



PERSONNEL SUB-COMMITTEE

12 November 2015

SECOND DESPATCH

Please find enclosed the following items:

A.	Urgent Matters	Page
Item 6	Urgent Matters – Market Supplement Report for Head of HR	1 - 4
Item 7	Urgent Exempt Matters – Exempt appendix to Market Supplement report	5 - 16

Any exempt items which the Chair agrees should be considered urgently by reason of special circumstances. The reasons for urgency will be agreed by the Chair and recorded in the minutes.

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Report of: **Assistant Chief Executive Governance and HR**

Meeting of:	Date	Ward(s)
Personnel Sub-Committee	12 Nov. 2015	N/A

Delete as appropriate	Exempt	
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THE APPENDIX TO THIS REPORT IS NOT FOR PUBLICATION

REASON FOR URGENCY

This report is urgent and will be considered in accordance with paragraph 86.5 of the Access to Information Rules in part 4 of the Constitution for the following reasons:

The report proposes a market supplement for the post of Head of HR to increase the likelihood of attracting good candidates to the post. The closing date for application to the post is Head of HR post is currently being advertised with a closing date of 16 November.

SUBJECT: **Recruitment of Head of HR – Market Supplement**

1. **Synopsis**

- 1.1 This report recommends that a market supplement be available as an additional payment for the Head of HR post, if needed, in the current recruitment process.

2. **Recommendations**

- 2.1 To agree that a market supplement of £5,100 be available as an addition to the salary of the Head of HR appointed in the current recruitment exercise.

3. **Background**

- 3.1 In January 2015 the Audit Committee agreed a Market Supplement Policy for the council, following a recommendation from Policy and Performance Scrutiny Committee, agreed by the Executive, that such a policy be adopted.

- 3.2 Decisions under the policy are made by the Chief Executive unless they fall outside parameters specified within the policy as follows:
- (a) the market supplement affects a post for which the overall remuneration package (excluding pension contributions) already exceeds £100k; or
 - (b) the market supplement would cause the overall remuneration package (excluding pension contributions) for the post to exceed £100k; or
 - (c) the market supplement is more than 20% of the evaluated grade for the post or is more than 15% of the evaluated grade of the post and the number of posts available exceeds 15.
- 3.3 The market supplement recommended in this report falls within the delegated powers of the Chief Executive and is not required to be referred to the Audit Committee under the policy. However, as this is the first new Chief Officer market supplement to be proposed since the introduction of the policy the Chief Executive considers it appropriate that a member body be given the opportunity to consider the matter.
- 3.4 In view of the urgency to reach a decision prior to the deadline for applying for the post, it is not possible for the matter to be put before the Audit Committee. The personnel sub-committee is responsible for:
- “The making of the Council’s personnel policies and procedures and the setting of terms and conditions of employment.”
- and therefore has power to make this decision. As the parent committee of the Personnel Sub-committee the Audit Committee also has these powers.
- 3.5 An attempt to recruit to the Head of HR post was made earlier in the year culminating in interviews in June. There were 30 applicants and although 3 were interviewed none were suitable for the post. It was therefore decided that recruitment consultants should be engaged to assist with a second recruitment exercise, in particular to undertake a search exercise on behalf of the council. The consultants have fed back that the salary being offered is seen as low by many HR professionals who might otherwise be interested in the post.
- 3.6 In view of this feedback, a review of the current market has been undertaken and a request under the council’s Market Supplement Policy prepared for the Chief Executive, who has requested that the matter be referred to this committee with a recommendation that a market supplement of £5,100 be agreed.
- 3.7 An application in the standard form introduced when the new Market Supplement policy was implemented is in the Appendix to this report, with the supporting information collated in the time available.

4. Implications

4.1 Financial implications:

The post currently has sufficient budget to fund at the top of the grade. Once the top of the grade is reached a virement would need to be actioned to transfer existing non-pay budgets within the HR service to cover the additional market supplement.

4.2 Legal Implications:

Where a supplement is paid on top of the evaluated grade of a post the potential for equal pay claims arises. The council will need to demonstrate that there is a “material factor” which is

neither directly nor indirectly sex discriminatory to avoid or defend such claims. The state of the employment market, which may lead an employer to increase the pay of a particular job in order to attract candidates, may constitute an objectively justified economic ground for a pay disparity. Having a robust market supplements policy in place, which has been equality impact assessed, is kept under review and which requires the market conditions and recruitment difficulties to be evidenced, will mitigate the risks of introducing supplements. The appendix sets out the market information in relation to the Head of HR post for consideration by the committee..

4.3 Environmental Implications:

None

4.4 Resident Impact Assessment:

The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

A resident impact assessment was undertaken in respect of the draft policy and this market supplement is requested in accordance with the policy.

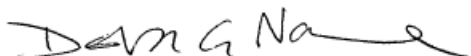
5. Conclusion and reasons for recommendations

- 5.1 The committee is asked to consider the information in the Appendix and decide whether a market supplement should be made available as recommended.

Appendices: Appointment panel information pack

Final report clearance:

Signed by:



10 November 2015

Assistant Chief Executive Governance and HR

Date

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By virtue of paragraph(s) 1 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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