

Coast to Capital

Meeting: Coast to Capital Board Meeting
Date: Thursday 17 October 2019
Report Title: Chair Recruitment
Report by: Katie Nurcombe
Item No: 4
Part: A

Recommendation:

The Board is asked to:

- Agree that the Chair role should become a paid one
- Agree that a recruitment agency should be retained to support the recruitment process
- Note the proposed recruitment timeline
- Mandate the creation of a Working Group to finalise the job description and engage a recruitment agency, before formation of the Nominations Committee to conduct the recruitment

Please note that any Board members that may wish to put themselves forward for consideration for the Chair role should declare this now and not be involved in any decision making in relation to Chair recruitment to avoid any future claim of conflict of interest.

1. Context

Tim Wates' term as Coast to Capital Chair comes to an end in July 2020. Government is clear that senior business figureheads should lead Local Enterprise Partnerships and business engagement on the selection of a new Chair is key. As such, we need to devote time to develop an appropriate recruitment campaign and ensure we have factored in a good amount of time to identify the right candidate.

2. Considerations

A number of points were considered by the Chairman's Committee as a basis for running this project and are put forward for endorsement by the Board.

3. Early Engagement

The formal Chair recruitment process will be launched in the early new year (February 2020) and the Chairman's Committee agreed that it would be good to use the autumn period as an informal 'expressions of interest period' to increase our chances of attracting the right field of candidates and to test the water.

A soft launch will take place in October and Board members would be asked to share the opportunity with their networks to cast a wide net. Activity would also be coordinated with other Southern LEPs who are also undertaking similar recruitment exercises.

4. Job Description

A job description will be prepared, ensuring that the role is properly set out in line with the Assurance Framework update and the LEP Network's work on Chair knowledge and skills. The Board is asked to share any early views on what they want the Chair to do and the key attributes that will be needed for the position beyond July 2020. The job description will be finalised for agreement at the January Board meeting.

5. Remuneration

According to the latest information from the LEP Network there are at least six LEPs which pay their Chair:

LEP 1	Range £20-25K
LEP 2	£20K p.a. reviewed by the LEP Audit and Assurance Committee.
LEP 3	Chair is entitled to £12K p.a. for the role though the Chair does not take this and the money is instead donated to local charities.
LEP 4	£60K plus expenses (to be reviewed in 2020)
LEP 5	Allowance of £20K p.a.
LEP 6	£20K p.a. plus expenses.

The view of the Chairman's Committee is that it would be appropriate to remunerate the role, to make it attractive to as wide a range of candidates as possible and to reflect the ambition and professionalism of the organisation.

The Chairman's Committee's recommendation is that the next Chair should be paid £20,000 to deliver the role, to recognise the value of the service that they are providing. This figure benchmarks the £500 per day that Government Departments pay their non-Executive Directors.

If the Board agrees that the role should be a paid one, we will introduce a proportionate and appropriate system to monitor the performance of the new Chair in relation to the job objectives. This will be overseen by a senior business and

political Board member. This approach will be worked up by the Working Group and a recommendation made to the Board in January.

Government's position is that it is for the LEP to decide whether the Chair position is paid or unpaid. However, the expectation from the centre is that there should be transparency around whether the position is paid or not.

6. Recruitment Agencies

The Chairman's Committee's recommendation is that we use a recruitment agency to help us find the right candidate. We have approached three agencies to put forward a quote for how they could support us and costs are in the region of £15,000 (Gatenby Sanderson); £20,000 (Perrett Laver); £25,000 (Odgers Berndtson). Figures quoted exclude VAT as well as additional costs/expenses which are estimated at £2,000. We are continuing to look at other agencies and suggestions from Board members about suitable firms are welcome.

We propose to create a Board level Working Group to lead this work. The Working Group would ask potential agencies to:

- demonstrate how they can deliver on diversity requirements (target a 50/50 male/female shortlist and 50/50 interview selection etc)
- determine how they would handle the campaign in line with GDPR/HR best practice
- take the pressure off the executive team by sifting initial candidates for suitability by undertaking initial interviews
- conduct a full analysis of the appropriate level of salary for the role as part of their proposal
- determine the right involvement of Board members, within our Governance processes, including avoiding the involvement of conflicted Board members and confirming the role the outgoing Chair should perform.

The Working Group would:

- comprise a small number of non-conflicted members of the Board
- help finalise the Chair's Job Description
- review proposals from interested agencies and invite presentations from potential agencies.
- Make a recommendation to the Board as to which recruitment agency should be appointed.
- Make a recommendation to the Board on the composition of the Nominations Committee.

In accordance with the Assurance Framework:

The Chairman of the Board is appointed through the Nominations Committee following open advertisement and consultation with businesses. The Nominations Committee is drawn from the Board membership with at least four members. The

Nominations Committee (an ad hoc Committee established from time to time tasked with a specific purpose as directed by the Board) is appointed by the Board to form a balanced representation from the public and private sectors represented on the Board. The Nominations Committee is held in private. The Nominations Committee makes a recommendation to the Board which makes the final decision.

We consider that the eventual Chair of the Nominations Committee should be a member of the Working Group so that he or she can be confident in the selection of the recruitment agency that we will be using.

7. Next Steps & Timeline

An initial proposed timeline is as follows:

Date	Action	Lead
26 Sep 2019	Chairman's Committee to discuss recruitment process	√
Autumn	Definition process: <ul style="list-style-type: none"> • Board input on job description • Analysis on time commitment 	JS/KN with Working Group
Autumn	'Expression of interest' period: <ul style="list-style-type: none"> • October – soft launch • November – marketing campaign continues • December – 'deadline' for expressions of interest • January – assessment of interest to inform the formal recruitment campaign 	KN
Autumn	Working Group to engage the external recruitment firms and select the one to be recommended to the Board	Working Group
Jan 20	Recruitment process confirmed at January Board including recommendation from Working Group on recruitment firm and remuneration	Board
Feb 2020	Launch formal recruitment campaign (provisional date 5 Feb)	Agency
Feb-Apr	10-12 week recruitment campaign including promotion at various events as appropriate	Agency
Mid to late Apr 2020	Deadline for applications	Agency

May to Jun	Interview process	Nominations Committee with support of agency
End Jun	Board asked to approve recommendation of Nominations Committee. NB: To confirm that an email response is suitable.	Nominations Committee with support of agency
Jul 2020	Due diligence processing	HN
Jul 2020	Last Board meeting Chaired by Tim: <ul style="list-style-type: none"> • Decision on Chair taken at this meeting? • New Chair to attend as observer? • New Chair to give presentation? 	TW
Aug 2020	New Chair Induction	JS
Sep 2020	New Chair leads AGM as first act in formal role	-

8. Diversity Statement

Diversity is a key consideration for the appointment of the Chair.

9. Legal Statement

No legal position has been sought. The recommendations are in line with the National Assurance Framework and the Coast to Capital Assurance Framework.

Annexes:

None