

Employment Committee Report
Report of the Director of Corporate Services
Author: John Armstrong
Tel: 01483 444102
Email: john.armstrong@guildford.gov.uk
Lead Councillor responsible: Paul Spooner
Tel: 01483 444801
Email: paul.spooner@guildford.gov.uk
Date: 6 October 2016

Retirement of Managing Director and recruitment of her successor

Recommendation to Employment Committee

The Employment Committee is asked to consider the arrangements for the retirement of the Managing Director and the recruitment of her successor and to make the following recommendations to Council:

- (1) That the retirement date of 31 May 2017 of the Council's Managing Director, Sue Sturgeon, be confirmed.
- (2) That the Council confirms its wish to retain the Managing Director post and that the post continues to be designated as Head of Paid Service.
- (3) That the process and timetable to appoint a successor Managing Director, with a preferred start date of mid-May 2017, as outlined in Appendix 1 to this report, be approved.
- (4) That, subject to confirmation of the amount, the pension strain costs referred to in paragraph 5.1 of this report, be approved.

Reason for recommendation:

To put in place a succession plan for the recruitment of a new Managing Director.

1. Purpose of report

- 1.1 To agree arrangements for the retirement of Sue Sturgeon, Managing Director, on 31 May 2017 and the process for the recruitment of her successor.

2. Strategic Framework

- 2.1 A new Managing Director, who it is proposed will continue to hold the statutory Head of Paid Service role, will be responsible for ensuring the delivery of the Council's corporate priorities to further the Council's mission to provide a forward looking, efficiently run

Council, working in partnership with others and providing first class services that give our society value for money, now and for the future.

3. Background

- 3.1 In October 2013, the Council appointed Sue Sturgeon as Head of Paid Service and Managing Director on an initial two year contract. In July 2015, the Council approved a new Corporate Management Team structure and in October 2015 (on the recommendation of the Employment Committee) the Council agreed to make the Managing Director post permanent with Sue Sturgeon continuing in post as Managing Director, Head of Paid Service and Chief Finance Officer (S.151 officer).
- 3.2 In September 2015, Ms Sturgeon indicated to the Employment Committee her intention to retire from the post of Managing Director on 31 March 2017. For a number of reasons, she has indicated that it is now her wish to retire at the end of May 2017.

4. Recruitment and appointment of Head of Paid Service

- 4.1 As it is envisaged that the Council will wish to recruit a new Managing Director, who will also be designated as the Council's statutory Head of Paid Service, the Council will need to follow its procedures set out in Officer Employment Procedure Rules (OEPR). These specify procedures for both the recruitment and appointment of a Head of Paid Service, which are set out below:

Recruitment – OEPR 2:

- (a) To draw up a statement specifying:
 - (i) the duties of the officer concerned; and
 - (ii) any qualifications or qualities to be sought in the person to be appointed;
- (b) To make 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
- (c) To make arrangements for a copy of the statement mentioned in paragraph (a) to be sent to any person on request.
- (d) Where a post has been advertised in accordance with (b) above, the Council will:
 - (i) interview all qualified applicants for the post; or
 - (ii) select a short-list of qualified applicants and interview those included on the short-list.
- (e) Where no qualified person has applied, the Council will make further arrangements for advertisement in accordance with (b) above.

Appointment – OEPR 3:

- (a) The full Council must approve the appointment of the Head of Paid Service following the recommendation of such an appointment by the Employment Committee (before an offer of appointment is made to that person). The committee must include at least one member of the Executive.

- (b) The full Council may only make or approve the appointment of the Head of Paid Service where no well-founded objection has been made by the Leader on behalf of the Executive following receipt of notice of the proposed appointment to all members of the Executive in accordance with the provisions of Part II of Schedule 1 of the Local Authorities (Standing Orders) (England) Regulations 2001.
- 4.2 It is likely that we will need to convene an extraordinary Council meeting to formally approve the appointment of the Head of Paid Service.
- 4.3 Following discussions with Ms Sturgeon and the Leader of the Council, a procedure and timetable for the recruitment and appointment of her successor, which is set out in **Appendix 1** to this report, has been agreed provisionally, subject to this Committee's comments and approval by full Council on 6 October 2016.

5. Financial Implications

- 5.1 On 31 May 2017, Ms Sturgeon will receive her pension without early retirement penalty as set out in Regulation 30 (7) (b) of the Local Government Pension Scheme Regulations 2015 (as amended). The Council will be required to cover any pension strain costs. As Ms Sturgeon has completed nearly 40 years' service and is approaching her 60th birthday, the cost to the Council is expected to be around £25,000. A final cost will be reported to councillors at the meeting.

6. Legal Implications

- 6.1 The Council is required to have a Head of Paid Service under Section 4 of the Local Government and Housing Act 1989, and a Chief Finance Officer (CFO) pursuant to Section 151 of the Local Government Act 1972. Both statutory roles have been undertaken by the Managing Director, to date. It is envisaged that the Managing Director will continue to be the Head of Paid Service, but a decision as to which officer should hold the CFO role, following Sue Sturgeon's retirement will be put to the Council in due course.

7. Human Resource Implications

- 7.1 An appointment to the post of Managing Director/Head of Paid Service must be made in compliance with the Council's OEPRs, approved HR Policies, and Pay Policy Statement. The appointment is determined by full Council on the recommendation of the Employment Committee, provided that there are no well-founded objections to such appointment by the Leader on behalf of the Executive.

8. Background Papers

None

9. Appendices

Appendix 1: Proposed process and timetable for recruitment and appointment of Managing Director/Head of Paid Service post