1. **SUMMARY**

1.1 To seek approval to explore the feasibility of the appointment of a shared Chief Executive between Bromsgrove District Council and Redditch Borough Council.

2. **RECOMMENDATION**

2.1 It is recommended that:

2.1.1 Members agree to officers undertaking work, for reporting to both Councils in June, with regard to the feasibility of a joint Chief Executive; and that

2.1.2 Members agree that a Shared Board be established with 3 members from each authority (politically balanced) to oversee progress.

3. **BACKGROUND**

3.1 Both Redditch Borough Council and Bromsgrove District Council have faced extremely challenging budget rounds for 2008/09 against a background of the “worst financial settlement in 10 years”.

3.2 Government expectations of continuing efficiency savings, and a raising of the performance bar, are increasingly harder to meet. It is clear that something radical is needed if both Council’s are to not only address this but also to continue to improve and enhance the services offered to residents.

3.3 During the recent round of local government reorganisation, Worcestershire remains unaffected. This was due in part to the recognition that if all councils within the County gave their full co-operation and commitment, then two tier local government could be at least as efficient as the unitary model. The implication of this argument is that councils are prepared to drive out improvements and efficiencies from, for instance, managing and delivering services – and not least, back office functions – on a shared basis. Regardless of whatever happens Redditch and Bromsgrove remain committed to enhancing two tier Government in Worcestershire. The biggest
potential for shared services to deliver real returns however, lies, for us, in
the interaction of district councils.

3.4 Examples of shared services in Worcestershire are beginning to emerge
and represent a positive step to achieving greater efficiency savings.

3.5 In truth, however, progress has been limited and although this may change
over time, something radical needs to be done to realise the efficiencies that
are needed and to push this agenda forward.

3.6 The Leaders and Chief Executives of Redditch and Bromsgrove have met
on a number of occasions in order to discuss and progress this. There is
mutual agreement that the surest way to make real progress and to
maximise the benefits, is to ensure that there is absolute commitment from
the very top; politically, and from within the paid service.

3.7 To achieve the latter, both Leaders agree that the idea of a shared Chief
Executive, a single appointment, charged with, and strategically placed to
conduct a rigorous examination of potential opportunities across both
organisations, merits serious consideration. It is felt that with the authorities
being so close this would make this easier to deliver.

3.8 The proposal would be for a joint Chief Executive and not to merge the 2
authorities and as such there would still be two separate Councils.

3.9 A number of authorities are either looking at the feasibility of sharing a Chief
Executive or have agreed to pursue it. Two examples are Adur and
Worthing and Staffordshire Moorlands and High Peak. Both of these
examples have set up an overarching board of members to oversee
improvements. Staffordshire Moorlands and High Peak have agreed that 5
members from each authority sit on the Board (politically balanced). The
Adur and Worthing model consists of 6 members of each Councils Cabinet.

3.10 It is recommended that a Board be set up comprised of 6 members – 3
members from each authority. It is suggested, given the different political
make up of each Council, that this should be politically balanced. It is further
suggested that the first role of this group would be to oversee the
preparation of the feasibility study and any associated work and to establish
a concordat as to how the Board would work.

3.11 Arising from the above, it is recommended that agreement is given in
principal to further work being undertaken to investigate the merits of
sharing a joint Chief Executive. It is suggested that this work is undertaken
quickly and reported to a meeting of each Council in June.

3.12 If in June the feasibility of the proposal is accepted, Members will need to
take a view as to how the appointment to the new post of Joint Chief
Executive will be achieved.
3.13 If the proposal is accepted and the decision taken to go out to national advert, both the Borough Director's post at Redditch and the current Chief Executive's post at Bromsgrove will need to be placed at risk of redundancy.

4. **FINANCIAL IMPLICATIONS**

4.1 If progressed, it is suggested that the costs of the Joint Chief Executives salary would be split equally between both authorities.

4.2 The potential salary level of a joint appointee has been broadly discussed with West Midlands Local Government Association. However, this would need to be formally reviewed.

4.3 Until a remuneration package can be agreed the precise saving cannot be identified. At a conservative estimate the equivalent of a minimum of £50,000 per annum can reasonably be anticipated. In the medium to long term, there will be the potential for much greater savings.

4.4 If the decision was taken to pursue an external recruitment process this is estimated to cost at least £40,000.

5. **LEGAL IMPLICATIONS**

5.1 Staffordshire Moorlands and High Peak Borough Council have recently appointed a joint Chief Executive and have not encountered any legal obstacles. It is recommended however that as part of the feasibility study the proposals are discussed with the District Auditor, the Government Office and Local Government Employers.

6. **COUNCIL OBJECTIVES**

6.1 These proposals support the Council’s objective of Improvement.

7. **RISK MANAGEMENT**

7.1 The risks associated with this proposal would be explored as part of the feasibility work. The main concern in progressing the feasibility work is the capacity within both Councils to do this. It is therefore recommended that external assistance is procured to progress this and to validate the outcome.

8. **CUSTOMER IMPLICATIONS**

8.1 No direct impact on the Customer.
9. **EQUALITIES AND DIVERSITY IMPLICATIONS**

9.1 To be addressed as part of deliberations.

10. **VALUE FOR MONEY IMPLICATIONS**

10.1 Included within the report. Value for Money and delivery of efficiencies is the driving force behind these proposals.

11. **OTHER IMPLICATIONS**

<table>
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<tr>
<th>Procurement Issues</th>
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<tbody>
<tr>
<td>Personnel Implications</td>
<td>Included in the report</td>
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It is anticipated that the proposed appointment will lead to a reduction in staffing levels, mainly involving management and “back office” functions. It is intended that these reductions will largely be as a consequence of new job opportunities arising from shared services, or from natural wastage, rather than compulsory redundancies.

<table>
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<tr>
<th>Governance/Performance Management</th>
<th>Included in the report</th>
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<tbody>
<tr>
<td>Community Safety including Section 17 of Crime and Disorder Act 1998</td>
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<td>Policy</td>
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12. **OTHERS CONSULTED ON THE REPORT**

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<tr>
<th>Portfolio Holder</th>
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<tbody>
<tr>
<td>Chief Executive</td>
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<tr>
<td>Executive Director (Partnerships and Projects)</td>
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<td>Position</td>
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<td>----------------------------------------------------------</td>
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<tr>
<td>Executive Director (Services)</td>
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<tr>
<td>Assistant Chief Executive</td>
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<td>Head of Service</td>
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<td>Head of Financial Services</td>
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<td>Head of Legal, Equalities &amp; Democratic Services</td>
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<tr>
<td>Head of Organisational Development &amp; HR</td>
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<tr>
<td>Corporate Procurement Team</td>
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13. **WARDS AFFECTED**

   All

14. **APPENDICES**

   None

15. **BACKGROUND PAPERS**

   Shared Services

**CONTACT OFFICER**

<table>
<thead>
<tr>
<th>Name:</th>
<th>Kevin Dicks</th>
</tr>
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<tbody>
<tr>
<td>E Mail:</td>
<td><a href="mailto:k.dicks@bromsgrove.gov.uk">k.dicks@bromsgrove.gov.uk</a></td>
</tr>
<tr>
<td>Tel:</td>
<td>(01527) 881400</td>
</tr>
</tbody>
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