

CHIEF EXECUTIVE RECRUITMENT COMMITTEE

Appointment to the role of Chief Executive 24 January 2019

Report of the HR Project Manager

PURPOSE OF REPORT

To set out the terms of reference of the Committee, and to enable the Committee to consider the work programme that will be required in order to appoint a new Chief Executive.

This report is public

RECOMMENDATIONS

(1) That the Chief Executive Recruitment Committee:

- **Recommend to Full Council the nature and structure of the CE role as set out in Section 3.0**
- **Agree the committee work plan**
- **Agree the draft Job Description and Person Specification**
- **Agree the Remuneration for the post**
- **Agree the recruitment process and timetable**
- **Consider the appointment of an advisor to the Committee**
- **Agree arrangements to ensure continuity in the Head of Paid Service statutory role**

1.0 Introduction

1.1 At its meeting on the 19 December 2018, Council agreed :

1.1.1 A sub-committee of full council be set up to appoint the Head of Paid service (Chief Executive)

1.1.2 The sub-committee shall agree and implement the process for recruitment of the Head of Paid Service (Chief Executive), and agree any interim arrangements necessary.

1.2 It was also resolved by Council that:

- (1) That the size of the ad hoc committee be 9 members, with each group deciding which members to appoint
- (2) That Councillor Kershaw be appointed as Chairman of the ad hoc recruitment committee.

2.0 Proposed Committee Work Plan

- 2.1 A programme of key activities associated with recruitment of a Chief Executive is set out in the Draft Work Plan detailed at Appendix 1. Clearly additional activities will take place to feed into the key events, and the work plan may change depending on the outcomes of the Committee's discussions.
- 2.2 The Work Plan sets out a schedule of events and activities to ensure that there is clarity as to what will be happening and when, and to allow plenty of time to schedule events in diaries.

3.0 Nature of the Appointment

- 3.1 The Committee must consider the nature of the appointment to be offered for the Chief Executive role. Options include:
- **A full time permanent appointment.** This has traditionally been the type of appointment made by the Council in the past, and such an appointment could be seen to bring long-term stability for the Council, which could be considered vital when there is potential for substantial change in the coming years, brought about by funding challenges.
 - **A full time fixed term appointment,** e.g. for 3 or 5 years. This option could be beneficial if members wished to appoint someone to see the Council through the forthcoming challenges in the medium term, but then review the post and future appointment arrangements near the end of the fixed term period.
 - **A part time appointment, either permanent or fixed term.** This option would be viable were there to be confirmation that the role would not require a full time officer. However, it is expected that if the role were to be part-time and therefore providing a salary saving for the Chief Executive role, it is expected that a further appointment would need to be made to support the CEO, e.g. at Deputy CEO level. At this time, a part time appointment in itself is unlikely to bring a substantial salary saving for the Council.

4.0 Interim Arrangements

- 4.1 The Committee must consider interim arrangements for the statutory Head of Paid Service role covering the period from March 2019 to the date when a new officer is in place. In considering this, members must be aware that there is little possibility of an appointment to the substantive role being made by the time the current Chief Executive leaves in March 2019.
- 4.2 Factors for consideration in terms of interim arrangements are as follows:
- Given the outline work plan at Appendix 1, there is little chance of a newly appointed Chief Executive taking up post before Autumn 2019
 - The statutory role of 'Head of Paid Service' must be filled, even if that is on an interim basis
 - There is a clear requirement for leadership of the newly formed Executive Team, given the challenges the Council currently faces, and the ambitions the Council strives to achieve
- 4.3 In deciding on interim arrangements, members must consider how an appointment may be made. The options are:
- To seek an external candidate for appointment to an interim Chief Executive role. Given the likely duration of this arrangement, it is expected that the Council could

only secure candidates to work on a 'day rate' basis, at a level of at least £1,000 per day, which would bring substantial additional cost to the Council.

- To appoint a serving officer to the role on an interim, fixed term basis. This option would give the Council the opportunity to remunerate the appointee on a salaried basis at a level up to the current Chief Executive's salary. Any additional financial consequences of offering the role to a serving officer, on an interim fixed term basis, would need to be considered by the Committee, depending on which officer the Committee might want to approach.

5.0 Job Description and Person Specification

5.1 Detailed at Appendix 2 is the current Chief Executive's Job Description and Person Specification, which were last agreed in 2016. Members may wish to consider the relevance of the current Job Description and Person Specification, in relation to the post to which they wish to appoint a candidate in 2019.

6.0 The Returning Officer Role

6.1 A paper has been drafted for Council to make a recommendation to fill the Returning Officer role for the May 2019 elections.

7.0 Appointment of consultants and other professional expertise to support the Recruitment Process

7.1 Members may wish to consider the appointment of consultants, or North West Employers, to support the recruitment process and lead on various aspects. Securing external support for the recruitment process would enable the Council to ensure a wide reach of candidates, both through publicity and advertising, and also through the traditional executive search process. Estimated costs will be provided to the Committee.

7.2 It is recommended that in taking forward the process to seek a new Chief Executive, members should consider hiring a further advisor to bring relevant expertise to the process. If members wish to be supported by an advisor, it is recommended that the appointee is suitably experienced to fill the role, and that they have substantial experience of working as a Local Authority Chief Executive, as well as exceptional leadership and partnership skills.

7.3 If the Committee wish to appoint an advisor, an approach will be made to SOLACE for a suitable candidate, and CVs will be brought to the Committee for consideration.

8.0 Remuneration

8.1 Detailed at Appendix 3 is a Summary of Chief Executive Pay Rates across the North West, produced and provided for us by North West Employers. All the salaries quoted exclude Returning Officer Fees which are paid separately.

8.2 Lancaster City Council is one of the largest District Councils in the North West. The current salary level of the Chief Executive could be described as 'mid-range' when compared to other North West District Councils.

8.3 Although the current Chief Executive salary has not been reviewed for some time and there has, over recent years, been a trend which has seen Chief Executive and Chief Officer pay reduce in real terms, the current pay rate appears to fit with expected levels of remuneration for an organisation of Lancaster City Council's size.

8.4 Historically, there has been a bandwidth for many public sector posts. However at a senior level, there is a growing tendency to opt for a spot salary position as can be evidenced from the list of salaries at Appendix 3.

8.5 The Council needs to secure the right candidate for the job, in order to deliver the

challenging outcomes that will be necessary over the coming years. It is therefore reasonable to describe this post as critical. Members need to ensure that the salary / pay level that is selected matches the demands of the role and is also attractive enough to secure interest from high calibre individuals.

- 8.6 There is an alternative option to advertise the position without a salary quoted, so that a decision on pay could be made when an offer is made to a candidate. However, this will leave some uncertainty at the stage where candidates are considering making an application.
- 8.7 When compared against other North West Councils the current salary level appears appropriate. There are many pay structure options that the Council could adopt, including performance related pay, an arrangements which has now been introduced for our newly appointed Directors.
- 8.8 If members wish to adopt a pay grade, then the range of the grade is clearly something that needs to be considered. If it were the Council's intention to only appoint at the bottom of the grade, then this must be made clear in the recruitment information. This will avoid any misunderstanding at a later date. Progression in grade can be deemed to be annually on 1 April each year or subject to a satisfactory performance appraisal. Although the latter may seem attractive there are challenges that come with this process,

Should members decide a pay grade is appropriate for the role, then a similar structure for the role could be agreed which reflects a similar structure to that for the new Directors, which includes a maximum opportunity of 2% progression per year, subject to satisfactory performance.

- 8.9 All other main terms and conditions of service for the Chief Executive are based on those defined by the Joint Negotiating Committee (JNC) for Chief Executives.

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

LEGAL IMPLICATIONS

HR and legal advice will be available throughout the recruitment process to ensure that legal requirements relating to employment are complied with.

FINANCIAL IMPLICATIONS

Initial assessment of cost suggest a budget in the region of £20k will be required, including agency fees and advertising costs which will need to be managed from within existing resources.

Once agreed, the financial implications of any interim arrangements will need to be assessed, with potential savings available whilst the post remains unfilled.

OTHER RESOURCE IMPLICATIONS**Human Resources:**

The recruitment process will be handled in line with Council Policy and Procedures, and all legislative requirements. The HR Matters are also set out in the body of the report.

Information Services; Property; Open Spaces: None.

DEPUTY SECTION 151 OFFICER'S COMMENTS

As this is a Statutory Officer post it is essential that provision is made to ensure continuation of those duties. Members will need to insure that the interim arrangements being proposed will ensure CEO responsibilities continue to be undertaken in accordance with statutory requirements.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted in the drafting of this report. The appointment of a Chief Executive before the commencement of the pre-election period appears unlikely. If there is disagreement on either the nature of the role, (full time, part time, shared) or disagreement on salary, the decision may be described as politically sensitive. A short guide to publicity during the pre-election period updated by the LGA in Feb 2018 <https://www.local.gov.uk/purdah-short-guide-publicity-during-pre-election-period> would indicate caution will be required before an active recruitment publicity campaign was considered on behalf of the Council.

BACKGROUND PAPERS

Full Council Report 19 December 2018

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Draft Work Programme for the Ad-Hoc Committee

Date(s)	Task	Responsibility
21 January 2019	First Meeting of the ad-hoc Committee, to define / agree: <ul style="list-style-type: none"> • Nature of appointment • Interim Arrangements • Process • Job Description and Person Specification • Remuneration • External support / agency • Timescales 	All
February 2019	Brief O & S & Cabinet on proposals agreed on 21 January 2019	Chair / DR
February 2019	Make interim arrangements / paper for full Council / interim appointment confirmed Agree advert text / application pack	All / DR
27 February 2019	Report to full Council on process	Chair / DR
28 February 2019	Advert placed for 8 weeks, closes on 22 April 2019	
15 March 2019	Notice of Elections	To Note
22 April 2019	Advert Closes	DR
29 April 2019	Shortlisting	All / DR
2 May 2019	Election Day	To Note
17 May 2019	Annual Council	To Note
20 May 2019	Business committee re-constitutes ad-hoc committee	To Note
28 / 29 May 2019	Technical Interviews	Advisor / DR
3 June 2019	Ad-hoc committee meets to reconfirm process	All
24 June 2019	Final selection processes commence	All / DR
17 July 2019	To full Council for approval of appointment Article 4.02 (i)	
30 July 2019	Clean offer made, notice period commences	
1 November 2019	Potential Start Date	

Job Description and Person Specification

Job Title	Chief Executive
Service	Office of the Chief Executive
Salary	£111,333 per annum
Post Number	CHE0001
Location	Lancaster Town Hall
Reports to	Leader of the Council

Main Purpose of Job	The Chief Executive is the council's most senior officer and is responsible for the leadership of around 750 employees, who implement the council's decisions and deliver council services on a day to day basis.
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Main Duties and Responsibilities:	
<ul style="list-style-type: none"> • The Chief Executive is the Council's 'Head of Paid Service'. • Act as the Returning Officer in local electoral matters. • This role is the main link between Council Members and Officers, promoting positive and open communications between members and officers, ensuring strategic priorities are implemented in an appropriate and accountable manner. • Principal adviser on matters of general policy, giving advice at council and committee meetings, providing the proper level of service to Members of all parties • Represent and negotiate on behalf of the council with external bodies and leads the development of effective and productive relationships, setting the right balance between the council's own objectives and shared goals with other organisations that may support the achievement of public service and community objectives. • The role is outward looking and is an ambassador for the council, ensuring it is fully engaged in a productive partnership with its stakeholders and communities to fulfil its community leadership role. • To lead, coordinate and enthuse senior managers and staff in developing policies, actions and influence which reflect the aspirations of the council, ensuring that corporate strategies and public services are developed with a clear focus on supporting these aspirations. • Exercise performance management across the organisation, ensuring that staff have work programmes, targets and appropriate appraisal systems that support achievement and improvement. The Chief Executive focuses upon forward planning, overall organisational performance and promoting the cultural change necessary to achieve all round service excellence. • Communicate and engage others in ambitions for the vitality and growth of the local economy, creating sustainable and valuable local employment. Development of the 'Ensuring Council' principles to secure effective, value for money. • Optimise the council's financial resources to provide the necessary capacity and capability to achieve planned objectives. Establishing appropriate financial planning, policies and strategic connections to allow the council to conduct its financial affairs effectively and manage future risks. 	

Other Requirements:

As a normal part of your job, you will be expected to routinely undertake corporate activities on behalf of your Service. This will include undertaking corporate roles and project work, as long as it is appropriate to grade of the post.

You will be expected to undertake any training and development appropriate to the current and future needs of the post.

This role is public facing therefore the ability to converse at ease with members of the public and provide advice in accurate spoken English is an essential part of the role. In this instance a role is classed as public facing if, as an intrinsic part of the role there is a requirement to regularly speak to members of the public in English.

General Statement

The above duties and responsibilities do not include or define all tasks that may be required by the postholder. The duties and responsibilities may vary without changing the general character of the duties or the level of responsibility entailed. These factors are reflected in the grading of the post.

Health & Safety at Work

All members of staff are responsible for fulfilling their health and safety roles and responsibilities, as outlined in the Job Description above. It is the employee's responsibility to ensure that they are familiar with council's health and safety policy, procedures, work instructions and relevant risk or other health and safety assessments pertinent to their work tasks, and that they carry out their work tasks in accordance with the significant findings of such.

Equal Opportunities

Lancaster City Council is an Equal Opportunities Employer and has equal opportunities policies with which you are expected to comply at all times. The City Council condemns all forms of harassment and is actively seeking to promote a workplace where employees are treated with dignity, respect and without bias.

Community Safety

Section 17 of the Crime and Disorder Act requires local authorities to consider the community safety implications of all their activities. Officers of Lancaster City Council should have an awareness of community safety and consider any community safety implications within their own area of responsibility.

Safeguarding

Lancaster City Council delivers a range of services and activities that impact on the lives of children both directly and indirectly. Safeguarding children, ensuring their welfare, safety and health is of paramount importance. We are committed to providing safe and supportive services that will give children the opportunities to achieve their full potential.

Person Specification

	ESSENTIAL	DESIRABLE	VERIFIED BY
Strategic Leadership			
Demonstrable success in senior leadership roles in organisations of comparable scope, size and complexity	✓		A, T, F, Ac, R
Evidence of formulating and implementing complex strategies that achieve customer / citizen focussed results.	✓		A, T, F, Ac, R
A clear understanding of the environment of local government, public service and devolution and how this relates to Lancaster City Council.	✓		A, T, F, Ac, R
Evidence of generating successful collaborative efforts to deliver corporate priorities.	✓		A, T, F, Ac, R
Able to engage with the Local Enterprise Partnership, business leaders, education providers and community leaders to generate improved opportunities for all parts of the community.	✓		A, T, F, Ac, R
Resource Management			
Expertise in developing and harnessing financial, human and other resources to sustain the efficient and effective delivery of complex services.	✓		A, T, F, Ac, R
Financially astute and able to establish robust and adaptable financial strategies that can support sustainable achievement.	✓		A, T, F, Ac, R
Leadership of complex inter-connected programmes of activity.	✓		A, T, F, Ac, R
Performance and Quality			
Experience of successfully leading and inspiring teams, leading employee and stakeholder engagement.	✓		A, T, F, Ac, R
Evidence of leading the implementation of high standards of service including behaviours, ethical standards, valuing diversity and encouraging the contribution of all.	✓		A, T, F, Ac, R
Generator of Improvement			
A proven track record of achievement in leading transformational, organisational and cultural change within a comparable organisation. The ability to extend such change to wider partners, agencies and communities.	✓		A, T, F, Ac, R
Innovative and creative leader who can inspire and enhance the contribution of others.	✓		A, T, F, Ac, R
Public Accountability			
Experience of operating in a sensitive, publicly accountable context, providing clear balanced advice to a wide range of stakeholders.	✓		A, T, F, Ac, R
Able to develop, maintain and promote effective relationships with local communities, and local and sub-	✓		A, T, F, Ac, R

regional partners, government departments, voluntary, community and commercial interests that will support collective achievement.			
Qualifications / Knowledge			
Evidence of high intellectual capacity through one or more of the following: <ul style="list-style-type: none"> Honours degree (or equivalent Level 6 Qualification) Graduate / Post Graduate qualification (or equivalent Level 6/7 Qualification) Membership of an appropriate professional body Managerial qualification e.g. DMS / MBA (or equivalent Level 6/7 Qualification / Management Development Programme) 	✓		A, C, T, F
Evidence of continued professional development and personal learning.	✓		A, C, T, F
Other Requirements			
As this role is classed as public facing the ability to converse at ease with members of the public and provide advice in accurate spoken English is essential for the post*	✓		
A commitment to Lancaster City Council Values and Behaviours.	✓		

Legend
A = Application C = Certificate T = Technical Interview F = Formal Interview Ac = Assessment Centre R = Reference