



**Total Reward
Projects Ltd**

SENIOR PAY REVIEW THURROCK COUNCIL

January 2023

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1. Introduction

- 1.1 In line with its senior pay policy implemented in 2010, Thurrock Council (the Council) has commissioned Total Reward Projects Ltd to review the market assessment of pay levels for its senior officers, and to confirm or reassign each post to its appropriate level (pay cluster) within the current senior pay structure, with an effective implementation date of 1 April 2023.
- 1.2 The structure comprises a single pay cluster for the Chief Executive; five for posts of director; and five for posts of assistant director. The total cadre of the senior structure covered by this report comprises 27 posts.

2. Background

- 2.1 This year's annual pay report comes at an incredibly difficult time for the Council. At a time when all local authorities are facing significant increases in demand for essential services caused by the cost-of-living crisis that many households are facing, the Council is beset by a very serious financial problem. In light of serious concerns about the Council's unsustainable levels of financial risk and debt, in September 2022 the government appointed Essex County Council as Commissioners to take control of the Council's finances. The Council has since announced plans to recover from this grave financial position; in December 2022, the Council issued a 'Section 114' notice, which means that it must only carry out the spending required to provide essential services to its residents, pay staff and meet its legal duties. This measure was necessary because the Council was not able to balance its budgets for the financial years of 2022/23 and 2023/4. A report presented at an Extraordinary meeting of the Council's Cabinet revealed that in the year from April 2022 to March 2023 the Council expected investment losses totalling £275.4 million with a further £129.2 million to be set aside to repay investment debt, which together creates a funding deficit £469.6 million. As a consequence, the Council's chief executive resigned, and the Director of Finance has been suspended. A special meeting of the full Council is scheduled to take place on Monday 9 January 2023 to discuss the notice, the council's response and the proposed plan to meet the financial challenge it faces.

3. Chief Officers' Pay in Local Authorities

- 3.1 With effect from 1 April 2022, the two Joint National Committees for Chief Executives and Chief Officers respectively recently confirmed a final pay settlement which entailed a flat rate pay increase of £1,925 per annum for all chief executives and chief officers in those local authorities in England and Wales tied to the national pay bargaining arrangements. This is the same figure achieved by the 2022 NJC settlement, which covers local authority employees below the level of chief officer. Although the quantum of the settlement for chief executives and chief officers is the same as that awarded to all other staff, the effect is that it represents a pay increase of less than 1% for the most senior employees compared with an average of 4.7% for other local authority employees. This outcome is especially disappointing for the body that represents local authorities, ALACE, which claimed that the Employers have not heeded its call for chief executive salaries in local government to remain competitive. In a letter to the Secretary of the JNC the Secretary of ALACE pointed out that switching to a pay offer based on a cash amount rather than a

percentage in no way reflected the high level of inflation. By way of comparison, ALACE also referred to the more generous settlements for senior employees elsewhere in the public sector such as senior NHS officials, senior military officers were awarded a 3.5% pay increase in 2022; judges received an increase of 3.0%; NHS consultants and doctors received a 4.5% pay increase and headteachers of schools a 5% pay increase.

- 3.2 Chief executives and chief officers of opted-out local authorities not covered by the two JNC pay bargaining arrangements for senior officers fared better in 2022 than their peers covered by the JNC settlements. XpertHR reported that the median pay settlement was 2.0% for both chief executives and chief officers was 2.0% within an interquartile range of 2.0% to 3.9%.

4. Pay Assessments

The outcome of the median pay assessments for each of the senior posts within the Council’s senior structure is shown in the table below. The first column identifies each post by job title; the second gives the post holder’s current cluster pay; the third column shows the assessed median total pay for the post as at 1 April 2023; the fourth and final column shows the proposed median pay cluster value with effect from 1 April 2023.

Post	Current Cluster Pay	Assessed Median Total Pay at 1 April 2023	Proposed Cluster Pay at 1 April 2023
Chief Executive	£186,000	£193,500	£193,500 (CEO)
Corporate Director – Children’s Services	£144,500	150,500	£150,500 (DIR5)
Corporate Director - Adults, Housing and Health Team	£137,000	142,500	£142,500 (DIR4)
Corporate Director – Resources and Place Delivery.	£137,000	£142,500	£142,500 (DIR4)
Director – Public Realm	128,000	133,000	£133,000 (DIR3)

Director – Place	£128,000	£133,000	£133,000 (DIR3)
Director - Public Health	£112,500	£117,000	£117,000 (DIR2)
Director - HR, OD and Transformation	£112,500	£117,000	£117,000 (DIR2)
Director – Strategy, Engagement and Growth	£112,500	£117,000	£117,000 (DIR2)
Director - of Legal & Governance	£112,500	£117,000	£117,000 (DIR2)
Assistant Director - Education and Learning	£102,500	£106,500	£106,500 (AD5)
Assistant Director – Children’s Social Care and Early Help	£102,500	£106,500	£106,500 (AD5)
Assistant Director – Adults, Social Care and Community Development	£102,500	£106,500	£106,500 (AD5)
Assistant Director – Planning, Transport and Public Protection	£102,500	£106,500	£106,500 (AD5)
Assistant Director – Finance	£102,500	£106,500	£106,500 (AD5)
Integrated Care Director	£102,500	£106,500	£106,500 (AD5)
Director – National investigation Service	£102,500	£106,500	£106,500 (AD5)

Assistant Director – Regeneration and Place Delivery	£99,000	£103,000	£103,000 (AD4)
Assistant Director - Consultant in Public health	£95,000	£99,000	£99,000 (AD3)
Assistant Director – Counter Fraud, Community Safety and Resilience	£95,000	£99,000	£99,000 (AD3)
Assistant Director – Street Scene and Leisure	£95,000	£99,000	£99,000 (AD3)
Assistant Director – Property	£95,000	£99,000	£99,000 (AD3)
Assistant Director - Housing Management	£95,000	£99,000	£99,000 (AD3)
Assistant Director of Economic Growth and Partnerships	£95,000	£99,000	£99,000 (AD3)
Assistant Director of Health and Social Care	£95,000	£99,000	£99,000 (AD3)
Assistant Director Highways, Fleet and Logistics	£88,000	£91,500	£91,500 (AD2)
Assistant Director – Customer Service	£88,000	£91,500	£91,500 (AD2)

5. Finding

- 5.1 There has been some reconfiguration of the senior leadership team in 2022 in what has been a turbulent year. A director has temporarily stepped up to fill the vacant post of Chief Executive and senior interim arrangements put in place to support the Council's recovery and improvement.

6. Recommendation to Thurrock Council

- 6.1 In our annual pay report covering the Council's employees below the level of chief officer we have recommended that the Council increase pay by 4.0% with effect from 1 April 2023 for all employees. At this difficult time the Council will require full commitment from its senior officers and we therefore believe that they should be treated no less favourably than other employees across the Council. We therefore recommend that, with effect from 1 April 2023, the Council increases pay for all its senior officers by 4.0%. The revised pay cluster values in the Council's senior pay structure are set out in **Appendix A**.

Mark Fry and John Kirkwood

Total Reward Projects Ltd

Appendix A

Thurrock Council

Chief Officer Pay Scales 2023/24

	50/50% Lower Base Pay		50/50% Median Base Pay		50/50% Higher Base Pay	
	SCP	Annual Pay £	SCP	Annual Pay £	SCP	Annual Pay £
CEO	31	176,500	32	193,500	33	206,000
DIR5	28	137,500	29	150,500	30	160,000
DIR4	25	128,000	26	142,500	27	149,000
DIR3	22	119,000	23	133,000	24	136,000
DIR2	19	106,500	20	117,000	21	122,000
DIR1	16	100,000	17	111,500	18	113,500
AD5	13	96,000	14	106,500	15	110,500
AD4	10	94,000	11	103,000	12	106,500
AD3	7	88,500	8	99,000	9	102,000
AD2	4	83,000	5	91,500	6	96,000
AD 1	1	78,500	2	83,000	3	91,000