

Appointments Committee Supplementary Agenda



4. **Appointment of Chief Executive** (Pages 3 - 8)

For Members to undertake the shortlisting and interview process to appoint to the role of Chief Executive.

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Agenda Item 4

REPORT TO:	APPOINTMENTS COMMITTEE 17 May 2021
SUBJECT:	APPOINTMENT TO THE ROLE OF CHIEF EXECUTIVE, HEAD OF PAID SERVICE, RETURNING OFFICER AND ELECTORAL REGISTRATION OFFICER
LEAD OFFICER:	Asmat Hussain, Executive Director of Resources and Deputy Monitoring Officer (Interim)
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT: The Council's management structure	
FINANCIAL SUMMARY: The salary cost of this post is contained within the existing 2021/22 budget.	
KEY DECISION REFERENCE NO: n/a	
1. RECOMMENDATIONS	
1.1	Agree the salary package of the Chief Executive of £192,474 per annum under the Localism Act 2011.
1.2	Undertake the selection for interview and subsequently agree an appointment to the post of Chief Executive from the candidate(s) detailed in the Part B appendices to the agenda.
1.3	Any appointment to be subject to the appointment notification and approval processes as set out in paragraphs 3.2 (1) and 3.4 of part 4J of the Council's Constitution (Staff Employment Procedure Rules).
1.4	Subject to the outcome of candidate selection and interview RECOMMEND to Council appointment to the post of Head of Paid Service, Returning Officer and Electoral Registration Officer of the successful candidate.

2. EXECUTIVE SUMMARY

- 2.1. This report seeks the Committee's approval to undertake the selection and agree appointment to the post of Chief Executive and to make recommendations to Council regarding the positions of Head of the Paid Service, Returning Officer and Electoral Registration Officer.

3. DETAIL

Background

- 3.1 It is recognised that coming out of the pandemic and with the financial challenge ahead of us it is a priority to appoint to the permanent role of Chief Executive to provide stability and to lead our turnaround journey, providing assurance at the highest level, whilst rebuilding and reinvigorating a whole workforce behind a new

vision and culture. This will also include appointment to the statutory positions of Head of the Paid Service, Returning Officer and Electoral Registration Officer.

3.2 An external process has been undertaken with support from GatenbySanderson to select suitable candidates for the roles.

3.3 Candidate(s) details are set out in Part B appendices to this report.

Localism Act 2011 and Pay Policy

3.4 Following the decision of the Annual Council meeting on 03 June 2014, the Appointments Committee has delegated responsibility for approving appointments beyond the threshold specified in statutory guidance issued by the Secretary of State under section 40 of the Localism Act 2011. The statutory guidance is that elected Members should be given an opportunity to vote before: salary packages upon appointment at or above a specified threshold are offered; and severance packages at or beyond a specified threshold are approved for staff leaving the Council's employment. For both these purposes, the specified threshold is currently £100,000 as set by Government.

3.5 As set out in the Council's pay policy, Chief Officers are appointed on fixed pay points, which are determined locally and subject to local review every two years. The pay policy for 2021/22 agreed by the Council on 08 March 2021 agreed a fixed pay point for the Chief Executive of £192,474.

3.6 Under these arrangements the Chief Executive would receive a salary package which would engage the Committee's discretion in accordance with the delegation set out in paragraph 3.4 above and therefore a decision is required by the Committee to appoint at this pay level.

3.7 The Council's Staff Employment Procedure Rules at para 3.4 of Part 4.J of the Constitution provide for a notification process to ensure that the Leader and any other Cabinet Members have no objections to the offer of appointment occurs before an offer of appointment is made to him/her and these requirements will be complied with should Members approve the above recommendations.

3.8 Paragraph 3.2 (1) of the Staff Employment Procedure Rules further require that the full Council must approve any appointment to the role of Head of Paid Service before an offer of appointment can be made. On that basis, following the selection of a preferred candidate by this Committee and the successful completion of the notification process detailed in 3.6 above, a report will be presented to Council that asks that approval be given to appoint the candidate recommended by this Committee.

4 FINANCIAL AND RISK CONSIDERATIONS

4.1 Revenue and Capital consequences of report recommendations

	Current year	Future Years		
	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000
Revenue Budget available	152.6	261.7	261.7	261.7
Effect of decision	152.6	261.7	261.7	261.7
Overspend / (underspend)	0	0	0	0

*current year spend figures show 7 month in 21/22, including NI & pensions contribution

4.2 The effect of the decision

This is an established post and the budget identified in section 4.1 above has been aligned to the anticipated start date of the successful candidate. The salary costs arising from this decision can be met from the 2021/22 budget.

4.3 Risks

There is a risk of being unable to retain the right calibre of person to this role if the salary is not comparable to the market. Failure to appoint a suitable candidate to this role will result in a lack of strategic leadership for the organisation.

4.4 Options

The alternative option of not filling the role; and for not making provision within the parameters of the Council's agreed Pay Policy Statement is not considered sustainable or viable option as explained in paragraph 4.3 above.

4.5 Future savings/efficiencies

None identified.

Approved by: Chris Buss, Interim Director of Finance, Investment & Risk

5 LEGAL CONSIDERATIONS

5.1 The Head of Litigation and Corporate Law comments on behalf of the interim Director of Law and Governance that the Council may generally appoint such staff as it considers necessary for the proper discharge of its functions on such reasonable terms and conditions, including remuneration, as the Council thinks fit.

- 5.2 However, there are certain statutory appointments which must be made. The Local Government and Housing Act 1989 section 4 requires that the Council designate one of its officers as Head of the Paid Service (usually the Chief Executive) who is responsible for preparing reports on the way the local authority's staff is organised, on the authority's staffing needs and on the co-ordination of the way in which the authority's functions are discharged.
- 5.3 In addition, Section 35 of the Representation of the People Act 1983 requires the Council to appoint an officer of the Council to be the Returning Officer for the election of councillors. The Council has traditionally appointed the Chief Executive as Returning Officer which is an independent statutory role. The Chief Executive is also usually the Council's Electoral Registration Officer appointed under section 8.
- 5.4 The Council's Constitution provides in Part 3 Responsibility for Functions that the Appointments Committee has delegated authority to appoint a Chief Executive in its terms of reference. Whereas Article 4.1 in the Council's Constitution provides that confirming the appointment of the Head of Paid Service is a matter which is reserved to full council.
- 5.5 By section 38 of the Localism Act 2011 the Council is required to produce a Pay Policy each financial year. Approval of the Pay Policy is a matter for full Council and cannot be delegated. The Council's current Pay Policy is 2021/2022 and sets out details, amongst other things, of the payment to chief officers.
- 5.6 The Council's Constitution provides in Part 3 Responsibility for Functions that the Appointments Committee has delegated responsibility to approve salary packages on appointment for staff above the threshold specified in statutory guidance issued by the Secretary of State pursuant to section 40 of the Localism Act 2011 which is currently £100,000 as set by Government.
- 5.7 The Council's Staff Employment Procedure Rules at Part 4.J of the Constitution set out the procedures to be followed for the appointment of chief officers, the declarations which must be made by candidates and a notification process to ensure that the Leader and any other Cabinet Members have no objections to the offer of appointment which must occur before an offer of appointment can be made to him/her. In addition, the rules specifically provide in relation to the function of the appointment of Head of the Paid Service at paragraph 3.2 that where a committee is discharging the function of the appointment of the Head of Paid Service the Council must approve that appointment before an offer of appointment is made to him/her and that at least one Member of the Cabinet must be a member of that committee.

Approved by: Sandra Herbert Head of Litigation and Corporate Law for and on behalf of the interim Director of Law and Governance.

6. CUSTOMER, EQUALITIES, HUMAN RIGHTS, FREEDOM OF INFORMATION, DATA PROTECTION CRIME AND DISORDER IMPACT

- 6.1 There are no direct considerations arising from this report.

7. HUMAN RESOURCES IMPACT

- 7.1 There are no additional human resources impacts beyond those described in the body of the report.

Approved by Sue Moorman, Director of Human Resources

CONTACT OFFICER: Sue Moorman, Director of Human Resources

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