

<b>MEETING:</b>	<b>EMPLOYMENT PANEL</b>
<b>DATE:</b>	<b>13<sup>TH</sup> AUGUST 2012</b>
<b>TITLE OF REPORT:</b>	<b>CHIEF EXECUTIVE RECRUITMENT</b>
<b>REPORT BY:</b>	<b>Head of Paid Service</b>

**CLASSIFICATION:** Open

### **Wards Affected**

County-wide

### **Purpose**

To agree arrangements for recruitment & selection, and agree a remuneration package for recommendation to Council.

### **Recommendation**

**THAT:**

- a) consideration be given as to whether to progress recruitment in two stages (internal then external) or as a single compressed stage (internal & external together) and, subject to confirmation of that point, the relevant timeline be approved;
- b) the proposed role profile be approved;
- c) the recruitment & selection process, including advertisement, be approved;  
and
- d) the proposed remuneration for the post be agreed for recommendation to Council.

### **Key Points Summary**

- The panel can choose whether to have a two stage (internal-only before external), or two stage (internal and external candidates together) recruitment approach
- Options for recruitment & selection processes and timetables are proposed which enable Council to confirm the selected appointee either at its meeting on 28<sup>th</sup> September or 23<sup>rd</sup> November.
- A recommendation is made for the remuneration of the post that takes account of job evaluation, pay benchmarking and budgetary constraints.

## **Alternative Options**

- 1 The supporting paper sets out alternative options open to the panel re recruitment & selection timeline and process.
- 2 Alternative remuneration levels can be chosen; however regard must be had to compliance with the council's agreed Pay Policy Statement, available benchmarking data, and budgetary constraints.

## **Reasons for Recommendations**

- 3 To provide transparency with regard to the Council's approach to setting the pay of its senior managers in compliance with the provisions of the Localism Act 2011, and to ensure a robust recruitment & selection process is in place to secure the best candidate.

## **Introduction and Background**

- 4 Following the recommendation of the Employment Panel, on 20 July Council approved the redundancy of the joint Herefordshire Public Services Chief Executive. It is now necessary to consider the process by which the council will select a Chief Executive.
- 5 In accordance with the Herefordshire Council's agreed Pay Policy Statement, Council must have the opportunity to vote on any new salary packages exceeding £100,000; Council have agreed that the Employment Panel is the appropriate body through which such recommendations to Council are formulated.

## **Key Considerations**

- 6 The paper attached at Appendix A sets out the following elements for consideration by the panel:
  - a) Options for internal/external recruitment timelines (to confirm preferred option and approve timeline)
  - b) Proposed role profile for the job (for approval)
  - c) Proposed remuneration (for recommendation to Council)
  - d) Proposed job advert (for approval)
  - e) Proposed recruitment & selection process (for approval)

## **Community Impact**

- 7 The role of Chief Executive is significant not only in terms of the managerial leadership of the council, but in supporting members achieve the wider community leadership role through developing effective partnership working arrangements across and beyond the county.

## **Equality and Human Rights**

- 8 The processes followed for job evaluation and recommended for recruitment & selection are in accordance with the agreed Pay Policy Statement; this makes clear that the council's employment policies, and the processes by which pay levels for a post are set, have full regard to relevant equalities legislation.

## Financial Implications

- 9 Using a working proposition of an appointment becoming effective from 1 October, with the appointee at the top of the proposed range (the most cautious of assumptions on both counts), the shortfall in budget in the current year amounts to some £27,000 in relation to salary and on-costs. Provision will be made in future years' budgets to meet the costs of the post.
- 10 In relation to the costs of recruitment and selection, there will be cost implications associated with either option although clearly, should an internal candidate phase of a two stage process result in a successful appointment, the costs will be significantly less than either a single stage process or a two stage process that does require the second stage. It is not possible to provide precise costs until the exact number of candidates is known; however it is estimated that the independent external assessment elements of an internal only process would be in the region of £3-5k. The costs of independent external assessment and consultancy support for search and recruitment in a single stage process for a post at this level are estimated at being in the region of £80-90k (although some elements within this overall costing could be scaled down e.g. advertising). Should both phases of a two stage process be required then the costs rise to an estimated £85-95k. Whilst in the current financial climate cost reduction is a significant consideration, members also must be assured that the process they adopt will enable them to appoint the best candidate.
- 11 The in-year shortfall and costs associated with external recruitment will be met from budget contingencies included in the revenue accounts which have sufficient capacity to absorb this cost pressure.
- 12 To achieve best value, the recruitment & selection process will be managed through the council's service level agreement with Hoople Ltd, who will commission any independent external assessment or consultancy necessary to support the chosen selection process.

## Legal Implications

- 13 The Council is required by the Local Government and Housing Act 1989 to appoint one of its officers as Head of Paid Service. Whereas the process of recruitment may be delegated to a smaller body of members, the final appointment of this officer must be approved by full council. It is usual (although not mandatory) for the Head of Paid Service to be the Chief Executive and the report assumes that this will continue to be the case
- 14 The Council also needs to nominate a returning officer for local and parliamentary elections. While this is again not mandatory, the report assumes that the Chief Executive will fulfil these roles. The roles attract separate fees, which need to be taken into account in determining the overall remuneration package.
- 15 The Council must comply with the provisions of the Localism Act 2011 in relation to its Pay Policy Statement.
- 16 Whereas the Council is normally required to advertise the vacancy externally for this post, this would not apply if the intention is to appoint one of its existing officers.

## Risk Management

- 17 There is a risk that recruitment & selection does not result in an appointment being made before the HPS Chief Executive leaves post; this risk is greatest if a two stage process is selected and the first phase does not result in an appointment being made. The risk may be

mitigated by selection of a single stage process, so that internal and external candidates are considered within a single cohort. Regardless of the selection process adopted, in the event that the preferred candidate is unable to take up post within the relevant timescale arrangements will be made to ensure appropriate continuity of cover.

18 Financial risks are identified and addressed in the financial implications above.

## **Consultees**

19 None.

## **Appendices**

Appendix A Draft Recruitment & Selection Process.

## **Background Papers**

- None identified.