

Report of	Meeting	Date
The Executive Leader	Council	2 nd November 2010

ESTABLISHING A SHARED CHIEF EXECUTIVE ARRANGEMENT WITH WYRE BOROUGH COUNCIL

PURPOSE OF REPORT

1. To seek the approval of Council to the establishment of a shared chief executive arrangement with Wyre Borough Council.

RECOMMENDATION(S)

2. That members approve the sharing of the post of Chief Executive with Wyre Borough Council subject to the management arrangements set out in the report.
3. That authority be delegated to the Director of Transformation in consultation with The Leader to complete a legal agreement with Wyre to establish a shared chief executive arrangement under section 113 of the Local Government Act 1972.
4. That authority be delegated to The Director of Transformation in consultation with The Leader to agree any consequential changes to the Chief Executive's terms and conditions in line with the contents of this report.

EXECUTIVE SUMMARY OF REPORT

5. Chorley Council has been approached by Wyre Borough Council to establish a shared chief executive arrangement whereby Chorley's Chief Executive would cover both councils as head of the paid service. This is possible under Sections 112 and 113 of the Local Government Act 1972.
6. The decision to enter into this arrangement rests with the full Council.

REASONS FOR RECOMMENDATION(S)

(If the recommendations are accepted)

7. The arrangement would secure over £85,000 pa in income to Chorley Council.
8. The Chief Executive's 2010/11 performance review targets (attached) will remain unaffected by the arrangement.
9. The Chief Executive will be contactable at either location by members and officers from either council.
10. Should the Council wish to terminate the arrangement this is possible subject to six months notice.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

11. The option not to enter into a shared management arrangement was considered carefully and rejected.

CORPORATE PRIORITIES

12. This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the Central Lancashire sub-region	√	Develop local solutions to climate change.	√
Improving equality of opportunity and life chances	√	Develop the Character and feel of Chorley as a good place to live	√
Involving people in their communities	√	Ensure Chorley Borough Council is a performing organization	√

BACKGROUND

13. I have been approached by The Leader of Wyre Borough Council to consider a Shared Chief Executive arrangement. I have spent some time undertaking a careful evaluation and consideration of the potential advantages and disadvantages of this for Chorley.

KEY ISSUES AND WAY FORWARD:

14. Nationally there are a number of shared chief executives operating across two councils. Given the Comprehensive Spending Review announcements of 20th October and the urgent requirement to dramatically reduce public expenditure more councils are now actively considering going down this route to delivery efficiencies. As a forward-thinking modern council I think we owe it to the people of the Borough to explore shared services, ways of reducing our costs and learning from other organisations.
15. Like Chorley, Wyre is a high-performing organisation with ambitious plans for the future and I think we have very similar aims and objectives for our communities.
16. Evaluation of the experiences of shared chief executives has been undertaken nationally by the IDeA and locally by North West Employers. Both reports point to lessons learned from pilot areas and guidance on establishing new arrangements. I am very keen to take these on board. The Chief Executive is in dialogue with others who have tried this approach and is keen to make it work successfully for both Chorley and Wyre elected members and communities.
17. Both reports explain that the role of a shared chief executive is a very different to that of a traditional district chief executive. It is more strategic and transformational and focuses on the culture and reputation of the organisation. It is Chorley's strengths in this area that have attracted Wyre Borough Council to enter into discussions with us.
18. A more strategic and transformational role will require Corporate Directors and Service Heads to deal with day to day service issues (as reflected in their job descriptions) rather than an immediate escalation to the Chief Executive.
19. The Chief Executive's Chorley Council performance targets set for 2010/11 (attached) will remain as set by the performance review panel and will be reviewed on a regular basis.
20. The Chief Executive will spend equal amounts of time at both councils and will be contactable at both locations and outside of office hours by Members and Officers of either council.

21. She will be employed by Chorley Borough Council and will remain on the same salary. Wyre Borough Council will make monthly payments to Chorley covering 50% of the cost of the Chief Executive's salary, on costs, pension, lease car etc.
22. Either Council may terminate the agreement subject to six months notice of their intention.
23. The arrangement is subject to the approval of Full Council at both Chorley and Wyre.
24. The arrangement will have no impact on Chorley's or Wyre's abilities to determine their own corporate strategy, budget, staffing arrangements etc and the intention is not to merge the councils' management teams.

IMPLICATIONS OF REPORT

25. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	√	Customer Services	
Human Resources	√	Equality and Diversity	
Legal	√	No significant implications in this area	

COMMENTS OF THE DIRECTOR OF TRANSFORMATION

26. Section 113 of the Local Government Act 1972 enables one local authority to place at the disposal of a different authority the services of an employed officer. The provision extends to the head of paid service.
27. If the Council were minded to agree to the sharing of Chorley Councils Chief Executive with Wyre Borough Council, an agreement in writing pursuant to this section will be required. Further, the Chief Executive's terms and conditions will need to be amended to reflect any change in those conditions required by the proposed arrangement.
28. The Council's agreement to this arrangement will be an agreement to enable the Chief Executive to take up the post of Head of Paid Service at a different Council concurrently with her role at Chorley.

COUNCILLOR PETER GOLDSWORTHY
EXECUTIVE LEADER

Report Author	Ext	Date	Doc ID
Donna Hall	5104	19/10/10	

Background Papers			
Document	Date	File	Place of Inspection
An Exploration of Shared Chief Executives and Joint Management Arrangements – North West Employers	October 2010		Members' Room
Shared Chief Executives – The Lessons IDeA	2010		Members' Room

PERFORMANCE REVIEW PROGRAMME OF PRIORITY ACTIVITIES (year) – October 2010 – October 2011

NAME: Donna Hall

POSITION: CHIEF EXECUTIVE

KEY ACCOUNTABILITY	OBJECTIVES	PERFORMANCE MEASURE	OBJECTIVE ACHIEVED YES/NO	COMMENTS
<p>1. Managing the political interface</p>	<p>1. Build and Maintain strong relationships of trust and confidence between officers and each party to promote good and open relationships between political parties.</p> <p>2. All members well informed about what is happening in the council and key national issues.</p>	<p>Weekly meeting with Leader. All Party Leaders Meetings – Review the agenda items for all party meetings Attendance at Political Group Meetings to discuss key issues.</p> <p>Improved flow of communications to all members e.g. revamp members digest, provide more local information for all members.</p> <ul style="list-style-type: none"> - Maintain and Develop ‘In the Know’ - Ensure member Learning Hours address key issues 		
<p>2. Managing the Council’s resources</p>	<p>1. Deliver revenue, capital, trading and staffing budgets within targets with options presented following the Spending Review.</p>	<p>(a) Monitoring reports to be produced on a monthly basis with corrective action taken as necessary.</p> <p>(b) Outturn expenditure to be within 1% of budgeted revenue expenditure.</p> <p>(c) To set target “bandwidth” for income on trading budget.</p>		



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KEY ACCOUNTABILITY	OBJECTIVES	PERFORMANCE MEASURE	OBJECTIVE ACHIEVED YES/NO	COMMENTS
	2. Improve the process for managing capital programme.	(d) Develop a 3-year capital programme. (e) Staffing expenditure target to be within budget. (a) Ensure the capital projects are delivered on time and within budget and that a robust project planning process is adopted. (b) Ensure completion of a VFM review across the whole organisation.		
	3. Maintain good industrial relations and retain IIP 4. Secure Top Scores on the replacement for CAA/Core Audit	Staff satisfaction scores to continue to rise year on year Independent assessment to be determined.		
3. Providing corporate leadership	1. Ensure delivery of Corporate Strategy and all associated projects.	Corporate Strategy formally adopted by Council. Review progress on projects throughout the year.		

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POSITION: CHIEF EXECUTIVE

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	2. To ensure the Council has the capacity to deliver the Corporate Strategy. 3. Review the Council's Planning service with The Director	Delivery of the workforce plan that delivers the right people with the right skills to deliver the corporate strategy Ensure the delivery of short medium and long-term actions.		
	4. Continue to engage staff and increase awareness of the Council's Key Priorities and aware of their contribution.	(a) Undertake staff Listening Days to work with staff to improve services and maintain morale.		
4. Developing external links/ partnerships	1. Sustain the effectiveness of the LSP. 2. Continue to engage members in the LSP process.	(a) Ensure that all members are made aware of the significance of the LSP (link to improved flow of communication in objective 1) Increase level of engagement of members. (b) Presentation at full Council to explain/debate the differences and links between Council strategy and community strategy.		

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POSITION: CHIEF EXECUTIVE

KEY ACCOUNTABILITY	OBJECTIVES	PERFORMANCE MEASURE	OBJECTIVE ACHIEVED YES/NO	COMMENTS
	<p>3. Improve council's performance through collaborative working and achieve better value for money through shared services projects.</p> <p>4. Progress Team Lancashire</p> <p>Develop effective links work with other partner organisations</p>	<p>(a) Monitor and ensure the joint LDF approach with Preston and South Ribble runs smoothly"</p> <p>(b) Consider opportunities for the potential expansion of the partnership.</p> <p>(c) Determine the effectiveness of the Joint Community Safety partnership with South Ribble.</p> <p>Manage Team Lancashire ensuring all projects and programmes are delivered</p> <p>Ensure that the council actively supports the Children's Trust arrangements in Chorley</p> <p>Develop proposals for consideration by the council to ensure a successful LEP for Lancs with tangible gains for Chorley</p>		
	<p>5. Review and evaluate current processes for engaging with the public.</p>	<p>Evaluate the effectiveness of neighbourhood working restructures</p>		

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KEY ACCOUNTABILITY	OBJECTIVES	PERFORMANCE MEASURE	OBJECTIVE ACHIEVED YES/NO	COMMENTS
<p>5. Promoting the Council</p>	<p>1. Promote Chorley Borough Council initiatives to improve our reputation and raise funding for Chorley.</p> <p>2. Host regular meetings with community and voluntary groups.</p> <p>4. Promote the Council's interest in relation to Regional issues</p>	<p>Address key audiences as and when appropriate – inside and outside the Borough.</p> <p>Meet with community and voluntary groups 10 times a year.</p> <p>Develop a more innovative Locality Plan for Chorley with LCC including key improvements to the way the public realm is managed.</p>		
	<p>5. Secure regional and national recognition for significant achievements.</p> <p>5. Raise income from consultancy work to support reward and recognition for staff for CE Awards and to close budget gap in CE directorate.</p>	<p>Submit 2 applications per annum for national awards, e.g. LGC, MJ. Ensure at least 3 national articles a year in relevant publications.</p> <p>Secure £10,000 of external income pa</p>		

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KEY ACCOUNTABILITY	OBJECTIVES	PERFORMANCE MEASURE	OBJECTIVE ACHIEVED YES/NO	COMMENTS
	7. Restructure Communications to deliver a saving whilst improving the effectiveness of the service through a revised Communications Strategy	Saving secured – increase in customer satisfaction levels.		