

<b>Committee/Meeting:</b> HR Committee	<b>Date:</b> 22 October 2014	<b>Classification:</b> Unrestricted	<b>Report No:</b>
<b>Report of:</b>  Service Head (Human Resources & Workforce Development)  <b>Originating officer(s)</b> Simon Kilbey, Service Head (Human Resources & Workforce Development)		<b>Title:</b>  Appointment of Chief Executive – Selection of Recruitment Consultants and Next Steps  <b>Wards Affected:</b> All	

## 1. **SUMMARY**

- 1.1 Council at its meeting on 10<sup>th</sup> September 2014 considered a motion regarding the recruitment of a Chief Executive. Council agreed that a Chief Executive should be appointed to the indicative timetable contained in the motion. Subsequently at its meeting on 15<sup>th</sup> September 2014 HR Committee accordingly resolved to establish an Appointments Sub-Committee for that purpose. This report sets out the proposed process and timetable for the recruitment and associated matters for consideration.
- 1.2 The initial steps in the recruitment process involve the invitation of proposals from recruitment consultants and the assessment of those proposals by officers. The preferred suppliers are brought forward to the HR Committee so that the Committee may comment on the proposals to inform the final selection of the consultant who will assist with the recruitment.
- 1.3 This report provides a brief summary of the assessment carried out by officers and the results of that part of the process.

## 2. **DECISIONS REQUIRED**

- 2.1 That, following the presentations, Members comment on the recruitment consultants' proposals.
- 2.2 That Members note and comment on the job description and person specification for the post of Chief Executive.

## 3. **REASONS FOR THE DECISIONS**

- 3.1 As stated in the minutes of the meeting of Council on 10<sup>th</sup> September 2014, "the Council confirms its view that a clear and transparent process for appointing a permanent Chief Executive to work with the Elected Mayor and councillors to deliver the quality of services for which Tower Hamlets has been known in the past should be put in place".

3.2 A preferred recruitment consultant needs to be selected in order to progress the appointment to the indicative timetable presented to HR Committee on 15<sup>th</sup> September 2014.

#### **4. ALTERNATIVE OPTIONS**

4.1 The work that has been done to date with interim arrangements could continue. However, Council has reinforced its commitment to maintaining excellent quality of services for residents, and recognises that in order to do this it needs to have strong and stable leadership to support the work of council staff.

#### **5. BACKGROUND**

5.1 Following the decision of Council to appoint a permanent Chief Executive, HR Committee at its meeting on 15<sup>th</sup> September received a report on the recruitment and agreed to proceed in accordance with the indicative timetable attached to the report.

5.2 Details of the Council's requirements have been supplied to four consultancies; Penna, Green Park, Harvey Nash and Prospects. Penna, Green Park and Harvey Nash submitted tender proposals. Prospects chose not to participate.

5.3 The selection process involved the receipt of written proposals from Penna, Green Park and Harvey Nash followed by an interview and presentation to a panel of officers led by the Service Head, Human Resources & Workforce Development. All three agencies provided credible submissions. The assessment scored the consultants against the following criteria:

- Knowledge of role
- Knowledge of Tower Hamlets
- Market Knowledge
- Experience of recruiting to a similar role
- Experience of recruiting for other London Boroughs or similar organisations
- Evidence of innovative solutions in improving decision-making
- Evidence of identifying and sourcing diverse candidates
- Evidence of commitment to Equality and Diversity in recruitment processes
- Flexibility in pricing and cost in line with expectations and budget.

## **6. MATTERS FOR CONSIDERATION**

### **6.1 Selection of Preferred Recruitment Consultant**

6.1.1 Green Park and Penna are invited to this meeting of the Committee to present their proposals. Each of the consultants will be allowed 15 minutes for their presentation and a further 15 minutes is allocated for Members' questions.

6.1.2 Members are asked to consider the presentations and comment on the consultants' proposals.

### **6.2 Job Description and Person Specification**

6.2.1 The job description and person specification for the post is extremely important. It sets out the duties to be performed by the Chief Executive and the accountabilities and responsibilities of the post. The person specification sets out the essential qualities an individual should possess in order to fulfil the requirements of the job.

6.2.2 It is best practice to review the current job description of the Chief Executive prior to any permanent appointment to ensure that it fully reflects the role required. The Committee are therefore invited to comment on the current content.

6.2.3 The existing job description and person specification for the post of Chief Executive are attached at Appendix A. In line with the Council's Leadership and Management Framework, the person specification contains a description of the experience, knowledge and attributes that are required and a template against which candidates should be assessed. Members may wish to adjust the person specification depending on the brief given to the selected recruitment consultant, for example, the specification may need to be amended if the search is extended to aspiring Chief Executives as well as those who are existing holders of posts at the Chief Executive level.

### **6.3 Salary**

6.3.1 In accordance with the Council's pay policy the salary for the Chief Executive ranges from £171,498 to £188,646 plus London Weighting of £3,252 and travel allowance of £3,077.

6.3.2 Recruitment consultants have advised that it is important that the Chief Executive's salary is in line with the market especially considering that there are a number of posts at this level in London Local Authorities currently being advertised or which have been the subject of recent recruitment. Authorities are taking the opportunity to review the salary for their Chief Executive in light of recent publicity on Local Government senior officers' pay and this often results in a reduced salary package.

6.3.3 According to recruitment consultants, the average salary for London Borough Chief Executives is £185k. Any revision to the Chief Executive's salary as determined by the Council's pay policy will need to be referred to Council.

### **6.4 Next Steps**

- 6.4.1 The report to HR Committee of 15<sup>th</sup> September had as an attachment an indicative timetable. This is reproduced at Appendix B for ease of reference.
- 6.4.2 Following appointment the recruitment consultants will be asked to commence a soft search and an advertisement will appear. Consultants will sift applications and conduct preliminary interviews prior to preparing a short-list which will be brought forward to members of the Appointments Sub Committee. This initial meeting of the Appointments Sub Committee is currently indicated as taking place during week commencing 2<sup>nd</sup> February 2015.

## **7. COMMENTS OF THE CHIEF FINANCIAL OFFICER**

- 7.1 The budget for the salary of the Chief Executive is currently held within the Corporate Management vote on the Law, Probity and Governance budget. Should the salary exceed the estimate then compensatory savings will need to be identified. Recruitment costs will be contained within existing budgets.

## **8. LEGAL COMMENTS**

- 8.1 Pursuant to section 112 of the Local Government Act 1972, the Council is required to appoint such officers as it thinks necessary for the proper discharge by the Council of its functions and such of another authority's functions as fall to be discharged by it and the carrying out of any obligations incurred by the Council in connection with an agreement made with another authority under section 113 of the for placing its staff at the disposal of another authority.
- 8.2 It is the role of the Council's Head of Paid Service, appointed under section 4 of the Local Government Act 1989 to keep the following matters under review—
- (a) the manner in which the discharge by the Council of its different functions is co-ordinated;
  - (b) the number and grades of staff required by the Council for the discharge of its functions;
  - (c) the organisation of the Council's staff; and
  - (d) the appointment and proper management of the Council's staff.
- 8.3 The functions of the HR Committee include determining the criteria for the appointment of statutory and non-statutory chief officers and deputy chief officers for the Appointments Sub-Committees established from time to time to consider such appointments. It is appropriate for the Committee to be informed of relevant recruitment timetables, to agree job descriptions and to express a view on interim arrangements pending recruitment.
- 8.4 When carrying out its functions as an employer and as a public authority, the Council must not discriminate or otherwise engage in unlawful behaviour contrary to the Equality Act 2010. The Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to

advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't (the public sector equality duty). Ensuring that any selection process is fair and subject to equal opportunity is part of complying with the Council's equality obligations. An appropriate level of advertising for any vacancy should help to achieve this. Officers should ensure that the Council complies with its own policies and procedures in relation to any recruitment process.

## **9. ONE TOWER HAMLETS CONSIDERATIONS**

9.1 The Council's commitment to equalities includes an undertaking to achieve a Workforce to Reflect the Community at all levels in the organisation and such considerations will be part of the recruitment process and informed the procurement process. All posts are recruited to on merit. Internal arrangements provide for succession planning and career development.

## **10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

10.1 There are no implications.

## **11. RISK MANAGEMENT IMPLICATIONS**

11.1 The arrangements proposed in this report will reduce the risks associated with temporary staffing.

## **12. CRIME AND DISORDER REDUCTION IMPLICATIONS**

12.1 There are no implications.

## **13. EFFICIENCY STATEMENT**

13.1 No changes to service delivery or the use of resources are proposed.

## **14. APPENDICES**

- Appendix 1 – Job Description
- Appendix 2 – Indicative Timetable
- Appendix 3 – Additional Background Information - EXEMPT

### **Local Government Act, 1972 Section 100D (As amended)**

#### **List of "Background Papers" used in the preparation of this report**

None