

Agenda



AGENDA for a SPECIAL meeting of the EMPLOYMENT COMMITTEE on THURSDAY, 7 JUNE 2018 at 10.00AM in the MIMRAM ROOM, COUNTY HALL, HERTFORD.

MEMBERS OF THE COMMITTEE - 5 (Quorum 3)

D A Ashley (*substitution for T C Heritage*), P Bibby (*substitution for R M Roberts*), J Billing, S B A F H Giles-Medhurst, J D Williams (Chairman)

PART I (PUBLIC) AGENDA

Meetings of the Committee are open to the public (this includes the press) and attendance is welcomed. However, there may be occasions when the public are excluded from the meeting - for particular items of business. Any such items are taken at the end of the public part of the meeting and are listed below under "Part II ('closed') agenda".

Members are reminded that all equalities implications and equalities impact assessments undertaken in relation to any matter on this agenda must be rigorously considered prior to any decision being reached on that matter.

Members are reminded that:

- (1) if they consider that they have a Disclosable Pecuniary Interest in any matter to be considered at the meeting they must declare that interest and must not participate in or vote on that matter unless a dispensation has been granted by the Standards Committee;
- (2) if they consider that they have a Declarable Interest (as defined in paragraph 5.3 of the Code of Conduct for Members) in any matter to be considered at the meeting they must declare the existence and nature of that interest. If a member has a Declarable Interest they should consider whether they should participate in consideration and vote on the matter.

AGENDA

PART I AGENDA

MINUTES

To confirm the Minutes of the meeting held on 5 February 2018 (attached).

1. RECRUITMENT OF THE CHIEF EXECUTIVE (HEAD OF PAID SERVICE)

Agenda Pack 1 of 15
Report of the Assistant Director of Human Resources

2. EXCLUSION OF PRESS AND PUBLIC

The Chairman will move:-

"That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 3 and 4 of Part I of Schedule 12A to the said Act and the public interest in maintaining the exemption outweighs the public interest in disclosing the information."

PART II AGENDA

1. RECRUITMENT OF THE CHIEF EXECUTIVE (HEAD OF PAID SERVICE)

Report of the Assistant Director of Human Resources

If you require further information about this agenda please contact Deborah Jeffery, Democratic Services on telephone no (01992) 555563 or email deborah.jeffery@hertfordshire.gov.uk

Agenda documents are also available on the internet at <https://cmis.hertfordshire.gov.uk/hertfordshire/Calendarofcouncilmeetings.aspx>

**KATHRYN PETTITT
CHIEF LEGAL OFFICER**

Minutes



To: All Members of the
Employment Committee, Chief
Executive, Chief Officers

From: Democratic & Statutory Services
Ask for: Deborah Jeffery
Ext: 25563

EMPLOYMENT COMMITTEE 5 FEBRUARY 2018

ATTENDANCE

MEMBERS OF THE COMMITTEE

J Billing, T L F Douris (*substituting for J D Williams*), S B A F H Giles-Medhurst,
T C Heritage, R M Roberts

Upon consideration of the agenda for the Employment Committee meeting on 5 February 2018 as circulated, copy annexed, decisions were reached and are recorded below:

Note: No conflicts of interest were declared by any member of the Committee in relation to the matters on which decisions were reached at this meeting.

PART I ('OPEN') BUSINESS

APPOINTMENT OF CHAIRMAN FOR THE MEETING

T L F Douris nominated T Heritage as Chairman for the meeting; which was duly seconded by R M Roberts and agreed by the Committee.

MINUTES

The Minutes of the meeting of the Committee on 10 July 2017 were confirmed as a correct record and signed by the Chairman.

ACTION

1. **SALARY REVIEW APRIL 2018:
CHIEF OFFICERS, DEPUTY AND ASSISTANT DIRECTORS
AND HEADS OF SERVICE**

The Assistant Chief Legal Officer (Environment & Dispute Resolution) left the meeting prior to consideration of this item of business as she had an interest in this item being an officer to whom any salary review would apply. The Director of Resources and the Assistant Director, Human Resources remained

outside the meeting for this item for the same reason.

- 1.1 The Committee was invited to review the proposed pay awards for Chief Officers, Deputy and Assistant Directors and Heads of Service from 1 April 2018.

Decision

- 1.2 The Committee agreed that:-

- (a) Chief Officers who achieve an overall rating of Fully Achieved or Exceed in their annual performance review be awarded a consolidated cost of living increase of 2% to their salary with effect from 1 April 2018 with potential for a further review being undertaken once the NJC for Local Government Workers cost of living award is agreed; and
- (b) a non-consolidated payment of £2,000 be awarded to those Chief Officers who achieve an 'Exceed' rating in their 2017/18 performance review; to be paid on 1 April 2018.
- (c) The minimum and maximum of the Chief Officer salary range be uplifted by 2% with effect from 1 April 2018, with a further review being undertaken once the NJC for Local Government Workers cost of living award is agreed is agreed.

- 1.3 The Committee recommended to the Chief Executive and Director of Environment that:-

- (a) Deputies and Assistant Directors (PMA/B) and Heads of Service (PMC) who achieve an overall rating of Fully Achieved or Exceed in their annual performance review be awarded a consolidated cost of living increase of 2% to their salary with effect from 1 April 2018 with potential for a further review being undertaken once the NJC for Local Government Workers cost of living award is agreed;
- (b) a non-consolidated payment of £2,000 be awarded to those Deputy and Assistant Directors (PMA/B) and a non-consolidated payment of £3,000 be awarded to those Heads of Service (PMC) who achieve an 'Exceed' rating in their 2017/18 performance review; to be paid on 1 April 2018; and
- (c) The minimum and maximum of the PMA, PMB and PMC

salary ranges (including PMC zones) be uplifted by 2% with effect from 1 April 2018, with potential for a further review being undertaken once the NJC for Local Government Workers cost of living award is agreed is agreed.

2. SALARY REVIEW APRIL 2018: CHIEF EXECUTIVE AND DIRECTOR OF ENVIRONMENT

The Chief Executive & Director of Environment left the meeting prior to consideration of this item in which he had an interest. The Director of Resources, Assistant Director of HR and the Assistant Chief Legal Officer (Environment & Dispute Resolution) joined the meeting.

2.1 The Committee was invited to review the salary of the Chief Executive and Director of Environment for April 2018.

Decision

2.2 The Committee agreed that the Chief Executive and Director of Environment be awarded:

- (i) a consolidated cost of living increase of 2% in salary if he achieves an overall rating of Fully Achieved or Exceed in his annual performance review, with effect from 1 April 2018; this to be reviewed further following agreement of the National Joint Council for Local Government Workers cost of living award;
- (ii) a non-consolidated performance related payment of £2,000 if he achieves an Exceed rating in 2017/18.

3. PAY POLICY 2018/19

3.1 The Localism Act 2011 requires all local authorities to prepare and publish an annual pay policy statement to articulate the Council's policies on the remuneration of both its highest and lowest paid employees for the following financial year. The Committee reviewed the proposed content of the Pay Policy 2018/19 at this meeting.

Decision

3.2 The Committee recommended to County Council:-

that County Council adopts the Pay Policy for 2018/19 as set out in Appendix 1 to the report, amended as necessary to

incorporate the County Council's decisions regarding the proposed separation of the roles of Chief Executive and Director of Environment and the new post of Director of Environment and Infrastructure.

- 3.3 The Employment Committee noted the data release for April 2018 as set out in the report.

4. CHIEF OFFICER SECONDMENT – UPDATE AND REQUEST TO EXTEND BACKFILL ARRANGEMENT

- 4.1 The Committee was made aware that the Director of Community Protection had now confirmed his retirement date of 9 April 2018 which will mean that his secondment arrangement to the Chief Fire Officers' Association and employment will formally end at that time.
- 4.2 The Committee considered the current backfill arrangements to cover the secondment.

Decision

- 4.3 The Committee:-
- (a) noted the intention of the current substantive post holder of the post of Director of Community Protection to retire on 9 April 2018; and
 - (b) agreed that the current temporary arrangement with Darryl Keen as Acting Director of Community Protection is extended until 31 March 2019.

5. CREATION OF DIRECTOR OF ENVIRONMENT AND INFRASTRUCTURE POST

- 5.1 Since 2012, the roles and responsibilities of the Chief Executive and the Director of Environment have been combined and fulfilled by one officer. The decision to form the combined role was taken at a time when the Strategic Management Board had one more member than today and priorities and demands on the Authority made this a viable option.
- 5.2 The Committee considered the creation of the new Chief Officer post of Director of Environment and Infrastructure.

Decision

5.3 The Committee agreed that:

- (a) subject as mentioned in (b) below, with effect from 1 April 2018, the roles and responsibilities of the Chief Executive and Director of Environment be separated and a new Chief Officer post of Director of Environment and Infrastructure be created with the principal areas of responsibility set out in paragraph 4.4 of the report.
- (b) pending appointment to the post of Director of Environment and Infrastructure, the Chief Executive undertakes the role of Director of Environment and Infrastructure.

5.4 The Committee recommended to Council that Council:

- (a) agrees for inclusion in the Constitution a revised senior officer structure to include the post of Director of Environment and Infrastructure with the principal responsibilities as set out in paragraph 4.4 of the report and the revised officer structure to take effect from 1 April 2018 (As shown in Appendix 2 to the report).
- (b) delegates to the Director of Environment and Infrastructure the functions currently set out in paragraph 4.4.5 of Annex 3 to the Constitution and currently delegated to the Chief Executive and Director of Environment (the Chief Executive to retain such delegations until the Director of Environment and Infrastructure takes up post).
- (c) confirms that the post of Chief Executive is designated as Head of Paid Service with the principal responsibilities set out in paragraph 4.5 of the report and retains the delegations in paragraphs 4.4.1 – 4.4.4 of Annex 3 to the Constitution.
- (d) authorises the Chief Legal Officer to make to make any consequential amendments as may be necessary to the Constitution to give effect to the decisions at (a) to (c) above.

**KATHRYN PETTITT
CHIEF LEGAL OFFICER**

CHAIRMAN _____

**CHAIRMAN'S
INITIALS**

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RECRUITMENT OF THE CHIEF EXECUTIVE (HEAD OF PAID SERVICE)

Report of the Assistant Director of Human Resources

Author: Sally Hopper, Assistant Director of Human Resources
(Tel: 01992 555692)

1. Purpose of report

- 1.1 To enable Employment Committee to consider the notification of the Chief Executive of his intention to retire in spring 2019.

2. Summary

- 2.1 The Employment Committee is responsible for the appointment of the Chief Executive and Chief Officers. Full Council, however, must approve the appointment of any officer designated as Head of Paid Service before an offer of appointment is made to that person.
- 2.2 This report sets out the approach to the recruitment to the post of Chief Executive (Head of Paid Service) and also the context and rationale for the proposal to recruit to the post.

3. Recommendations

- 3.1 That the Committee:-
- (a) Notes the intention of the existing Chief Executive, John Wood, is to retire by 31 March 2019;
 - (b) Delegates authority to the Assistant Director of Human Resources in consultation with the Leader of the Council to agree the actual retirement date with the Chief Executive;
 - (c) Agrees to the recruitment to the post of Chief Executive (Head of Paid Service);
 - (d) Delegates authority to the Assistant Director of Human Resources in consultation with the Leader of the Council to commence a recruitment campaign for the post of Chief Executive (Head of Paid Service) including engaging an Executive Search Company;

- (e) Agrees that the post of Chief Executive will be advertised at a salary as “attractive”; and
- (f) Agrees the draft job pack which includes the job description and person specification for the position as attached to the Part 2 Report and authorises the Assistant Director of Human Resources in consultation with the Leader of the Council to make such amendments as are appropriate.

4. Background

- 4.1 John Wood joined Hertfordshire County Council in 1991 as Principal Transport Engineer later becoming Assistant Director of Environment and then in 2003 Director of Environment. He took on wider responsibilities, including Deputy Chief Executive in 2009 and was appointed to the role of Chief Executive in 2012 whilst still retaining the role of Director of Environment. John Wood has made an invaluable contribution to the County Council during his career at the County Council. He has announced that he is intending to retire by 31 March 2019.
- 4.2 At its meeting on 5 February 2018, this Committee agreed that with effect from 1 April 2018, the roles and responsibilities of the Chief Executive and Director of Environment be separated and a new Chief Officer post of Director of Environment and Infrastructure be created. Full Council in March 2018 agreed the appropriate revisions to the Constitution and the Leader of the Council subsequently allocated relevant executive functions to this role. Recruitment to the post of Director of Environment and Infrastructure is underway and it is anticipated that an appointment will be made in June 2018. In the meantime the Chief Executive is undertaking the responsibilities of the role of Director of Environment and Infrastructure

5. Role of Head of Paid Service and Chief Executive

- 5.1 The current Chief Executive is the Head of Paid Service for the County Council. The role of Head of Paid Service is a statutory appointment under the provisions of section 4 Local Government and Housing Act 1989. The Head of Paid Service has overall responsibility for the management of the authority and has a duty where he/she considers it appropriate to do so to prepare a report setting out proposals on the following matters:
 - 5.1.1 The way in which the different functions of the authority are co-ordinated
 - 5.1.2 The number and grades of staff required by the authority for the discharge of its functions
 - 5.1.3 The organisation of the authority’s staff
 - 5.1.4 The appointment and proper management of the authority’s staff.

5.2 As Chief Executive the current postholder's responsibilities are summarised as:-

5.2.1 To work with elected members and colleagues to ensure the realisation of the Council's vision, policies, goals and Corporate Plan.

5.2.2. Working with partners, stakeholders, voluntary bodies and citizens to realise Hertfordshire's full potential as a County.

5.2.3 Securing and maintaining the staff and other resources needed to deliver high quality, cost effective services to the people of Hertfordshire.

5.2.4 Overall corporate management and operational responsibility, including overall management responsibility for all officers.

5.2.5 Lead policy adviser to the Council and the Executive.

5.3 The Chief Executive also has direct line management responsibility for the:

- Director of Resources
- Director of Adult Care Services
- Director of Environment and Infrastructure
- Director of Children's Services
- Director of Public Health
- Director of Community Protection

The Appendix to this Report sets out the current senior management structure at the County Council.

5.4 In addition to leading a major complex organisation, the Chief Executive undertakes the primary officer role in terms of partnerships and stakeholder management across the County, nationally and with Central Government. This is in the context of an increasing expectation placed upon the role to contribute to strategic external issues, for example the creation of a major change programme within the NHS, known as the NHS Sustainability & Transformation Partnership (STP).

6. Options appraisal

6.1 Following notification by the Chief Executive of his intention to retire an options appraisal was produced by the Assistant Director of Human Resources and considered by the Leader of the Council. The views of the Leader of the Liberal Democrat Group and the Leader of the Labour Group were also sought. In considering the options Members should take account of the fact that by law the County Council must have an appointed Head of Paid Service. Members should further note that any option, other than Option 1, would require a re-modelling of the senior leadership team and be

subject to consultation with the affected Chief Officers and require further member process. The options considered were:

Option 1 – replace like for like – **Recommended option** on the basis of the scale and scope of the role and the corporate cohesion and strategic direction that the role brings to the Council. The external benchmarking set out in paragraph 7 below supports this approach. In addition the Leader of the Council is mindful of the report that was placed before the Employment Committee on 5 February 2018, concerning the separation of the post of Chief Executive and Director of Environment. This report drew Members’ attention to the reality that there are increasing demands being placed upon the role of Chief Executive. Option 1, therefore, is the most logical and sustainable option.

Option 2 – Do not replace the post of Chief Executive and implement a model whereby one of the Chief Officers is the “first amongst equals” with the Leader of the Council agreeing strategic and other objectives with the relevant Officer. All other remaining Chief Officers would report into the “first amongst equals” Chief Officer. **Not recommended** on the basis that with increased demands upon Chief Officers, the post of Chief Executive is the post that effectively stitches and keeps the whole sum of the parts together. A concern with option 2 is that there would be insufficient senior strategic resource to ensure the County Council is positioned to manage and influence at a strategic level within the County and nationally.

Option 3 – Do not replace the post of Chief Executive and design and implement a model whereby all Chief Officers would agree strategic and service objectives with the Leader of the Council. **Not recommended** for the same reasons that option 2 is not recommended. Option 3 also has the potential to diminish the efficiency and effectiveness of the overall day to day running of the council.

- 6.2 Whilst there is no requirement for an authority to have a Chief Executive who is Head of Paid Service, the County Council must designate one of its officers as Head of Paid Service and any option other than Option 1 would need to include provision for an officer to be appointed Head of Paid Service.
- 6.3 The Leader of the Council supports retaining the role of Chief Executive (Head of Paid Service). The Leader of the Liberal Democrat Group and the Leader of the Labour Group have been consulted on this. This report sets out proposals and recommendations to enable recruitment to the role of Chief Executive (Head of Paid Service) to take place.

7. External comparisons

- 7.1 A comparison exercise with other counties was undertaken to compare the proposal of replacing the Chief Executive (Head of Paid Service) role on a ‘like for like basis’ and this is summarised in table 1.

County	Post	Structure aligns with recommended HCC option 1, as set out in 6.1 above	Salary (per annum)
Buckinghamshire	Chief Executive	Yes	£195,000
Essex	Chief Executive	Yes	£195,000
Nottinghamshire	Interim Chief Executive	Yes	Not known
Bedfordshire	Chief Executive	Yes	£184,999
Oxford	Chief Executive	Yes	£190-195,000 range
Cambridge	Chief Executive and Returning Officer	Yes	£122,503
Kent	Head of Paid Service (Corporate Director – Strategic and Corporate Services)	No	£194,000
Norfolk	Managing Director	No	£181,800

8. Appointment and Recruitment Process

- 8.1 The Council's Constitution provides that the appointment of the Chief Executive is delegated to the Employment Committee and the appointment of the Head of Paid Service must be approved by Full Council before an offer of appointment is made to that person. The recruitment must be undertaken in accordance with the Officer Employment Procedure Rules set out in Annex 14 of the Constitution.
- 8.2 When recruitment is to the post of Chief Executive (Head of Paid Service) and it is not proposed that the appointment be made exclusively from among existing officers the Employment Committee has the following responsibilities:
- 8.2.1 drawing up (or arranging for the drawing up of) a statement specifying (i) the duties of the role and (ii) any qualifications or qualities to be sought in the person to be appointed; and
 - 8.2.2 making arrangements for the post to be advertised in such a way as is likely to bring it to the attention of persons who are qualified to apply for it; and
 - 8.2.3 making arrangements for a copy of the statement mentioned in 8.2.1 above to be sent to any person on request.
- 8.3 In order to assist the Employment Committee in the duties outlined in 8.2 above, a draft job pack has been prepared and this is attached to the accompanying Part 2 Report.

- 8.4 Following advertisement of the post the Council must:
- 8.4.1 interview all qualified applicants for the post, or
 - 8.4.2 select a short list of such qualified applicants and interview those included on the short list.
- Again the Employment Committee is responsible for ensuring compliance with the matters mentioned above.
- 8.5 It is proposed that an Executive Search Company with expertise in senior local government recruitment is appointed to assist the Council to identify suitable candidates to apply for the role and to manage appropriate aspects of the recruitment process. The Committee is requested to delegate to the Assistant Director of Human Resources in consultation with the Leader of the Council the authority to appoint an Executive Search Company. In due course Employment Committee will be requested to agree a short list of applicants to be interviewed and then will form the appointment Committee for the post.
- 8.6 As mentioned earlier in the report Full Council needs to agree the appointment of the officer designated as Head of Paid Service prior to an offer of appointment being made to that person. The timing of the recruitment process may not fit in with the published programme of meetings for Council and so an extraordinary meeting of Council may need to be called for this purpose. A report will be taken to full Council on 18 July 2018 to inform Council of the recruitment process.
- 8.7 The Council's Pay policy provides that 'all senior manager vacancies will require an assessment of the market prior to advertisement to make a decision in regard to the 'circa' salary within the salary range, (or zone for PMC) that the role should be advertised at. The entire salary range should not be advertised.' The Pay Policy does not make any specific provision for the level of salary which should be included in any advertisement for the post of Chief Executive (Head of Paid Service). It is proposed that the salary be advertised as 'attractive'. The Part 2 Report gives further information as to the likely salary range. Prior to appointment full Council will be informed of the salary proposed to be paid to the successful applicant.

9. Financial Implications

- 9.1 In addition to the headline salary there will be on costs comprising employer's pension and national insurance contributions. The cost of the post of Chief Executive will be met from within the existing budget for the Chief Executive's office.
- 9.2 It is anticipated that the cost of the Executive Search Agency will be up to 30% of the agreed salary. There is no specific budget for this but it is anticipated that it can be met from existing pay budgets.

10. Equalities implications

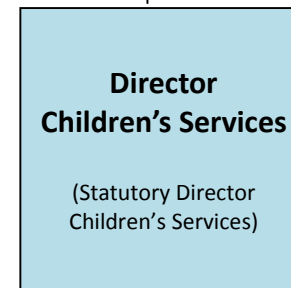
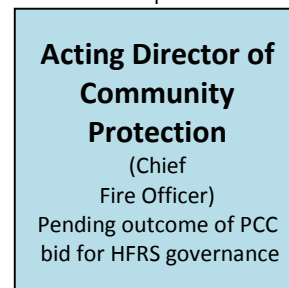
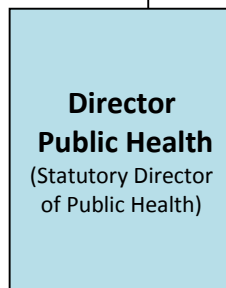
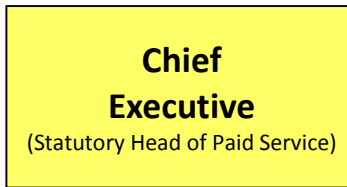
- 10.1 When considering proposals placed before Members it is important that they are fully aware of, and have themselves rigorously considered the Equality implications of the decision that they are making. Rigorous consideration will ensure proper appreciation of any potential impact of that decision on the County Council's statutory obligations under the Public Sector Equality Duty. As a minimum this requires decision makers to read and carefully consider the content of any Equalities Impact Assessment (EQiA) produced by officers.
- 10.2 The Equality Act 2010 requires the County Council when exercising its functions to have due regard to the need to (a) eliminate discrimination, harassment, victimisation and other conduct prohibited under the Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The protected characteristics under the Equality Act 2010 are age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion and belief, sex and sexual orientation.
- 10.3 There are no equalities implications in relation to the decisions recommended in this report. Any equalities implications relating to the implementation of the decisions will be taken into account as part of the recruitment and selection process.

Background Information

None

Strategic Management Board (SMB) April 2018
Statutory and Service responsibilities

Chief Legal Officer
 (standing invitee)



- Highways Management & Maintenance
- Transport & Infrastructure Planning & Delivery
- Environmental Management
- Passenger Transport
- Strategic Planning
- Economic Development
- Housing Strategy & Delivery
- Securing HCC Infrastructure Needs

- Finance
- HR
- Legal, Member & Statutory Services
- Property
- Technology
- Performance & Improvement
- Audit & Risk Mgt
- Health & Safety

- Procurement
- Herts Catering
- Herts Business Services
- Libraries
- Customer Service
- Policy

- Adult Care Services
- Commissioning for People
- Health & Wellbeing

- Statutory functions of the Director of Public Health

- Fire & Rescue
- Trading Standards
- Resilience (emergency planning & business continuity)
- Community Safety
- Joint Protection Service

- Children's Social Care
- Child Protection
- Family Placement
- Children's Residential care
- Children with Disabilities
- School Improvement & Standards
- School Place Planning
- Young People's Services
- Early Intervention