



COUNCIL – 9TH JUNE 2015

SUBJECT: CONTRACT ARRANGEMENTS OF INTERIM CHIEF EXECUTIVE

REPORT BY: LEADER OF COUNCIL

1. PURPOSE OF REPORT

- 1.1 The Council is required by law to have in place a Chief Executive / Head of Paid Service. On the 22 July 2014, Council appointed Mr Chris Burns as Interim Chief Executive to undertake these duties on a fixed term contract ended on 31 August 2015. This report seeks approval in respect of the future arrangements of this post in order to comply with legislative requirements.
- 1.2 This report seeks a Council decision to extend the contract arrangements with Mr Chris Burns, in light of the most up to date position and information available to the Council, in respect of the suspended substantive post-holder.

2. SUMMARY

- 2.1 The Council decision was to appoint Mr Burns on a fixed term contract for a period of up to 12 months. Mr Burns took up appointment on the 1 September 2014, and this report explains contractual arrangements to extend this arrangement.

3. LINKS TO STRATEGY

- 3.1 It is a legal requirement for a Local Authority to have a Head of Paid Service. In Caerphilly County Borough Council the Head of Paid Service is the Chief Executive and there is no distinction between the two roles.

4. THE REPORT

- 4.1 Members will be aware of the current interim arrangements in place within the Authority arising from the suspension of three senior officers.
- 4.2 It is now clear that interim arrangements will need to continue for a further period of time. A provisional date for the main court hearing has been set for November 2015, but there is always the possibility that this could slip to a later date. The case itself is likely to take 6-8 weeks when it is convened.
- 4.3 Whatever the outcome of the court case, there is an inevitability of internal investigations that have been on hold pending the criminal investigation. In the interim, the substantive post-holders' employment contracts remain in place.
- 4.4 In order to provide ongoing consistency for the organisation through this difficult period, it is proposed to extend the Interim Chief Executive's contract by a further year i.e. to the 31 August 2016.

- 4.5 If Council agrees to the extension of the fixed term contract, the Interim Chief Executive will be employed on the agreed salary and terms and conditions as published in the Council's Pay Policy Statement.
- 4.6 For completeness, Members are advised that the Interim Chief Executive has indicated his agreement to an extension of the contract for a further 12 months, subject to Council approval.
- 4.7 Members will also be aware from previous reports that interim arrangements are in place in relation to the Director of Corporate Services and the Head of Legal Services / Monitoring Officer. At the Council meeting held on 18 November 2014, Members approved that the Interim Chief Executive could extend both these interim arrangements until 31 August 2015 if necessary.
- 4.8 Due to the circumstances outlined within this report requesting Council's agreement to the extension of the Interim Chief Executive's contract of employment, Members are also asked to approve the extension of the interim arrangements for the Director of Corporate Services and the Head of Legal Services / Monitoring Officer until 31 August 2016.
- 4.9 Should the opportunity arise earlier to review these arrangements, then action can be taken to do so.

5. EQUALITIES IMPLICATIONS

- 5.1 All Local Authorities are subject to the public sector equality duty in the Equalities Act 2010. This requires that Local Authorities, "shall, in carrying out its functions, have due regard to the need to promote equality of opportunity between, men and women, persons of different racial groups, and disabled persons and others, respectively".
- 5.2 It must be noted however that the duty is not an absolute one and simply requires the Council to "have due regard" to the need to promote equality of opportunity. An element of balancing the need to promote equality of opportunity with other needs of the Council is therefore permissible.

6. FINANCIAL IMPLICATIONS

- 6.1 There is a budget for a Chief Executive post. This budget will continue to fund the Interim Chief Executive. The salary costs of the 3 suspended officers are being funded from General Fund reserves. Council will need to agree the allocation of additional funds from the General Fund balance of £278k to cover costs of the 3 suspended officers to 31 August 2016.
- 6.2 There are no additional costs arising from the interim arrangements as these are being met through the existing budgets for the substantive post holders.

7. PERSONNEL IMPLICATIONS

- 7.1 The personnel implications are included in the report.

8. CONSULTATIONS

- 8.1 All consultation responses are included in the report.

9. RECOMMENDATIONS

- 9.1 Council is requested, for the reasons outlined in Section 4 of this report, to approve the extension of the contract of the Interim Chief Executive (Mr Chris Burns) for a further 12 months to the 31 August 2016.
- 9.2 Council are requested to approve a further provision to be funded from General Fund balances of £278 k to cover the anticipated additional costs of the 3 suspended officers to 31 August 2016.
- 9.3 Council is asked to approve the extension of the interim arrangements for the Director of Corporate Services and the Head of Legal Services / Monitoring Officer until 31 August 2016.

10. REASONS FOR THE RECOMMENDATIONS

- 10.1 To ensure the Council complies with the legal requirement to have a Head of Paid Service.

11. STATUTORY POWER

- 11.1 Local Government Acts 1972 and 2000
Local Authorities (Standing Orders)(Wales) Regulations 2006.
Local Government and Housing Act 1989

Author: Gareth Hardacre, Head of Workforce and Organisational Development.
hardag@caerphilly.gov.uk

Consultees: Cllr Keith Reynolds, Leader of the Council
Cllr Christine Forehead, Cabinet Member for HR and Governance
Cllr Barbara Jones, Deputy Leader & Cabinet Member for Corporate Services
Dave Street, Corporate Director Social Services
Andrew Southcombe, Financial Services Manager