

# MUNICIPAL YEAR 2006/2007 REPORT NO. 151

## MEETING TITLE AND DATE:

Council – 8<sup>th</sup> November 2006

## REPORT OF:

Director of Finance & Corporate Resources (Borough Secretary)

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**Agenda – Part: 1**

**Item: 11**

**Subject:** Recruitment of Chief Executive and Director of Finance & Resources – Enfield Homes (ALMO)

**Cabinet Member consulted:** Councillors Rye and Laban

## 1. EXECUTIVE SUMMARY

This report seeks the Council's endorsement to the process for the recruitment and appointment of the two posts of Chief Executive and Director of Finance and Resources for Enfield Homes, the Council's Arms Length Management Organisation (ALMO) for housing.

## 2. RECOMMENDATIONS

That the Council endorses the process set out in this report for the recruitment and appointment of the posts of Chief Executive and Director of Finance and Resources for Enfield Homes, the Council's Arms Length Management Organisation (ALMO) for housing.

## 3. BACKGROUND

- 3.1 Enfield Homes is an Arms Length Management Organisation being set up by the Council to manage its housing stock, with a Board of Directors, involving tenants, local authority nominees and independent members. Its primary objective will be to achieve the Decent Homes Standard for every home it manages and deliver high quality housing services to tenants and leaseholders.
- 3.2 A bid of £147 million was made to the Government in July 2006 for a place on the ALMO Round 6 programme. The provisional outcome of the bid has not yet been received. The release of the funds will be dependent on a successful inspection in late 2007.

- 3.3 To facilitate the ALMO being operational for a sufficient period to develop and embed necessary service improvements to achieve the required inspection rating of at least two stars, Enfield Homes is scheduled to go live in April 2007. Preparations are being made to allow this to happen.
- 3.4 Pivotal to the success of these preparations, the achievement of at least 2 stars in the inspection, and the release of funding from the Government will be the appointment as early as possible to the key posts of Chief Executive and Director of Finance and Resources of the ALMO.
- 3.5 Cabinet on 22 November 2006 will be asked to agree the formal establishment of these posts with the necessary budgetary provision. However for the reasons set out in paragraph 3.4 above, the recruitment process needs to commence now.
- 3.6 It should be noted that the appointments to these posts will not be made until the Council knows that the bid, referred to in paragraph 3.2 above, has been successful.
- 3.7 Both posts will transfer to the ALMO once Enfield Homes goes live in April 2007. It is therefore considered appropriate for the ALMO Shadow Board to play a major role in the appointments. However, because the Board is not yet legally constituted, the appointments will have to be formally made by the Council. The process set out below is designed to recognise this legal requirement whilst also enabling the Shadow Board to recommend its preferred candidates.
- 3.8 The following process is recommended for both posts:
- (a) The Council's Appointments Panel and representatives of the Shadow Board will undertake joint shortlisting, supported by Tribal recruitment consultants (appointed for this purpose) and relevant officers. Tribal will carry out the agreed sifting and longlisting of the candidates prior to the formal shortlisting and testing.
  - (b) The Shadow Board's Appointments Panel will interview those shortlisted and select their preferred candidate.
  - (c) The Council's Appointments Panel will then meet quickly after the Shadow Board interviews to interview the preferred candidate and (subject to him/her meeting the required criteria) endorse the appointment.
  - (d) If the Council's Panel is unable to endorse the recommended candidate, urgent discussions will take place between the Leader and the Chair of the Shadow Board to agree a resolution.

#### **4. ALTERNATIVE OPTIONS CONSIDERED**

The other option of the Council solely making the appointments is not considered desirable, given the wish for the Shadow Board to play a major role in the process.

#### **5. REASONS FOR RECOMMENDATIONS**

To enable the process to be undertaken jointly and for the posts to be filled as quickly as possible for the reasons set out in paragraph 3.4 above.

#### **6. COMMENTS OF THE DIRECTOR OF FINANCE AND CORPORATE RESOURCES AND OTHER DEPARTMENTS**

##### **6.1 Financial Implications**

The management structure of the ALMO is not yet complete but it is recognised that it is essential to start the recruitment process for these two key posts. These posts will be funded from the management fee paid to the ALMO from Housing Revenue Account resources. Work is continuing to develop the management structure and the costs will be contained within the available HRA resources

##### **6.2 Legal Implications**

The recommended recruitment process addresses the objectives and requirements of both the Council and the ALMO Shadow Board. It is necessary for the Council to formally make the appointment, for the reasons set out in the report.

##### **6.3 Property Implications**

These were addressed in the report to Cabinet on 11 October 2006 – Report no. 126.

##### **6.4 Human Resources Implications**

The proposed process is consistent with recent practices for the appointment of senior managers.

#### **7. PERFORMANCE MANAGEMENT IMPLICATIONS**

It is essential that, to maximise the potential of success in achieving 2 star status and to secure funding from Government, that the Council ensures that the appropriate leadership and governance arrangements are put in place.

#### **8. PUTTING ENFIELD FIRST**

Aim 5 – Supporting the delivery of excellent services

Aim 6 – Economically Successful and Socially Inclusive

**Background Papers**

None