

# ***Report to the Council***

**Committee:** Committee for Appointment of a Chief Executive

**Date:** 14 February 2012

**Chairman:** Councillor J M Whitehouse

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## **1. CHIEF EXECUTIVE POST – RECRUITMENT PROCESS**

### **Recommending:**

**(1) That the action taken by the Committee as outlined in this report be noted; and**

**(2) That the terms of reference of this Committee be amended to include paragraphs 4.9 (i) – (iii) of the report of the Task and Finish Scrutiny Panel on Senior Recruitment under item 11 of this Council agenda.**

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### **Introduction**

1. We last reported to the Council on 26 July 2011 concerning our role in co-ordinating the recruitment process for the vacant post of Chief Executive.
2. On that occasion, the Council approved our recommendation that the temporary contract of Acting Chief Executive held by Mr D Macnab should be extended to 31 August 2012. The Council also approved our proposal that earlier termination of the temporary contract could take place if it were decided that the Council should appoint a Chief Executive or pursue alternative arrangements for a Chief Executive such as a Joint Chief Executive with another authority.
3. The Council also decided that no resources should be committed to the recruitment process until a report of Ernst and Young on value for money and service efficiencies had been considered by the Council. This was because at the time it was anticipated that the company's report would deal with options for a new top management structure for the authority and that this would be likely to affect the Chief Executive post itself.
4. We have been advised that the report of Ernst and Young has not been submitted to the Council and have received a letter from Ernst and Young arguing the case for proceeding with a Chief Executive appointment now in advance of future consideration of a new management structure. The Panel shares this view because it seems to us that it is appropriate that no binding decisions on management structure should take place in advance of a Chief Executive being in post, bearing in mind that one of the functions of the post is as Head of Paid Service. This involves the submission of proposals to the Council on the discharge of its functions and the staffing resources required.
5. The Council will gather from this that we are not pursuing any proposals regarding

joint Chief Executives or other options as we consider that it is very important that the Council has its own Chief Executive to engage, on behalf of the Authority, in a number of key issues with which are now confronted. We make reference here to the preparation of the Local Plan, changes affecting the Council's role as housing authority, the importance of avoiding diluting our positions as a successful recycling authority through shared arrangements and being able to focus on introduction of Universal Credit and its impact on residents of this District which might also suffer from a loss of focus under joint management.

6. We feel that sharing a Chief Executive with another local authority is not a practical proposition because of those service issues where the Council must defend the District's interests, and also because there are a number of other Authorities which have common boundaries with this District but whose interests are not necessarily ones which this Council will share. We favour an appointment by the Council of its own Chief Executive and we are now moving ahead with the recruitment process.
7. We have taken note of the report of the Task and Finish Scrutiny Panel on Senior Recruitment. We fully support the findings of that review and intend to follow the processes outlined in the report. We are also recommending that those matters which the Panel referred specifically to this Committee in paragraph 4.9 (i) – (iii) of its report should be added to this Committee's terms of reference.
8. We can summarise the work we are now putting in hand as follows:
  - (a) **Job Description, Person Specification, Accountabilities and Job Focus**
9. We have carefully looked at a number of ideas for the detailed recruitment documentation. We have asked for these documents to be extensively revised and brought back to our next meeting for consideration.
10. In summary, we see that the new Chief Executive must be a person who is able to embrace the role of internal lead officer with an external focus on the needs of the community. We feel that the post holder should be someone who can maintain the efficient delivery of services in operational terms but who is also not adverse to innovation. We would like to see someone who is able to evaluate risk in relation to new initiatives and who is able to co-operate with other parties.
11. We are seeking a specific focus on economic development and commercial activity in the District as we are in no doubt that with the "repatriation" of the Non Domestic Rate and the importance of promoting local employment and business activity, the Council needs an individual who can assess the proper requirements of business but within the context of a District which is largely Green Belt in character.

**(b) Salary Issues**

12. We are well aware of the national controversy over the payment of public officials and we are seeking external consultant advice on an appropriate market salary level which will secure the kind of appointee we are seeking, at a salary level which reflects the market place. At this stage we are not proposing to evaluate the post by any of the established evaluation methods. Rather, we see a market salary as a staging post towards a larger scale job evaluation of all senior management positions within the authority once the Council has determined the management structure it prefers.

**(c) External Consultancy Advice**

13. We have put in hand steps to obtain proposals from external HR specialists to guide the Council through this recruitment process. These proposals will be sought through the Essex HR Partnership framework and through the East of England Local Government Association Framework and will involve competitive quotations from a number of HR specialists.

**(d) Role of Consultants**

14. We have spent some time defining the roles which we wish external HR advice to deliver. We are looking for initial sifting of the long list of applicants, advice on the correct method of advertising the position, availability at interviews as observer/advisor on applicants, the provision of initial assessment processes on each candidate, training for the committee in interviewing techniques and benchmarking of salary provisions. Induction work after appointment with the new Chief Executive and those individuals within the Council membership to whom he or she would be accountable may be added to the brief to the Consultant after the recruitment process has been completed. This is to allow the consultant's performance to be reviewed at that stage.

**(e) Timetable**

15. We are mindful of the decision of the Council last year to secure an appointment of a Chief Executive by 31 August 2012 and we are continuing to work with some urgency with that deadline in mind. Accordingly, we are looking for the preferred consultants which will be appointed after consultation with the Chairman of the Committee and the Leader and Deputy Leader to attend our next meeting to advise us on a number of key points including the question of salaries.

**(f) Advertising the Post**

16. The Council is advised that we intend to advertise this post both internally and externally. Opening the post up to external competition is important in our minds in showing that the appointment, whether internal or external, has been made on merit in compliance with the Council's statutory duty.

**(g) Contractual Matters**

17. We have taken note of the proposals of the Scrutiny Panel in this regard and will follow those procedures. We have also directed that all the contractual details and offer letters, etc. will be dealt with in-house and that this will not be part of the brief to consultants.
18. We recommend as set out at the commencement of this report.

**Resource Implications:**

The cost of the consultancy advice can be met from underspend salary provision in the 2011/12 budget for the post of Chief Executive. No additional internal resources are required for this process.

## **Legal and Governance Implications**

The appointment of a Chief Executive is subject to the provisions of the Local Government Acts 1989 and 2000 (appointments on merit and responsibility for the appointment being a non-Cabinet matter reserved to the Council).

**Background Papers:** None.

### **Consultation Undertaken:**

The Council's Solicitor has advised the Task and Finish Scrutiny Panel on the future policy to be considered on senior management appointments at this meeting and which will now be followed by the committee.

### **Impact Assessments:**

#### **Risk Management**

We have outlined in this report the risks associated with the Council not having its own Chief Executive. The Committee has confirmed its intention to adhere to the procedures for senior appointments which are being submitted for adoption at this Council meeting.

#### **Equality and Diversity**

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties reveal any potentially adverse equality implications? **NO.**

The recruitment to be undertaken must comply with the Council's duty to appoint on merit and to be informed by its to comply with its responsibilities under equalities legislation.

Where Equality Implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? **N/A**