



COUNCIL – 10TH JUNE 2014

SUBJECT: RECRUITMENT 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 23rd July 2013, Council appointed Mr Stuart Rosser as Interim Chief Executive to undertake these duties. The original contract was for a period of six months but Council subsequently extended that for a further six months to 23rd July 2014. The Council is therefore scheduled to review this arrangement at its meeting on the 22nd July 2014.
- 1.2 Mr Rosser has recently indicated that he wishes to bring the current arrangement to an end at the next scheduled review date in July. The purpose of this report is to seek agreement from Council to pursue the appointment of another Interim Chief Executive to replace Mr Rosser.

2. LINKS TO STRATEGY

- 2.1 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.

3. THE REPORT

Context

- 3.1 Members will be aware of the current interim arrangements in place within the Authority arising from the suspension of three senior officers.
- 3.2 As a result of the recent court hearing in April 2014 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 January 2015 but there is always the possibility that this could slip to a later date. The case itself is likely to take 3-4 weeks.
- 3.3 Whatever, the outcome of the court case there is an inevitability of the internal investigations that have been on hold pending the criminal investigation. In the interim, the substantive postholders employment contract remains in place. It is difficult to put a timescale on the conclusion of all of these matters but it is difficult to believe that it will be less than a year and could possibly be considerably longer e.g. 2 years?
- 3.4 Members will recall that Mr. Rosser was appointed to the post of Interim Chief Executive last July with an initial six month contract. This was subsequently extended (in January 2014) for a further six-month period - the current contract expires on 23 July 2014. Given our current expectations re timescales etc it is probable that in reviewing this contract the Council would ideally be seeking an extension for a minimum of twelve months and potentially up to two years.

- 3.5 In his previous reports and presentations to Council Mr Rosser has explained the background to his return and the personal/family situation. He has previously indicated that he originally took up the post in the expectation of a short-term assignment and has no wish to extend this into years. Similarly he has indicated that his part time appointment has worked but is not ideal and he generally feels that CMT needs additional capacity to address future challenges.
- 3.6 Given the current context, Mr Rosser believes it is the right time to bring to a close his position here at Caerphilly CBC. He feels that he has fulfilled the original assignment and helped stabilise the Authority but the priority for the Council is now business as usual and responding to the future challenges facing local government in Wales.

Options

- 3.7 The Council clearly needs to identify a way forward as soon as possible. Members will recall that prior to Mr Rosser's appointment Council considered a report that set out a wide range of options for fulfilling the role. However, whilst these options remain valid the circumstances facing the Council are significantly different and I have therefore approached the WLGA for advice / guidance. Arising from this two main options have been identified i.e.:
1. Use of An Interim Manager on a consultancy basis
 2. The appointment of an Interim Chief Executive via a Fixed Term Contract
- 3.8 There are key advantages/disadvantages of both (see appendix 1)
- 3.9 Having discussed the issues in depth with the WLGA the conclusion reached is that option 2 is probably the stronger option and better suited to the specific needs of this Authority. If possible a 2-year period would be preferable because the Council ideally needs to build on the current stability pending a return to normality (but clearly there is a financial risk if that normality returns prior to the two-year period). On balance it is considered appropriate to advertise for a fixed term contract for a minimum of 1 year (with a 2 year option considered for exceptional candidate). Discussions with the WLGA have indicated that there would be a field of potential candidates available using this option. If this approach proves unsuccessful, and there is a need for an immediate replacement, then the use of an Interim Manager would be pursued, via the WLGA framework.

Process

- 3.10 If this is agreed then an appropriate advert will be placed followed by the normal recruitment process i.e. interviews by Appointments Committee and recommendation to full Council. Consideration has been given to the use of an appropriate Executive Search Consultancy to assist with the recruitment process. This would however add a significant cost to the process, in terms of a fee. It is not proposed that this approach is adopted, and that the appropriate advertisement process will be managed internally by the Council, as on previous recruitment exercises.
- 3.11 Should option 2 not be successful then option 1 will be pursued. In this context it would be proposed to secure an Interim Manager from the WLGA via their framework arrangements.

4. EQUALITIES IMPLICATIONS

- 4.1 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".
- 4.2 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.

5. FINANCIAL IMPLICATIONS

- 5.1 If option 2 (Fixed Term Contract) is pursued then the post would initially be advertised on the approved substantive salary (£142,524 - £158,360). The salary costs, together with appropriate overheads, are already provided for in the Council budget.
- 5.2 If option 1 (Use of Interim Manager on a consultancy basis) is pursued then the costs will be dependent on individual daily rates etc. However, this option has the potential to be more expensive.

6. PERSONNEL IMPLICATIONS

- 6.1 The personnel implications are included in the report

7. CONSULTATIONS

- 7.1 All consultation responses are included in the report

8. RECOMMENDATIONS

- 8.1 Council is asked to agree an advert for an Interim Chief Executive for up to two years. Should that approach be unsuccessful then agreement is given to consider the appointment of an Interim Manager to fulfil the role of CEO, through the use of the WLGA framework.

9. REASONS FOR THE RECOMMENDATIONS

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

10. STATUTORY POWER

- 10.1 Local Government Act 2000 and the Local Authorities (Standing Orders)(Wales) Regulations 2006

Author: Gareth Hardacre, Head of Workforce & Organisation Development
Consultees: Stuart Rosser, Interim Chief Executive
Cllr Keith Reynolds, Leader of the Council
Cllr Gerald Jones, Deputy Leader of the Council
Cllr Barbara Jones, Deputy Leader of the Council
Cllr Christine Forehead, Cabinet Member for HR & Governance
Gail Williams, Interim Head of Legal Services & Monitoring Officer
Steve Thomas, Chief Executive, WLGA

Appendices:

Appendix 1 Consideration of Options for replacing the current Interim Chief Executive