

# Appointments Committee

## Agenda

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<b>Date:</b>	<b>Monday 29th April 2024</b>
<b>Time:</b>	<b>10.00 am</b>
<b>Venue:</b>	<b>R1 &amp; R2 - Westfields, Middlewich Road, Sandbach, CW11 1HZ</b>

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The agenda is divided into 2 parts. Part 1 is taken in the presence of the public and press. Part 2 items will be considered in the absence of the public and press for the reasons indicated on the agenda and at the foot of each report.

It should be noted that Part 1 items of Cheshire East Council decision making are audio recorded and the recordings will be uploaded to the Council's website

### **PART 1 – MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT**

1. **Apologies for Absence**

2. **Declarations of Interest**

To provide an opportunity for Members and Officers to declare any disclosable pecuniary interests, other registerable interests, and non-registerable interests in any item on the agenda.

3. **Public Speaking Time/Open Session**

In accordance with the Council's Committee Procedure Rules and Appendix on Public Speaking a total period of 15 minutes is allocated for members of the public to put questions to the Committee on any matter relating to this agenda. Each member of the public will be allowed up to two minutes each to speak, and the Chair will have discretion to vary this where they consider it appropriate.

Members of the public wishing to speak are required to provide notice of this at least three clear working days' in advance of the meeting and should include the question with that notice.

4. **Interim and Permanent Recruitment of Executive Directors and Directors of Service** (Pages 3 - 14)

To agree the process for the recruitment of interim and permanent Executive Directors and Directors of Service.

**Membership:** Councillors C Browne (Vice-Chair), C Bulman, J Clowes, S Corcoran, R Fletcher, S Gardiner, M Simon and F Wilson (Chair)

**Appointments Committee****29 April 2024****INTERIM AND PERMANENT RECRUITMENT OF EXECUTIVE DIRECTORS AND DIRECTORS OF SERVICE**

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**Report of: David Brown, Director of Governance and Compliance****Report Reference No: AP/05/23-24****Ward(s) Affected: None****Purpose of Report**

- 1 The purpose of this report is to request approval that the Chief Executive commence the process to recruit to the vacant Executive Director posts and to inform the committee on the proposals for the recruitment to the vacant Director positions.
- 2 The report contributes to the Council's aims and objectives as it is to support the recruitment and selection of senior management vacant posts.

**Executive Summary**

- 3 The report summarises the permanent and interim arrangements required due to the seniority of the roles and the need for clear, visible leadership of the Council as it continues to deliver its Corporate Plan.
- 4 The Council currently has vacant senior posts that have either remained vacant or have been filled on a temporary basis. A decision-making accountability review has been undertaken and has made recommendations that the Council develops a revised senior management structure, subject to consultation with the trade unions and affected employees, and recruits to vacant posts.
- 5 This report initiates a) the permanent recruitment of the executive directors that are currently vacant, b) provides for the interim appointment

of the Executive Director and Directors by way of delegating the recruitment of an interim to the Chief Executive, c) informs the committee the need to revise the senior management structure, subject to consultation with the trade unions and affected employees, and the subsequent recruitment of the vacant director posts being undertaken by the Chief Executive.

- 6 On the 27 February 2024, Council agreed the commencement of the appointment process for the Chief Finance Officer and this report sets out the timetable.

### RECOMMENDATIONS

The Appointments Committee is recommended to:

1. Delegate to the Chief Executive the authority to recruit an Interim Executive Director and directors as required in consultation with the Chair and Vice Chair of the Appointments Committee.
2. Agree the appointment of a recruitment partner for the recruitment of permanent roles of any Executive Director, and subsequently other vacant director or equivalent roles.
3. Note the Chief Executive will revise the current senior management structure. Any new role evaluated in accordance with the current pay policy statement that exceeds £100,000 must be made by way of Corporate Policy Committee recommendation to Council.
4. Note the Chief Executive will commence the expeditious recruitment to the director posts following evaluation.
5. Agree the timetable for permanent recruitment of any Executive Director and the Chief Finance Officer.

### Reasons for the recommendation

- 7 The decision-making and accountability report to Corporate Policy Committee 21 March 2024, stated the review would inform decision on resourcing and capacity for transformation and the initial draft recommendations are being considered by the Chief Executive.
- 8 The second element is the corporate peer challenge initial feedback has acknowledged the urgent need to commence recruitment to permanent

roles. The lack of capacity across the organisation at the senior level is hindering the Council ability to respond to the current fiscal situation. It has been suggested “the current management structure resembles Swiss cheese, by virtue of gaps appearing through people leaving the organisation and not being replaced rather than through any coherent design”.

- 9 The current structure shown in Appendix 1 identifies the senior management posts that are currently vacant or have been filled on a temporary basis.
- 10 The Chief Executive will develop a new senior management structure, subject to consultation with trade unions and affected staff, to reflect the need for capacity and cohesion as identified through the decision-making accountability review and the peer challenge. If there are any significant variation to the senior structure that will be approved at Corporate Policy Committee. To comply with Localism Act S.40 guidance the creation of any new post more than £100,000 will require recommendation via Corporate Policy Committee to Council. [Openness and accountability in local pay: Supplementary Guidance \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)
- 10 It is also recognised that immediate capacity may be created by the use of interim support whilst permanent recruitment occurs. Interim Executive Director capacity can be obtained by delegation of interim appointments to the Chief Executive. Engagement with members on interim appointments can be achieved through consultation. Consultation means the delegation to the Chief Executive will require the consultation with the Chair and Vice Chair of the Appointments Committee. It is anticipated that this will involve the Chief Executive working with external recruitment agencies through Comensura as per recommendation 2 above, undertaking a shortlisting interview process and interviewing the candidates. The Chair and Vice Chair of the Appointments Committee will have the opportunity to meet potential interim candidates outside of the formal interview process and before any decision is made. Individual members are not permitted to appoint officers.
- 11 A recruitment partner for the permanent recruitment is essential to ensure the Council attracts a wide selection of candidates especially given the number of current senior vacancies. The number of vacancies also requires logistical and advertising support to ensure a balance between an expeditious and effective approach is reached.
- 12 The process for the appointment of the executive directors (in parallel with the Chief Financial Officer) is set below. It is anticipated that a period of 3 months will be required for the procurement of a recruitment partner and for the completion of job descriptions, consultation with appropriate employees and trade unions, advertising together with executive search,

interview and the appointment committee. A further 3 month notice period is also usual and it is likely that the permanent post will commence within 6 months. The interim posts will have a clear time limit.

13 The appointment of the Chief Finance Officer will need to be approved by Full Council. There will be a need for an interim to be in place for a longer period in relation to this post.

14 Executive Director Recruitment Process:

The indicative timeline and process for the recruitment and selection the Executive Director is outlined in Appendix 2. This will reflect the recruitment process for Chief Finance Officer.

### **Other Options Considered**

15 The Council is not obliged to recruit to these posts but the lack of senior management capacity will impact on the organisation ability to respond to current events.

### **Implications**

#### *Monitoring Officer/Legal*

16 Section 112 (1) of the Local Government Act 1972 allows a local authority to appoint such officers as they think necessary for the proper discharge of its functions.

17 The Constitution, Chapter 2 Part 4, the Appointments Committee has the authority to make or recommend senior appointments as follows:

(a) With regard to the appointment to the role of Chief Finance Officer, to undertake the recruitment and selection process (in accordance with the Employment Procedure Rules) and to make recommendation to Council to approve the proposed appointment prior to an offer being made to the successful candidate, and

(b) To appoint Executive Directors.

18 The purpose this report is to gain approval of the Committee to recruit to the role of interim Executive Director and start the process to recruit to the roles of, Executive Director (to run in parallel with the Chief financial Officer) and to delegate authority to the Chief Executive to take the steps necessary including appointment of a recruitment partner.

19 Only the Chief Financial Officer appointment will require a report to Council to approve the proposed appointment.

- 20 Other vacant Director positions will be appointed by the Chief Executive (and under Chapter 3 part 6 the Employment Procedure Rules).
- 21 In terms of good governance, it is recommended that the administration is not closely involved in the appointment of statutory officers of the local authority. In a cabinet system this would be precluded by The Local Authorities (Functions and Responsibilities) (England) Regulations 2000, Schedule 1 part 3 paragraph 14. [The Local Authorities \(Functions and Responsibilities\) \(England\) Regulations 2000 \(legislation.gov.uk\)](https://www.legislation.gov.uk/uksi/2000/1064/schedule-1/part-3/paragraph-14) Within the committee system senior appointments are through the appointments committee which is a proportionally represented committee of local authority members. This avoids any potential complaint that individual members have unduly influence the process.

#### *Section 151 Officer/Finance*

- 22 The interim appointments will comprise a day rate of estimated between £900 and £1200 with an agency mark up of 16%. The day rate will depend on the level of post (Executive Director or Director) as well as the experience of the candidates and market demand for such interims.
- 23 There will be a procurement exercise undertaken to select an executive search partner for the permanent recruitment process.
- 24 The cost of the executive search an individual end to end recruitment process is in the region of £19,000 plus advertising costs and associated costs (in the region of £19,000). It is anticipated that there would be some economies of scale realised for the executive search and advertising costs as there will be a number of posts included in this recruitment campaign.
- 25 The cost of the executive search partner will be split proportionately between the directorates based on the number of posts in each area.

#### *Policy*

- 26 The appointments will be made with reference to the pay policy statement to provide transparency to the Council's approach to setting the pay of its senior managers.
- 27 The positions will be subject to the Hay job evaluation scheme to allocate them into the Cheshire East Senior Management pay bands.

#### *Equality, Diversity and Inclusion*

- 28 The recruitment and selection process will be open, fair and inclusive which reflect our vision, values and Employee Deal, ensuring objective recruitment decisions are made.

- 29 An equality impact assessment will be conducted as part of the preparation for the restructure consultation in line with HR policy.

*Human Resources*

- 30 Actions will be undertaken in accordance with the Constitution and the Employment Procedure Rules as well as appropriate HR policies and procedures.

*Risk Management*

- 31 As identified in the strategic risk register, the impact of restricted recruitment (and spending) has been identified as a significant risk in relation to both the Leadership Capacity and Ability to Achieve Organisational Change risks. This report assists in the mitigation of the strategic risk reported to Corporate Policy Committee on 21 March 2024, specifically SR07 and SR09
- 32 There are national labour market pressures across a number of service areas but also for senior management roles. With senior management roles, local authorities are competing for the within a limited pool of staff, with some offering higher salaries and other benefits not in place at Cheshire East Council.

*Rural Communities*

- 33 None

*Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)*

- 34 None

*Public Health*

- 35 None

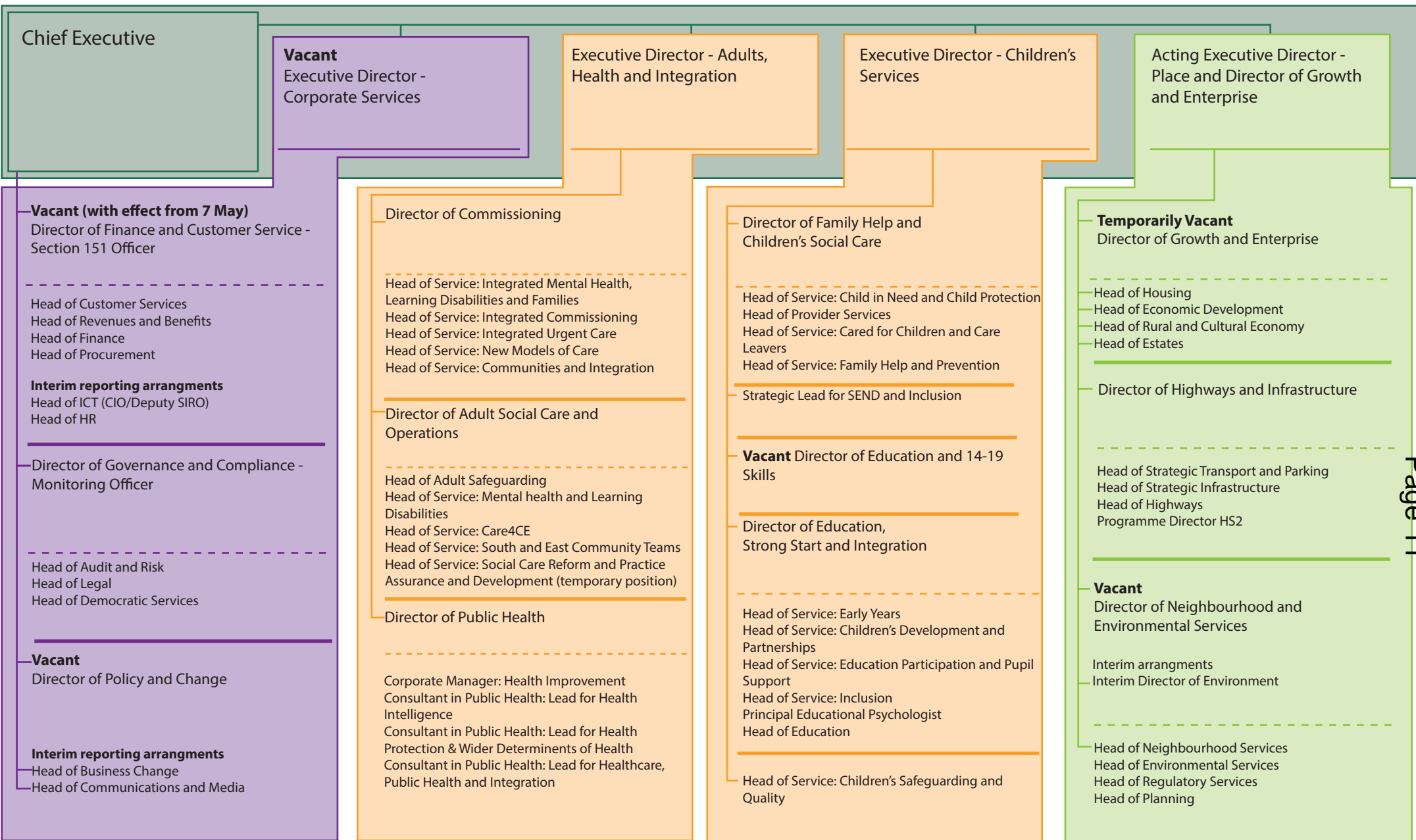
*Climate Change*

- 36 None



<b>Access to Information</b>	
Contact Officer:	Sara Barker, Head of Human Resources sara.barker@cheshireeast.gov.uk
Appendices:	Appendix 1 – Current management structure (with vacancies and acting up arrangements)  Appendix 2 – Indicative timeline for the recruitment process for Chief Finance Officer and Executive Directors
Background Papers:	None

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## Appendix 2

Potential Date / Timescales	Activity
29 April to 17 May 2024 (3 weeks)	HR / Chief Executive <ul style="list-style-type: none"> <li>Procure an executive search partner</li> </ul>
29 April to 17 May 2024 (4 weeks)	HR / Chief Executive <ul style="list-style-type: none"> <li>To compile: <ul style="list-style-type: none"> <li>Job Description and Person Spec and complete job evaluation</li> <li>Draft structure and document for consultation</li> </ul> </li> </ul>
20 May – 14 June 2024 (4 weeks)	Chief Executive <ul style="list-style-type: none"> <li>Consultation with Executive Directors, Directors and their direct reports</li> </ul>
w/c 20 May – 14 June 2024	HR / Chief Executive / Executive Search Agency <p>To develop and finalise (subject to final structure being post consultation):</p> <ul style="list-style-type: none"> <li>Project plan and design of campaign</li> <li>Search strategy</li> <li>Advertising materials and media, microsite content</li> </ul>
w/c 17 June 2024	Chief Executive / HR <p>Finalise structure Share with appointments committee</p>
w/c 24 June 2024	HR / Chief Executive / Executive Search Agency <p>To confirm final version (if different from the above):</p> <ul style="list-style-type: none"> <li>Project plan and design of campaign</li> <li>Search strategy</li> <li>Advertising materials and media, microsite content</li> </ul> <p>Tailored search to begin after the meeting to produce initial search ID</p>
w/c 1 July 2024	Executive Search Agency <ul style="list-style-type: none"> <li>Advert to go live in print (online) including Microsite</li> </ul>
On-going	Executive Search Agency <ul style="list-style-type: none"> <li>Search reports issued to you weekly with regular updates</li> </ul>

	<ul style="list-style-type: none"> <li>Confidential conversations can be organised with key stakeholders and potential strong candidates that exec search partner have identified</li> </ul>
<b>Thursday 18 July 2024</b>	<ul style="list-style-type: none"> <li>Closing date</li> <li>Search concluded</li> </ul>
<b>w/c 22 July 2024</b>	<p><b>Executive Search Agency / Appointments Panel / Chief Executive / HR</b></p> <ul style="list-style-type: none"> <li>Sift reports (“A, B, C”) produced for all applicants with comments and recommendations</li> <li>Meetings organised to finalise candidates being taken forward to next process for each role</li> <li>Successful candidates made aware and informed of further progress</li> </ul>
<b>w/c 29 July 2024</b>	<p><b>Executive Search Agency / Technical Assessor</b></p> <ul style="list-style-type: none"> <li>Technical Interviews or alternatively incorporate these into the Final Panel</li> </ul>
<b>w/c 5 August 2024</b>	<ul style="list-style-type: none"> <li>Final Panel Interviews – Appointment Committee approves recruitment of Executive Directors and recommends appointment of Chief Financial Officer to Council (dates in diary asap)</li> </ul>
<b>October 2024</b>	<ul style="list-style-type: none"> <li>Full Council (in respect of the Chief Finance Officer)</li> </ul>
	<ul style="list-style-type: none"> <li>Post appointment support, negotiations and candidate care for all candidates.</li> </ul>