



## REPORT OF MONITORING OFFICER

**TO:** POLICY COUNCIL

**ON:** 6 December 2018

**PORTFOLIOS AFFECTED:** ALL

**WARDS AFFECTED:** ALL

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**SUBJECT: APPOINTMENT OF CHIEF EXECUTIVE**

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### 1. PURPOSE

To consider the recommendations of the Chief Executive Employment Committee regarding the appointment of a new Chief Executive and the departure of the current Chief Executive from 30<sup>th</sup> April 2019.

### 2. RECOMMENDATIONS

The Council is asked to consider and confirm the following recommendations of the Chief Executive Employment Committee:-

1. The release of the current Chief Executive on 30<sup>th</sup> April 2019 as set out in this report.
2. Subject to 1 approve a restructure of the senior management team of the Council incorporating the deletion of the post of Deputy Chief Executive to achieve financial savings for the Council as set out in this report
3. Subject to 2 above, appoint Denise Park as Chief Executive/Head of paid Service with effect from 1<sup>st</sup> May 2019 on the existing Chief Executive grade of £142,277- £155,463.
4. Subject to 3 above request the Chief Executive designate, Denise Park, to develop proposals for revisions to the Chief Officer structure of the Council to ensure the continued effectiveness of service delivery and request these proposals to be presented to the Chief Officers Employment Committee for consideration, with a view to final recommendations being presented to the Finance Council on 25<sup>th</sup> February 2019 for the implementation of a new senior management team structure on 1<sup>st</sup> May 2019.
5. Subject to 3 above in accordance with the Council's Constitution (Part 3 - Section 17) to confirm that Denise Park be appointed from 1<sup>st</sup> May 2019 as Acting Returning Officer for any constituency or part of a constituency coterminous with or contained in the Borough of Blackburn with Darwen,

and Returning Officer for the elections of councillors for Blackburn with Darwen Borough Council. In addition to act as Electoral Registration Officer for Blackburn with Darwen Borough Council

Subject to the above, the Council is asked;

6. To place on record the thanks of the Council for the Services of Harry Catherall over the last 21 years as a senior officer and last 6 years as Chief Executive of the Council.

### **3. BACKGROUND**

The Chief Executive Employment Committee met on 26<sup>th</sup> November 2018 and considered an option for achieving a reduction in the numbers of Chief Officers consequent of the departure of the current Chief Executive.

### **4. RATIONALE**

When the Chief Executive Employment Committee met they considered a number of factors relating to the executive and senior management of the Council in the context of the ongoing uncertain financial position from 2019/20. In this context the Committee was presented with an option for an efficient internal management restructure and reduction in executive level posts from two to one. The opportunity for this change and the consequential savings being provided by the current Chief Executive proposing and the Employment Committee accepting a joint agreement for his employment to end on 30<sup>th</sup> April 2019. The Committee was also aware of the opportunity presented by the experience, knowledge skills and abilities of the current Deputy Chief Executive to take on the Chief Executive role from May 2019.

### **5. KEY ISSUES**

The Chief Executive Employment Committee considered the current Chief Officer profile, the likely labour market, turnover risks and general costs of recruitment, redundancy costs and associated legal obligations when considering the options for restructuring and securing some financial savings via a reduction in Executive/Chief Officer posts. They also considered the risks changes in leadership may have, alongside the potential for vacancies to arise in either of the two current executive roles and the associated disruption to the delivery of the Council's primary objectives in the next few years.

It was in this context the Chief Executive Employment Committee has recommended that a legally binding settlement agreement be agreed with the current chief executive which would see him leaving the organisation, but not being made redundant, and that the existing Deputy Chief Executive be retained and offered the role of Chief Executive, thus securing a reduction in posts, avoiding costly redundancy, pension and subsequent recruitment costs and the destabilising of the organisation. The reduction in two posts to one, the costs of which will be contained within the first year saving, thereafter securing an ongoing full year net saving of approximately £130,000 per annum from 2020/21.

Subject to the approval of Council, this option to achieve savings has been

discussed with both Harry Catherall the current Chief Executive and Denise Park the current Deputy Chief Executive and both have indicated they would accept what is proposed.

Should the Council agree this course of action the Council will also need to confirm in accordance with the Council's Constitution (Part 3 - Section 17) that Denise Park be appointed from 1<sup>st</sup> May 2019 as Acting Returning Officer for any constituency or part of a constituency coterminous with or contained in the Borough of Blackburn with Darwen, and Returning Officer for the elections of councillors for Blackburn with Darwen Borough Council. In addition to act as Electoral Registration Officer for Blackburn with Darwen Borough Council

## **6. POLICY IMPLICATIONS**

The appointment of a Chief Executive/Head of Paid Service is a full Council decision and the recommendation for this appointment has been proposed following a meeting of the Chief Executive Employment Committee.

## **7. FINANCIAL IMPLICATIONS**

The proposal to appoint the existing Deputy Chief Executive, Denise Park as Chief Executive/Head of Paid Service will deliver full year savings of approximately £130,000 per annum from 2020/21 due to the deletion of an executive post as set out in this report.

## **8. LEGAL IMPLICATIONS**

The Chief Executive Employment Committee on considering the issues and making their recommendations received independent legal advice which confirmed the proposals were legally appropriate and reasonable. The appointment of the Chief Executive/Head of Paid Service is a matter for consideration of Full Council following a recommendation from the Chief Executive Employment Committee.

## **9. RESOURCE IMPLICATIONS**

There are no additional resource implications other than those set out above.

## **10. EQUALITY IMPLICATIONS**

There are no equality implications arising from this report.

## **11. CONSULTATIONS**

The Trades Unions have been informed of the proposal and any comments received will be provided to the Council meeting.

CONTACT OFFICER:	David Fairclough, Director of HR & Legal Services (Monitoring Officer)
DATE:	26 November 2018
BACKGROUND PAPERS:	Appointment of Chief Executive 2018 (HR, Legal & Governance)