

Committee: **Council**

Date of Meeting: **23rd January, 2025**

Report Subject: **Appointment of Chief Executive and Collaborative Working with Torfaen County Borough Council**

Portfolio Holder: **Councillor S. Thomas - Leader of the Council/Cabinet Member – Corporate & Performance**

Report Submitted by: **Andrea J Prosser, Head of Organisational Development**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Governance Audit Committee	Democratic Services Committee	Scrutiny Committee	Cabinet	Council	Other (please state)
	16.01.25						23.01.25	

1. Purpose of the Report

1.1 The purpose of this report is to present to Council the findings of the initial ‘discovery’ phase of the review into closer and collaborative working opportunities between Blaenau Gwent and Torfaen County Borough Councils.

2. Scope and Background

2.1 A report went to Council on the 12th June 2024 and Council agreed to the Chief Executive of Torfaen working across the two Councils for an initial period of up to 9 months (started 1st July 2024) whilst an exploration of closer working opportunities between both Councils was undertaken. The exploration was described as an initial ‘discovery phase’ that would run for up to 9 months and would establish the opportunities, potential for efficiencies and working at scale together with the barriers and risks.

2.2 At the end of the discovery phase, it was agreed that a further report would be presented to Council that would:

- Detail the outcome and highlight the potential benefits available to both authorities.
- Outline the risks and challenges that will need to be managed to achieve the potential benefits.
- Recommend either putting the initial arrangement on a more permanent footing or ceasing the arrangement.

2.3 Local Partnerships, who are a joint venture between the LGA (Local Government Association), HM Treasury and Welsh Government, were commissioned to undertake the discovery phase review and the subsequent development of a business case, should Council take a decision to proceed with establishing a joint working relationship.

2.4 Local Partnerships have conducted one to one interviews and workshops with Cabinet Members, the wider elected membership, and the senior officers of both Councils. They have also consulted with the Cabinet Secretary for Housing and Local Government as well as with officers of Welsh Government and the WLGA.

3. **Discovery Phase Review Findings and Recommendations**

3.1 A report with the detailed review findings together with the recommendations in relation to the Joint Chief Executive appointment is included with this report as Appendix 1. In summary, through the course of the discovery work, Members and officers recognised the benefits of the joint appointment of a Chief Executive, some of which were already materialising and expressed a strong and enthusiastic appetite for closer working and collaboration. The report recommends both the permanent appointment of a Joint Chief Executive and the development of a business case and programme of service alignment.

3.2 The effectiveness and sustainability of the Joint Chief Executive role can only be achieved through establishing a new supporting leadership structure. A decision by the respective Councils to appoint a Joint Chief Executive on a permanent basis will also provide the mandate to develop and implement an initial permanent leadership team structure that will include some joint roles and alignment of functions and structures across the two councils.

3.3 Matching to roles in the new structure will be made from existing Senior Corporate Leadership Teams. Roles in the new joint leadership team structure should be considered as scope variations to existing roles rather than the creation of new roles that would be subject to the provisions related to senior appointments as set out in the Council's Pay Policy. The Joint Chief Executive therefore has the authority as Head of Paid Service to establish the initial new joint leadership team structure and match to the roles without further consultation or agreement with Council.

3.4 It is not expected that the creation of the initial new leadership team structure will result in any detriment or redundancy. The increase in scope, scale and strategic responsibility for some roles will justify an increase in salary in the same way that it did for the salary of the Joint Chief Executive. There will be a requirement for Council to approve the pay structure in accordance with the Council's Pay Policy.

3.5 In the case of joint roles, including the Chief Executive, the post holders will continue to be employed by their existing employer - they will receive amended terms and particulars of service that will cover their scope and responsibilities to both Councils on a permanent basis.

3.6 Section 1.7 of the appended report broadly covers the next steps in the development of greater alignment between both Councils following the permanent appointment of a Joint Chief Executive. It includes the implementation of a Federated Model of Political Governance as described in the report, establishing a change/ transformation team, the development

of common policies where appropriate, the development of business cases for service alignment and subsequent service redesign and implementation. A plan will be developed for each of these stages which is likely to extend over a three-year period, with short, medium and longer-term milestones. The delivery plan will be supported by a comprehensive stakeholder engagement plan ensuring that the public, Members, and officers are engaged and consulted regularly and appropriately as the transformation programme progresses.

- 3.7 Should Council agree to appoint a Joint Chief Executive on a permanent basis, Local Partnerships will be engaged to assist with the development of a strategic outline business case and financial model for service alignment as well as the development of prioritisation criteria, mindful of the risks associated with major transformation that are expressed in the report.

4. **Options for Recommendation**

4.1 **Option 1**

- That Council agree to appoint Stephen Vickers as the permanent Joint Chief Executive for Blaenau Gwent and Torfaen County Borough Councils, this will include taking forward the recommendations for closer working set out within the Local Partnerships report at Appendix 1. Also, the work programme and arrangements to establish closer and collaborative working between both Councils.
- That Council endorses the actions delegated to the Joint Chief Executive (Head of Paid Service) as described in paragraphs 3.2 – 3.7 of this report.

4.2 **Option 2**

Council decides not to take forward the recommendations for closer working set out within the Local Partnerships report at Appendix 1. This option would see current arrangements remaining in place for a further 6 months, with Stephen Vickers operating as the Joint Chief Executive for this period, and to support Blaenau Gwent to recruit to the vacant Blaenau Gwent Chief Executive role.

5. **Evidence of how this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

- 5.1 This report is in line with the Council's core value of being collaborative and seeks to address one of our four Corporate priorities within the Corporate Plan 2022 to 2027 which is the Council being 'An ambitious and innovative council delivering quality services at the right time and in the right place.' This proposal is innovative and ambitious to ensure we can face the necessary financial challenges over the next 4/5 years.

6. **Implications Against Each Option**

6.1 ***Impact on Budget (short and long term impact)***

The decision to appoint a Joint Chief Executive on a permanent basis will result in an ongoing saving of a Chief Executive salary shared between both Councils.

Similarly, the establishment of a shared leadership team structure is likely to result in reduced costs which will be shared between both Councils.

The creation of the change / transformation team and associated backfill arrangements will require funding throughout the life of the transformation programme. Welsh Government has indicated that they would likely provide some financial support for the transformation programme.

It is anticipated that greater service alignment across both Councils will realise service and financial efficiency of levels yet to be determined as well as the sustainability of service delivery that would otherwise be more likely to face future uncertainty.

If the Council decides option 2, the situation with the Blaenau Gwent Chief Executive would have to be resolved.

Cost indications to support the programme of change will be developed as part of the business case.

6.2 ***Risk including Mitigating Actions***

The risks associated with this decision are covered in detail in section 5.1 of the report attached as Appendix 1.

A principal risk for Blaenau Gwent in deciding for option 2 is the Council being unsuccessful in securing a Chief Executive. The statutory position of Chief Executive in the current structure has a salary of £111,287 - £119,857 – this is the lowest paid Chief Executive role in Wales with Directors in some Councils paid more than this. The Council has not implemented job evaluation for senior leaders in Blaenau Gwent and this will be a priority going forwards.

6.3 ***Legal***

There has been engagement with the Remuneration Panel for Wales, and they support the proposed salary for the Chief Executive operating across Blaenau Gwent and Torfaen.

Section 113 of the Local Government Act 1972 facilitates the sharing of staff between two or more local authorities and is the primary statutory basis to support the Joint Chief Executive post.

Should the Council progress as part of the work programme for greater collaboration pursuant to Option [1] above, the Council will need to consider the wider statutory framework to support joint working such as The Local Government Act 1972, the Local Government Act 2000 (as amended). This will, however, depend on which governance structure is adopted for the collaboration.

Further consideration will need to be given to the equalities impact and data protection impact assessments depending on the work programme for greater collaboration.

6.4 **Human Resources**

Stephen Vickers has been acting as the Joint Chief Executive for Blaenau Gwent and Torfaen since July 2024 and will be appointed permanently should Council agree option 1. This report outlines the proposal to establish a Joint Senior Leadership Team for Blaenau Gwent and Torfaen.

6.5 **Health and Safety**

There are no health and safety impacts with this proposal.

7. **Supporting Evidence**

7.1 **Performance Information and Data**

There are examples in England of Joint Chief Executives. Data and performance information will be used to plan areas of collaboration as part of the federation.

7.2 **Expected outcome for the public**

The sharing of resources of a Joint Chief Executive covering two authorities and further collaboration as part of a federated model has the potential to protect and improve the Council's resilience, efficiency and develop more effective ways of doing things. There is more opportunity to innovate, evolve and manage financially.

7.3 **Involvement (consultation, engagement, participation)**

The following have been consulted on this proposal:

- All Members of Torfaen and Blaenau Gwent County Borough Councils
- Blaenau Gwent Executive and Blaenau Gwent Corporate Leadership Teams
- Trade Unions

The Cabinet Secretary for Housing and Local Government, the Director for Local Government at Welsh Government, and the Chief Executive of the WLGA have all been engaged during the discovery phase and are supportive of the recommendations in this report.

7.4 **Thinking for the Long term (forward planning)**

The proposal is focussed on medium and long-term planning and future proofing of service delivery to meet the needs of our communities and future generations.

7.5 **Preventative focus**

It is the sustainability of both Councils which is at the heart of this report, further collaboration to deliver a federated model of service delivery will ensure capacity and capability to sustain services in line with priorities in the short, medium, and longer term.

7.6 **Collaboration / partnership working**

This report is about ensuring greater collaboration and partnership working between the two authorities to obtain the greatest impact and benefits for the communities of both Council areas.

7.7 ***Integration (across service areas)***

The proposal of moving to a Joint Chief Executive and the creation of a joint senior leadership team will support greater integration and the development of a federated model for the future.

7.8 ***Decarbonisation and Reducing Carbon Emissions***

N/A

7.9 ***Integrated Impact Assessment (IIA)***

A wider impact assessment is not considered to be appropriate for this decision but will be needed to inform the development of the subsequent transformation programme.

8. **Monitoring Arrangements**

If Council agrees option 1 a programme of transformation will be developed which will include monitoring arrangements.

9. **Background Documents /Electronic Links**

Appendix 1



Discovery Findings
Final Report - Blaenau