

URGENT BUSINESS
Appointment of a New Chief Executive
30 January 2019

Report of the Chief Executive Recruitment Committee

PURPOSE OF REPORT

To seek approval for appointment to the role of Chief Executive on a fixed term basis whilst the recruitment process for the substantive role is complete.

Also, to update Council on progress and decisions made by the ad hoc Recruitment Committee.

This report is public.

RECOMMENDATIONS OF Councillor Kershaw Chair of the ad hoc Chief Executive Recruitment Committee

- (1) Council approve the offer of appointment of Mr Kieran Keane as Chief Executive and Head of Paid Service for a fixed term.**
- (2) Agree the term of appointment of Mr Keane is 25 March 2019 until 31 October 2019 which may be extended until the completion of the full recruitment process.**
- (3) Agree the post of Chief Executive remains a full time permanent appointment.**
- (4) Note the progress and decisions made with the recruitment process as set out in Paragraph 2 of the report.**

1.0 Introduction

- 1.1 The Committee was established by Council on 19 December 2018 as an ad hoc proportionally balanced committee of 9 members to take decisions on all practical recruitment arrangements.
- 1.2 Councillor Kershaw was appointed as Chairman of the Committee.
- 1.3 The formation of the ad hoc committee is required by the Council's constitution when appointing a Head of Paid Service. The Constitution Article 11.02 confirms the Chief Executive is the Council's Head of Paid Service. The

Constitution requires Council to approve the appointment of the Chief Executive/Head of Paid Service following the recommendation of the ad hoc committee, before an offer of appointment is made. (Part 4, Section 6, Paragraph 3.)

- 1.4 The Committee has also asked Democratic Support to consult with Cabinet and Overview and Scrutiny on the proposed appointment.
- 1.5 The reason for urgency is that a decision must be taken on the interim arrangement for a Head of Paid Service as quickly as possible to allow an offer to be made and accepted and the paperwork completed. The Council meeting on 27 February is for budget items only, hence the report has been brought to this meeting.

2.0 Progress

- 2.1 The Committee first met on 24 January 2019 and agreed the following:
 - (1) That the post of Chief Executive should remain a full time, permanent appointment.
 - (2) That, subject to his agreement, the current Assistant Chief Executive, Kieran Keane, be recommended to Council for appointment on a fixed term basis until the recruitment process is complete.
 - (3) That the title of the fixed term position be 'Chief Executive', without the words 'interim', 'acting' or similar.
 - (4) That a four member sub-committee (Councillors Cozler, Jackson, Kershaw (Chairman) and Parkinson) be formed to look at the wording of the person specification and job description documents with suitable advice being available at that meeting.
 - (5) That Penna consultants be appointed to assist with the recruitment process.
 - (6) That the Committee engage an advisor who fully understands the role of a local authority Chief Executive to assist with shortlisting and interviews
 - (7) That Members read and consider all advisors CVs submitted for the advisor position after the meeting and vote for their preference, with reasons, to the HR Project Manager to allow him to engage the advisor with the most votes.
 - (8) That the salary for the substantive post of Chief Executive be £110,000 with performance-related progression up to 10% higher (maximum of £121,000)

3. Interim Arrangements

- 3.1 The current Chief Executive officially leaves the Council on 24 March 2019, with a brief period of leave beforehand. It is highly unlikely that a new candidate will be found prior to that date, and also unlikely that a new appointee to the substantive role could commence, given that they will likely have a 3 month

notice period to serve in their current role.

- 3.2 It is a statutory requirement that the Council has in post a Head of Paid Service at all times. Given this requirement, the Committee have considered options in relation to filling the post on an interim basis until a permanent appointment is made.
- 3.3 The options considered are:
- 3.4 To source an interim candidate externally, which, given the likely duration of the appointment, will require the Council to appoint someone on a day rate basis. The cost of such an appointment would typically be in excess of £1,000 per day. Assuming a period of 6 months at least, this would cost the council in excess of £130,000 for the period.
- 3.5 To appoint a serving officer of the Council on a fixed term basis, to take on the Chief Executive role, remunerated at the rate of the current Chief Executive. This overall employment cost for this period would be approximately £71,000.
- 3.6 The Committee recommend to Council that the current Assistant Chief Executive, Kieran Keane, is offered the role on a fixed term basis, with the salary of £111,333. The appointment, if approved by Council, would run from 24 March 2019 to 31 October 2019, with the possibility of extension should a new permanent appointee not be in post for 1 November 2019.
- 3.7 This recommendation gives some additional cost saving. It is expected that if Mr Keane takes up the Chief Executive post, then some additional resource would be required by Mr Keane to support the gap left in the Assistant Chief Executive role. However, it is also envisaged this support would cost approximately half of the salary cost of the Assistant Chief Executive for the period concerned, providing a potential saving of around £50K over the course of a 12 month period.

4.0 Conclusion

- 4.1 Council is asked to approve the Committee's recommendation to appoint the Assistant Chief Executive to the role of Chief Executive for the defined period outlined above.

CONCLUSION OF IMPACT ASSESSMENT
(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)
No impact
LEGAL IMPLICATIONS
Paragraph 4(1) of the Local Authorities (Standing Orders) (England) Regulations

2001 requires the Council to approve the appointment of the Head of the Paid Service before an unconditional offer of appointment is made.

FINANCIAL IMPLICATIONS

The financial implications are detailed below.

Period 25th March - 31st October 2019

Current Structure

Chief Executive	84,884
Assistant Chief Executive	65,280
Total	150,163

Proposed

Chief Executive	84,884
Chief Executive Support (Grade 8 Pay Point 44)	31,334
Total	116,218

Savings (25th March - 31st October)	33,946
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Annual Savings	56,319
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There are potential savings for the period 25th March to 31st October of £33,946, which equates to an annual saving of £56,319. Any savings realised would offset the cost of recruitment.

All salary information quoted includes "on costs" in relation to National Insurance and Pension provisions. To facilitate the costing of this proposal we have assumed the role of support to the Chief Executive Support to be at Grade 8 (Pay Point 44). This equates to approximately 48% of the Assistant Chief Executives salary.

OTHER RESOURCE IMPLICATIONS

Human Resources:

None.

Information Services:

None.

Property:

None.

Open Spaces:

None.

DEPUTY SECTION 151 OFFICER'S COMMENTS

The Deputy s151 Officer has contributed to the financial implications within this report and has no additional comments to make.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted in the drafting of this report and has no further comments.

BACKGROUND PAPERS	Contact Officer: David Rigby Telephone: 01524 582180 E-mail: darigby@lancaster.gov.uk Ref: