

Report To: Full Council

Date of Meeting: 5th December 2017

Lead Member / Officer: Councillor Hugh Evans (Leader)

Report Author: Gary Williams
Head of Legal, HR and Democratic Services

Title: **Chief Executive Recruitment**

1. What is the report about?

The report is about the recruitment process that needs to be undertaken to recruit a new Chief Executive.

2. What is the reason for making this report?

To seek Council approval to recruit to the role of Chief Executive following the recent resignation of Mohammed Mehmet and to agree the approach to be taken in the recruitment process. This includes the remuneration package to be offered.

3. What are the Recommendations?

- 3.1 That Council agree to recruit a new Chief Executive
- 3.2 That Council agree the proposed remuneration package
- 3.3 That Council agree the recruitment pack
- 3.4 That Council agree the recruitment process

4. Report details

The Chief Executive has tendered his resignation and will leave the authority on the 30th April 2018.

The position of Chief Executive holds the statutory responsibilities of Head of Paid Service, required under section 4, of the Local Government and Housing Act 1989, and is appointed the roles of Returning Officer and Electoral Registration Officer.

It is essential that arrangements for the recruitment process to fill this post are agreed and actioned quickly to ensure that the Authority continues to have robust management and governance in place following the Chief Executive's departure.

Remuneration

The Chief Executive Officer's current salary package is as follows:-

- Spot Salary of £127,513 per annum
- Performance Related Pay of up to 12% of the annual salary by linking salary progression to an assessment of individual performance measured through the Performance Appraisal Process.
- Relocation Costs of up to £8000 as per the Council's policy
- Permanent contract of employment
- Membership of the Local Government Pension Scheme
- Returning Officer Fees
- 30 days annual leave plus 2 additional statutory days and bank holidays

The Senior Remuneration Panel met on 7th November 2017 to consider a proposed remuneration package for the new Chief Executive which is recommended to Council for approval.

The proposed salary package provides a three point incremental grade, with the top incremental point matching the current spot salary of £127,513 with the current Performance Related Pay arrangements being removed. Incremental progression will be awarded based on completion of relevant service.

The removal of the PRP and the introduction of the incremental points, will provide savings as detailed below:-

Chief Executive Officer Proposed Pay	£127,513
	£125,600
	£123,716
Potential Savings Year 1	£13,742
Potential Savings Year 2	£11,858
Potential Savings Year 3	£9,946
Total Savings	£35,548

The Proposed Salary Package will still include:-

- Relocation Costs of up to £8000 as per the Council's policy
- Permanent contract of employment
- Membership of the Local Government Pension Scheme
- Returning Officer Fees
- 30 days annual leave plus 2 additional statutory days and bank holidays

Overall this package will provide a 3 year saving of £35,548 against the current total salary (including PRP). It is hoped that this pay proposals will be sufficient to attract the right talent from within Wales and across the border in England.

Part of the process requires the proposal to be considered by the Independent Review Panel for Wales.

The Independent Remuneration Panel for Wales (the Panel) was established by the Welsh Government under the Local Authorities (Allowances for Members) (Wales) Regulations 2007 which was subsequently revoked by the Local Government Wales Measure 2011 (the Measure). Under s141 of the Measure the Panel's continued existence was confirmed but it was given a slightly different remit to before. Later legislation including the Local Government (Democracy)(Wales) Act 2013 made changes to introduce s143A into the Measure to give the Panel powers to become involved in the salaries of Heads of Paid Service.

The IRP met on the 16th November 2017 to consider the proposal put forward and the Panel were in full agreement to the changes proposed.

Recruitment Process

In accordance with the Standing Orders (Wales) Amended Regulations 2014, there is a requirement for posts with salaries of more than £100k and which are for the duration of 12 months or more, to be advertised externally.

The Council's Policy and Procedures with regard to recruitment of Chief Officers is contained within the Officer Employment Procedure Rules as set out in Section 11 of the Constitution. This states that Full Council will appoint the Chief Executive.

The proposed Recruitment Process for the Chief Executive is included in Appendix A.

As part of the process, a Special Appointments Panel will be set up who will be responsible for shortlisting candidates for interview and assessing their suitability for the post via a 2 day assessment process and interview. Following this the Special Appointments Panel will present a shortlist of suitable candidates to Full Council. Based on a presentation and interview by each candidate to Full Council, Full Council will make the decision on who to appoint to the role.

It is recommended that the Special Appointments Panel comprises of 7 members and is a politically balanced panel which is chaired by the Leader and will include a maximum of 2 other Cabinet Members. The Panel will be supported by the Head of Legal, HR and Democratic Services and the HR Services Manager.

Group Leaders are requested to nominate Members for the Panel and a formal request for nominations will be sent out following full council.

It is recommended that the Chief Executive permanent recruitment campaign is managed internally by the HR Services Manager with an external specialist used to undertake an executive search, and support the shortlisting, assessment and appointment process. This will give the Council access to contact sources and assessment processes from specialists in this type of recruitment. The anticipated costs for this will be in the region of £14,000 - £20,000. This includes the cost of media advertisements, potential specialist testing and assessment preparation and analysis.

The process for selecting an external specialist will be undertaken via a formal tender. It is recommended that the Council agree that the Head of Legal, HR and Democratic Services in conjunction with the Leader assess the tenders and make a decision on which specialist to use.

The current job description for the role of Chief Executive was last updated during the Senior Leadership Review in April 2016 and this forms part of the draft Recruitment Pack in Appendix B. It is recommended that Council agrees the Recruitment Pack and to delegate responsibility to authorise any minor changes to these documents to the Head of Legal, HR and Democratic Services, in consultation with the Leader *and Lead Member for Finance and Efficiency*.

The indicative timescales for this process are as follows:

Full Council approval to recruitment process and remuneration package	5 th December 2017
Post to be advertised	11 th December 2017
Closing Date	12 noon, 8 th January 2018
Shortlisting	9 th and 10 th January 2018
Assessment Centre	23 rd and 24 th January 2018
Full Council	25 th January 2018

This timescale would allow a potential start date for the new Chief Executive of 1st May 2018.

5. How does the decision contribute to the Corporate Priorities?

This will ensure that the Council has robust leadership and governance arrangements to deliver on the Corporate Priorities.

6. What will it cost and how will it affect other services?

There are no direct implications on other services.

7. What are the main conclusions of the Well-being Impact Assessment?

A Well-being Impact Assessment is not required as the proposal are in accordance with the agreed policies.

8. What consultations have been carried out with Scrutiny and others?

The Leader has been consulted upon regarding the process and the Remuneration Panel has been involved in the development of the proposed remuneration package for the post.

9. Chief Finance Officer Statement

Budget provision exists for the post and the potential savings is noted.

10. What risks are there and is there anything we can do to reduce them?

The Council will be at risk if there is insufficient senior management capacity and expert knowledge to lead the organisation.

There is a risk that the recruitment campaign will be unsuccessful. However it is hoped that the remuneration package is sufficiently attractive to draw a good pool of candidates.

11. Power to make the Decision

S112 Local Government Act 1972 - power to appoint staff

S4 Local Government and Housing Act 1989 - requirement to designate a Head Of Paid Service