

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE APPOINTMENTS SUB COMMITTEE

HELD AT 7.20 P.M. ON MONDAY, 17 SEPTEMBER 2012

**MP702, 7TH FLOOR, TOWN HALL, MULBERRY PLACE, 5 CLOVE CRESCENT,
LONDON, E14 2BG**

Members Present:

Councillor Judith Gardiner
Councillor M. A. Mukit MBE
Councillor Joshua Peck
Councillor Gloria Thienel
Councillor Motin Uz-Zaman

Officers Present:

Isabella Freeman	– (Assistant Chief Executive - Legal Services, Chief Executive's)
Stephen Halsey	– (Corporate Director Communities, Localities & Culture and Interim Head of Paid Service)
Simon Kilbey	– (Service Head, Human Resources and Workforce Development)
Angus Taylor	– (Principal Committee Officer, Democratic Services, Chief Executive's)
John Williams	– (Service Head, Democratic Services, Chief Executive's)

1. ELECTION OF CHAIR

The clerk sought nominations for the Chair of the Appointments Sub-Committee, established by the Human Resources Committee to consider the appointment of an Interim Chief Executive (Head of Paid Service) and to make recommendations to full Council on that appointment.

Councillor Motin Uz-Zaman nominated Councillor Joshua Peck as Chair of the Appointments Sub-Committee. Councillor M. A. Mukit MBE seconded the nomination.

There being no other nominations it was: -

Resolved

That Councillor Joshua Peck be elected to serve as Chair of the of the Appointments Sub-Committee, established by the Human Resources Committee to consider the appointment of an Interim Chief Executive (Head of Paid Service) and to make recommendations to full Council on that appointment.

COUNCILLOR JOSHUA PECK (CHAIR) IN THE CHAIR

2. ELECTION OF VICE-CHAIR

The Chair sought nominations for the Vice-Chair of the Appointments Sub-Committee.

Councillor Motin Uz-Zaman nominated Councillor M. A. Mukit MBE as Vice-Chair of the Appointments Sub-Committee. Councillor Judith Gardiner seconded the nomination.

There being no other nominations it was: -

Resolved

That Councillor M. A. Mukit MBE be elected to serve as Vice-Chair of the of the Appointments Sub-Committee, established by the Human Resources Committee to consider the appointment of an Interim Chief Executive (Head of Paid Service) and to make recommendations to full Council on that appointment.

3. APOLOGIES FOR ABSENCE

No apologies for absence were received.

4. DECLARATIONS OF PECUNIARY INTERESTS

No declarations of interest were made.

5. REPORTS FOR CONSIDERATION

5.1 Appointment of Chief Executive/Head of Paid Service

Mr Kilbey, Service Head Human Resources and Workforce Development (SHHR&WD), introduced, and summarised key elements, in the report which:

- Provided a progress update on the recruitment process being undertaken with a view to appointing to the post of Chief Executive (Head of Paid Service) on a fixed term basis.
- Set out a proposed process and timetable for the recruitment going forward, and other associated matters for consideration.

He also highlighted the matter of the continued role of the current Interim Head of Paid Service, which was ancillary to the proposed timetable.

The salient points contained in each element of the report were then outlined in more detail by Mr Kilbey, and a discussion focussed on these followed, as below:-

Recruitment consultants

Key points:-

- The Human Resources Committee (HRC) agreed that the Interim Head of Paid Service (IHoPS) should proactively progress the recruitment of an interim Chief Executive. The IHoPS advised that he had instructed the SHHR&WD to begin the process of re-procurement as soon as possible.
- A robust procurement process, governed by the Council's Framework Agreement for Senior Executive Search and Selection Services, had been undertaken. Competition had been keen with 3 parties to the agreement bidding and the fourth not bidding, as they had limited experience in this area. All 3 submissions were credible but, given that the objective was recruiting a professional interim, Veredus had the edge in several areas, which were outlined. In accordance with the HRC decision, Veredus had been engaged, after consultation with the Chair of the Committee, to act as recruitment consultants for this process.

Timetable & Process

Key points:-

- The Council motion agreed on 11th July envisaged that it would be possible to identify a suitable Interim Chief Executive (ICE) expeditiously and make an appointment without delay and ideally by 1st November. The HRC had subsequently agreed that this recruitment process would need to be significantly shorter than previously.
- Even this shorter process was unlikely to be completed by 1st November given the various stages required. All 3 bidders for the recruitment consultancy contract had emphasised that informal interviews with candidates, which allowed an assessment of 'best fit' of the individuals skills to the organisations needs, to be critical to a successful outcome.

Discussion:-

- Clarification was sought and given as to rationale underpinning the proposed timetable, which culminated in confirmation of an

appointment at full Council on 28th November, and whether this could be further shortened.

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- Mr Halsey, IHoPS/ Mr Kilbey, SHHR&WD, responded by:
 - Setting out several practical constraints on the timetable.
 - Referencing their understanding of Members wishes for the process in view of the governance requirements.
 - Relaying the strong advice of Veredus regarding content and stages necessary for a successful recruitment process, including an iterative dialogue with candidates including exploration of terms and conditions with them.
 - An appointment could be guaranteed by 28th November, but the process may not deliver by the 1st of November, even if there was provision to shorten the process with a special full Council meeting.
- The Chair commented that he and the Labour Group were not opposed to holding a special meeting of the full Council to agree the appointment if required. However, he considered it appropriate to agree the timetable as proposed by officers with the caveat that they should endeavour to complete the process in a shorter timescale, and noting that an appointment must be confirmed by 28th November at the latest. Accordingly the Chair proposed that the process and timetable be agreed subject to this.
- Consideration that the process agreed by the ASC should not impose a requirement for an informal interview with the Mayor, although if he wished to meet the candidates that should be accommodated. Mr Halsey, IHoPS, responded that all 3 recruitment consultancies had emphasised that candidates would want to meet the Mayor and Group Leaders and he had considered it important to include provision for this in the timetable
- The Chair, referring to Row 2 of the timetable, also considered that the final person specification should be sent to the Mayor in time to allow 1 day for consideration and comment before sending to the recruitment consultant (end of day 18th September). Accordingly the Chair proposed that the process and timetable be agreed subject to this amendment. The Chair reiterated that at every stage of the process if the Mayor had not made any nominations to membership of the ASC there should be provision to consult him, but this must not delay the overall process.
- Clarification sought and given as to whether provision of an Executive Objection period could delay an appointment beyond 28th November. Consideration that provision should be made in advance for a meeting of the ASC to consider any objection by the Executive to the recommended appointment of the ASC. Accordingly the Chair proposed that the process and timetable be agreed subject to this amendment.
- Noted advice from Ms Freeman, Assistant Chief Executive - Legal Services (ACELS) that the lack of a nomination from the Mayor did not

make the ASC's proceedings invalid and that the statutory requirement for the ASC to include a member of the executive was satisfied by the decision of the HRC to establish it with a membership of seven, 2 of whom were comprised of "either the Mayor and one other member nominated by the Mayor; or two members nominated by the Mayor at least one of who must be an executive member and by their invitation to the Mayor to sit".

Job Description, Person Specification and Salary

Key points:-

- The Job Description (JD) set out the duties to be performed, accountabilities and responsibilities of the post. The Person Specification set out the essential qualities an individual should possess in order to fulfil the job requirements. It was best practice to review these prior to recruitment to ensure that they fully reflected current requirements; this had been done as part of the previous CE recruitment process and officers considered they were still fit for purpose.
- It was appropriate to set key objectives within established performance evaluation frameworks, with the CE following the appointment of a CE, but not through the JD.
- The salary for the post had been set as part of the starter package agreed as part of the previous CE recruitment process. Officers considered the market conditions had not changed and no change was proposed. However it should be noted that professional interims were expensive: being of high calibre they could command a high salary.

Discussion:-

- Clarification was sought and given as to the advice of Veredus on the implications of the salary bracket for successful recruitment of an ICE. Also as to whether normal on costs would be paid.
- Clarification was sought and given that if it was necessary to vary the salary level in order to secure a preferred candidate, a recommendation could be made to the full Council at that point. The statutory requirement that full Council to agree all elements of the CE appointment, including the salary, were noted; also that it should be informed of the initial salary level for recruitment.
- Clarification was sought as to whether full Council could delegate any revision of the final salary to the ASC. Mr Halsey, IHoPS, requested that this be looked at. Ms Freeman, ACELS, advised that any variation to the Council's published pay policy must be reported to full Council, however potential conditions could be discussed.
- Consideration that officers must have the flexibility to negotiate the final salary for the post with the preferred candidate in order to secure their appointment. The chair considered it appropriate to keep the salary at the present level for the time being, commenting that if it was necessary to vary the salary in order to secure a preferred candidate this could be done at the end of the process, although he was not

opposed to varying it before that. Accordingly the Chair proposed that salary for the role remain unchanged at this point.

- Noted that the exploration of terms and conditions with candidates would be a matter for discussion between IHoPS, SHHR&WD and the ASC Chair.
- The Chair proposed that the JD and Person Specification be agreed subject to several amendments, as set out in Resolution 2(e) (i)-(iv) below, and the changes be recommended to full Council:-
- Mr Halsey, IHoPS, advised that further changes to the Person Specification would also be appropriate, as experience at both CE and HoPS level, and experience of democratic issues was important and needed sharper focus. The Chair (taking account of his advice) proposed these amendments, as set out in Resolution 2(e) (v)-(vi) below, and that these be recommended to full Council:

Fixed term contract period and working arrangements.

Key points:-

- The Council motion agreed on 11th July agreed that an appointment should be made on the basis of a professional interim being recruited on a fixed term contract and that the ASC consider and recommend a contract period to full Council.
- In order to undertake the Head of Paid Service role it was a legal requirement that the candidate would need to be appointed as an employee of the Council and this had informed the proposal for a fixed term contract rather than engagement on a consultancy basis. The HRC had also felt that it would be unsatisfactory for postholder to be a consultant. However, some professional interims preferred to work on a consultancy basis and this requirement might narrow the field of candidates. It was possible to decouple the role of CE and Head of Paid Service if a fixed term contract was not a requirement.
- Some candidates may also prefer a flexible working pattern.

Discussion:-

- Consideration that it was important to ensure continuity of leadership and that a contract term of 2 years from an appointment date of 1st November or later would extend beyond the next Council and Mayoral elections. The Chair proposed that the ASC recommend that the Council seek to make a fixed term appointment of approximately two years, ending on 1st November 2014.
- The Chair commented that, although he was prepared to consider the nature of the contract on a candidate by candidate basis, and that Veredus should be made aware that the ASC was content to see candidates where these issues might be pertinent, he considered a fixed term contract remained the preferred approach. Officers could report back in the event that this proved problematic for the recruitment process and any change in position could be reported to full Council at the end of the process.
- The Chair commented that with regard to flexible working a 4 day week would be acceptable but not a 3 day week; however as a shorter week

had potential cost savings he was prepared to consider this on a case by case basis and reflect any change in the position in the recommendation to full Council at the end of the process. Councillor Thienel considered that a 4 day week should comprise of extended days.

Continued role of the current Interim Head of Paid Service,

Key points:-

- With an appointment anticipated at full Council on 28th November, this would result in a gap between the end date for the current IHoPS arrangement (31st October) and an incoming ICE, and this would need to be mitigated. Nor could not it be guaranteed that the individual appointed on 28th November would be available to start on the 29th, and it was possible it could be a week or so later.

Discussion:-

- The Chair commented that he was conscious that there had been a little slippage in the process over the Summer and he considered it better not to build in a further delay. He considered that the Council should be recommended to extend the interim appointment of Mr Halsey as HoPS, subject to his agreement, until 29th November 2012. If at full Council on 28th November Officers advised that the preferred candidate could not start immediately, the Council could be recommended at that point to extend the interim appointment further as appropriate. Accordingly he proposed that the process and timetable be agreed subject to this amendment.

The Chair **Moved** the recommendations set out in the report (taking account of the amendments he had proposed during the deliberations and associated officer advice); and it was:-

Resolved

1. That the information in the report, and the membership and terms of reference of the Appointments Sub-Committee, as set out at section 4, be noted;
2. That, subject to (a) to (e) below, the proposed process and timetable for the recruitment of an Interim Chief Executive, as at section 6 of the report, be agreed; and that full Council be requested to note the revised process and timetable proposed.
 - (a) A caveat that Officers should endeavour to complete the process in a shorter timescale, and note that an appointment must be confirmed by 28th November 2012 at the latest.
 - (b) There should be a fixed parameter which applied equally to the Mayor and other Group Leaders for their proposed separate meetings with candidates: that Mr Halsey, Interim Head of Paid Service, only was present.
 - (c) The final person specification should be sent to the Mayor in time to allow 1 day for consideration and comment before sending to

- the recruitment consultant (at the end of the day on 18th September).
- (d) That provision should be made in advance, for a meeting of the Appointments Sub-Committee to consider any objection by the Executive to its recommended appointment.
 - (e) Job Description (JD), Person Specification (PS) and Salary be agreed subject to the amendments below, and full Council be recommend accordingly:
 - (i) Insertion of "Interim" into job title at the top of both the JD and and PS.
 - (ii) JD - para 1.2: "elected Members" to be replaced with "the Council".
 - (iii) JD - para 1.6: to be moved up to form a new para 1.3. and wording to be revised to read "To advise on the effective operation of the Council's democratic, constitutional and governance structures and arrangements, and to develop a more robust system to operate under the Mayoral model."
 - (iv) JD - para 5.4: insertion at the end of the sentence "; and advise and support the Council in the delivery of its reserved powers and duties."
 - (v) PS - Para 1: deletion of "or Head of Paid Service level"
 - (vi) PS - Para 1: deletion of "or similar public sector organisation" and insertion instead of ", preferably having faced similar governance issues to those in Tower Hamlets."
 - (vii) That the salary for the role remain as previously agreed at this point.
3. That the interim appointment of Stephen Halsey as Head of Paid Service be extended subject to his agreement until 29th November 2012 or until a new Chief Executive and Head of Paid Service takes up post, whichever is sooner; and that full Council be recommended accordingly.
4. That the post of Interim Chief Executive be recruited to on the basis of a fixed term contract to 1st November 2014; and that full Council be recommended accordingly.
5. That the Head of Paid Service and Service Head Human Resources & Workforce Development report back to the Appointments Sub-Committee following the search process in relation to a recommended shortlist of candidates for interview.

The meeting ended at 8.10 p.m.

Chair,
Appointments Sub Committee