

## **Remuneration of the Chief Executive for Devon County Council**

### **Report of the Head of Human Resources**

#### **Recommendation:**

To approve the remuneration package for the Chief Executive for Devon County Council, as detailed below in section 6 (Conclusion).

#### **1. Introduction**

The current Chief Executive, Dr Phil Norrey, announced his retirement on 23 June 2022 after nearly 17 years' service in the role. He officially gave his notice on 31st May 2022 and so his last day is 31st August 2022.

An appointment process is underway for both the recruitment of an interim Chief Executive and also a permanent post.

However, the Committee needs to endorse the remuneration package for the new permanent post holder. For the avoidance of doubt, the remuneration package of the interim Chief Executive does not form part of this Report.

#### **2. Salary**

The salary paid to the current Chief Executive is £162,751 (pay award pending), however, the reported salary for the role is £174,304. This is due to the current postholder taking a reduced salary for a number of years and also not taking pay awards that had been offered, only accepting such awards since 2018.

The idea of publishing what the salary should have been was to try to keep it in line with the national context for recruitment of future senior posts, however, the pay is substantially out of kilter to the pay rate of other Chief Executives of similar sized Local Authorities.

**Appendix 1** outlines benchmarked salaries for Chief Executives over the past 18 months from review of websites, adverts in the MJ Magazine and anecdotal feedback from Recruitment Agencies who have supported appointments to these posts.

#### **3. Considerations**

The Benchmarking data suggests a pay rate of circa £200,000 would be required to attract and retain a Chief Executive to the post within Devon County Council.

Salaries generally within the Council have not kept pace with others in the Public Sector and, without increasing the salary rate, the prospects of a successful appointment of a high quality candidate would be reduced.

As a general point, Recruitment and Retention is an increasing challenge for all Authorities and, at a senior level, there is a relatively small pool of appropriately qualified and experienced individuals.

#### **4. Options**

The alternative option to increasing the salary would be to advertise on the current salary to see if suitable candidates came forward. However, recruitment campaigns are expensive, both in terms of advertising costs and resource for all panel members over a 3 month period.

If there is a failure to appoint, there is the additional impact to the organisation of the extended period without a permanent appointee in post.

#### **5. Proposals**

The Chief Executive's salary is a spot salary and subject to the terms and conditions of a separate negotiating body to the rest of the workforce (the Joint Negotiating Committee for Local Authority Chief Executives).

It is within the remit of the Appointments, Remuneration and Chief Officer Conduct Committee to determine the salary level, in line with their role to determine the pay and terms of conditions of senior roles within the Council.

Whilst an increase in the Chief Executive's salary may raise questions regarding a corresponding increase across the rest of the workforce, a Workforce Strategy is being developed and it is proposed that this work could incorporate a review of this as part of it.

The Council has also adopted a recommendation from the Hutton Review in relation to the maximum ratio of the highest remunerated post compared with the lowest remunerated post, that it will not exceed 20:1. This is reviewed annually by the Committee as part of the Pay Policy Statement review. Should an increase to circa £200,000 in salary be introduced, the ratio will be 11:1 (currently it is reported as 9:1 based on actual salary paid)

#### **6. Conclusion**

It is proposed that the salary for the Chief Executive is increased to £200,000 for the new appointment to the role and the Appointments and Remuneration Committee agree the recommendation.

**Maria Chakraborty**  
**Head of Human Resources**

## Appendix 1

### Benchmarking Chief Executive Salaries

Council	Salary	Source
Surrey Council	£234,600	Other Data Sources (websites, Town Hall Rich List)
Hampshire Council	£231,115	Other Data Sources (websites, Town Hall Rich List)
Liverpool Council	£230,571	Other Data Sources (websites, Town Hall Rich List)
Government of Jersey	£225k	LGA
Lancashire Council	£222,126	Other Data Sources (websites, Town Hall Rich List)
Kensington & Chelsea	£220k	LGA
RBKC	Circa £220,000	MJ Magazine & LGA
Gloucestershire Council	£219,783	Other Data Sources (websites, Town Hall Rich List)
Southwark Council	Up to £217,000	MJ Magazine & LGA
Cambridgeshire County Council	Up to £213,225	MJ Magazine & LGA
Buckinghamshire Council	£210,000	Other Data Sources (websites, Town Hall Rich List)
Leicestershire Council	£209,000	Other Data Sources (websites, Town Hall Rich List)
Manchester Council	£208,457	Other Data Sources (websites, Town Hall Rich List)
Kent Council	£207,884	Other Data Sources (websites, Town Hall Rich List)
Peterborough City Council	Up to £203,923	MJ Magazine & LGA
Staffordshire Council	£203,375	Other Data Sources (websites, Town Hall Rich List)
County Durham Council	£201,742	Other Data Sources (websites, Town Hall Rich List)
Ealing Council	Up to £200,000	MJ Magazine & LGA
Somerset Integrated Care Board	£197,000 (A&R paper recommended approving range up to £230k)	LGA
Essex Council	£196,950	Other Data Sources (websites, Town Hall Rich List)
Coventry Council	£196,289	Other Data Sources (websites, Town Hall Rich List)
Croydon Council	Competitive (£192,474 in 2020)	MJ Magazine & LGA
Portsmouth Council	£192,359	Other Data Sources (websites, Town Hall Rich List)
Hackney Council	£191,525	MJ Magazine & LGA
Warwickshire Council	£190,808	Other Data Sources (websites, Town Hall Rich List)
Bournemouth, Christchurch & Poole Council	£188,649	Recruitment agency feedback and Other Data Sources (websites, Town Hall Rich List)

Nottinghamshire County Council	£188,167	MJ Magazine & LGA
Haringey	£188-£213k	LGA
Lincolnshire Council	£187,077	Other Data Sources (websites, Town Hall Rich List)
Walsall Council	£187,077	Other Data Sources (websites, Town Hall Rich List)
Nottinghamshire Council	£185,386	Other Data Sources (websites, Town Hall Rich List)
Cornwall Council	£185,384	Other Data Sources (websites, Town Hall Rich List)
Southend Borough Council	£185,000	MJ Magazine & LGA
Lambeth Council	£185,000	MJ Magazine & LGA
Sandwell Council	c.£185,000 + Package	MJ Magazine & LGA
Wiltshire Council	£184,999	Other Data Sources (websites, Town Hall Rich List)
Suffolk County Council	£184,458	Recruitment agency feedback
North Yorkshire Council	£184,365 (Range of £180,000 - £197,000)	MJ Magazine & LGA
Hertfordshire Council	£183,987	Other Data Sources (websites, Town Hall Rich List)
Worcestershire Council	£183,960	Other Data Sources (websites, Town Hall Rich List)
Harrow Council	Up to £183,000	MJ Magazine & LGA
Southampton Council	£181,881	Other Data Sources (websites, Town Hall Rich List)
West Northamptonshire Council	£180,000	Other Data Sources (websites, Town Hall Rich List)
North Northamptonshire Council	£180,000	Other Data Sources (websites, Town Hall Rich List)
London Borough of Redbridge	circa £180,000	MJ Magazine & LGA
Warwickshire County Council	£179,299 – £194,711	Recruitment agency feedback
Gloucestershire County Council	£175,827	Recruitment agency feedback
Central Bedfordshire Council	Currently paid £175,000 - £179,999 (previous Chief Executive was £190,000)	Recruitment agency feedback
Newcastle City Council	£172,753 - £188,948	MJ Magazine & LGA
Dorset Council	£172,533	Recruitment agency feedback Other Data Sources (websites, Town Hall Rich List)
Wiltshire Council	£171,818.00 - £183,545.00 (currently paid btwn £180,000 - £185,000)	Recruitment agency feedback
Bristol City Council	£171,009	Recruitment agency feedback
Bracknell Forest Council	£170,000 to £185,000	MJ Magazine & LGA
Cumbria County Council	£170,000 p.a.	MJ Magazine & LGA
Bedford Borough Council	£166,847 - £185,385	MJ Magazine & LGA

West Berkshire Council	£165k + relocation	MJ Magazine & LGA
Derbyshire County Council	£161,000 - £176,000	Recruitment agency feedback
Woking Borough Council	£154,509 + benefits	MJ Magazine & LGA
Stockport Council	£153,945 - £167,943 (up to £185,440 for exceptional performance)	MJ Magazine & LGA
Elmbridge Borough Council	£121k - £145k	MJ Magazine & LGA
Richmond & Wandsworth Councils	Highly competitive salary	MJ Magazine & LGA
City of London	Competitive Salary	MJ Magazine & LGA