

Committee: Ordinary Council	Date: 28 July 2021
Subject: Brentwood & Rochford Strategic Partnership	Wards Affected: ALL
Report of: Cllr Chris Hossack, Leader of Brentwood Borough Council	Public
Report Author: Name: Amanda Julian, Corporate Director (Law & Governance) & Monitoring Officer Telephone: 01277 312500 E-mail: Amanda.julian@brentwood.gov.uk Name: Jacqueline Van Mellaerts, Corporate Director (Finance & Resources) & Section 151 Officer Telephone: 01277 312500 E-mail: jacqueline.vanmellaerts@brentwood.gov.uk	For Decision

Summary

To consider the sharing of the Chief Executive between Brentwood Borough Council and Rochford District Council for an initial 6-month period.

To consider the proposed terms of reference; terms and conditions, governance arrangements and timeline for that role in determining a business case for the ongoing sharing of a Chief Executive and further shared services.

Recommendation(s)

That subject to approval of the proposals by Rochford District Council at its Council meeting on 20th July 2021, that members approve to:

- R1** Delegate to the Corporate Director of Law and Governance and Corporate Director of Finance and Resources, in consultation with the Leader of the council, to engage with Rochford Council and enter into an agreement to establish a Joint Chief Executive and Head of Paid Service for Brentwood Borough Council and Rochford District Council for an initial 6 months period starting from the 1st August 2021.
- R2** Delegate to the Chief Executive/Head of Paid Service and the Strategic Directors of each Council to undertake the creation of a feasibility study to explore further shared and partnership opportunities with Rochford District Council, in consultation with the Leader and Deputy (nominee) of each Council. A further report to be bought to both Council's by the end of 2021

- R3** Allocate a maximum of £20,000, from reserves, to assist in providing 50% of the additional resources required to undertake the feasibility study and provide additional programme resources. (Rochford District Council intends, subject to their Council agreement, to commit £20,000 of resources to undertake this work)
- R4** That the Monitoring Officer be given delegated authority to make any required changes to the Constitution resulting from the decision in **R1**.
- R5** That any designated Head of Paid Service is the proper officer under s270(3) Local Government Act 1972

Introduction and Background

National challenges for the local government sector

- 1.1 Local government and the public sector as a whole is facing unprecedented challenges, especially emerging from the impact of COVID-19, not only in terms of financial pressures, but also in terms of demographic changes. Nationally, authorities have implemented different options for improving service delivery, whilst ensuring financial resilience for the future and protecting individual councils' sovereignty.
- 1.2 Within local government, there has been a move towards the sharing of service delivery across different partners, as a way of both improving the outcomes for residents to reducing costs to the overall public purse. This has encouraged authorities to review the way in which they fund and structure services, with many looking to more innovative ways of operating.

What this means for Brentwood and Rochford

- 1.3 Facing these national issues will prove a challenge when it comes to service delivery. For Brentwood and Rochford, these national challenges have translated into shared local challenges, specifically around economic growth, housing growth, the 5 year land supply and Local Development Plans, supporting improved health and well-being outcomes and long-term budgetary issues.
- 1.4 Both authorities have been proactive in responding to challenges by delivering services more effectively and establishing additional income streams and reducing costs. It will be increasingly important for both councils to ensure that they are resilient to future changes and challenges so that they can continue to provide those services that residents value the most.
- 1.5 Though the financial climate is a driver for transformation, both authorities share the same values of working more effectively to deliver improved outcomes for residents and driving sustainable growth for the people and place. This focus on outcomes provides a good starting point for building on the two councils already

effective partnership and exploring opportunities for working more strategically together through a shared service provision.

- 1.6 For Brentwood and Rochford, the importance lies in staying ahead of the curve. National policy direction is indicating that central government is keen to encourage the transformation of local government/public services in localities as a means of tackling shared challenges through local solutions.
- 1.7 Successful joint working requires trust between the partners and shared drivers for change, together with a degree of commonality, both in terms of the organisations themselves and how they work, and the boroughs and districts which they serve. Brentwood and Rochford are similar across a number of areas as outlined below. Further information on these can be found in Appendix B.
 - **People** - similar resident profiles in terms of population and employment figures.
 - **Place** - similar and shared economic geographies across a Functional Economic Area of South Essex which span both rural and urban areas, with both districts also having parishes. We have a common understanding of place and place-based sustainable growth.
 - **Local economies** –Brentwood and Rochford have a complementary economic offer including numbers of businesses, survival rates and start-ups, across a scale which makes sense to people and businesses.

The opportunity and proposal

- 1.8 Following the retirement of the Managing Director of Rochford District Council, in October 2020, the opportunity has arisen to consider the sharing of services and in particular the sharing of a Joint Chief Executive/Managing Director/head of paid service, for Brentwood Borough Council and Rochford District Council.
- 1.9 Discussions have taken place between the two councils Leaders and political leadership team supported by independent advice and support from East of England Local Government Association (EELGA). With the conclusion of these discussions were to move forward, as a first stage of the partnership, and share the role of Chief Executive/head of paid service.
- 1.10 The proposal is to agree to share a Joint Chief Executive/head of paid service for an initial 6-month period to:-
 - Develop an initial feasibility, business case and proposals for future development of shared services.
 - Understand the management and political aspirations, needs and priorities of each Council to be able to determine the most effective partnership opportunities appropriate for both councils moving forward.
 - Consideration of the options for the sharing model going forward and the necessary governance arrangements required as outlined above.

- To produce a timetable for implementation with milestones and estimated financial efficiency savings.
- 1.11 A progress and future feasibility report is to be presented to both councils, in relation to an outline business case and the effectiveness of the sharing arrangements, by the end of 2021.
 - 1.12 A successful outline Business Case would detail the governance arrangements for the continuation of the Joint Chief Executive/head of paid service post, the proposed sharing model to be adopted and the proposed timetable for implementation of further shared services.
 - 1.13 The arrangement would mean that Jonathan Stephenson, Chief Executive and Head of Paid Service would assume the role of interim joint Chief Executive and Head of Paid Service for both Councils, with time divided between the two Councils.
 - 1.14 Section 113 of the Local Government Act 1972 permits a local authority to enter into an agreement to place their staff at the disposal of another local authority, for the purposes of their functions, this can extend to the Head of Paid Service.
 - 1.15 The heads of terms of the agreement will include the division of time between the Councils, the commencement date if agreed will be the 1 August 2021, the duration, payments including reimbursement of salary costs.
 - 2116 There will need be an agreement in writing that details the terms and conditions of the arrangement. The Chief Executive has been consulted and is aware of the requirements of the agreement.

Options

- 2.1 The Council can opt not to enter a s113 arrangement with another Council, this is not recommended as would not provide the efficiencies for the Council that this appointment would bring to both Councils.
- 2.2 That the Council enter into an interim arrangement to undertake a feasibility study that may result in further partnership working, this is the recommended route to enable officers to explore if there are further efficiencies that could be achieved for both Councils.

References to Corporate Strategy

- 3.1 This report reflects all areas of the Corporate Strategy.

Implications

Financial Implications

Name & Title: Jacqueline Van Mellaerts, Corporate Director (Finances & Resources) & Section 151 Officer

Tel/Email: 01277 312500 jacqueline.vanmellaerts@brentwood.gov.uk

- 4.1 It is requested that a maximum of £20,000 be allocated from reserves to fund 50% of the costs of undertaking the feasibility study required to explore further shared and partnership opportunities with Rochford District Council. (Rochford District Council intends, subject to its Council agreement, to also commit £20,000 of resources to undertake this work).
- 4.2 The potential annual saving from a Joint Chief Executive and Head of Paid Service post of c.£70,000 - £80,000 will be confirmed when a paper to agree a permanent appointment is brought to Full Council later in the financial year.
- 4.3 A one-off vacancy factor saving (attributable to the currently vacant Strategic Director post) of c£80,000 is already assumed in the 2021/22 budget forecasts; the actual saving may exceed this depending on the timing and nature of any agreement that is reached later in the financial year.

Legal Implications

Name & Title: Amanda Julian, Corporate Director (Law and Governance) & Monitoring Officer.

Tel & Email: 01277 312500/Amanda.julian@brentwood.gov.uk

- 4.4 Local authorities have a duty under the Local Government and Housing Act 1989 section 4 to designate one of their officers as the head of their paid service. This post is one of four statutory appointments (the others being the section 151 officer, the monitoring officer and the data protection officer) that every local authority is required to make. The Council must therefore ensure that such an appointment is made.
- 4.5 Section 113 of the Local Government Act 1972 permits a local authority to enter into an agreement to place their staff at the disposal of another local authority, for the purposes of their functions, the s113 agreement between Brentwood Borough Council and Rochford District Council will enable an individual to be an officer of both the employing Council and the other Council for the purposes of these shared appointments.
- 4.6 Article 8 of the Constitution enables the Council to enter into joint arrangements with other local authorities including the delegating of functions.

Economic Implications

Name & Title: Phil Drane, Corporate Director (Planning & Economy)

Tel/Email: 01277 312500/philip.drane@brentwood.gov.uk

- 4.7 The potential outcomes of working together are likely to have economic benefits for both authorities, as well as through continued partnership working across South Essex. The feasibility study will identify opportunities, including how these can benefit our areas.

Risk Implications

- 4.8 Future decisions regarding potential local government reorganisation are currently unknown; however, should they take place in future, notice could be served under the legal agreement to dissolve the arrangement.
- 4.9 The interim period may result in a decision not to proceed on a permanent basis leaving the organisation with the original financial challenges that will arise.

Background Papers

LGA, Stronger together, Shared Management in Local Government (Nov 2016)
[Stronger together: shared management in local government | Local Government Association](#)

LGA, Shared Services and Management -A guide for councils (March 2011)
[Shared services and management: a guide for councils \(local.gov.uk\)](#)

I&DEA, Shared Chief executives and joint management: a model for the future (October 2009)
[Consideration of Advantages and Disadvantages of Appointing a Shared Chief Executive.pdf](#)

Appendices to this report

- Appendix A Brentwood & Rochford Comparison (Overview)
Appendix B Organisational Management Structures