



People, Performance and Development Committee
19 June 2021

**Appointment of the Chief Executive, Joanna Killian,
to Commissioner of Liverpool City Council**

Purpose of the report:

To seek agreement from Members for the Chief Executive to take up the role of Commissioner to Liverpool City Council.

Recommendations:

It is recommended that the People, Performance and Development Committee:

1. approve the Chief Executive's acceptance of the appointment of Commissioner to Liverpool City Council "LCC".
2. note the arrangements that have been put in place to give effect to the appointment.
3. note the internal management arrangements that are to be put in place at Surrey County Council (SCC).

Introduction:

1. By letter dated 10 June 2021 the Chief Executive was advised that she had been nominated by the Secretary of State for Housing, Communities and Local Government (MHCLG) to act as a Commissioner to LCC. The nomination is for a period of 3 years in the role of Local Government Improvement Commissioner. The time commitment required for the role is up to 150 days in the first year reducing in subsequent years.

2. The Committee is asked to agree the acceptance of the appointment by the Chief Executive and note the arrangements set out below.

Arrangements With Liverpool City Council

3. A commissioner is entitled to a fee of £700 per day set by MHCLG in addition to reasonable expenses. LCC is responsible for payment of those costs. It is usual practice for the fees to be paid direct to the Commissioner. In this instance, as the Chief Executive remains an employee of SCC this would not be appropriate. The Chief Executive will continue to be remunerated by Surrey County Council in line with her contract of employment and it has been agreed that the daily Commissioner fees will be invoiced to LCC by SCC and payment will be made to SCC. All payment claims will be checked and authorised by MHCLG before being paid by LCC. The necessary arrangements to put this into effect are in place and will ensure transparency so that there is no suggestion of double remuneration of the Chief Executive.
4. The Chief Executive will need appropriate insurance to indemnify her in relation to any claims arising from the Commissioner role. LCC has acknowledged responsibility for putting the necessary indemnity policy on risk. We are awaiting confirmation as to whether the insurance will be provided by a third-party insurer or whether LCC will self-insure the risk. SCC's insurance arrangements are not affected by this.
5. All these arrangements will be reflected in an exchange of letters between the 2 councils.

Arrangements Within Surrey County Council

6. Whilst the Chief Executive will retain her role as Head of Paid Service at SCC throughout the period that she acts as Commissioner, arrangements need to be put in place to cover her responsibilities at times when she is engaged with LCC matters.
7. In particular the following arrangements have been agreed:
 - 7.1 The Chief Executive's diary will be arranged so that she will, as far as possible, carry out her Commissioner functions on the same days each week. This will permit more effective planning of her primary responsibilities at SCC. She will continue to attend Cabinet, Council and Leadership Forums. She will additionally maintain her regular individual meetings with the Council Leader and members of the Corporate Leadership Team. There will be

a detailed plan in place which sets out the particular meetings that will remain the responsibility of the Chief Executive and those that will be delegated to others as necessary.

7.2 The Executive Director Resources will deputise for the Chief Executive in relation to internally focussed responsibilities for the management of Council business. This will include day to day business decisions and authorisations and the flow of business through Cabinet and the Corporate Leadership Team. He will join weekly forward planning sessions with the Chief Executive so that she can maintain general oversight of all matters as they arise.

7.3 The Executive Director Partnerships, Prosperity and Growth will deputise for the Chief Executive in the management of external relationships and will have particular meetings delegated to him.

Conclusions:

- 8. Whilst the Chief Executive’s acceptance of the Commissioner nomination will have an impact on the Council, in terms of her time being utilised on non SCC business, the Committee should consider the considerable benefit to SCC that comes from this arrangement.
- 9. As part of a Government appointed intervention team, the Chief Executive will have unparalleled access to the latest thinking in public sector governance. This will flow from her close working relationship with the other 3 Commissioners (all experts in their respective fields) and MHCLG. That experience over a three year period can only strengthen her own professional development and assist her in guiding the Council to deliver its strong ambitions for residents and fulfilling its Vision for 2030.
- 10. In addition, Members will recognise that SCC benefitted from much valued assistance from a number of other public sector organisations when it was facing severe service and financial challenges in 2018/19. That help enabled Members and Officers to put effective measures in place to realign the Council’s financial position. SCC now has the opportunity to lend similar sector assistance to another Council.

Financial and value for money implications

- 11. Although significant progress has been made over the last twelve months to improve the Council’s financial position, the medium term financial outlook beyond 2021/22 remains uncertain. The public health crisis has resulted in increased costs which may not be fully funded. With uncertainty about

the ongoing impact of this and no clarity on the extent to which both central and local funding sources might be affected in the medium term, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority in order to ensure stable provision of services in the medium term.

12. The Section 151 Officer supports the arrangements being put in place to invoice LCC for the agreed Commissioners fees, as set by the Secretary of State. This will act as a contribution to SCC for the time the Chief Executive is working with LCC and the Chief Executive will not financially benefit from the appointment.

Equalities and Diversity Implications

13. An Equalities Impact Assessment has not been undertaken in relation to this appointment as it is not considered to have any adverse impact on individuals with protected characteristics.

Risk Management Implications

14. There could be a perceived risk of a potential reduction of Leadership capacity at the top of the organisation. This is mitigated by assigning the internal and external stakeholder relationship management duties of the Chief Executive to the Executive Director Resources, and the Executive Director Partnerships, Prosperity and Growth respectively, giving the necessary influence over the resourcing of the council's priorities, and providing support to the CEO as required. The CEO along with her Senior Leadership Team and with the support of the Leadership Office will work effectively together to ensure that this risk is mitigated by having robust mechanisms in place for sharing information, making decisions and keeping each other abreast of important or critical issues.

Next steps:

15. Joanna Killian to confirm acceptance to Liverpool City Council.
16. Confirmation of insurance arrangements for Joanna Killian.
17. Exchange of letters between the two councils to be completed.
18. Joanna Killian to brief Members and nominated delegates on accountable areas for deputisation.

- 19. Extended Leadership Forum to be briefed on new arrangements.
- 20. Corporate Communications to be circulated to the wider organisation.

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