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### **Audit and Procurement Committee**

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**Time and Date**

4.00 pm on Monday, 18th May, 2015

**Place**

Committee Room 2, Council House

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1. **Apologies**
2. **Declarations of Interest**
3. **Minutes of Previous Meeting** (Pages 3 - 6)
4. **Post of Executive Director, Director of Children's Services, Director of Adults Services People Directorate - salary approval.** (Pages 7 - 14)  
Report of the Executive Director, Resources

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Chris West, Executive Director, Resources, Council House Coventry

Friday, 8 May 2015

Note: The person to contact about the agenda and documents for this meeting is Hugh Peacocke Tel: 024 76833080

Membership: Councillors S Bains (Deputy Chair), D Galliers (Chair), L Harvard, R Sandy, T Sawdon and D Welsh

By invitation Councillors

Please note: a hearing loop is available in the committee rooms

If you require a British Sign Language interpreter for this meeting OR if you would like this information in another format or language please contact us.

**Hugh Peacocke**

**Telephone: (024) 7683 3080**

**e-mail: [hugh.peacocke@coventry.gov.uk](mailto:hugh.peacocke@coventry.gov.uk)**

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## Coventry City Council

### Minutes of the Meeting of the Audit and Procurement Committee held at 3.30 pm

on Monday, 23 March 2015

Present:

Members: Councillor D Galliers (Chair)  
Councillor S Bains  
Councillor L Harvard  
Councillor T Sawdon

Employees (by Directorate): C West, Resources Directorate  
P Jennings, Resources Directorate  
S Lal, Resources Directorate  
S Mangan, Resources Directorate  
B Walsh, Executive Director, People

Others: Mr. Simon Turner, Grant Thornton.

Apologies: Councillors R Sandy and D Welsh

#### **Public Business**

59. **Declarations of Interest**

None

60. **Minutes of Previous Meeting**

**The minutes of the meeting held on 16 February were approved by the meeting and signed by the Chair as a true record.**

61. **Work Programme 2014/15**

The Committee considered a report of the Executive Director, Resources, and noted the Work Programme for the rest of the Municipal year.

The Committee considered the agenda for the meeting scheduled in April and noted the following:

- The External Audit Plan on the Work programme included the Audit Risk Assessment and
- The Internal Audit Plan was dependent on the restructure being carried out by the Assistant Director, Legal and Democratic Services

As this would leave a very small agenda for April it was agreed to cancel the meeting.

**Resolved that the Audit and Procurement Committee approves the Work Programme as amended.**

62. **Certification work for Coventry City Council for year ended 31 March 2014**

Mr. Simon Turner from the Council's external auditors, Grant Thornton, presented a letter which stated that Grant Thornton were satisfied that the Council had appropriate arrangements to compile complete, accurate and timely claims/returns for audit certification. It was noted that the number of claims had been reduced to just one but that was in excess of £100 million and that certification was required by the Department of Work and pensions.

**The Committee resolved to endorse the Annual Grant Certification letter.**

63. **Update on action arising from the Audit 2013/14 Findings Report**

The Committee considered a report from the Executive Director for Resources on the progress made and current position with regard to the issues raised in the 2012/13 Audit Findings Report considered by the Audit and Procurement Committee on 15<sup>th</sup> September 2014.

**Resolved that the Audit and Procurement Committee agree that the progress made and current position represent an appropriate response to the issues raised.**

64. **The Audit Plan for Coventry City Council for the financial year ended 31 March 2015**

Mr. Simon Turner from the Council's external auditors, Grant Thornton, presented their Audit Plan for the City Council's accounts for the financial year 2014-15.

**Resolved that the Audit and Procurement Committee endorses The Audit Plan for Coventry City Council for the financial year ended 31 March 2015**

65. **Post of Director of Education, Libraries and Adult Education – salary approval**

The Committee considered a report from the Executive Director, Resources, seeking approval for the creation of, and appointment to, the post of Director of Education, Libraries and Adult Education, with a salary in excess of £100,000 per annum.

The Committee noted that a job evaluation had been carried out and checked by the Appointments Panel, in with the national approach. The salary for the post was aligned with an existing grade on the Council's system.

The Committee was concerned that the selection process had been carried out prior to the meeting and it was agreed that in future proposals to pay any post in excess of £100,000 per annum would be submitted to the Committee for approval prior to the selection process.

**Resolved that the Audit and Procurement Committee agrees a salary range of £101,767 - £110,266 for the post of Director of Education, Libraries and Adult Education, which represents Director Grade 2 in the Council's existing grading structure.**

66. **Any other business**

The Committee noted that this was the last Committee meeting of the municipal year as the April meeting had been cancelled. The Chair thanked the Committee Members and the officers for their work and contribution throughout the year and the Committee thanked the Chair for his efficient running of the meetings.

(Meeting closed at 4.20pm)

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18 May 2015

### **Audit and Procurement Committee**

**Director Approving Submission of the report:**  
Executive Director, Resources

**Ward(s) affected:** N/A

**Title: Post of Executive Director, Director of Children's Services, Director of Adults Services People Directorate – salary approval.**

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### **Is this a key decision?**

NO

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### **Executive Summary:**

In line with Statutory Guidance under S40 of the Localism Act 2011 this report seeks in respect of three posts (Executive Director, Director of Children's Services, Director of Adults Services within the People Directorate) approval for salary packages exceeding £100,000 per annum.

### **Recommendations:**

- **To agree a salary range of up to £110,266** plus a possible market related supplement for the two posts of Director within the People Directorate; Director of Children's Services and Director of Adults Services
- **To agree a salary range of up to £124,295** plus a possible market supplement for the post of Executive Director People Directorate

### **List of Appendices included:**

Appendix 1 – Business Case

### **Other useful background papers:**

None

**Has it been or will it be considered by Scrutiny?**

**No**

**Has it been or will it be considered by any other Council Committee, Advisory Panel or other body?**

No

**Will this report go to Council?**

No



Report title: **Post of Executive Director, Director of Children's Services, Director of Adults Services People Directorate – salary approval.**

**1. Context (or background)**

The People Directorate was created in September 2013 by bringing together Community Services and Children Learning and Young People Directorate. This was planned as an interim measure in order to explore the viability and validity of a People Directorate as a potential future model for the organisation and leadership of education and social services activity. A senior management structure was also created on an interim basis and internal appointments made to the structure via a Member Panel. The interim structure was designed to be in place for a period of 18 months and was subject to review and evaluation after that period.

It is now proposed that a People Directorate is a viable model to take the leadership of these services forward, albeit with a slightly different senior management structure.

The revised senior management structure consists of 4 posts; an Executive Director, Director of Adults Services, Director of Children's Services and Director of Education.

The Director of Education post has recently been recruited to and salary approved. Prior to embarking on the appointments process for the remaining three posts approval is now sought for salaries above £100,000 for the posts of Executive Director, Director of Adults Services and Director of Children's Services.

The Business Case at Appendix One identifies that the post of Executive Director should be graded at Director Grade1 which other than the post of Chief Executive is graded at the highest possible level within the Council's existing grading system. The salary range attached to Director Grade1 is £113,488 - £124,295. The business case also outlines the potential requirement for a market supplement to be applied in order to secure the most suitable candidate.

The Business Case at Appendix One identifies that the posts of Director of Children's Services and Director of Adults Services should be graded at Director Grade 2 in the Council's existing grading structure. The salary range attached to Director Grade 2 is £101,767 – £110,266. The business case also outlines the potential requirement for a market supplement to be applied in order to secure the most suitable candidates.

Statutory Guidance under S40 of the Localism Act 2011 requires that full Council, or some other agreed formal meeting of members should be offered the opportunity to approve salary packages over £100,000. In Coventry, this responsibility has been allocated to the Audit and Procurement Committee under its terms of reference.

**2. Options considered and recommended proposal**

- 2.1 Appendix 1 describes the process undertaken to establish the appropriate grade for these posts.

2.2 A full recruitment exercise will be undertaken for each post and a shortlist of candidates will be interviewed by a full member selection panel.

### **3. Results of consultation undertaken**

None

### **4. Timetable for implementing this decision**

4.1 It is planned that the appointments process for each of the posts will take place during May 2015 with the first appointment being the Executive Director role.

### **5. Comments from Executive Director, Resources**

#### **5.1 Financial implications**

These posts will be funded from within existing resources from the savings achieved by the on-going restructure and review of senior management posts within the People Directorate.

#### **5.2 Legal implications**

Salary forms part of the contract of employment.

A local authority's power to appoint officers on such reasonable terms and conditions as the authority thinks fit is subject to section 41 of the Localism Act 2011 (requirement for determinations relating to terms and conditions of chief officers to comply with pay policy statement).

In addition, statutory guidance states that under these arrangements, full council, or a meeting of members should be offered the opportunity to vote before large salary packages are offered in respect of a new appointment. The Secretary of State considers that £100,000 is the right level for that threshold to be set. For this purpose, salary packages should include salary, any bonuses, fees or allowances routinely payable to the appointee and any benefits in kind to which the officer is entitled as a result of their employment

### **6. Other implications**

None

#### **6.1 How will this contribute to achievement of the Council's key objectives / corporate priorities (corporate plan/scorecard) / organisational blueprint / Local Area Agreement (or Coventry Sustainable Community Strategy)?**

These leadership posts will play key roles in

- Supporting the political leadership in developing the vision and strategic direction for the Council / Service area
- Providing the vision, focus and leadership of the People Directorate and their service area ensuring the achievement of the Council's strategic goals and the delivery of better outcomes for local people

- Undertaking a statutory role in the case of Children's and Adults Services and in the case of the executive Director ensuring the Council meets its statutory duties in relation to education, Social Care for Children and Adults and meets all regulatory and inspection requirements.
- Building a sustainable, highly effective organisation/division which delivers the Council's strategic goals, the Council Plan and Medium/Longer Term Financial Strategy.

## **6.2 How is risk being managed?**

None

## **6.3 What is the impact on the organisation?**

See 6.1

## **6.4 Equalities / EIA**

These appointments have a direct impact on the development and provision of services and have a key influence in ensuring that all services are focused on the needs of people from minority ethnic communities, those with special needs, and those who are most vulnerable within our community.

## **6.5 Implications for (or impact on) the environment**

None

## **6.6 Implications for partner organisations?**

The appointment to these posts will have a positive impact on all communities and partner organisations. The services for which these posts are responsible are delivered in partnership with or through partner organisations. Post holders will be responsible for building and maintaining effective relationships and frameworks for consultation with key partners, service providers, stakeholders, and the wider community in order to facilitate the delivery of high quality services, which meet the needs of service users.

### **Report author(s):**

**Name and job title: Chris West, Executive Director Resources**

**Directorate: Resources Directorate**

**Tel and email contact: [Chris.West@coventry.gov.uk](mailto:Chris.West@coventry.gov.uk) Telephone 02476833700**

Enquiries should be directed to the above person.

<b>Contributor/approver name</b>	<b>Title</b>	<b>Directorate or organisation</b>	<b>Date doc sent out</b>	<b>Date response received or approved</b>
<b>Contributors:</b>				
Marion O'Brien	HR Business Partner	Resources	10/04/14	06/05/15
<b>Names of approvers for submission: (officers and members)</b>				
Finance: Ewan Dewar	Finance Manager	Resources	11/04/15	11/04/15
HR and Workforce Services: Shokat Lal	Assistant Director HR and Workforce Services	Resources	14/04/15	05/05/15
Legal: Julie Newman	Children and Adults Legal Services Manager	Resources	14/04/15	14/04/15
Director: Brian Walsh	Executive Director	People	10/04/15	10/04/15

This report is published on the Council's website:  
[www.coventry.gov.uk/councilmeetings](http://www.coventry.gov.uk/councilmeetings)

**Executive Director, Director of Adults Services and Director of Children's Services**  
**Appointment on salary above £100k - Business case**

**1. The roles**

These roles will be responsible for leading and directing the People Directorate and will be responsible for services that ensure the safety and protection of the most vulnerable people in the City

In summary the roles will be responsible for

- Supporting the political leadership in developing the vision and strategic direction for the Council / Service area
- Providing the vision, focus and leadership of the People Directorate and their service area ensuring the achievement of the Council's strategic goals and the delivery of better outcomes for local people
- Undertaking a statutory role in the case of Children's and Adults Services and in the case of the executive Director ensuring the Council meets its statutory duties in relation to education, Social Care for Children and Adults and meets all regulatory and inspection requirements.
- Building a sustainable, highly effective organisation/division which delivers the Council's strategic goals, the Council Plan and Medium/Longer Term Financial Strategy.

**2. Grade and salary**

The posts were subject to the normal HAY job evaluation scheme and job evaluation process for Chief Officer roles. The evaluation took place in April 2015.

The job evaluation process examined the levels of responsibility along with the scale, breadth and impact of the roles and resulted in the jobs being evaluated as follows;

<b>Post</b>	<b>Evaluation/ Grade</b>	<b>Existing salary range attached to grade</b>
Executive Director	Director Grade 1	£113,488 - £124,295
Director Adults Services	Director Grade 2	£101,767 - £110,266
Director Children's Services	Director Grade 2	£101,767 - £110,266

The grades of Director Grade 1 and 2 have existed within the Council's HAY grading structure for a number of years.

The Director Grade1 is the highest possible grade that exists within the Council's current grading structure, other than Chief Executive.

### **3. Additional Research**

Additional benchmarking and research has also been undertaken to ascertain the salary levels for similar roles elsewhere.

The research showed that for similar roles elsewhere, there are a number of Authorities where salaries are higher than those in Coventry, therefore it is possible that one or more of the roles may require the application of an additional market related supplement in order to secure the most appropriate candidate.

### **4. Rationale**

The outcome of the job evaluation process has illustrated the significance of the roles within the context of the Council's hierarchy, staffing and grading structure by setting them at Director Grade 2 and 1 level.

The Director salaries identified from the research and benchmarking show that salaries for similar posts elsewhere can exceed those within the Council's existing pay bands at this level.

Whilst the grades of the posts sit comfortably within the context of the Councils' hierarchy and grading structure; the research shows that salaries elsewhere exceed the Council's existing pay bands for these grades.

The Council has significant challenges in these service areas and has high ambitions for improving services and delivering better outcomes for local people. In order to realise these ambitions experienced and effective leaders are required. There is a highly competitive market and significant demand for people with the skills to drive the necessary organisational changes and undertake these highly visible, responsible and impactful roles.

In order to secure the most suitable candidates and to avoid wasted time, effort and potential reputational damage should the posts need re-advertising there may be a requirement to apply a market related supplement to one or more of the roles in order to secure the most suitable candidate(s).

Approval is sought to offer salaries for each of the posts within the grade range as outlined with the potential for an additional market related supplement where appropriate. Suitable candidates will be offered within the grade range wherever possible.