

**CABINET**  
**23<sup>rd</sup> JUNE 2009**

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**REPORT ON THE RECRUITMENT OF A NEW CHIEF EXECUTIVE**

**Introduction**

1. It is necessary to ensure the recruitment of the post of Chief Executive is undertaken in a fair and transparent manner and that the process adopted ensures that a skilled and experienced person is appointed on merit to lead the Council to enable it to rise to the future demands and challenges.
2. This report outlines the process for the recruitment arrangements and the selection of the Chief Executive of the new Wiltshire Council. This process includes options for Cabinet to consider in relation to the use of an executive search to seek suitable candidates and manage the appointments process and the timescales for this process.
3. This report also outlines the options for cabinet to consider in relation to the salary for the post of Chief Executive which needs to be resolved prior to the recruitment process commencing.

**Background**

4. Regulations provide that the post of Chief Executive of the unitary authority be the subject of open competition within one year of vesting day, i.e. by 31 March 2010.
5. At its meeting in March 2008, the Implementation Executive considered three options relating to the appointment of the Chief Executive of the new Wiltshire Council. It resolved thus:  
  
“To agree that the County Council should be informed that both the recruitment arrangements and the selection of the Chief Executive should be left to the new authority”.
6. At its meeting in January 2009 the Implementation Executive reaffirmed the decision to leave both the recruitment arrangements and the selection of the Chief Executive for the new authority.
7. The new Wiltshire Council Cabinet is now in place and need to agree the recruitment arrangements and the process for the selection of the Chief Executive to ensure the requirements of the regulations are met.

## **Main Considerations for Cabinet**

### **Executive Search**

8. Proposals and costs have been sought from five executive search organisations. This is in line with the Wiltshire Council Procurement Regulations which came into effect 1<sup>st</sup> April 2009. The organisations are Veredus, Solace, Tribal, Gatenby Sanderson and Odgers Berndtson. All have extensive experience in recruiting to Chief Executive posts.
9. An assessment of the proposals and costs has been undertaken by Human Resources & Organisation Development (HR & OD). This assessment involved scoring of the proposals using the specification provided. A summary of the scores for each organisation is detailed below. These scores are the average of three assessments.

<b>Executive Search Organisation</b>	<b>Score (out of 100)</b>
Tribal	83
Veredus	71
Solace	68
Gatenby Sanderson	60
Odgers Berndtson	50

10. The assessment carried out by HR & OD has concluded that Tribal should be appointed to carry out this recruitment campaign.
11. Tribal are part of the Tribal Group. Tribal Resourcing are the Council's advertising agency and suppliers of the Council's e-recruitment system. There is therefore an established working relationship with Tribal already, and they also have carried out three successful executive searches for Wiltshire County Council in the last 12 months.
12. The proposal from Tribal includes recommendations about which publications and websites to use to advertise the Chief Executive post. It is recommended that HR & OD work with the successful executive search organisation to develop the advertising campaign and select the appropriate publications and websites for advertising this post.
13. Cabinet should note that a budget of £50,000 has been allocated to this recruitment and selection campaign from the "One Council" transition budget.

### **Timescales**

14. The Implementation Executive resolved that the appointee to the post of Chief Executive should start with the Council by 1<sup>st</sup> January 2010. When this resolution was made the elections were anticipated to be taking place in May 2009. The elections took place on 4<sup>th</sup> June 2009, and the Cabinet was appointed on 16<sup>th</sup> June 2009.

15. The decision on the timescales for the recruitment process will be taken at this meeting. However Cabinet should be aware that for the appointment to take effect on 1<sup>st</sup> January 2010 the proposed timescales for advertising the post is likely to have an impact of the number of suitable candidates that will be available for consideration. July and August are normally difficult months to recruit in and the volume of vacancies advertised during this period is usually low. This is due to a number of factors, but primarily due the school holidays, and the time required for candidates to investigate fully information about prospective employers during that period.
16. Wiltshire County Council ran two recruitment campaigns during this period in 2008 for the posts of Service Director for Finance and Service Director for HR & OD. In both cases a successful appointment was made but the number of candidates sourced for the long list was less than the Council would have expected. The post of Chief Executive is crucial to the new Wiltshire Council, and this appointment will impact of the Council's ability to deliver its aims and objectives. It is therefore critical that the appointments panel are satisfied that they have a long list of the best quality candidates for this post.
17. The proposal submitted by Tribal includes schedules to achieve an appointment by 1<sup>st</sup> January, 1<sup>st</sup> February, 1<sup>st</sup> March and 1<sup>st</sup> April 2010. In their schedule for the 1<sup>st</sup> January 2010 Tribal outline two risks. The first reinforces the issues outlined in point 15, and the second acknowledges that an initial briefing meeting with the Appointments Panel may not give Members adequate time to fully consider what they require from a new Chief Executive and full consultation with other key stakeholders may not be possible.
18. Tribal recommend an appointment by 1<sup>st</sup> March 2010. This date will remove the need for important meetings during August, and the possibility of candidates dropping out due to school holiday related commitments. It will also provide a better opportunity for thorough Member and stakeholder engagement prior to the commencement of the search and selection.
19. In their proposal Veredus recommend an appointment by 1<sup>st</sup> February 2010, as they also outline risks associated with an appointment by 1<sup>st</sup> January 2010. However in their schedule for an appointment by 1<sup>st</sup> February 2010 they propose advertising the post from the end of July to the middle of August which would be during the school holiday period. The schedule also requires an initial briefing with the Appointments Panel by the middle of July.
20. An assessment of the timescales has also been undertaken by HR & OD and it is recommended that the successful executive search organisation is asked to produce a schedule to achieve an appointment by no later than 1<sup>st</sup> March 2010. This would enable the post to be advertised during September 2009, when the number of available candidates is likely to be higher. It is acknowledged however that there may be a high volume of other recruitment campaigns during that period, held over from the summer.

## **Job Description and Person Specification**

21. The existing job description and person specification for the Chief Executive of Wiltshire County Council will need to be updated to reflect the requirements of the new Wiltshire Council before the recruitment process commences. Both Tribal and Veredus have included the provision of support to devise these documents to ensure they describe the requirements of Wiltshire Council.
22. It is recommended that HR & OD work with the successful executive search organisation to develop a job description and person specification for the Chief Executive post, and seek the approval of the documents from the Appointments Panel prior to advertising the post.

## **Proposed Assessment Process**

23. The assessment will take place over 2 days. The content and panel members for these two days will need to be agreed with the Appointments Panel. In their proposals both Tribal and Veredus make recommendations for the types of assessment tools that could be used to assist with the selection of the right candidate. It is recommended that the assessments that will be required should be agreed at the initial briefing with the successful executive search organisation.

## **Salary**

24. The Wiltshire County Council salary policy for senior managers was to be a Median payer against the "Public Sector and Not for Profit" market, as measured by Hay Group's pay survey. In practice this has meant that the middle of the Council's pay ranges equates to the market median. As an approach this has enabled the recruitment and retention of senior managers.
25. The salary ranges for Hay graded posts have been reviewed annually using the Hay Group's pay survey, the most recent review was in February 2009. In this review Hay were asked to review the existing senior reward arrangements in order to ensure they effectively support the aims of the new Wiltshire Council.
26. In the report Hay acknowledged that salaries for senior managers in local authorities, particularly for Chief Executives and directors, have been increasing faster than average for all jobs. They added that the creation of new unitary authorities is likely to add further impetus to these market trends. Balanced with this is the current economic downturn, and the impact this is having on the jobs market. Below is the Hay review of the pay ranges for Chief Executive posts. It should be noted that the local government pay ranges are based on a small sample.

Sector	Upper Quartile	Median	Lower Quartile	Current Chief Executive Salary (Wiltshire County Council)
Local Government	£200,000	£180,000	£170,000	
Public	Central Government Departments - £130,000			

Sector	to £135,000 NHS Trusts - £200,000			£146,342 to £161,000
Industrial and Service Sector	£284,000	£224,000	£181,000	

27. In addition to this information a salary comparison, by the South West Regional Employers, of Chief Executive posts for the South West County and Unitary Council's shows maximum salaries ranging from £160,000 to £200,000. In addition the Chief Executive salaries advertised for the other five large unitary authorities, (Cornwall, Durham, Shropshire, Northumberland and Central Bedfordshire) show maximum salaries ranging from £180,000 to £200,000. Please see Appendix 1 for more details.

28. Cabinet will need to consider the positioning of the pay level against the market place for the new Chief Executive. The existing salary policy to pay at the Median of the "Public Sector and Not for Profit" market could continue. If this is agreed the recommendation would be to pay a salary range of £171,000 to £189,000 for a Chief Executive of a large unitary authority, with the Median salary being the mid point of this range. In their report HAY advise that this would be a conservative approach in comparison with other unitary authorities who are tending to offer salaries in line with the upper quartile. However this often goes hand in hand with stronger links to performance, which may be consideration in the development of a new pay and reward strategy for Wiltshire Council in the future.

### **Environmental Impact of Proposal**

29. There is no direct environmental impact out of the proposals in this report.

### **Proposal**

30. It is proposed that Cabinet agree the appointment of an organisation to manage the executive search campaign and appointment for Wiltshire Council. It is recommended that Tribal are selected to carry out this search and appointment.

31. It is proposed that Cabinet agree the development of a recruitment advertising campaign by the successful executive search organisation. It is recommended that HR & OD work with the successful executive search organisation to develop this campaign and agree the publications and websites to be used.

32. It is proposed that Cabinet agree the appointment date for the new Chief Executive. It recommended that the executive search organisation selected produce a schedule to achieve an appointment by no later than 1<sup>st</sup> March 2010.

33. It is proposed that Cabinet agree to the development of a new job description and person specification for the post of Chief Executive. It is recommended that HR & OD work with the successful executive search organisation to develop a job description and person specification for the post of Chief Executive to be approved by the Appointments Panel.

34. It is proposed that Cabinet agree the salary range for the new Chief Executive post for Wiltshire Council. It recommended that the Council maintains the existing salary policy to pay at the Median of the “Public Sector and Not for Profit” market. This would be a salary range of £171,000 to £189,000.

### **Reason for Proposal**

35. To ensure the Regulations, which provide that the post of Chief Executive of the unitary authority be the subject of open competition within one year of vesting day, i.e. by 31 March 2010, are met.

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8 June 2009

### **Background Papers**

The following unpublished documents have been relied on in the preparation of this report:

Hay Group Report – Senior Management Reward Arrangements at Wiltshire Council

### **Appendices**

Appendix 1 - Salary comparison, by the South West Regional Employers, of Chief Executive posts for the South West County and Unitary Councils