

<b>Report of:</b>	Chair of Chief Officer Appointments Committee
<b>Relevant Executive Member:</b>	Executive Member for Finance and Governance
<b>Submitted to:</b>	Council
<b>Date:</b>	17 January 2024
<b>Title:</b>	Senior Management Arrangements
<b>Report for:</b>	Decision
<b>Status:</b>	Public
<b>Strategic priority:</b>	All
<b>Key decision:</b>	Not applicable
<b>Why:</b>	Not applicable
<b>Subject to call in?:</b>	Not applicable
<b>Why:</b>	Non-executive decision

**Proposed decision(s)**

That full Council approves the extension of the appointment of Clive Heaphy as interim Chief Executive until end March 2025.

**Executive summary**

Following the initial 12-month appointment of the current interim Chief Executive and the current interim arrangements for the Director of Finance (Section 151 Officer), Council is asked to approve the recommendation of the Chief Officer Appointments Committee to extend the appointment of the current interim Chief Executive to end March 2025; to note the road map to permanence in the statutory officer roles and to note the extension to the tenure of the current interim Director of Finance to March 2025.

## **Purpose**

1. Any decision to make an appointment to the Head of Paid Service role (Chief Executive) must be made by full Council. On this occasion full Council is asked to approve the extension of the tenure of the current interim Chief Executive in the context of the road map towards permanence contained in the report at Appendix 1, and mindful that Middlesbrough Council is at a key point in its improvement journey when pace and consistency must be maintained.

## **Recommendations**

2. That full Council approves the extension of the appointment of Clive Heaphy as interim Chief Executive until end March 2025.

## **Rationale for the recommended decision(s)**

3. It is recommended that an extension to the interim Chief Executive appointment is made in order that the council is not left in a position of not having a Head of Paid Service (currently allocated to the role of Chief Executive).

## **Background and relevant information**

4. The current interim Chief Executive, Clive Heaphy was appointed into the role by full Council on 22 March 2023 for a period of up to 12 months. The report that recommended the appointment is in the 'Background Papers' section of this report.
5. Chief Officer Appointments Committee met on 12 January 2024 to consider a report from the Director of Legal and Governance Services which outlined a road map towards permanence in the Chief Executive and Director of Finance roles, and recommended an extension of interim arrangements in both roles until March 2025. The report is appended at Appendix 1 to this report.
6. In approving the recommendations to extend the current Director of Finance arrangements and in deciding to recommend the extension of the current interim Chief Executive's tenure until end March 2025, Chief Officer Appointments Committee noted the value of the experience of the two interim post holders at this critical point in our improvement journey. The committee also noted the plan to appoint permanent post holders into the roles as we move through the improvement journey, with the process due to start in September 2024.
7. The council's improvement board (referred to generally as MIIAB) has indicated its support for the continuation of the current arrangements to the end of March 2025.
8. In accordance with the law, members of Executive have been asked to indicate whether they have any well-founded objections to the extension of the appointment of the current

interim Chief Executive. The existence of any such objection would be raised at the meeting of full council on 17 January.

### **Next Steps**

9. Clear performance targets and milestones would be agreed for both the interim Chief Executive and Chief Finance Officer roles.
10. If full council approves the extension of the appointment of Clive Heaphy as Chief Executive, officers will make arrangements for contracts in relation to both appointments (Chief Executive and Director of Finance) to be extended for the relevant time-frame.

### **Other potential alternative(s) and why these have not been recommended**

11. Council could reallocate the role of Head of Paid Service to an existing Director as an interim measure and not extend the interim Chief Executive until a permanent appointment is made. This is not recommended as it would create too much risk given the limited capacity of existing directors and the particular challenges that the council currently faces around governance, financial resilience and the children's services improvement journey.

### **Impact(s) of the recommended decision(s)**

#### ***Financial (including procurement and Social Value)***

12. The total Chief Executive's budget equates to approximately £240,800. It is likely an interim Chief Executive will cost approximately £243,000 for an interim appointment for 12 months. The cost identified is the cost incurred to the Council paid to the third-party organisation and does not reflect the salary received by the individual.
13. The difference between the budgeted cost for a permanent salaried Chief Executive and the actual cost of interim arrangements will be met from the recurring contingency budget outlined in the Revenue Budget, Council Tax, Medium Term Financial Plan, and Capital Strategy 2023/24 report approved by Council on 27 February 2023. Experience, skill and consistency in both the Chief Executive and Director of Finance posts are fundamental to delivering the transformational change that is required to deliver better outcomes at lower cost.

#### ***Legal***

14. The Head of Paid Service is a statutory post and is currently allocated to the Chief Executive.

#### ***Risk***

15. Risk of not meeting the challenges we face, making the required improvements around governance improvement, producing a balanced budget and the transformational change required for future sustainability.
16. Risk of not having a Head of Paid Service in place.

**Human Rights, Public Sector Equality Duty and Community Cohesion**

17. No protected groups are affected by the decision.

**Climate Change / Environmental**

18. Not applicable

**Children and Young People Cared for by the Authority and Care Leavers**

19. Not applicable

**Data Protection / GDPR**

20. Not applicable

**Actions to be taken to implement the recommended decision(s)**

Action	Responsible Officer	Deadline
<a href="#">Extend current contractual arrangements</a>	Charlotte Benjamin, Monitoring Officer	

**Appendices**

1	Report to Chief Officer Appointments Committee on 12 January 2024 entitled 'Senior Management Arrangements'.
2	
3	

**Background papers**

Body	Report title	Date
<a href="#">Council report 22 March - Final.pdf (middlesbrough.gov.uk)</a>		

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