

From: **[Redacted]**
DED: Enterprise and Cities
10 October 2017

Cabinet Secretary for Economy, Jobs and Fair Work

RECRUITMENT OF CHIEF EXECUTIVE OF SCOTTISH ENTERPRISE

Purpose

1. To update you on progress made in relation to the recruitment of a new Chief Executive for Scottish Enterprise (SE) and seek your approval of the proposed salary scale.

Priority

2. **Urgent:** The Cabinet Secretary has already indicated that he would like SE to recruit a Chief Executive (CE) as soon as possible.

Background

3. Lena Wilson the current CE of SE has tendered her resignation and arrangements have commenced to recruit a new CE.
4. The Cabinet Secretary does not have a formal role in the recruitment exercise but will, in line with the Model Recruitment Pack for Public Bodies relating to Chief Executives, be invited to approve the appointment at the end of the process. The Cabinet Secretary is the Minister responsible for the body and is ultimately accountable to the Parliament for its independence, effectiveness and efficiency.
5. The Cabinet Secretary is also responsible for approving the terms and conditions of the CE appointment including the salary.

Summary of Progress

6. Scottish Enterprise has appointed Aspen as the executive search agency to support this process. Aspen are the same company used in the recent Highlands and Islands Enterprise (HIE) CE recruitment round where we had a high calibre of candidates coming through from a diverse range of backgrounds.
7. The recruitment panel will be chaired by Bob Keiller, Chair of SE who proposes that the panel comprise Mary McAllan, Director of Economic Development, Nora Senior, Chair of the Strategic Board, plus an existing board member of SE.
8. The salary range has been reviewed by SE, Finance Pay Policy and the Sponsor team in line with Public Sector Pay Policy. The proposal is for a starting salary in the range of £160,000 - £180,000, based on skills and experience. We anticipate however that SE may have to offer around £180,000 for a high calibre candidate from the private sector.
9. SE proposes setting a final pay band once they have agreed a starting salary with the successful candidate. This will allow SE to set a meaningful maximum to allow progression. This will be subject to Ministerial approval as part of concluding the appointment process where the preferred candidate is considered.

10. This proposal is affordable within current SE budgets and represents a £36,000 - £46,000 saving on the current CE salary range and is in excess of the minimum 10% reduction recommended.

Sensitivities

11. [Redacted]

12. [Redacted]

Timing

13. It is anticipated that the recruitment process will take 6 months to complete from start to finish subject to the usual successful candidate's notice period.

Recommendation and conclusion

This advice has been cleared with the Director of Economic Development and Finance Pay Policy team. Officials will update the Cabinet Secretary as the recruitment process proceeds.

Recommend that you:

1. Note the progress made in relation to recruitment;
2. Approve the salary range proposal of £160,000 - £180,000 as outlined; and
3. Agree to consider flexibility to set the new pay band maximum, depending on the starting salary of the successful candidate

[Redacted]

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OFFICIAL SENSITIVE

Copy List:	For Action	For Comments	For Information		
			Portfolio Interest	Constit Interest	General Awareness
First Minister					X
Cabinet Secretary for Finance and the Constitution					X
Cabinet Secretary for Culture, Tourism and External Affairs					X
Cabinet Secretary for the Rural Economy and Connectivity					X
Minister for Business, Innovation and Energy					X

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