

<b>EMPLOYMENT COMMITTEE</b>	AGENDA ITEM No. 5
<b>17 SEPTEMBER 2015</b>	<b>PUBLIC REPORT</b>

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**SHARED CHIEF EXECUTIVE ARRANGEMENTS BETWEEN PETERBOROUGH CITY COUNCIL AND CAMBRIDGESHIRE COUNTY COUNCIL**

R E C O M M E N D A T I O N S	
<b>FROM :</b> Director of Governance	<b>Deadline date :</b> N.A.
<p>Regarding the proposals for the temporary shared Chief Executive between Peterborough City and Cambridgeshire County Councils, the Employment Committee is requested to:</p> <ul style="list-style-type: none"> <li>i) Note the proposal made by Cambridgeshire County Council, and</li> <li>ii) Subject to endorsing the proposal, recommend to Council that it approves the shared arrangements and enter into an agreement with Cambridgeshire County Council for a shared Chief Executive.</li> </ul>	

**1. ORIGIN OF REPORT**

1.1 This report follows an approach made by Cambridgeshire County Council to Peterborough City Council of exploring the possibility of a shared Chief Executive arrangement following the resignation of the Chief Executive at Cambridgeshire County Council.

**2. PURPOSE AND REASON FOR REPORT**

2.1 This report sets out the considerations of the exploratory discussions and proposes that Employment Committee recommend the proposal to full Council.

2.2 This report is for the Committee to consider under its Terms of Reference No 2.3.1.1 "To appoint Directors and Heads of Service, and determine terms and conditions of employment."

**3. TIMESCALE**

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>	If Yes, date for relevant Cabinet Meeting	<b>N/A</b>
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**4. BACKGROUND**

4.1 The Leader of Cambridgeshire County Council approached the Leader of Peterborough City Council to explore the possibility of having a temporary shared Chief Executive arrangement. The approach arose out of the resignation of the Chief Executive of Cambridgeshire County Council to take up a new role as the Chief Executive of the Local Government Association. The proposal is that such an arrangement would be put in place for an initial period of up to 12 months with a review after 6 months. There would also be an option to terminate the arrangement by one months' notice on either side.

4.2 Group Leaders and Cabinet were briefed on the initial proposal at the beginning of August and it was agreed to explore the arrangement further particularly focussing on how the arrangement might work, the potential benefits of the arrangements and the timetable and

process which would need to be followed. This report addresses those issues to enable further decisions to be made. This is a major decision for both Councils and can only work with the support of both Councils.

4.3 On 27 August the County Council's Staffing & Appeals Committee (their equivalent of our Employment Committee) gave its support to the arrangement but clearly on the understanding that this Council must be supportive of the arrangement determined through its own governance processes.

4.4 Consultation has taken place with Cabinet Policy Forum as well as with Group Leaders on 1 and 2 September and they have provided their broad support to the proposal.

## **5. POLITICAL SOVEREIGNTY**

5.1 At the heart of this arrangement is the maintenance of political sovereignty for each Council ensuring that each Council can deliver its own political priorities, strategy and policies. The shared arrangements below supports the sovereignty of each Council and at the same time enables the benefits of the arrangement to be realised across both Councils.

## **6. POTENTIAL BENEFITS**

The following benefits could be realised with a joint arrangement:

6.1 Financially there would be a saving to Peterborough City Council's budget of £110k per annum. This would represent a 50/50 split of the Chief Executive's current salary and on-costs.

6.2 Greater opportunities for joint commissioning of services – the Chief Executive will be involved in the policy and strategy formulation of both Councils and therefore will be able to factor in any opportunities for joint commissioning of services at the earliest possible stage. Any proposals will be subject to appropriate approval within this Council. A shared Chief Executive also widens the scope for joint commissioning for growth related services to support the skills agenda in both Cambridgeshire and Peterborough, for adult social care and for children's services.

6.3 Sharing Best Practice & Services – as a result of being the Chief Executive of both Councils there will be a greater overview of 'what works' in each council. In particular where one Council may have had success in an area where the other is looking to improve. This will facilitate the open and rapid sharing of best practice across both Councils. Having a shared Chief Executive could also benefit both Councils when exploring wider opportunities for economies of scale through shared services and strategic partnerships.

6.4 Economic Development and Regeneration – Cambridge and Peterborough are two of the five fastest growing cities in the UK. A shared Chief Executive will facilitate a stronger voice with central government for both Councils. The arrangement will further strengthen Peterborough's relationship with the Cambridgeshire Local Enterprise Partnership (LEP) thus helping greater coordination of infrastructure investment across Peterborough and Cambridgeshire. Parts of Cambridgeshire (such as Wisbech and March) fall within the economic footprint of Peterborough (for example people commute to work in Peterborough from these towns). A shared Chief Executive arrangement will help further join up economic development across the footprint benefitting both Peterborough's and Cambridgeshire's economies.

6.5 Devolution – the arrangements could enhance a better understanding of how both Councils could benefit from the devolution of powers from Government under new legislative arrangements.

6.6 Transportation – both Councils have their own transport infrastructure plans. Whilst this is unlikely to change, the appointment of a shared Chief Executive does bring about a greater opportunity for both plans being more closely aligned.

6.7 Public health – The City Council and the County Council currently share a Director of Public Health. This has already proved beneficial as, inevitably, the health of the population crosses over between Peterborough and Cambridgeshire and can therefore be supported and improved on a much wider scale.

6.8 Customer Experience – The arrangement would also facilitate working between both Councils which could also enable consideration in relation to the customer front-door and digital services, delivering tangible benefits both financial and in terms of value for residents.

## **7. THE ARRANGEMENT FOR PETERBOROUGH AND CAMBRIDGESHIRE COUNTY COUNCIL**

7.1 The Chief Executive would retain her statutory appointments under the constitution such as Head of Paid Service, Returning Officer etc. and would continue to undertake the following responsibilities within Peterborough City Council:

- Council and Cabinet
- Leader and Deputy Leader meetings
- Cabinet Policy Forum
- Group Leader meetings
- Civic/Community events and support
- Corporate Management Team
- Employment Committee/Trade Unions/Joint Consultative Forum
- Alternative Governance Arrangements
- MP briefings
- Emergency Planning
- Health and Safety responsibilities
- Scrutiny Committee meetings as and when necessary

7.2 The following would be jointly delivered across both Councils by the Chief Executive:

- Local Enterprise Partnership
- East England Local Government Association
- Cambridgeshire Public Service Board
- Leaders and Chief Executive meetings with Cambridgeshire County Council, District Councils and Peterborough City Council
- Clinical Commissioning Group
- Police
- Fire

7.3 In relation to Cambridgeshire County Council the Chief Executive will assume Head of Paid Service responsibilities and would attend Full Council, General Purposes Committee and Group Leader meetings at Cambridgeshire (they do not have a Cabinet). She would also wish to assume the role of Returning Officer in the event of any Elections within the County Council. This would be the subject of separate arrangements between the County Council and the Chief Executive. It should be noted that the County Council does not have scheduled Elections until 2017.

## **8. PRACTICAL ARRANGEMENTS**

8.1 Support - To enable the shared arrangements to work effectively for Peterborough City Council the following working and support arrangements will be put in place:

8.1.1 Full time executive support arrangements will continue to be provided to ensure emails are handled during the Chief Executive's absence and where action cannot be taken by relevant officers in the Council, the Chief Executive can be alerted to deal with the matter. Peterborough City Council's Corporate Management Team have indicated their full support of these arrangements to dealing with issues, as

appropriate, when the Chief Executive is in Cambridgeshire. Similar executive support arrangements will be in place in Cambridgeshire County Council to manage the Chief Executive's work and emails.

8.1.2 It is also anticipated that a Deputy Chief Executive would be appointed within the County Council. It is not envisaged that any such arrangement would be required in Peterborough as the corporate management team would operate and share the responsibilities.

8.1.3 Whilst the agreement is based upon a 50/50 shared arrangement and would envisage the Chief Executive working an equal number of days at each authority, flexibility will be necessary in this pattern of working. Having said that, the Chief Executive will ensure that overall equity of strategic leadership is maintained.

## **9. GOVERNANCE AND TIMESCALES**

9.1 Following the County Council's Staffing and Appeals Committee approval on the 27 August, a response from Peterborough is awaited. If Employment Committee agrees to this proposal a recommendation will be made to Council at its meeting on 14 October to approve the arrangement. The Chief Executive is scheduled to meet with the County's Staffing and Appeals Committee and Group Leaders on 10th September as part of the process with an appointment decision made at the County's Council meeting on 13 October.

9.2 If the proposal is agreed by both Councils a formal secondment agreement would be drawn up between both Councils and the Chief Executive to ensure that the interests of all parties are protected. This would mean that Peterborough City Council would remain the employer of the Chief Executive. The secondment would be up to 12 months with a review after six months and include a termination clause of one month's notice. The secondment is framed in this way as this is the first proposed shared arrangement of this kind nationally and both parties need the security of a proper secondment arrangement but at the same time the ability to review at an appropriate point whether the arrangement is effective.

9.3 It is further proposed that a progress report on the working arrangements be brought back to Employment Committee at the 6 month review period.

## **10. IMPLICATIONS**

10.1 There will be undoubted challenges to all with this arrangement and an essential ingredient for this to work is members' agreement to enter into this temporary arrangement as well as a high degree of flexibility by the Chief Executive and key support provided by both Councils.

10.2 Financial – As noted in the body of the report, the expectation is that a financial saving of £110k per annum will be realised from this arrangement.

10.3 Human Resources – if the proposals are agreed a secondment agreement will be drawn up and framed in such a way which protects the interest of all parties.

10.4 Legal - Under section 113 of the Local Government Act 1972 a local authority is permitted to enter into an agreement with another local authority to place its officers at the disposal of the latter for the purposes of their functions. This is the section which governs these shared service proposals. Under Peterborough City Council's constitution the Council is responsible for approving the agreement to enter into these shared arrangements under section 113. Section 4 of the Local Government and Housing Act 1989 states that all local authorities must designate one of their officers as its Head of Paid Service. At Peterborough City Council the Chief Executive is designated to that statutory role and leads the officers to support the delivery of the Council's functions and services. Under section 112 of the Local Government Act 1972 the Council has responsibility for determining the terms and conditions upon which its staff are employed. That determination is given to the Employment Committee under its delegated authority. Given

that these arrangements will result in the appointment of the Council's most senior employee to another Council to operate in parallel with the Chief Executive's continued employment at the City Council, the matter is referred to Council for approval as the Council has responsibility for matters concerning the appointment of the Chief Executive.

**11. REASONS FOR RECOMMENDATIONS**

- 11.1 This paper deals with the benefits of this arrangement in terms of joint working/sharing best practice, but also addresses the challenges for ensuring the Chief Executive works effectively across both Councils ensuring the sovereignty of those Council's policies are robustly maintained.

**12. BACKGROUND DOCUMENTS**

None.

**13. APPENDICES**

**Appendix 1** - Job Description & Person Specification of Cambridgeshire County Council Chief Executive.

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