

<b>General Purposes Committee</b>	
<b>Meeting Date</b>	8 July 2020
<b>Report Title</b>	Salary Review of Chief Executive Post
<b>Cabinet Member</b>	Leader of the Council, Roger Truelove
<b>SMT Lead</b>	N/A
<b>Head of Service</b>	N/A
<b>Lead Officer</b>	Bal Sandher, Head of HR Shared Services
<b>Key Decision</b>	No
<b>Classification</b>	Open
<b>Recommendations</b>	<ol style="list-style-type: none"> <li>1. The Chief Executive and the statutory role of Head of Paid Services pay grade is amended to reflect the median pay based on the salary review.</li> <li>2. The Committee agree to pay a separate fee to the Chief Executive for undertaking the role of a Returning Officer in elections.</li> </ol>

## **1 Purpose of Report and Executive Summary**

- 1.1 The purpose of this report is to review the salary range of the Chief Executive role against salary data for Chief Executives in Kent. The postholder is generally also required to act as Electoral Registration Officer and as Returning Officer during elections.

## **2 Background**

- 2.1 The Chief Executive's role in local government is highly complex, managing diverse functions in a highly politicised environment where often local and national pressures conflict. The Council's ability to attract and retain a high calibre leader capable of delivering this complex agenda, particularly during times of financial challenge is crucial.
- 2.2 The Council has been without a Chief Executive in post since March 2019 and it has been agreed that the Council make arrangements for the recruitment of a Chief Executive/Head of Paid Service in accordance with the constitution rules.
- 2.3 The remuneration offered for the post needs to be adequate to attract and retain a high quality employee dedicated to the service of the public. Therefore, consideration will need to be given to the current salary range for the Chief Executive to ensure that this is appropriate within the context of the size and scope of the council and competitiveness in the market. This will be extremely important in the current challenging financial climate.

- 2.4 The terms and conditions for employees are a non-executive function, and the responsibility for decisions on these matters is delegated to the General Purposes Committee.
- 2.5 The current Reward Strategy was developed in full consultation with trade unions, staff, and Members and was agreed by the General Purposes Committee in 2010. This was a very thorough piece of work that ensured the Council managed the terms of employees at all levels in the same way and applied the principles of equal pay and performance management to the scheme that was developed.
- 2.6 The current pay scale has up to five increments per grade which recognise that with development in a role over time an employee is of more value to the organisation and therefore warrants a higher salary. The incremental steps are evenly spaced percentages throughout the scale. There are fewer incremental points in the lower grades and more in the more complex roles. The council's Pay Policy is to pay the Market Median where the market is used for the salary data and new appointments to a post will normally be at the first point of the grade.
- 2.7 The salary range for the post of Chief Executive is currently £136,754 to £159,981, with 5 incremental points. The salary also increases annually in line with the pay award agreed with the Trade Unions which is applied to all staff.
- 2.8 A review of Chief Executive salaries for Kent has been carried out and the table below outlines the minimum and maximum salary bands which are based on 2019 salaries. Please note, this does not include any other additional payments received by the Officers.

<b>Council</b>	<b>Salary Minimum</b>	<b>Salary Maximum</b>
Ashford	£105,456	£117,147
Maidstone	£109,407	£129,947
Canterbury	£110,000	£146,880
Dover	£111,186	£125,815
Gravesham	£112,564	£123,819
Thanet	£113,988	£129,815
Tunbridge Wells	£114,000	£126,000
Tonbridge & Malling	£115,000	£124,999
Folkestone & Hythe	£118,236	£143,715
Dartford	£120,207 (1 pay point)	£120,207 (1 pay point)
Sevenoaks	£133,914	£150,634
Swale	£136,754	£159,981

- 2.9 Based on the salary review, the pay band for Swale's Chief Executive is higher compared to other councils in Kent. Part of the reason for this is because the

remuneration for the role of Returning Officer in SBC elections is currently included within the overall salary package and therefore no additional payments for these elections are paid to the CEO. In other local authorities, Chief Executives are paid separately for their duties as a Returning Officer in elections funded from the council budget.

- 2.10 The median pay for Chief Executives/Head of Paid Service roles based on the minimum and maximum of the salary bands is £113,994 - £127,908. It is proposed that the salary band for Swale's CEO grade is amended to reflect a similar salary level as the median pay figures so that it is more consistent compared to other Chief Executives who are operating in similar sized organisations and with almost identical responsibilities for Head of Paid Service. A copy of the current and amended pay scales is in appendix 1.
- 2.11 It is important that reward arrangements are at the right level for the council and reflects the challenges of the role. With the changes suggested to the salary range, the council will remain in a good position to attract and retain the best talent to meet the ambition for the Council and to drive performance.

### **3 Proposals**

- 3.1 The Chief Executive and the statutory role of Head of Paid Services pay grade is amended to reflect the median pay based on the salary review.
- 3.2 The Committee agree to pay a separate fee to the Chief Executive for undertaking the role of a Returning Officer in the council elections.

### **4 Alternative Options**

- 4.1 The council could choose not to amend the salary grade for the Chief Executive and retain the current salary level. However, this is not recommended based on the salary review of other Kent Chief Executives who are operating in organisations of a similar size.
- 4.2 The council could choose to amend the pay range to a much lower level than the median salary. This is not recommended as it will be more difficult to attract a Chief Executive with strong skills in a competitive market.

### **5 Consultation Undertaken or Proposed**

- 5.1 Changes to the council's pay structure will be discussed with the Trade Unions once agreed.

## 6 Implications

Issue	Implications
Corporate Plan	The recommendations in this report are not directly related to any corporate plan priority, but attracting a high-calibre chief executive will be critical to delivering on all of them.
Financial, Resource and Property	The changes to the salary scale will offer savings of up to £135,477 over a period of 5 years as incremental progression is based on an annual performance review. In addition, there will be savings in relation to pension and national insurance contributions.
Legal, Statutory and Procurement	The Council has a statutory duty to appoint a Head of Paid Service and any changes to the terms and conditions will need to be agreed by the General Purposes Committee.
Crime and Disorder	None identified at this stage.
Environment and Sustainability	None identified at this stage.
Health and Wellbeing	None identified at this stage.
Risk Management and Health and Safety	None identified at this stage.
Equality and Diversity	There is a requirement under the Equality Act 2010 to ensure that we are compliant with equal pay regulations and this means that changes to salary scales need to be justified.
Privacy and Data Protection	None identified at this stage.

## 7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Current and amended Pay Grade structure