

# Council

## Interim Chief Executive and Head of Paid Service Arrangements from 1 January 2011

18 October 2010

### Report of Leader of the Council

#### PURPOSE OF REPORT

To seek Council's approval to delegate responsibility to the Personnel Committee for identifying, if possible, an internal candidate for the position of interim Chief Executive and Head of Paid Service and for taking any decisions related to the recruiting of a shared Chief Executive and Head of Paid Service with South Northamptonshire Council which might be required before the next meeting of full Council on 8 December.

This report is public
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#### Recommendations

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The meeting is recommended:

- (1) To ask the Personnel Committee to seek to recruit internally an interim Chief Executive and Head of Paid Service for between two and six months from 1 January 2011 and to bring a recommendation for the appointment to full Council on 8 December.
- (2) To ask the Personnel Committee to take any decisions related to the recruitment of a shared Chief Executive and Head of Paid Service with South Northamptonshire Council which might be required in advance of a final decision about a shared management team on 8 December.

#### Executive Summary

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##### Introduction

- 1.1 The Chief Executive has been appointed as the Chief Executive of the London Borough of Hounslow and will be leaving this Council to take up her new role in January. We must have a Head of Paid Service in place by law and therefore must make arrangements for this role from 1 January 2011.
- 1.2 We are in advanced discussions with South Northamptonshire Council about sharing a senior management team and both Councils are on track to take a final decision about the proposed shared arrangements at separate meetings on 8 December. These proposals include a shared Chief Executive.

- 1.3 Both Cherwell District Council's Executive and South Northamptonshire's Cabinet have asked the Joint Working Group of elected members from both Councils to consider at their meeting later this week mechanisms for making the recruitment to the potential shared Chief Executive role an open recruitment process. Assuming both Councils agree to this approach and in the event of both Councils agreeing to share a senior management team on the 8 December, the earliest a shared Chief Executive could be in post is 1 March 2011. However, it might be that the successful candidate is not able to start until around 1 June 2011.
- 1.4 In order to ensure a shared Chief Executive is in post by 1 March at the earliest or as soon afterwards as is possible, this Council and South Northamptonshire Council would need to start recruiting to the post as soon as the decision to go ahead with shared arrangements had been taken on 8 December. Members know already from the Draft Business Case and from discussions at the joint meeting of the Overview and Scrutiny Committee and the Resources and Performance Board on 6 October and at the meeting of the Executive on 11 October that it is proposed that a Joint Personnel Committee recommends the appointment of the shared Chief Executive to both Councils. However, this Joint Committee will not be created until 8 December and in principle decisions about the final Job Description and the procurement of external support for the process are likely to be needed before then.

### **Proposals**

- 1.5 To seek to appoint an interim Chief Executive and Head of Paid Service from among our current management team and by doing so to offer a development opportunity to a suitable individual in line with our commitment to investing in our staff's training and development.
- 1.6 To make this appointment from 1 January 2011 for between two and six months to cover the minimum period required for the recruitment of a shared Chief Executive with South Northamptonshire Council, but also to cover any extended period we might have to wait for the successful candidate to start in post. Should arrangements to share a senior management team not ultimately be agreed with South Northamptonshire Council then the appointment of an interim Chief Executive and Head of Paid Service will give us time to consider our alternative options.
- 1.7 To ask the Personnel Committee to seek to recruit to this interim appointment, supported by the Chief Executive and Head of People and Improvement, and to recommend an appointment to full Council on 8 December.
- 1.8 To bring recommendations for interim appointments to the roles of Electoral Registration Officer and Returning Officer to full Council on 8 December, having more fully considered the options open to us.
- 1.9 To ask the Personnel Committee to take any in principle decisions required by this Council about the recruitment to a shared Chief Executive in advance of the full Council meeting on 8 December and the establishment of the proposed Joint Personnel Committee.

## **Conclusion**

- 1.10 We have to designate a Head of Paid Service from 1 January 2011 and propose to make an interim appointment until either we have a shared Chief Executive with South Northamptonshire Council in post or until we have made alternative arrangements.

## **Key Issues for Consideration/Reasons for Decision and Options**

- 1.11 We have by law to have a designated Head of Paid Service.
- 1.12 We hope we will be sharing a senior management team with South Northamptonshire from during 2010/11 but need our own arrangements in place should the proposals for a shared team not be approved by both Councils.
- 1.13 The following options have been identified. The approach in the recommendations is believed to be the best way forward.

### **Option One**

Appoint an interim Chief Executive internally. This option ensures that we have agreed arrangements in place in good time, and that we can benefit from a period of handover and continuity as a team member who has been working with the current Chief Executive steps up to 'hold the fort' as we wait for longer-term arrangements to be confirmed.

### **Option Two**

Share a Chief Executive and Head of Paid Service with South Northamptonshire from 1 January 2011.

Whilst this would appear to be an option and negotiations could commence with South Northamptonshire Council to bring this into effect, we will not know until the 8 December that the proposed arrangements for a shared senior management team will go ahead.

If the shared senior management team proposals do not go ahead for any reason, then it is difficult to see how this particular interim arrangement could operate and for this reason the option is deemed to be too risky as this Council would then need to begin to re-consider alternative options with just three weeks left before the departure of the current Chief Executive. In the meantime valuable time would have been lost to implement the interim arrangements and the handover from the current Chief Executive.

### **Option Three**

Share a Chief Executive and Head of Paid Service with another local authority from 1 January 2011.

There is almost certainly insufficient time to do this and it makes little sense given the advanced start of our discussions with South Northamptonshire Council.

## **Option Four**

Take on an external interim Chief Executive.

This would be significantly more expensive than the proposed arrangements and remove the potential for the development of a current member of staff.

## **Implications**

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### **Financial:**

The costs of the interim appointment of an interim Chief Executive for up to 6 months and any associated back fill costs can be met in the main from savings arising from the vacancy in the permanent position. A budget of £27,000 remains for the 2010/11 financial year and any additional costs could be met from the organisational change reserve. A provision against this reserve will be made in the Quarter 3 out-turn projection to the Executive for the proportion of the additional costs falling in the current financial year in relation to an internal or external interim appointment. Any costs associated with 2011/12 year will be considered as part of the budget process.

The cost associated with the recruitment of a Shared Chief Executive is estimated to be in the region of £50,000 and in the event that the Councils agree to share management teams at respective Council meetings on 8<sup>th</sup> December these costs will be divided 60:40 between Cherwell District Council and South Northamptonshire District Council.

In the event that the decision is not to share a management team, and Cherwell District Council decides then or subsequently to recruit a Chief Executive working solely for the Council we will incur 100% of these costs. The costs could also be met from the organisational change reserve, and a provision against this reserve for recruitment costs will be made in the Quarter 3 out-turn projection to the Executive.

Comments checked by Karen Curtin, Head of Finance  
01295 221551.

### **Legal:**

Local authorities have a duty under the Local Government and Housing Act 1989 to designate one of their officers as the head of their paid service. This post is one of three statutory appointments (the others being the section 151 officer and the monitoring officer) that every local authority is required to make. The Council must therefore ensure that such appointment is made so that a Head of Paid Service is in place for the period from the departure of the Chief Executive until a new permanent Chief Executive and Head of Paid Service is in post.

Comments checked by Pam Wilkinson, Principal Solicitor,  
01295 221688.

**Risk Management:**

Appointment to the Chief Executive post, interim and permanent, is crucial to the achievement of the Council's strategic aims. There is a risk that inadequate management arrangements might adversely affect the performance of the Council.

It is considered that the quality of the existing management team and the need for timeliness minimises this risk and will ensure a robust handover from the departing Chief Executive.

Comments checked by Karen Curtin, Head of Finance  
01295 221551.

**Wards Affected**

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All

**Document Information**

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<b>Appendix No</b>	<b>Title</b>
None	
<b>Background Papers</b>	
None	
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