
Staffing Matters and Urgency Committee

2 June 2025

Report of the Chief Operating Officer

Portfolio of the Leader including Corporate Services, Policy, Strategy and Partnerships

Market Supplement for Corporate Director of Children and Education Services

Introduction

1. This report seeks approval for a market supplement for the post of Corporate Director of Children and Education Services (CDCS).
2. In line with the Article 11 of the Council's Constitution: Staffing Matters and Urgency Committee, the Committee can consider and approve non-routine pay related matters in respect to Chief Officers listed in Article 11. A market supplement is deemed to be non-routine, and approval is sought for transparency purposes.
3. The supplement is considered appropriate to be able to maintain stability and retain expertise for York's children's services in an increasingly competitive and demanding market. Timing is also to react proactively to local job opportunities.

Recommendations

4. It is recommended that the Committee approve
 - a. A market supplement for the post of Corporate Director of Children and Education Services to ensure that the post is competitive in the current market and not risk the departure of the current post holder.
-

- b. Subject to approval, the supplement will be monitored by Chief Officer HR and Support Services. As part of regular reports to the committee relating to market supplements and retention payments, this supplement will be presented.
- 5. It is recommended for the reasons outlined in this report that a supplement is awarded to the CDCS. There is a very real flight risk of the current postholder leaving CYC on the grounds of career development to a larger authority and/or on the grounds of seeking a higher salary for a comparable role with another Council. The postholder is prepared to dedicate time and resources to CYC should a supplement be approved. The continuity of leadership is advantageous to lead on the social care reforms and maintain the outstanding status of Ofsted. Learning and shared ambition can also continue with fellow colleagues as we work on a one council basis to achieve the best outcomes for the children and families that we support in the City.

Background

- 6. The CDCS is also the designated Statutory Director of Children's Services (DCS). The Council employs two Corporate Directors, one for Adult Services and one for Children's, both report to the Chief Operating Officer.
 - 7. As a Statutory DCS, the post holder is responsible for the overall design and delivery of children's services in the area, including education, social care and safeguarding as set out in the Children's Act. A DCS is personally responsible and is held accountable for decisions made regarding children and young people in the system. As a Council, CYC is governed and bound by over 200 statutory duties covering education and children's social care. In CYC, the CDCS role and responsibilities extend to Adult Education and Family Services.
-

8. The current CDCS has been in post since August 2022 and has successfully taken the Council's children's services from an Ofsted rating of 'Requires Improvement' in 2022 to 'Outstanding' in all areas as reported in April 2025. Only 7% of Councils have achieved an Outstanding status across all areas, and CYC is the only authority in 10 years to achieve progressing from below a 'good' rating to 'Outstanding' in all areas.
 9. The CDCS is currently considering a career move to North Yorkshire Council (NYC), as the current NYC DCS has announced his retirement. NYC have just released the recruitment campaign the role has an advertised salary of £136,853 to £159,178 with a closing date of 4 June.
 10. Whilst there is no guarantee that CYC's DCS will be successfully appointed, there is the intention that if offered he will leave CYC. This leaves CYC in a vulnerable position for the future and consideration of a market supplement payment is sought for approval.
 11. CYC formerly applied a market supplement to the DCS post between 2013 and 2019. Approval is now sought to reinstate a supplement for many of the same reasons, albeit the role is not vacant. The aim is to be proactive and alert to market demands on this occasion prior to the current postholder potentially leaving for a higher salary.
 12. A market supplement is ordinarily, for one year, however, supplements have been awarded for less and more than one year based on need and market data. They are all reviewable and remain as a supplement to the substantive salary. Market Supplements are also pensionable in line with the Local Government Pension Scheme (LGPS) Regulations.
-

13. The current CDCS has stated that his plans for retirement are within the next 3/4 years, and it is hoped that CYC can retain the postholder for this period with a market supplement. Whilst a market supplement is not a binding agreement a clause can be agreed for a proportion of the supplement to be clawed back should the postholder not remain in employment. This can be reviewed on an annual basis. The postholder has expressed that he is happy to be subject to such a clause.
 14. This will mean that CYC can address the major reform for children services that has been set by the government to deliver better outcomes for children and young people with confidence. To deliver such reforms will need clear visible and trusted leadership, to lead on a whole system review of both education and children's social care. This approach and competence have been demonstrated through the recent Ofsted inspection through the current postholder. The reform challenge is in addition to the going pressures that the Council faces with SEND which CYC are making positive traction on under the leadership of the CDCS.
 15. Work is already underway to commence the children's social care reform and preparing the workforce is a key driver to success. A change of leader at this crucial time will impact negatively on both the workforce, other agencies, partners, schools and the children, young people and the families CYC serves.
 16. Good leadership through the current postholder supported by wider Corporate Management Team colleagues has seen significant savings resulting in an almost balanced budget for children's social care in the last two and a half years. This has been delivered through improving risk factors, reducing costly residential placements outside of York, where possible returning and maintaining children within their family structures with appropriate support networks which in turn has led to a significant reduction of children in care. There has also been a reduction in agency social worker spend and a maintenance of a stable social care workforce which also provides stability for our children and families. We are proud that York was mentioned in a recent House of Lords debate regarding reforms and the good work that the Council are achieving including supporting young people in
-

care with a strong and stable social care workforce and limited agency. SEND has also had a significantly better profile than in recent years, so has fostering under the leadership of the CDCS.

The Market Supplement Process

17. The Council's market supplement policy is not widely used and can be used for vacant posts as well as existing employees as a retention tool to be proactive before there is a pending recruitment.
18. For CYC to maintain an 'outstanding' Ofsted and deal with the children's care reforms, CYC would need to appoint an experienced DCS. Attracting an experienced DCS in the current climate will be very difficult, especially with a low salary. Although, there are 136 DCS's in the UK, all are currently faced with the same challenges. An experienced, local and trusted DSC has significant advantages to achieving a smooth leadership transition to addressing the needed reforms.
19. To award and propose a market supplement, salary data is needed. Analysis of salaries across the Yorkshire and Humber Region has been undertaken and whilst there are varying sizes to the Councils the issues facing DCS's personally, and the accountability and responsibility of the role, are distinctly comparable. As can be seen from **Annex A**, CYC's salary for the DCS is low in comparison to others in the region, salaries range from £135-£163k (*based on council pay policy and final accounts data from 2024*) compared with CYC's salary band which starts at £111,509 to £122,715.

The Proposed Market Supplement

20. It is proposed that the CDCS is offered a supplement which would see an initial total salary offer of £140k.
 21. This would remain lower than the majority of the other DCSs in the Yorkshire and Humber Region but relative to CYC's Chief Operating Officer max salary (£163,499). Awarding up to £140k equates to a £17,285 supplement with immediate effect, which would then continue for a period of up to 4 years and will be reviewable likely on award of the annual pay award.
-

22. It is proposed that the supplement be paid in equal monthly proportions.
23. The annual pay award is likely to see a 2-3% increase each year. The postholder's substantive grade would increase in line with the pay award, the market supplement would remain static. The following table demonstrates an estimate of salary costs (rather than oncosts, which are set out in paragraph 25 under the financial implications section)

Corporate Director of Children's Services	Substantive Salary	Supplement Value	Total Package
Current Salary (pending pay award from 1 st April 2025)	122,715	17,285	140,000
Possible pay award from 1 st April 2025 3.2%	126,641	17,285	143,926
Estimated (and reviewable) Salary and Market Supplement year 2 based on 2.5%	129,807	17,285	147,092
Estimated (and reviewable) Salary and Market Supplement year 3 based on 2.5%	133,052	17,285	150,337
Estimated (and reviewable) Market Supplement year 4 based on 2.5%	136,379	17,285	153,664

(Note figures quoted are salary rates rather than oncosts)

Consultation

24. In line with the Chief Officer – Market Supplement procedure consultation has taken place with the recognised trade unions, and they are supportive of the supplement. The Director of Finance has been consulted as has Chief Officer HR and Support Services in line with the policy, and both supportive.

HR Implications

25. HR implications that have been considered as part of this proposal include

- a. Financial savings and recent CMT restructure - whilst the current CMT restructure has been in place for just over one year, there was no change to the role of CDCS, and there will continue to be no change. The directorate will need to find the additional costs within the service budget and make savings as appropriate to cover costs.
 - b. Comparator Chief Officers – there is one other Corporate Director on comparable substantive salary. Whilst this in the first instance may give rise to a challenge, the case presented is robust with reasoning. Should there be a request from other officers, details can be considered on a case-by-case basis. It should be noted that there is not a desire to use supplements as a method of changing the current chief officer grading structure or the roles and responsibilities of individual chief officers. The role of Corporate Director of Children's Services has been evaluated and remains within the grade. There have also been transparent discussions with fellow chief officers around the reasoning for the market supplement.
 - c. Salary differential with Chief Operating Officer (COO) – structures are recommended to have at least 15% difference between an officer and manager. The difference between the substantive grade of the COO and CDCS is currently 28.5%, on applying a market supplement of £140k the difference remains within the recommended 15% (15.48%).
 - d. Options – there are essentially two options:
 - i. do nothing and risk the current CDCS leaving, possibly to NYC or another Council should the opportunity arise. It may be that nationally the social care reforms agenda prompts other DCSs to take retirement and CYC's current DCS seeks another position given recent success of Ofsted. As a worst-case scenario, CYC may see a failed
-

recruitment even with a supplement and would need to review options such as an interim, which would have significant costs which would impact on the service (children and families), destabilise workforce morale and disruption, a detrimental financial impact and the need to reconnect and build new relationships with key partners.

- ii. Offer a supplement and clause to the current postholder to remain committed to CYC as the DCS and support and implement the reforms required. Within this time consideration can be given as to succession for a future CDCS.

Financial Implications

- 26. Additional salary and oncosts will need to be sought from service budgets. Based on a supplement of £17,285 with oncosts this will equate to £22,124 in the first year and up to a maximum of £100k over a four-year period. This can be funded from within existing budgets. Should the market supplement not be agreed, the financial implications of the current CDCS leaving are likely to be significant. As outlined in the background section of this report, the current post holder has delivered a much-improved financial position for the directorate when many other Councils are seeing huge financial pressures in this area
-

Contact Details

Author:

Helen Whiting,
Chief Officer HR and Support
Services
helen.whiting@york.gov.uk

**Chief Officer Responsible for the
report:**

Ian Floyd
Chief Operating Officer

**Report
Approved**

Yes

Date

21 May 2025

Specialist Implications Officer(s):

Wards Affected: *List wards or tick box to indicate all*

All ☒

For further information please contact the author of the report

Background Papers:

Council Constitution: Staffing Matters and Urgency Committee Article 11
<https://democracy.york.gov.uk/documents/s175988/Article%2011%20-%20Staffing%20Matters.pdf>

Annexes

Annex A – Comparison of City of York Council Salaries for Director of
Children Services Roles Across Yorkshire and Humber Region
