

# EMPLOYMENT AND APPOINTMENTS COMMITTEE

Thursday, 24 January 2013

Present: Councillor P Doughty (Chair)

Councillors	G Davies	AER Jones
	P Davies	P Kearney
	JE Green	AR McLachlan
	M Johnston	L Rennie

## 55 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members were asked to consider whether they had any disclosable pecuniary or non pecuniary interests in connection with any items on this agenda and, if so, to declare them and state the nature of the interest.

No such declarations were made.

## 56 MINUTES

The Committee was requested to receive the minutes of the meetings held on 8 and 15 November and 20 December, 2012.

The Head of Human Resources and Organisational Development referred to the level of savings that were reported in relation to the Senior Management Restructure (minute 52 (20 December 2012) refers). She confirmed that the net saving to the Council of the restructure at senior management level had been correctly reported (at paragraph 13.1 of the report of the Chief Executive) as £799,811.

Paragraph 13.2 of the report stated that an additional figure of £198,962 for income the Council received in relation to two posts should be added to the net saving. However, this should have been taken off the cost of the new structure and not added to the saving. Therefore, for clarification and accuracy, the net saving was £799,811 and the overall saving at paragraph 13.2 should be disregarded.

She confirmed that the full three year budget shortfall referred to in the report was £109m over three years and the Interim Head of Legal Services apologised for any confusion caused.

The Leader of the Council commented that it was unfortunate that the figures quoted in the report were inaccurate. However, he noted the explanation

provided by the Head of Human Resources and Organisational Development that the net saving (in paragraph 13.1) had been correctly reported.

The Leader of the Conservative Group stressed the importance of decisions being taken in relation to redundancy being based on wholly accurate information.

**Resolved –**

- (1) That the Committee notes the apology of the Interim Head of Legal Services for any confusion and thanks the Head of Human Resources and Organisational Development for the clarification offered with regard to the figures presented to the Committee in relation to minute 52 (Senior Management Restructure) at the meeting held on 20 December 2012.**
- (2) That the minutes of the meetings held on 8 and 15 November and 20 December 2012 be approved.**

57 **THE EMPLOYMENT CONTRACT OF THE CHIEF EXECUTIVE AND HEAD OF PAID SERVICE**

The Head of Human Resources and Organisational Development submitted a report in relation to the Employment Contract of the Chief Executive and Head of Paid Service which, following the decision of the Cabinet (minute 177 (24 January 2013) refers) invited this Committee to recommend to the Council, at its meeting on 28 January 2013, that Graham Burgess be offered the position of Chief Executive and Head of Paid Service on a permanent basis. He had commenced employment on 3 September 2012 and his fixed-term appointment was due to expire in August 2014. She commented that whilst the Council retained a Chief Executive post, there would be a cost of employment regardless of whether it was a fixed term or permanent arrangement.

The recent Peer Challenge Review had concluded that significant progress had been made against the Improvement Plan and that the plans that were in place were appropriate, but came with a high risk. A permanent appointment would help reduce that risk as the review also stated that having the corporate leadership to deliver the improvement and change agendas was fundamental.

The Council required stability and leadership at Senior Management Level over a longer period of time which would allow the focus to remain on addressing the financial challenge facing the organisation while delivering the essential improvements required to the Council's corporate governance. It was therefore recommended that the current Chief Executive and Head of Paid Service, Graham Burgess, be offered the post on a permanent basis and if accepted, be appointed accordingly.

The Leader of the Conservative Group expressed his view that although the Chief Executive had performed well since his appointment and that significant progress had been made against the Improvement Plan, there was no need to deal with the matter at the present time, given there was certainty in relation to his employment contract, which was not due to expire until 2014. Councillor Mrs Rennie echoed the comments of Councillor Green regarding the certainty of contract term and also questioned whether the recruitment process for the Chief Executive would send out the wrong message given the possibility that Council staff were facing redundancy and that the Chief Executive had been appointed without proper scrutiny.

The Leader of the Council referred to the potential risk of instability and uncertainty of a continued fixed-term arrangement in the context of such a challenging financial environment and referred to the potential negative impact on the Council's medium and long term strategic and financial planning if the Council needed to start a further recruitment process. He commented also that the situation was inconsistent with the appointment by the Council of permanent Strategic Directors, whilst the Chief Executive remained on a short term contract. Councillor Johnston commented that the use of short term contracts should be avoided where possible and that the recommendation for the Chief Executive's permanent appointment sent out a positive message in terms of stability and leadership of the Council.

On a Motion by Councillor P Davies and seconded by Councillor A McLachlan, it was –

**Resolved (6:3) – That having considered the issues raised in the report now submitted, a recommendation be made to the Council at its Extraordinary meeting on 28 January 2013 that: Graham Burgess be offered the position of Chief Executive and Head of Paid Service on a permanent basis with immediate effect on 28 January 2013.**

*This minute was subsequently amended by the Committee on 14 February (minute 63 refers) with the first part of the fourth paragraph to read:*

'The Leader of the Conservative Group expressed his view that although the Chief Executive had performed well since his appointment and that significant progress had been made against the Improvement Plan, the Performance Appraisal process had just started with objectives being set, but no assessment as yet of progress. Given that, there was no need to deal with the matter at the present time, given there was certainty in relation to his employment contract, which was not due to expire until 2014.

58      **EMPLOYMENT AND APPOINTMENTS SUB-COMMITTEE MINUTES**

The minutes of the Employment and Appointments Sub-Committee meetings held on 13 and 14 November and 14 December, 2012, were submitted for information.

**Resolved – That the minutes be noted.**