# **STATES OF JERSEY**



# SALARIES OVER £100,000: NOTIFICATION TO STATES ASSEMBLY

Lodged au Greffe on 23rd February 2011 by Deputy R.G. Le Hérissier of St. Saviour

## **STATES GREFFE**

## **PROPOSITION**

## THE STATES are asked to decide whether they are of opinion -

to request the States Employment Board, on each occasion on which it is proposed to recruit a public employee to a post which attracts a basic remuneration of £100,000 or more per annum (or which costs the States that sum if the appointment is to be made through an agency or other external body), to present a report to the States Assembly at least 15 days before any recruitment process is initiated setting out details of the need for the post, a summary of the duties to be performed and the proposed level of remuneration.

DEPUTY R.G. LE HÉRISSIER OF ST. SAVIOUR

#### **REPORT**

#### Introduction

As someone who has difficulty with the way that the States Assembly attempts to micro-manage many issues, I bring this proposition with reluctance.

However, I can no longer sit by while the States, through the Council of Ministers, pursues a policy of massive top-end salaries and at the same time drives forward all sorts of economies which will gravely impact upon voluntary bodies, its own workforce and the general public.

I am rendered speechless by the inability of the Council to comprehend that this policy of very high salaries makes a mockery of budget cutbacks.

Increasingly, the reasons advanced – "we must get the best, managers are saving us enormous amounts well in excess of their salaries" – look hollow and cannot cover up the fact that a virus has spread throughout the system and is driven by its own internal but perverse logic.

The catalyst for this proposition is the cost of employing a Hospital Director – initially announced as £312,000 per annum, but now revised to £216,000 per annum.

It is said this is not as bad as first appears, as some of this money goes to the agency. Furthermore, it may be argued that the sum has to cover, for example, pension payments.

That said, even allowing for reasonable deductions it seems remarkable that running a small hospital for a community of 90,000 should attract such remuneration. It is also worth noting that these salaries have been hidden behind a veil of confidentiality where we are only presented with numbers employed on salary bands.

It is only because this is an agency position that the information has been released – albeit reluctantly.

#### What can be done?

Because of growing pressure in Britain, the Minister for Communities and Local Government has announced that all positions attracting £100,000 or over in English Local Government will be subject to full Council approval.

I suggest a variation on this. The States Assembly operates a system whereby it is informed of all proposed States property transactions.

These are laid before the States and 15 days is allowed for members to raise comments, and lay propositions. Notifications should contain a breakdown of remuneration, for example salary, pension contributions. The blocking of the sale of the Jersey College for Girls building and site was initiated under this procedure. It does not allow for the automatic blocking of a transaction, but for members to initiate steps, should they have concerns.

Clearly, all proposed appointments over £100,000 would be submitted under this procedure before going to competition or before a post was reclassified to attract this remuneration.

A report would need to accompany each proposal identifying the need for the post, for the level of remuneration, its benefit to the organization, its relation to existing positions, how the performance of the post was measured.

A balance would have to be struck in providing essential information without the provision of lengthy reports which would somehow turn the States into a body assessing remuneration and suitability of posts.

I would hope that it would operate like the system governing property transactions, in that only serious or questionable cases would be the subject of intervention by members. One would hope that Ministers would think very carefully before making proposals for such appointments.

#### Conclusion

I am saddened that it has come to this. However, the Council has shown itself totally out of touch with public sentiment and seems determined to announce position after position remunerated at lavish levels to an increasingly incredulous public.

There may well be technical issues I have not fully covered, and I am most willing to debate these further. I am not prepared to accept the cloak of secrecy which has hitherto blocked the release of information.

### Financial and manpower implications

While reports will be required for members, they will contain a summary of information which should already form part of any appointments or reclassification process.