



Shared chief executive and joint management

Options overview and decision making framework

Mutual Ventures

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Spectrum of options

Level of integration with another organisation



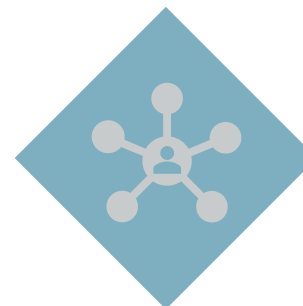
Option 1. As-is
(recruit to permanent Chief Executive position)

Option 2a. Primus inter pares model
(Executive Directors take the role of Head of Paid Service in turn)

Option 2b. Chief Operating Officer
(replacing Chief Executive role)



Option 3. Shared Chief Executive



Option 4. Shared Chief Executive with integrated management team
(partially or fully)



5. Shared Chief Executive, integrated management team, shared back office functions

Option 1. As-is

Description

Maintaining the current Chief Executive model and carrying out a recruitment process to fill the vacant role. This model retains a strong strategic centre and does not result in any change to staffing arrangements so there would be limited impact on the organisation and uncertainty for staff. Once a new Chief Executive is in post, they might look to review the management team and consider whether a new, more streamlined model could be more fit for purpose. They may also want to address the current issue of vacancies by combining director roles.

Implementation considerations



Timescales

● Up to 6 months
Impacted by notice period
of new appointee.



Implementation cost

● Low – less than
£100k

Key considerations

- No savings will be immediately realised through this approach which may mean 2022/23 budgetary savings will not be achieved.
- There will also be a cost implication from the recruitment process and interim arrangements which are likely to be required.
- Other LAs have struggled to attract individuals to equivalent posts and therefore there is a risk that the calibre of candidate required isn't available or the post isn't attractive enough.
- Is the status quo fit for purpose and delivering what's needed?

Experience elsewhere / Case study

This is the current approach in Harborough and across most councils. The Chief Executive acts as the principal adviser to elected members and works closely with leading members setting the strategic direction for the Council. Although this is a common management structure the shape of the management team reporting to this post varies considerably dependent upon the size and type of local authority.

Key learning

- This model provides the Council with a clear point of leadership visible to staff and the community.
- Although the most common approach, many councils have chosen to move away from this model as a result of the savings that can be achieved through joint provision while also protecting services.
- Alternative shapes of the management team can create savings e.g. **Bristol City Council** which comprises of just three executive posts.

Benefits

- Single focus for the responsible officer which will ensure Harborough **District** is the priority and remains the focus.
- Avoids period of **pro-longed** change and transformation which can be unsettling for the organisation.
- Reduced implementation cost as will just require a recruitment process to be undertaken.
- A new Chief Executive coming into post could provide an opportunity to review current structures and identify efficiencies.

Dis-benefits

- Will still result in a period where no permanent CEO is in post so interim arrangements will be required.
- Without the broader role and remuneration the post may not attract the level of calibre required to lead Harborough **District**.
- Missed opportunity to review Senior Management Team and consider a different and more effective set up.
- Missed opportunity to transform services and identify efficiencies.

Option 2a. Primus inter pares

Description

The post of Chief Executive is deleted and a ‘primus inter pares’ arrangement is put in place where the Executive Directors undertake the role of the Head of Paid service in turn. This means there is no single, dedicated, full-time Chief Executive, with responsibilities being shared out amongst senior staff, generally already in post so recruitment is not required. As a result of these increased responsibilities, the Leader will often need to take on more of the ambassadorial functions for the Council that the Chief Executive would ordinarily fulfil.

Implementation considerations



Timescales

● 3 months
Assuming existing officers take on responsibilities



Implementation cost

● Low – less than £100k

Key considerations

- Investment in training and development may be required to support officers to take on the additional responsibilities.
- Consideration needs to be given to ensure officers are in place with the right relationships to make this work.
- Clear communications are key to provide a cohesive message.
- As there are currently a number of vacant posts at senior management level it may mean recruitment is required which would incur a cost and have time implications.
- May need to consider utilising some of Chief Executive role salary as an incentive for the additional duties.

Case study

Amber Valley deleted its Chief Executive post at the end of 2012 and replaced it with two Executive Directors. In addition to their existing roles, the Directors divided responsibilities based on their individual strengths and knowledge with one primarily focusing on inward and the other on outward facing services. The Head of Paid Service role is alternated between them on an annual basis.

Key learning

- Achieved savings of approximately £102k annually (although redundancy costs were incurred).
- The flat structure has meant that senior staff are more accessible.
- A strong relationship based on trust and respect between the Executive Director’s is crucial for success.
- Underpinning this partnership is regular and frequent communication with the Leader of the Council.

More information can be found [here](#).

Benefits	Dis-benefits
<ul style="list-style-type: none"> • Savings from employment costs can be quickly realised and no redundancy costs will be incurred as the Chief Executive is retiring. • Assuming existing officers fulfill the roles, the timescales for implementation should be short and low cost. • Harborough District has previously run a similar model so could build upon this experience. • The roles could be more attractive to high calibre candidates as a result of broader responsibilities and increased salary. 	<ul style="list-style-type: none"> • Vacant posts at Director level may mean officers struggle to take on more responsibility. • No dedicated Chief Executive could result in confusion and create inefficiencies through silo working and lack of a single vision. • This could also weaken the council’s voice both regionally and nationally. • Missed opportunity to review Senior Management Team and to transform services potentially resulting in savings targets not being achieved.

Option 2b. Chief Operating Officer

Description

The post of Chief Executive is deleted, and a new role of Chief Operating Officer (sometimes also called Managing Director) is created. The span of control for the post is wide and has a greater focus on operational delivery and service co-ordination as opposed to strategic management or the ambassadorial role a Chief Executive often fulfils. This requires senior members to take more responsibility for these activities, specifically the responsibility for representing the Council's interests at a local, regional and national level.

Implementation considerations



Timescales

● Up to 6 months
Impacted by notice period
of new appointee



Implementation cost

● Low – less than
£100k

Key considerations

- If a suitable internal candidate exists a full recruitment process could be avoided reducing timescales and costs. However, this could have a wider impact on capacity elsewhere in the organisation.
- In order to attract an individual with the right skill set, this role should not replicate the role profile used for the Chief Executive and will require capacity to define the role and get it right.
- Members may need support and development to play a more strategic role.

Case study

Leicester City Council deleted the post of director of resources and the Chief Executive to create the single role of Chief Operating Officer which was paid at a level somewhere between the two previous roles saving a significant proportion of the previous Chief executive's employment costs. The Chief Operating Officer has 7 direct reports with two strategic directors, 3 service directors and two large head of service roles.

Key learning

- The wider spanning role is manageable due to increased involvement of members and the elected mayor in the strategic management of the Council.
- The Chief Operating Officer role compliments the role of elected mayor but other areas do feel this can work in traditional leader and cabinet model e.g. City of York Council.

More information can be found [here](#).

Benefits

- Saving will be achieved as Chief Operating Officer is paid at a lower level than a stand-alone Chief Executive.
- Clear and visible manager of the Council providing a single point of accountability.
- Flatter structure should improve the flow of communications.
- Limited impact on staff as not as significant a structural change as other options.

Dis-benefits

- Recruitment process potentially still required which is costly and time consuming.
- Potential for loss of strategic leadership and vision in the organisation.
- Could weaken the council's voice both regionally and nationally as reliant on senior members to play a greater role in strategic management.
- May incur costs as result of training and development required for those members to take on additional responsibilities.

Option 3. Shared Chief Executive

Description

One Chief Executive across two (or more) areas. This could involve another district council or a county council. This officer would work across local authority boundaries while being responsible to the individual democratic structures in place in each. As a result of the increased scope of the role, senior managers will need to take on more responsibility for operations. This is the path the majority of local authorities have taken as a steppingstone towards a joint senior management team and subsequent shared services.

Implementation considerations



Timescales

● Up to 12 months



Implementation cost

● Medium – £100k+

Key considerations

- Need to identify a suitable partner to deliver this model. Building upon an existing positive relationship can help streamline the process.
- The partner's current Chief Executive may assume the joint role removing the need to recruit.
- If the model involves a county council, the officer may have a Director/ Deputy role in the county impacting their remit and potentially the appeal of the role.
- The model provides a strong foundation to integrate senior management and share services in the future if desired.

Case study

Suffolk Coastal and Waveney first started working together in 2008 with the establishment of a shared Chief Executive. Shared working between the two councils continued to evolve over time including the creation of a single Corporate Management Team halving the size of the original teams and a joint East Suffolk Business Plan providing a single, shared vision. The councils have now merged to create East Suffolk.

Key learning

- The creation of the single post immediately generated annual savings of £70k+. Since 2010, £16m has been saved as a result of gradual integration with over 64% of all staff in single staffing teams.
- Strong leadership is required from the outset and sound scrutiny of the implementation.
- Working in partnership allowed both councils to create greater staff capacity and resilience.

More information can be found [here](#).

Benefits

- Savings are realised by sharing employment costs of the Chief Executive role including those incurred via the recruitment process.
- Provides the opportunity to share good practice and potentially find more areas for shared working.
- If further transformational opportunities are identified there is the potential to realise further savings and efficiencies.
- Provides more influence in regional and national debates.

Dis-benefits

- Dependent upon a suitable LA being identified that wants to share the role.
- The Chief Executive no longer has a single focus meaning Harborough **District** may not get required attention particularly if the Chief Executive comes from the partner LA.
- Model provides limited transformation and efficiencies.
- May place unreasonable demands on the Chief Executive, especially with two management teams to oversee and engage with.

Option 4. Shared Chief Executive with integrated management

Description

One Chief Executive across two (or more) areas with a single integrated senior management team. As with option 3, these officers would work across local authority boundaries while being responsible to the individual democratic structures in place in each. This would require a restructure of the some or all of the SMT depending upon whether specific roles such as Monitoring Officer and Director of Planning have been identified to be shared or the entire SMT is being integrated.

Implementation considerations



Timescales

● 12 months+



Implementation cost

● High Approx. £800k+

Key considerations

- Integrating with a council where joint working already exists can speed up the process but allowing sufficient time to get the new structure right is still important.
- Need to consider if the new management structure will be filled with existing staff or if recruitment will be required and wider implications if so i.e. redundancies.
- Strong leadership and commitment to joint working is required.
- Identifying quick wins can help to secure commitment and also engage staff in the change process.

Case study

Adur and Worthing appointed the first permanent joint chief executive in 2007 and have had a joint management team since 2008. This integrated approach led to shared services with the first tranche including refuse and recycling, street cleansing, financial services, legal and democratic services, corporate services, and customer services. They now share all services and are looking at digital transformation.

Key learning

- The shared chief executive and joint management team initially realised savings of £452,000.
 - Trust is vital and time needs to be spent communicating the change and what this will practically mean e.g., that time will be proportionally split across both local authorities.
 - Cumulative savings totalled £913,000 by 2009/10 with over £1.5m estimated annually from 2010/11.
- More information can be found [here](#).

Benefits

- Although implementation costs are high these can be offset by considerable savings in the medium to long term.
- Naturally leads to opportunities for shared services being identified, realising further savings and driving service improvement.
- The two vacancies at chief officer level could be shared with another local authority providing greater operational resilience.
- Provides more influence in regional and national debates.

Dis-benefits

- The Chief Executive no longer has a single focus meaning **Harborough District** is not the sole priority and may not get the attention required.
- Costly in terms of staff time and implementation.
- Unsettling for staff which can impact the overall performance of the organisation.
- Substantial change requiring strong leadership and commitment over the long term so that it does not stall and cause staff to disengage.

Option 5. Option 4 with shared services

Description

One Chief Executive across two (or more) areas with a single senior management team and joint services. As in option 4, officers would work across local authority boundaries while being responsible to the individual democratic structures in place in each. This would require a restructure of the SMT and a review of the services that sit within the multiple service areas to identify those that could and should be shared. This often involves multiple business cases led by service heads but there may also be obvious areas that can be identified quickly.

Implementation considerations



Timescales

● 2 years (ongoing)
Dependant upon scale



Implementation cost

● High - £1million+

Key considerations

- Strong leadership and commitment to joint working is required to lead the change process including Leaders and middle managers.
- Identifying quick wins can help to secure commitment and also engage staff in the change process.
- HR resource can act as a blocker to progress so identifying sufficient capacity early on is crucial e.g. staff to evaluate roles.
- As in other areas, taking a phased approach to joining up councils starting with the senior management team can ensure the approach is fully owned and driven by committed officers.

Case study

South Oxfordshire District Council and the Vale White Horse District Council built on earlier successful joint working, moving to a joint Chief Executive model with shared managers down to Head of Service level in 2008. The Service Manager level followed in October 2009 with phased implementation of joint teams during 2010. Staff numbers reduced from 576 to 412 across both councils.

Key learning

- Between 2008/09-10/11 staff savings from the shared management team were £765,984 (£1,569,400 savings and one-off costs of £803,416) with total employment cost savings of £3.9 million (2007-2012).
 - The rapid pace of change avoided prolonged doubt for staying or leaving staff.
 - The appointed special adviser to the new joint Chief Executive added capacity and crucial HR expertise.
- More information can be found [here](#).

Benefits

- Provides the best opportunity to achieve substantial staff savings via transformed services, reduced duplication and joint procurement.
- Can create a culture of continuous improvement through sharing of good practice and help ensure the right people are in the right roles.
- Vacancies at chief officer level could be shared with another local authority providing greater operational resilience.
- Stronger organisational presence at both regional and national level.

Dis-benefits

- Requires large scale change which can cause uncertainty for staff and impact organisational capacity and performance.
- Time consuming and costly in the short to medium term and will need to be carefully managed to ensure progress continues.
- The identity of the council could be lost if the partner local authority takes responsibility for delivery of key service areas.
- Shared services may no longer meet the specific needs of Harborough District residents.