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**SENIOR MANAGER RECRUITMENT: CHIEF EXECUTIVE/HEAD OF THE PAID SERVICE**

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**Executive Summary:**

The Chief Executive, David Hill, intends to retire in September 2014. With the Group Leaders, consideration has been given to the Council's future requirements for senior management capacity and leadership. Options for a different configuration of the corporate leadership team have been considered, with the outcome of those discussions being unanimously in favour of retaining the current model of a Chief Executive supported by Corporate Directors, albeit the number of Corporate Directors may over time reduce.

Council is asked to note the process for recruiting to the post of Chief Executive/Head of the Paid Service and to establish an Appointment Panel to deal with the Chief Executive/Head of the Paid Service appointment process which will submit a recommendation to the Council in due course.

**1. Recommendation(s)**

- 1.1 That the process for recruiting a new Chief Executive/Head of the Paid Service be noted.
- 1.2 That an Appointment Panel, with the following Terms of Reference, be established in the proportions 3:2:2 (3 Conservatives, 2 Labour members and 2 Liberal Democrats), to deal with the Chief Executive/Head of the Paid Service appointment process and to submit a recommendation to the Council in due course:
  - (a) Determine the needs and role requirements associated with the Chief Executive/Head of Paid Service and how this need is to be met in the future
  - (b) Review of the Job Description and Person Specification
  - (c) Review and determination of salary level
  - (d) Longlisting, shortlisting, interviewing and final selection of the preferred candidate.

**2. Issues**

- 2.1 The Chief Executive's intended retirement during 2014/15 will occur alongside other turnover and new appointments at senior management level. The Council is already currently in the process of recruiting to two significant posts in the areas of legal and democratic services and public realm services. It is anticipated, given the length of service of all three Corporate Directors and some of the remaining Assistant Directors, that for logical career development

purposes there will be some significant further turnover in the course of the next 18 months, which could occur earlier or later according to market opportunities.

- 2.2 The scale of the challenge that the Council faces to sustain service delivery and meet the pressures of growth, in a climate of ever reducing financial resources, will require a fully resourced, robust and high performing senior leadership team. The level of anticipated turnover means that the Council is likely to be seeking to make a number of new senior appointments, potentially simultaneously, and will need to manage and mitigate the risks of excessive churn of this level – including the potential risks to (external and internal) perceptions of the Council’s ability to cope with the challenges ahead.
- 2.3 Early planning and action are therefore essential to deal with these risks and to seize the positive opportunity to re-shape and streamline the senior leadership structure, improve the Council’s ability to attract strong candidates and strengthen organisational resilience, and as a first step initiate the appointment process for a new Chief Executive /Head of the Paid Service.
- 2.4 As it is the Group Leaders’ view that the Council should seek to make the appointment of a new Chief Executive by early May 2014, early initiation of the Appointment process is essential. This timeline will allow for a period of handover between the outgoing and incoming Chief Executives. It also provides the latter with the opportunity to influence and take ownership of future changes to the senior management structure.
- 2.5 Under the Council’s Officer Employment Procedure Rules – Appointment of Head of the Paid Service, the full Council must approve the appointment of the Head of the Paid Service following the recommendation of such an appointment by a Committee or Sub-Committee of the Council. The full Council may only make or approve the appointment of the Head of the Paid Service where no well-founded objection has been made by any Member of the Cabinet.
- 2.6 To assist the smooth progress of an appointment, the terms of reference of the Appointment Panel should encompass all aspects of the recruitment process up to and including a recommendation to the Council of the selected candidate. Specifically this will need to include:
  - (a) Determine the needs and role requirements associated with the Chief Executive/Head of Paid Service and how this need is to be met in the future
  - (b) Review of the Job Description and Person Specification
  - (c) Review and determination of salary level
  - (d) Longlisting, shortlisting, interviewing and final selection of the preferred candidate.

The options and detail of each stage of the appointment process will be considered and agreed with the Appointment Panel once established.

- 2.7 There have been regular discussions with the Group Leaders since December 2013 to give thorough consideration to the Council's future requirements. Each has taken the opportunity to brief their Groups and to steer the development of the Chief Executive's associated proposals to further strengthen the Council's senior leadership capacity.
- 2.8 To support the Council in its search for a new Chief Executive and Head of the Paid Service, recruitment consultants who are recognised experts in their field will be engaged, with the decision to award the contract for executive search and selection services to be made at a meeting of the Cabinet on 29 January 2014. The search stage of the appointment process will be initiated immediately following this decision to support achievement of the Group Leaders' decision to seek to make an appointment by early May.
- 2.9 Appointments to Chief Officer posts are made by cross-party elected Member Appointment Panels, and the required composition of such Panels is set out in the Constitution; currently that requires an Appointment Panel to be established in the proportions 3:2:2 (3 Conservatives, 2 Labour members and 2 Liberal Democrats), to deal with the Chief Executive/Head of the Paid Service appointment process and to submit a recommendation to the Council in due course.

### 3. **Options**

#### 3.1 Adopt a Different Model of Managerial Leadership

The option of not appointing to this post, and of adopting a different model of managerial leadership, has been considered by the Group Leaders. However, in the context of the unique set of challenges facing the Council and the need to have a single Chief Executive with the time, energy and capacity to focus on meeting those challenges – including being able to engage effectively with Whitehall; and given Council's political make-up, the strong likelihood that no overall control will continue for the foreseeable future, and the need for clear lines of communication and accountability between the Council, its managerial leadership, workforce and partners - the Group Leaders are of the view that the requirement for the post of Chief Executive continues and that a new appointment should be made by early May, prior to the elections, and in time for there to be a period of handover between the outgoing and incoming Chief Executives.

#### 3.2 Recruit to Chief Executive post

This is the recommended option for the reasons set out above.

### 4. **Implications**

#### 4.1 Policy

The recommendations in this report are consistent with the Council's Constitution, and Recruitment Policy.

## 4.2 Resources and Risk

### Risks

The main risks arising from the need to appoint a new Chief Executive are those arising from the process, such as the potential for delay, availability of key Members, failure to appoint, and change management. A full risk assessment will be undertaken and held on the Council's risk management system (GRACE).

### Resources

The costs associated with the purchase of services from a leading recruitment specialist vary according to the services being provided. Other costs are associated with the practicalities of accommodating the selection process and candidate expenses.

As with any change at the senior level, the recruitment process will require a review of salary to ensure that the remuneration package will attract and retain the best candidate. The market will to a certain extent dictate what is required, but that cannot be accurately determined at this stage and will be a matter for the Appointment Panel to consider and determine.

Resources can be made available from one-off funds in the current year (2013/14) to cover the associated costs of the action contained in this report. There will be no negative impact on the MTFP.

	Capital		Revenue		Accommodation
N	IT	N	Medium Term Plan	N	Asset Management

## 4.3 Carbon and Energy Management

Not applicable.

## 4.4 Legal

The Local Government and Housing Act, 1989, requires the Council to designate one of its officers as Head of the Paid Service. At present, the Chief Executive is so designated. The Local Authorities (Functions and Responsibilities) (England) (Amendment) Regulations 2001 state that the duty to designate an officer as Head of the Paid Service cannot be the responsibility of the Cabinet. The Council's Constitution requires the full Council to approve the appointment of the Head of the Paid Service following the recommendation of such an appointment by a Committee of the Council.

## 4.5 Other Implications

It is the Council's practice to involve stakeholders in the appointment of Chief Officers. The role of stakeholders in the appointment process is good practice, has been helpful on many occasions and will be a matter for the Appointment Panel to consider. Equality and diversity issues will be fully addressed within the recruitment process.

Y	Equalities/Diversity	N	Sustainability	N	Human Rights
N	E-Government	Y	Stakeholders	N	Crime and Disorder

Background Papers:       None.