

DUNDEE CITY COUNCIL

REPORT TO: Personnel and Management Services Committee - 30 June 2003

REPORT ON: Chief Officers' Salaries

REPORT BY: Chief Executive and Director of Personnel and Management Services

REPORT NO.: 435-2003

1 PURPOSE OF REPORT

- 1.1 To submit proposals for increases in Chief Officers' salaries.

2 RECOMMENDATION

- 2.1 It is recommended that the revised salaries proposed in this report be approved with effect from 1 April 2003.

3 FINANCIAL IMPLICATIONS

- 3.1 The additional cost of implementing this recommendation will be £96,441 in the financial year 2003/04. There is no specific budgetary provision for these additional costs and they will be met from the Council's General Fund balances in that financial year. Provision will be included in future years' Revenue Budgets for the cost of implementing the above recommendations.

4 LOCAL AGENDA 21 IMPLICATIONS

- 4.1 None.

5 EQUAL OPPORTUNITIES IMPLICATIONS

- 5.1 None.

6 BACKGROUND

- 6.1 At its meeting of 4 May 1995, the City of Dundee Council considered and approved a report (Department, Committee and Chief Officer Structure) by the Chief Executive.

- 6.2 Contained within the report were proposals for Chief Officers' salaries in the new Council. These salaries were calculated to take account of the responsibilities and requirements of each post in the new structure, and were within the generally accepted range of salaries for Chief Officers with a maximum of 75% of the salary of the Chief Executive. The salary for the Chief Executive was prescribed by the Local Government Staff Commission established for the 1995/96 re-organisation.
- 6.3 Chief Officers' terms and conditions of employment are regulated by the Scottish Joint Negotiating Committee for Local Authorities Services - Chief Officials (SJNC) and the SJNC salary points agreed by the Council in 1995 are as outlined in Appendix 1 attached.
- 6.4 8 of the 16 Chief Officers appointed in 1995 have left the Council. A further 2 appointed subsequently have also left. As these posts became vacant, the opportunity was taken to review and revise responsibilities. In addition, a number of salaries and post titles have been reviewed over the years.
- 6.5 As part of the 1999 Salaries Agreement, the SJNC agreed to a full salary review process for Chief Executives to take into account the changes in responsibilities that had affected Chief Executives since 1996. Subsequently, it was agreed that the review process should be conducted by Sir Neil McIntosh.
- 6.6 The review culminated in the issue, in December 2001, of SJNC Joint Circular CO/136. This gave effect to the implementation of the McIntosh Review and revised Chief Executives' salaries.
- 6.7 The current SJNC salary points for Dundee City Council Chief Officers are as outlined in Appendix 1 attached. Members will note that the percentage relationships to the Chief Executive's salary have reduced.
- 6.8 SJNC Joint Circular CO/136 stated that it would be a matter for each Council to examine the position of Chief Officials within the scope of the SJNC in light of the outcome of the Chief Executives' review.
- 6.9 Information obtained from COSLA confirms that the vast majority of Councils have completed a review of Chief Officers' salaries. In a number of Councils, Chief Officers have a contractual percentage relationship to the Chief Executive's salary and these Councils have honoured this contractual entitlement. In a number of authorities, Chief Officers' salaries have been increased but the costs of these exercises have been met from organisational restructurings. Furthermore, a number of Councils have introduced a performance related pay scheme for Chief Officers which will see their salaries increase if their appraisals are satisfactory. In the City Council, as agreed with the trade unions, the staff development review (appraisal) scheme is based on development needs rather than performance appraisal and, accordingly, the Chief Executive and the Director of Personnel and Management Services are of the view that such an approach should not be pursued.
- 6.10 The Committee is advised that neighbouring authorities (i.e. Aberdeen City, Angus, Fife and Perth and Kinross) have completed salary review exercises for Chief Officers. As a consequence, Chief Officers in Dundee City Council are now earning several thousand pounds less than their counterparts in neighbouring authorities. In a number of instances, the differences amount to more than £10,000 per annum.

7 SALARY CHANGES FROM 1995 TO PRESENT

- 7.1 Director of Housing from CO42 to CO40.
- 7.2 Director of Dundee Contract Services from CO31 to CO35 (allocated responsibility for Grounds Maintenance DSO).
- 7.3 Director of Neighbourhood Resources and Development from CO28 to CO31 (to recognise additional responsibilities assumed since 1995).

8 PROPOSALS

- 8.1 The Chief Executive and the Director of Personnel and Management Services are of the view that the salaries of Chief Officers should be reviewed to recognise the range of responsibilities undertaken and in light of the actions taken by other Councils (please see 6.10 above). Since 1995 when Chief Officers' salaries were first determined, the range and complexity of responsibilities have increased significantly, not only as a result of internal challenges and pressures but also as a result of external factors and demands. To recognise these, and to ensure that the Council continues to pay competitive salaries to ensure the retention and recruitment of Chief Officers, it is considered that salary increases are required.
- 8.2 As has been stated in 6.4 above, as Chief Officer posts have become vacant, the opportunity has been taken to review and revise responsibilities. In addition, a number of post titles have been changed to more accurately reflect the nature of the roles carried out. This process will continue.
- 8.3 The Chief Executive and the Director of Personnel and Management Services recommend the approval of the salaries outlined in Appendix 1, with effect from 1 April 2003.
- 8.4 For a detailed comparison of present and proposed salaries, please refer to Appendix 2 attached.

9 CONSULTATION

- 9.1 The Director of Finance provided the financial implications of this report.

10 BACKGROUND PAPERS

- 10.1 No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing this report.

A. Stephen
Chief Executive

16 June 2003

J.C. Petrie
Director of Personnel and Management Services

16 June 2003

CHIEF OFFICERS' SALARIES

Post Title	1995		Present		Proposed		Notes
	SJNC	% of Ch Exec	SJNC	% of Ch Exec	SJNC	% of Ch Exec	
Depute Chief Executive (Support Services)	42	75	42	67	48	74	Formerly Director of Support Services
Depute Chief Executive (Finance)	42	75	42	67	48	74	Formerly Director of Finance
Director of Education	42	75	42	67	48	74	
Director of Social Work	42	75	42	67	48	74	
Director of Planning and Transportation	42	75	42	67	45	71	
Director of Housing	42	75	40	64	43	68	
Director of Economic Development	38	70	38	62	41	66	
* Assistant Chief Executive (Management)	35	55	35	58	38	62	Formerly Director of Personnel & Management Services
Director of Environmental & Consumer Protection	35	65	35	58	Not applicable		Post deleted
Director of Dundee Contract Services	31	60	35	58	38	62	
Assistant Chief Executive (Community Planning)	28	55	28	49	34	57	Formerly Director of Corporate Planning
Head of Information Technology	31	60	31	53	34	57	
Director of Leisure and Arts	31	60	31	53	34	57	
Chief Arts Officer	24	50	Not applicable		Not applicable		Post deleted
Head of Public Relations	21	47	21	41	24	45	Formerly Director of Public Relations

*The Chief Executive proposes this grade; the Director of Personnel and Management Services was not involved in this proposal.

COMPARISON OF PRESENT AND PROPOSED SALARIES (FIGURES AS AT 1 APRIL 2003)

Post Title	Present		Proposed		% Increase	Notes
	SJNC	Salary (£)	SJNC	Salary (£)		
Depute Chief Executive (Support Services)	42	75,819	48	84,408	11	Formerly Director of Support Services
Depute Chief Executive (Finance)	42	75,819	48	84,408	11	Formerly Director of Finance
Director of Education	42	75,819	48	84,408	11	
Director of Social Work	42	75,819	48	84,408	11	
Director of Planning and Transportation	42	75,819	45	80,115	6	
Director of Housing	40	72,948	43	77,241	6	
Director of Economic Development	38	70,086	41	74,382	6	
Assistant Chief Executive (Management)	35	65,796	38	70,086	7	Formerly Director of Pers & Management Services
Director of Dundee Contract Services	35	65,796	38	70,086	7	
Head of Information Technology	31	60,053	34	64,353	7	
Director of Leisure and Arts	31	60,053	34	64,353	7	
Asst Chief Executive (Community Planning)	28	55,758	34	64,353	15	Formerly Director of Corporate Planning
Head of Public Relations	21	47,061	24	50,574	7	Formerly Director of Public Relations