

Committee:	Staff Appointments Committee
Meeting Date:	27 April 2016
Lead Councillor/s:	Jane Storey (Conservative) Sarah Stamp (Conservative) Gordon Jones (Conservative) Sandy Martin (Labour) Derek Hackett (UKIP)
Director:	Geoff Dobson, Director of Resource Management
Assistant Director or Head of Service:	Sally Marlow, Head of Strategic HR
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Proposal to amend the salary structure for the Chief Executive

Brief Summary of Report

1. The purpose of this paper is to seek the approval of the Staff Appointments Committee (SAC) to amend the salary structure for the Chief Executive.

Action Recommended

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| <ol style="list-style-type: none"> 2. That the spot salary for the Chief Executive is increased to £170,000 with effect from 1 May 2016. |
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Reason for Recommendation

3. The terms of reference for the Staff Appointment Committee include the following –

“To agree reviews and amendments to salary and grading structures for posts from JNC Chief Executive to senior manager level.”

Main Body of the Report

4. Suffolk County Council recognises that, in the context of managing scarce public resources, remuneration at all levels needs to be adequate to attract and retain high quality employees dedicated to the service of the public, but at the same time needs to avoid being unnecessarily generous or otherwise excessive.

5. Local authorities are able to determine their own pay structures in order to address local priorities and to compete in the local labour market.
6. The Chief Executive is the Council's Statutory Head of Paid Service (section 4(1) of the Local Government and Housing Act 1989) and is paid £156,550 per annum.
7. Salary has increased on one occasion since the current Chief Executive was appointed in 2011 on £155,000. The increase was as a consequence of 2016 national pay award applicable to officers at that level. Suffolk County Council abides by the outcomes of national pay bargaining.
8. The salary is a "spot salary" which means that it does not attract incremental progression. Under current arrangements, any change to the pay level of the role of Chief Executive (separate to the outcomes of national pay bargaining) needs to be agreed by the Staff Appointments Committee. The Staff Appointments Committee meets on demand, includes one member of the Cabinet and has representation from the larger political groups through the proportionality rules.
9. There are no additional bonus, performance, honoraria or ex gratia payments in place for this role. The Chief Executive has been appointed to the post of Returning Officer for the County Council which attracts an allowance equivalent to £17.51 per seat whether contested or not for each election.
10. Other Conditions of Service are as prescribed by the Joint National Council (JNC) for Local Authority Chief Executives national conditions.
11. Salary benchmarking demonstrates that the salary level for the Chief Executive is low when compared to similar roles in the region (Appendix 1). The case for change is driven by several additional factors including –
 - (a) reflection of the scale and scope of the role with associated performance targets of a challenging nature e.g. delivery of further budget savings;
 - (b) managing the potential retention risk as well as associated recruitment cost for a new Chief Executive;
 - (c) organisational stability and continued leadership during this next phase of change especially given other recent changes at Director level.
12. By way of wider comparison, a report on Chief Offices' remuneration by the House of Commons Communities and Local Government Committee (September 2014) quoted a median salary for county council Chief Executives of £182,000 (Source: IDS Thomson Reuters Senior Executive Pay 2013). Changes will have applied since then, given the elapsed time since publication.

Alternative Options

13. To increase the spot salary by a different amount as proposed by Committee members.
14. To maintain the status quo by not amending the salary structure for this post.
15. To defer any increase to the Chief Executive salary structure to a point in time when a new Chief Executive is recruited.

Summary

16. The purpose of this paper is to seek the approval of the Staff Appointments Committee to increase the spot salary of the Chief Executive up to £170,000, therefore amending the salary structure for that post.

Sources of further information

House of Commons Communities and Local Government Committee report on Local government Chief Officers remuneration

<http://www.publications.parliament.uk/pa/cm201415/cmselect/cmcomloc/191/191.pdf>

Previous Staff Appointment Committee agendas, reports and minutes

http://committeeminutes.suffolkcc.gov.uk/searchResult.aspx?qry=c_committ ee~~Staff%20Appointments%20Board

APPENDIX 1

Salary benchmarking

Employer	Post holder	Salary (pre-application of 2016 1% pay award for all councils other than Suffolk)	Population Census (Source: Office National Statistics: estimated population mid 2014)	Revenue budget (Source: Statement of Accounts 2014/15)
Suffolk County Council	Deborah Cadman	£156,550	738,512	514.017M
Norfolk County Council	Wendy Thomson	£180,000- £184,999	877,710	621.085M
Cambridgeshire County Council	Gillian Beasley	£175,000	639,818	377.396M
Peterborough City Council	Gillian Beasley	£175,000	190,461	158.039M
Essex County Council	Gavin Jones	£195,000	1,431,953	934.255M
Hertfordshire County Council	John Wood	£173,760	1,154,766	782.962M