

# Agenda Item 6.

<b>TITLE</b>	<b>Appointment to Post of Chief Executive</b>
<b>FOR CONSIDERATION BY</b>	Personnel Board on 29 June 2017
<b>DIRECTOR</b>	Andy Couldrick, Chief Executive

## **OUTCOME**

To ensure the Chief Executive's responsibilities are properly discharged following the departure of the current Chief Executive.

## **RECOMMENDATION**

Members are recommended to:

- 1) Note the resignation and imminent departure of the current Chief Executive Officer.
- 2) Consider the options, for replacement of the Chief Executive Officer and legal requirements.
- 3) Agree the draft Job Description and Person Specification.
- 4) Note the timescales for any recruitment process.
- 5) Support proceeding with Option 2c) in the report, i.e. internal & external recruitment for:
  - a. A fixed term external Interim Chief Executive, on a 3 days per week basis, or
  - b. An internal secondment to Interim Chief Executive.
- 6) Agree the commencement of a permanent recruitment campaign on the proposed compensation package.

## **SUMMARY OF REPORT**

The current Chief Executive Officer has resigned. Determination of the course of action in appointing a new Chief Executive Officer (or not) is a decision of Council, delegated to the Personnel Board.

Options available include;

- 1) Immediate recruitment of a permanent Chief Executive** – A single designated post of Chief Executive is the traditional way the Council has discharged the functions of the Chief Executive. This process is usually undertaken through an Executive Search Company. The length of this process would mean that there would be a gap of a few months between the departure of the incumbent and the arrival of the newly-appointed Chief Executive. Historically this has been the option pursued by Wokingham Borough Council.
- 2) Recruit an Interim Chief Executive** – Due to the period it takes to recruit a permanent position, or if Personnel Board decided to delay commencing recruitment in order to consider other options in regard to executing the duties of the Head of Paid Service, it is likely that there would need to be an interim between the departure of the current Chief Executive and the new solution. This option would provide

additional time for consideration but potentially has the disadvantage of greater organizational turbulence. Any appointment of an interim Chief Executive Officer would require recruitment process. Within this option there are a further 3 choices:

- a) **Internal recruitment** (secondment of an existing employee to the role): Internal recruitment has the advantages of consistency, development opportunity for the individual, and continuity in terms of leadership. The major disadvantage is the disruptive impact on the Council's business: either the 21st Century Council programme direction, the implementation and embedding of Phase 1, Support Services, or the delivery of our newly clustered People Services, would suffer an impact if their Directors were seconded into the interim Chief Executive role. In addition to this, there may be cost ramifications if we need to bring in extra capacity to cover.
- b) **External recruitment** (bringing in an interim Chief Executive from outside Wokingham Borough Council): External recruitment offers the advantage of the introduction of additional capacity and expertise, and enables current Directors to remain focused on their current, and considerable, responsibilities. The disadvantages are cost. If we recruited an interim for 6 months' on 3 days per week, this would cost £92,820 against a budget of £87,970. Also, there is a risk of disruption to our major programmes if we had to pause while a new Chief Executive took time to understand what we were doing.
- c) **Internal & External recruitment** (consider both a) and b) in tandem): The option enables Personnel Board to consider all potential candidates internal and external, being mindful of the advantages and disadvantages of both and weighing these against the strength of the applicant field.

### 3) **Other longer term options** – Longer term, other options emerge including:

- a) **Do not recruit to the post of Chief Executive** – The statutory responsibilities assigned to the Chief Executive are those defined as Head of Paid Service under the Local Government Act. The responsibility of Head of Paid Service could be nominated to a current employee following an internal assessment process. Issues around this could include; conflicts with current statutory accountabilities, capacity to undertake the role foregoing the potential expertise that may exist in the external market. Advantages would include a known, speedy, low cost process and salary savings.
- b) **A Shared Post** – The Council could share the post of Chief Executive in partnership with another local authority. Issues of compatibility, political complementarity and agreement of authorities would need to be explored with any sharing authority. Typically, where this has occurred the process of dual engagement has been lengthy with significant HR processes to be followed. The main advantage of this option is the efficiencies through sharing a Chief Executive and potential sharing of further services/functions. The key disadvantage is the difficulty in finding the right partner with shared vision and ambition as well as the loss of a dedicated resource, particularly in the context of the significant change programme faced by the Council.
- c) **Part-time Chief Executive** - The Council could appoint a part-time Chief Executive who may have one or several other appointments in the public or private sector. This option may attract a much wider interest with the obvious disadvantage of competing demands on the post-holders time.

## Background

The Chief Executive, Andy Couldrick, has submitted his resignation and will remain in post until mid-August 2017. The Council must ensure it has arrangements in place to discharge the functions carried out by the Chief Executive on his departure.

## Analysis of Issues

**External Recruitment Process** - The recruitment process will begin with approval from Personnel Board on the process for appointment to the post of Chief Executive.

- Personnel Board to approve the Job Description and Person Specification *Job description, person specification and competencies are attached at Appendix 1.*
- Personnel Board to agree the salary range to be advertised. Appendix 2 provides current market data in relation to Unitary Authorities in the South East of England. It would therefore be recommended to advertise a range for total compensation (Base pay plus PRP) of £143,000 to £159,500. This upper limit is payable if PRP is paid at 10%. However, historically payment has averaged at 7%, which would equate to total compensation of £155,150. In addition to this, no other authority figures include a PRP element so the benchmarking figures only include guaranteed salary.
- HR will engage the Executive Search Consultancy, selection will be in accordance with procurement guidelines

The timeline would be:

- (a) The Executive Search Agency will review applications received and prepare a 'long-list' recommendation for Personnel Board's consideration;
- (b) A shortlist pack (with recommendations) will be produced for Personnel Board consideration;
- (c) Personnel Board will select their preferred candidate following a rigorous assessment and interview process (including presentations to Personnel Board).

The process is likely to take up to 3 months to arrive at preferred appointment, plus the notice period the candidate has to serve, typically 3 months.

## Appointment of Interim Chief Executive officer

2) a) Internal: this would be done by means of:

- Invitation for Expressions of Interest from internal candidates;
- Formal selection by Personnel Board.

The process could be completed in 4-6 weeks

2) b) External: this would be done by means of:

- CVs sought from agencies;
- Shortlist of potential interims agreed;
- Selection by Personnel Board.

The process could again be completed in 4-6 weeks.

- 2) c) Internal & External: This would be done by undertaking the actions described in both a) and b) above.

The process could again be completed in 4 – 6 weeks.

### Other longer term options

The 21<sup>st</sup> Century Council programme is well underway and requires visionary leadership with someone who is 'present' leading on the cultural shift in organisational behaviour that will be required to make this a success.

### FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

***The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.***

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	Permanent: Nil if paid at current rate, £25,000 if paid at maximum proposed pay range.  Interim: £4,850	Yes	Revenue     Revenue
Next Financial Year (Year 2)	Nil	n/a	n/a
Following Financial Year (Year 3)	Nil	n/a	n/a

### Reasons for considering the report in Part 2

n/a

### List of Background Papers

n/a

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<b>Date</b> 15/06/17	<b>Version No.</b> 2

# WOKINGHAM BOROUGH COUNCIL

## ***CHIEF EXECUTIVE JOB DESCRIPTION***

### **JOB PURPOSE & KEY ACCOUNTABILITIES**

#### **Job Purpose**

To work with the Leader of the Council and elected Members to refine and implement the Council's strategic approach to delivering high quality, innovative and efficient core services in line with Council values and ambition to become a flagship authority. Lead and direct a diverse and complex organisation, providing a clear focus for initiatives and robust performance management, exploring and developing partnerships to aid the delivery of integrated services that represent value for money for all residents, and meet the needs and aspirations of our communities. As Head of Paid Service and Principal Advisor to the Council, undertake the statutory responsibilities of this post.

#### **Dimensions**

##### Council Budget:

General Revenue Account: £179m gross p.a., £112m Net p.a.

Housing Revenue Account: £17m Income

Capital Programme: £45m - £80m p.a.

Schools Revenue Budgets: £100m p.a.

Number of employees: Approx. 950 FTE

#### **Key Personal Performance Targets and Standards**

The key personal performance targets and standards will be agreed and reviewed with the post holder by leading Members on an annual basis as part of the Performance Appraisal Process. The initial targets and standards for the post holder will be an early priority following appointment.

#### **Key Accountabilities**

1. **Vision and Strategy:** Work with the Corporate Leadership Team and the Executive to develop corporate objectives and priorities, and the strategies to meet them, and be accountable for ensuring they are communicated, implemented and achieved.
2. **Finance and Resources:** Actively and effectively manage the Council's resources ensuring robust financial and service planning and the availability of timely and accurate information to elected Members in making decisions on the Council's budget and priorities.
3. **Partnership Working:** Lead and encourage joint working with other agencies and service providers in order to provide integrated, cost-effective services. Act as ambassador for the Council, to achieve new resources and opportunities, by developing and nurturing external partnerships and networks

including national and local government, public bodies and the private and voluntary sector

- 4. Service Improvement:** Continually improve and modernise Council-wide services in line with the Council's "Vision and Values" by challenging existing arrangements and identifying and developing innovative solutions, including e-government initiatives; championing and introducing effective change management initiatives; fostering a culture of performance management and continuous improvement and encouraging cross-boundary working so that internal resources are used to best effect and the external customer experiences cohesive service delivery.
- 5. Member Relations:** Establish effective working relationships with all elected Members, advising and supporting them through work with the Executive, Scrutiny, so that the Council's long-term aims and ambitions are defined and achieved.
- 6. Corporate Management:** Develop and lead a strong, co-coordinated and effective corporate management team, ensuring that the heart of the organisation operates strategically and effectively, encouraging effective corporate working and breaking down departmentalism. Inspire, motivate and develop the Council's workforce so that they have a real sense of ownership of its aims and objectives, encouraging cross-Council working and continual improvements in service delivery. Through personal example, open commitment and clear action, value and celebrate the diversity of Wokingham's communities, ensuring equality of access and treatment in employment and service delivery. Take responsibility for risk management, business continuity planning and Health & Safety at Wokingham Borough Council.
- 7. Performance Management:** Ensure that Action Plans are successfully implemented, ensuring that effective management arrangements are in place to achieve the Council's objectives and implement business plans. Promote and establish a culture which encourages and enables all parts of the workforce to meet required performance standards and that is supportive, open and fair.
- 8. Council Profile:** Ensure the Council's management processes are open and encourage the interest and involvement of the local community through opportunities to access information and for public consultation. Promote the needs of Wokingham as a community by establishing a positive corporate image for the Council. Forge links with Wokingham's business community.

## **KEY EXPERIENCE, SKILLS & BEHAVIOURS (Person Specification)**

### **Part One - Experience**

1. Consistent achievement in leadership at Chief Executive or senior management level within a complex multifunctional organisation of comparable scope and complexity.
2. Proven track record in managing a diverse range of services within a large multi-disciplined organisation, including:
  - Participation in the formulation of corporate objectives, policies and strategies
  - Demonstrable success in change management
  - Successful long-term financial management, including budget formulation, financial planning, monitoring and control.
  - Experience in successfully applying best practice from the commercial sector in shaping and delivering customer care initiatives to improve processes, reduce costs or enhance customer services.
3. Experience of working within a complex, multi-functional organisation, giving professional advice to and building productive working relationships with a range of different stakeholders.
4. Successful track record of effective partnership working and networking up to Board level, with key stakeholders, e.g.: residents, voluntary sector, business communities, government and public agencies.
5. Clear evidence of establishing a strong corporate performance culture and effective performance and service quality evaluation that involves users in driving up standards and performance.

### **Part Two - Skills and Knowledge**

1. An ability to work in a complex decision making environment with multiple stakeholders.
2. Exposure to modern business practice e.g. procurement, electronic service delivery, shared services programmes.
3. Understanding of residents' needs and concerns, allied to a commitment to the concept and value of public services, local democracy and partnership working.
4. Excellent project-management skills – the ability to prioritise, add clarity and oversee delivery on agreed objectives, with the skills to translate plans and ambitions into real achievements for the benefit of the local community.

5. An understanding and record of achievement in promoting diversity in employment and service delivery, and facilitating social inclusion.
6. Ambition and an understanding of business and enterprise in order to realise opportunities, deliver new council initiatives and explore new sectors of innovation to achieve income generation and develop service delivery.
7. High-level diplomacy: the ability to act as ambassador, broker and influencer, comfortable with the media and able to deal with residents and local personalities.

### ***Part Three - Personal Style and Behaviours***

1. Astute, creative and strategic with the ability to use resources effectively to achieve business outcomes; a lateral thinker, able to manage and contribute in a complex, multi-disciplined organisation
2. An engaging personality, showing empathy with staff and an ability to engage and make them feel valued; high-level motivational skills; a commitment to openness and fairness with employees and the public
3. Straightforward, open and showing high integrity; demonstrates high standards of personal conduct, credibility, honesty and integrity that inspire loyalty, trust and confidence
4. Willingness to contend with national pressures and defend the Authority's position; prepared to be creative to achieve value for money
5. Sound judgment: recognising the role of Members and able to act as interface; must be able to forge understandings with key Members and share the ambitions and philosophy of the majority party.
6. High energy and resilience, robust and able to be firm and clear-minded; prepared to work hard to achieve challenging standards and outcome
7. A Positive Role Model 'Walks the talk' and is aligned with their core Values so others trust, respect and listen to them
8. Leading Change. Drives the change vision through clear communication strategies with colleagues, Members and customer involvement
9. Strategic Focus. Drives a strategic perspective; Translates the overall Vision into operational service plans; Analyses and assesses the impact on resources



## Appendix 2

### Market Data for Chief Executive Total Compensation packages for Unitary Authorities in the South East

Borough	Source	Chief Executive	
		Min	Max
West Berks	Pay Policy	141,100	141,100
Bracknell Forest	Pay Policy	155,000	160,000
RBWM* MD not CE	Pay Policy	120,000	140,000
Slough	Pay Policy	133,869	160,645
Reading	Pay Policy	135,000	135,000
Portsmouth City Council	epaycheck	137,413	151,878
Swindon	epaycheck	150,363	187,392
Milton Keynes	epaycheck	156,550	161,600
Brighton & Hove	epaycheck	153,015	153,015
<b>Avg. (excl. Wokingham)</b>		142,479	154,514
<b>Wokingham</b>		<b>143,000</b>	<b>143,000</b>
<b>Summary</b>		in range	
Recommended revised ranges (including PRP)		143,000	159,500
Recommended base pay		130,000	145,000

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