & Diversity

None

7.2 Sustainability Implications

None

7.3 Greenhouse Gas Emissions Impacts

None

7.4 Community Safety Implications

None

7.5 Human Rights Act

None

7.6 Trade Union Implications

The recognised Regional Trade Unions, Unison and GMB for Chief Officers, have been advised in advance of consultation taking place.

7.7 Ward Implications

None

7.8 Implications for Corporate Parenting

None

7.9 Issues arising from Privacy Impact Assessment

None

8. NOT FOR PUBLICATION DOCUMENTS

None

9. RECOMMENDATIONS

That Council approve:

- 9.1 The proposed change of grade and salary range for the post of Director, West Yorkshire Pension Fund from Assistant Director 1 (AD1) salary range £96,603 - £102,287 to Director 1 salary range £106,131 to £116,744, subject to consultation.
- 9.2 The proposed update required to Appendix B of the Council's 2019/2020 Pay Policy Statement, to reflect the proposed change of grade and salary range for the post of Director, West Yorkshire Pension Fund as set out in Appendix 1 to this Report.
- 9.3 The backdating of the grade for the post of Director West Yorkshire Pension Fund to 1 April 2019 subject to consultation on the change

10. BACKGROUND DOCUMENTS

None

11. APPENDICES

Appendix 1 – Updated Pay Policy Statement 2019/2020