

[AM] Remuneration Level - General Manager

Submitted by Administrator Payne

On 28 February 2006, I submitted an Administrator's Minute recommending that the remuneration level of the General Manager be set at Senior Executive Service Level 6 and that the commencing salary within that range be determined by me after negotiations.

Mercer Human Resource Consulting had recommended in December 2004 a range of \$226,320 to \$276, 630 with a mid point of \$251,480.

Mercer's recommendations used SES levels set from 1 October 2003 to 30 September 2004 (not the rates applying as at December 2004), and applied an additional \$7,249 to reflect actual market based motor vehicle values to enable a comparison with Council salaries. The General Manager's current remuneration at that time and assumed to be grossed up to include all costs was \$234,446.

Based on current SES levels and assuming a 4% growth factor for the General Manager's remuneration as at December 2004, and factoring in the \$7,249 motor vehicle costs, a comparison would show:

	9/2004	12/2004	10/2005
SES Level 6 with m/v (Mercer)	219,857-247,100 227,100-254,349	228,651-257,000 235,900-264,249	237,801-267,300 245,050-274,549
SES Level 5 with m/v (Mercer)	190,551-219,850 197,800-227,100	198,151-228,650 205,400-235,899	206,101-237,800 213,350-245,049
General Manager		234,446	243,824
Mercers	226,330-276,630 (251,480 mid point)	236,330-276,630 (251,480 mid point)	245,783-287,695 (266,739 mid point)

In brief, the General Manager's current level, had it moved with normal indicators, would now be \$243,824 compared to a Mercer's recommendation of \$266,739 (mid point of scale).

The Mercer's mid point is basically the same as the top of SES Level 6. It is also noted that while Mercers used SES levels for comparison, they recommended against adopting this system for the Council. No reasons were given. In my opinion, New South Wales SES levels are appropriate for Council senior staff.

RECOMMENDATION:

That the remuneration level of the position of General Manager be set at minimum SES Level 5 to maximum SES Level 6, ie \$206,101 to \$267,300. The recommended level is on a total cost to employer basis and includes all benefits.

[AM] Appointment of General Manager, Tweed Shire Council

Submitted by Administrator Payne

This Minute is to provide advice that the Administrators have appointed Mr Michael Rayner as General Manager of Tweed Shire Council, with effect from 19 May 2006.

Mr Rayner's appointment following an extensive recruitment program which involved Executive Search on a national basis.

ACTION RECOMMENDED:

That:-

- 1. In accordance with Section 334 of the Local Government Act, Mr Mike Rayner be appointed as General Manager on the following terms:-**
 - A five year performance based contract using the standard contract to be mandated by the Department of Local Government in the near future.
 - Retention of existing accrued leave, annual leave, sick leave and extended leave entitlements, with accrual at the same rate as contained in his existing contract.
 - Recognition of Council's sick leave policy (clause 4.13) with entitlement on a pro rata basis up to 18 May 2006.
 - No provision for payment of untaken sick leave from the date of appointment as General Manager.
 - A commencing remuneration of \$206,101 per annum, inclusive of all benefits (including a motor vehicle).
 - This remuneration represents the minimum rate for the NSW Public Sector Senior Executive Service (SES) Level 5.
 - Further progression beyond the minimum rate to be on an annual basis, subject to satisfactory performance.

- 2. Delegations to the General Manager in accordance with Section 377 of the Local Government Act be ratified.**

Mr Rayner accepted the offer on 19 May 2006.

The Administrators have congratulated Mr Rayner on his appointment and look forward to working with him in the future.

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