

Arun District Council

REPORT TO:	Annual Meeting of the Council – 31 May 2023
SUBJECT:	Arrangements for the Appointment of an Interim Head of Paid Service and Chief Executive Officer
LEAD OFFICER:	Jackie Follis, Group Head of Organisational Excellence
LEAD MEMBER:	Leader of the Council
WARDS:	All
CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION: It is a legal requirement to have a Head of Paid Service in post at all times. The Chief Executive is designated within the Constitution as the Head of Paid Service, providing the leadership that is essential to delivery of the Council Vision 2022-2026: <ul style="list-style-type: none">• improving the wellbeing of Arun• delivering the right homes in the right places• supporting our environment to support us• fulfilling Arun’s economic potential	
DIRECTORATE POLICY CONTEXT: The Council’s three directorates sit under the Chief Executive and therefore the strategic leadership provided by the post applies to each directorate.	
FINANCIAL SUMMARY: The cost of the recommendation to appoint internally to the post of Head of Paid Service and Chief Executive Officer, can be met within the budget for the CEO post.	

1. PURPOSE OF REPORT

- 1.1 The current Head of Paid Service and Chief Executive Officer, James Hassett, has resigned from his position at Arun District Council and his last working day will be 31 May 2023. The legal requirement for the Council is that we have a Head of Paid Service in post at all times. The post of Chief Executive is designated as Head of Paid Service under Arun District Council’s Constitution. For the purposes of this report this role is referred to as CEO. The report makes recommendations on interim arrangements pending the permanent appointment to the post of Head of Paid Service and Chief Executive Officer.

2. RECOMMENDATIONS

- a) That Philippa Dart, Director of Environment and Communities and Karl Roberts, Director of Growth are jointly appointed as Interim Head of Paid Service and Chief Executive Officer until such time as the Council agrees alternative interim arrangements and/or a permanent replacement is in post. Should either of the individuals resign from the interim post the other one will continue until an alternative is agreed.
- b) That the Chief Executive's Recruitment and Selection Panel and the Chief Executive's Remuneration Committee are convened once their membership has been confirmed at the Annual Council meeting on 31 May 2023, with their terms of reference as set out in the Constitution.

3. EXECUTIVE SUMMARY

- 3.1 The current Head of Paid Service and CEO leaves Arun District Council on 31 May 2023 and the Council must have a new postholder in post from the following day, that is 1 June 2023
- 3.2 The recruitment process and approval timescale for both an interim and permanent replacement requires the initial internal appointment to the post.

4. DETAIL

- 4.1 In any planned absence of the CEO, an acting CEO will be appointed to cover the period of absence. It is normal for this to be covered by either of the Council's Directors. However, an Acting CEO can only deputise for the permanent CEO with the authority of that permanent CEO. Where there will be no permanent CEO in place from 31 May 2023, only Full Council can confirm the interim arrangements as Full Council is confirming the appointment of a CEO for a defined period.
- 4.2 Due to the timing of the local elections in May 2023, the first opportunity for Council to agree interim arrangements has been the Annual Council meeting on 31 May 2023, which is the last day of service of the current CEO.
- 4.3 It will take a number of months to recruit a permanent CEO and, assuming a three-month notice period for any successful candidate, it is likely that this individual would not be in post until around Christmas 2023, hence there being both a legal and practical imperative to agree interim arrangements at this meeting.
- 4.4 Any permanent appointment to the post of Head of Paid Service and CEO would take place via the Chief Executive's Recruitment and Selection Panel. The Panel would then make recommendations to Full Council. There are two issues with this route for the immediate interim arrangements:

- a. The role of Leader and the membership of the Recruitment and Selection Panel will be confirmed, along with other member roles, at the Annual Council meeting on 31 May. Under the Constitution, the Panel is comprised of the Leader of the Council and four other members nominated by them. The Leader will therefore not have had the opportunity to nominate four members ahead of the Leader's appointment at the meeting on 31 May 2023
 - b. As set out in paragraph 4.1 of this report there is no alternative but to appoint an immediate Interim Head of Paid Service and Chief Executive Officer with effect from 1 June 2023 and the first and last opportunity to do this is at the meeting on 31 May 2023.
- 4.5 It is therefore recommended that Philippa Dart, Director of Environment and Communities and Karl Roberts, Director of Growth are jointly appointed as Interim Head of Paid Service and Chief Executive Officer. A shared arrangement for this limited period will allow both Directors to continue with their existing roles without backfilling.
- 4.6 This to be in place until the Chief Executive's Recruitment and Selection Panel make recommendations to Full Council on either alternative interim arrangements or how they wish to proceed with the permanent appointment to the post and these have been implemented. In the short term this also offers knowledgeable leadership and continuity to an organisation which has been through a period of sustained uncertainty. Should one of the directors resign from the role of Interim Head of Paid Service and Chief Executive Officer the other half of the job share will continue in post until alternative arrangements are implemented.
- 4.7 There will need to be appropriate financial recognition of additional responsibilities, but this will be at no cost to the organisation as it will be met from the salary of the vacant CEO post.
- 4.8 It is also recommended that the Chief Executive's Recruitment and Selection Panel is convened as soon as possible after 31 May 2023 for an informal briefing on the decision-making process to be followed for the permanent appointment and for its first formal meeting. Formal meetings of the panel would be conducted under exempt business given the sensitive nature of the discussions.
- 4.9 The Chief Executive's Remuneration Committee will also meet concerning the permanent appointment, following a report from the Chief Executive's Recruitment and Selection Panel. An informal briefing will be arranged for this Committee prior to its first meeting. The Remuneration Committee will make recommendations to Full Council on the remuneration for the post. Whilst the Chief Executive's Remuneration Panel may meet each year if required, the Recruitment and Selection Panel will only meet when a new CEO is to be recruited.

5. CONSULTATION

- 5.1 Philippa Dart and Karl Roberts have confirmed their willingness to undertake the shared role of Interim Head of Paid Service and Chief Executive Officer.

6. OPTIONS / ALTERNATIVES CONSIDERED

- 6.1 Given the timescales as set out in 4.1 there is no alternative option.

7. COMMENTS BY THE INTERIM GROUP HEAD OF FINANCE/SECTION 151 OFFICER

- 7.1 The 2023/24 budget for the CEO post, including salary on-costs, is £172,900 of which £28,800 will have already been spent by 31 May 2023. The remaining budget of £144,100 will fund the costs of the proposals in this report and any remaining underspend will go towards funding the costs of recruiting a new CEO.

8. RISK ASSESSMENT CONSIDERATIONS

- 8.1 The Council is required to have a Head of Paid Service in place at all times as set out at paragraph 9 below, and should it fail to do so would run a significant risk of being unable to exercise the functions invested in the Head of Paid Service by statute and by the Constitution.

9. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER

- 9.1 Under section 4 of the Local Government and Housing Act 1989 it is the duty of the Council to designate an officer as Head of Paid Service and to provide that officer with such staff, accommodation and resources as are, in that officer's opinion, sufficient to allow their duties to be performed.

- 9.2 The duties set out within the 1989 Act:

- a. the manner in which the discharge by the authority of their different functions is co-ordinated;
- b. the number and grades of staff required by the authority for the discharge of their functions;
- c. the organisation of the authority's staff; and
- d. the appointment and proper management of the authority's staff.

9.3 Under the Local Authorities (Standing Orders) Regulations 2001, this appointment has to be approved by the Full Council and cannot be delegated to a committee or a sub-committee of the Council. The Head of Paid Service, in addition to their statutory role, undertakes all the functions listed in the Council's constitution, including overall responsibility for the delivery and direction of Council services.

10. HUMAN RESOURCES IMPACT

Not applicable

11. HEALTH & SAFETY IMPACT

Not applicable

12. PROPERTY & ESTATES IMPACT

Not applicable

13. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE

Not applicable

14. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

Not applicable

15. CRIME AND DISORDER REDUCTION IMPACT

Not applicable

16. HUMAN RIGHTS IMPACT

Not applicable

17. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

Not applicable

CONTACT OFFICER:

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BACKGROUND DOCUMENTS: None