

WIRRAL COUNCIL

CABINET

18 SEPTEMBER 2012

SUBJECT:	SENIOR MANAGEMENT RESTRUCTURE
WARDS AFFECTED:	ALL
REPORT OF:	GRAHAM BURGESS CHIEF EXECUTIVE
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR PHIL DAVIES
KEY DECISION?	YES

1. EXECUTIVE SUMMARY

1.1. The purpose of this report is to bring forward a proposal for the first stage of a restructuring of the senior management of Wirral Council.

1.2. This report proposes the creation of three Strategic Director posts:

- Strategic Director: Families and Wellbeing
- Strategic Director: Transformation and Resources
- Strategic Director: Regeneration and Environment

1.3. In addition, this report seeks approval to (i) amend the Council's Scheme of Delegation to Officers to include the proposed Strategic Director posts, and (ii) extend and confirm the current acting and interim senior management arrangements, as required.

2. BACKGROUND AND KEY ISSUES

2.1. It was agreed by Council on 16 July 2012 (minute 7) that the following Council Officers would be appointed from 16 July 2012 until the first meeting of Council after the Interim Chief Executive begins his employment with the Council:

- a) For the avoidance of doubt, David Armstrong as Acting Chief Executive and Head of the Paid Service.
- b) Surjit Tour as Acting Director of Law, HR and Asset Management and as Monitoring Office.
- c) Tom Sault as Acting Director of Finance and Section 151 Officer.

d) Chris Hyams also as Proper Officer for the purposes of any employment related matters arising out of or in connection with the PIR.

2.2. Council on 16 July 2012 also approved the appointment of Graham Burgess as Chief Executive (minute 6). One of the first tasks requested by the three group Leaders was for the new Chief Executive to review the current senior management structure (see Appendix One) in light of the Council's current challenges, particularly in relation to the issues raised in the Audit Commission's Public Interest Report (PIR).

2.3. The Council and local government in general face unprecedented financial challenges which can only be met by strong corporate management ensuring as far as possible front line services are protected and the Corporate Plan and the priorities contained within are delivered.

2.4. In order to ensure effective leadership during this period of change and to ensure the necessary improvements to the Council's corporate governance arrangements, changes are required to the Council's current senior management structures. The proposed changes will offer additional strategic leadership capacity, in addition to providing support to members and the Chief Executive to lead and deliver the Council's Improvement Plan.

3. CURRENT MANAGEMENT ARRANGEMENTS

3.1. It is proposed to extend and/or confirm the current management arrangements as follows:

- a) Surjit Tour as Acting Director of Law, HR and Asset Management and as Monitoring Officer, Returning Officer and Electoral Registration Officer (noting and recommending that the designated Monitoring Officer designate a Deputy Monitoring Officer as soon as possible.
- b) Peter Timmins as Interim Director of Finance and be appointed as the Council's Section 151 Officer.
- c) Tom Sault as Deputy Section 151 Officer.
- d) David Armstrong to be assigned to the post of Deputy Director, within the Children and Young People's department (agreed by the Employment and Appointments Committee on 29 September 2011, minute 33), and to be appointed as Deputy Chief Executive to provide support and handover to the new Chief Executive.
- e) Julia Hassall to continue as Acting Director of Children's Services until a permanent appointment is made.
- f) Chris McCarthy as Interim Director of Technical Services.

4. PROPOSED CHANGES TO SENIOR MANAGEMENT STRUCTURE

4.1. It is proposed to create three Strategic Director level posts that will report directly to the Chief Executive. The three proposed new posts are:

- Strategic Director: Families and Wellbeing
- Strategic Director: Transformation and Resources

- Strategic Director: Regeneration and Environment

Implementing the first phase of the management restructuring is vital to ensure the next stage which is a review and restructuring of the current arrangements at director, head of service and senior manager levels are delivered effectively and in a timely manner.

5. THE STRATEGIC DIRECTORS

- 5.1. The Strategic Directors will represent three programme areas of the Council, with service functions sitting underneath. Each of the areas will have Directors responsible for specific portfolios and departments, as detailed below and as shown at Appendix Two.
- 5.2. In addition to these three new posts the existing posts of Head of Communication and Community Engagement and the Director of Public Health will report directly to the Chief Executive. The Director of Public Health has already assumed responsibility for performance and commissioning, and will also assume responsibility for Policy. The role will be re-named as The Director of Policy, Performance and Public Health.
- 5.3. It is proposed that the Strategic Directors will deputise for the Chief Executive on a rotational basis in his absence, and that the grade for the posts will be equivalent to the current Deputy Chief Executive (DCE) grade: £109,626 - £121,807. It is proposed that this grade be re-designated to Strategic Director grade (SD). These grades have been benchmarked against comparable grades elsewhere in the region. These posts will be funded from savings made from the next stage of the senior management review.
- 5.4. The Strategic Director posts will:
 - Provide a strong corporate focus which is necessary to drive the improvement plan agreed between the Council and the Improvement Board.
 - Have specific responsibility for providing strategic direction and leadership, with less operational focus on the professional areas for which they are responsible. In particular they will have responsibility for breaking down departmental silos in each programme area. The operational and statutory responsibilities will remain with the Directors reporting to them.
 - Have responsibility to carry out thematic reviews across areas of the Council beyond their specific programme area.
 - Provide a challenge to other programme areas to ensure both the Improvement Plan and the Corporate Plan are delivered.
 - Have specific responsibility for delivering key elements of the Council's Corporate Plan and three year financial strategy.

6. AREAS OF RESPONSIBILITY

6.1. Strategic Director: Families and Wellbeing

The Strategic Director: Families and Wellbeing will be responsible for the service areas that are currently under the Department of Adult Social Services and the Children and Young People's Departments. This will include the following functions:

- Children's Social Care
- Learning and Achievement

- Planning and Resources (CYPD)
- Locality Personalised Support (Adults)
- Specialist Personalised Support (Adults)
- Safeguarding and Care Governance
- Finance and Performance (Adults)

It is proposed that the Library Service remains in the Revenues, Benefits and Customer Services area, within the Finance Department. However, arrangements will be made to ensure service development integration with Lifelong Learning.

It is also proposed that, because of the strong link between Sport and Recreation and Health and Wellbeing, that Sport and Recreation are moved from the Technical Services Department, to sit under Families and Wellbeing.

The job description for the Strategic Director: Families and Wellbeing is attached at Appendix Three.

6.2. Strategic Director: Transformation and Resources

The Strategic Director: Transformation and Resources will have a specific role in coordinating and delivering service transformation across the Council. This will also include carrying out specific reviews linked to meeting the financial challenges faced by the Council.

The post holder will also be responsible for the services areas that are currently under the Department of Law, HR and Asset Management, and the Department of Finance. This will include the following functions:

- Legal and Democratic Services
- Human Resources and Organisational Development
- Asset Management
- Regulation
- Financial Services
- Revenues, Benefits and Customer Services
- Information Technology
- Merseyside Pension Fund

It is proposed that the Health, Safety and Resilience function will move under the area of Transformation and Resources to sit with Human Resources and Organisational Development. The strategic responsibility for health and safety will move to the Strategic Director: Transformation and Resources. The Chief Executive will continue to lead on emergency planning.

The job description for the Strategic Director: Transformation and Resources is attached at Appendix Four.

6.3. Strategic Director: Regeneration and Environment

The Strategic Director: Regeneration and Environment - In order to ensure an integrated approach to the development of high quality employment, skills and environment it is proposed this post will be responsible for the service areas that are currently under the

Technical Services Department and the Department of Regeneration, Housing and Planning. This will include the following functions:

- Environmental Services and Streetscene
- Parks and Countryside
- Theatres and Arts
- Regeneration and Planning
- Housing
- Transport Services

It is proposed that because of the links between Health and Safety and Human Resources, the Health, Safety and Resilience Service is moved from Technical Services to sit under the Transformation and Resources programme area as detailed in section 6.2 above, and that Sport and Recreation are moved from Technical Services to sit under the Families and Wellbeing programme area.

The job description for the Strategic Director: Regeneration and Environment is attached at Five.

6.4. Role of the Statutory Officers

Where Officers hold statutory responsibility, such as the Monitoring Officer and the Section 151 Officer, they will report directly to the Chief Executive on the issues as appropriate.

6.5. Policy and Performance and Public Health

As detailed in section 5.2 above, the Director of Public Health has assumed responsibility for Performance and Commissioning, and will also assume responsibility for Policy. It is therefore proposed that the post is re-named as The Director of Policy, Performance and Public Health.

The Director of Policy, Performance and Public Health currently has two directly reporting senior managers: the Deputy Director of Public Health, which is a statutory role in accordance with the Health and Social Care Act, and the Head of Commissioning and Performance. It is proposed that a Head of Policy post is created to ensure sufficient capacity in the area of Policy. It is proposed that this post is established at EPO12 grade (subject to Job Evaluation).

It is also proposed that the Officers working directly on the Council's Improvement Plan: Programme Manager (post FN/08/009), Project Co-ordinator (post CP/31/101), are moved to the Policy, Performance and Public Health area and re-designated as the Improvement Team, with revised areas of responsibility and job descriptions to be determined. Further consideration is required in relation to the future management arrangements for the Council's Change Team.

In addition it is proposed that the Business and Performance Manager (post SON400005) is seconded to work with the Improvement Team on a part time basis, subject to the appropriate consultation and engagement with the Children and Young People's Department.

The senior management structure of the Policy, Performance and Public Health area is attached at Appendix Six. Proposals for a further restructure of the areas of Policy,

Performance and Public Health will be considered through the appropriate decision making mechanisms by November 2012.

6.6. Scheme of Delegation to Officers

Should the proposals be agreed and approved, the Council's Scheme of Delegation to Officers will need to be amended to enable the Strategic Director to undertake their respective roles.

The proposed amendments to the Scheme of Delegation to Officers are set out at Appendix 7 to this report.

7. RECRUITMENT TO THE POSTS

7.1. It is proposed that the Strategic Director: Families and Wellbeing is advertised on a permanent basis in September 2012. Two of the Strategic Director posts: Strategic Director: Transformation and Resources, and Strategic Director: Regeneration and Environment can not be filled on a permanent basis, as the currently suspended Chief Officers may wish to apply for the posts, pending the outcome of the investigations. It is therefore proposed that the Strategic Director: Transformation and Resources and Strategic Director: Regeneration and Environment are filled on an interim or acting up basis, until the outcomes of the investigations are known.

7.2. The post of Director of Children's Services is currently vacant. The Council has covered this post through acting up arrangements. Due to the statutory nature of this post and the significant service and financial pressures in this area, it is therefore proposed that the Director of Children's Services is advertised in September 2012, alongside the post of Strategic Director: Families and Wellbeing, and that a sub committee of the Employment and Appointments Committee is established to appoint to these positions.

8. FUTURE CHANGES

8.1. While the proposed senior management structure involves changes to the make-up of departments, it is not proposed that any posts are deleted at this time. However, it is proposed as a matter of urgency that a further senior management structure will follow, aimed at delayering the organisation, making financial savings, and improving accountability and communication and it is essential that the strategic directors are in post to assist in the review and restructuring process of senior management.

9. RELEVANT RISKS

9.1. It is anticipated that by investing resources in strategically planning the work of the Council at this level, the Council will deliver its Improvement Plan, meet a demanding financial challenge, and minimise any further risks of criticism in relation to its corporate governance arrangements.

10. OTHER OPTIONS CONSIDERED

10.1. This is considered to be the most appropriate option for the Council in light of the need to improve corporate governance arrangements, create strategic leadership capacity, and continue to review senior management costs.

11. CONSULTATION

11.1. Consultation has taken place with the Trade Unions in respect of these proposals. There has been internal consultation with the three Group Leaders and The Executive Team, and consultation has taken place with Directors, Heads of Service and other affected staff. This included consultation letters and packs to all affected staff with an invitation for feedback, a consultation briefing with the Chief Executive, and 1-2-1 meetings with Directors. Consultation will continue in relation to the further senior management restructure.

12. IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

12.1. The proposed senior management structure will not have any direct implications for the voluntary, community and faith groups. The Council will continue to work in partnership with these groups.

13. RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

13.1. The proposed senior management structure will carry an additional cost in the short term, until the Council is in a position to review management structures and tiers at and below Chief Officer level. The additional full year cost is £365,421. This will be met **in full** by reducing costs via the restructuring of the overall management function, a further report in relation to review of senior management structures will be produced within three months. Some cost savings have already been identified.

13.2. Two of the Strategic Director posts: Strategic Director: Transformation and Resources, and Strategic Director: Regeneration and Environment can not be filled on a permanent basis, as the currently suspended Chief Officers may wish to apply for the posts, pending the outcome of the investigations. It is therefore proposed that the Strategic Director: Families and Wellbeing is advertised in September 2012, and the Strategic Director: Transformation and Resources and Strategic Director: Regeneration and Environment are filled on an interim basis, until the outcomes of the investigations are known.

14. LEGAL IMPLICATIONS

14.1. Legal and HR advice has been sought in relation to the implications arising from the proposed senior management structure to ensure that correct processes are followed.

15. EQUALITIES IMPLICATIONS

15.1. An EIA has been completed on the proposed senior management structure. The EIA is attached, and is available at:

<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/chief-executives>

16. CARBON REDUCTION IMPLICATIONS

16.1. None arising from this report.

17. PLANNING AND COMMUNITY SAFETY IMPLICATIONS

17.1. None arising from this report.

18. RECOMMENDATIONS

It is recommended that Cabinet:

- 18.1. Endorse the report.
- 18.2. Refer and recommend the following proposals to the Employment and Appointments Committee, and Full Council for consideration and decision:
 - The extension and/or confirmation of the following current senior management arrangements:
 - Surjit Tour as Acting Director of Law, HR and Asset Management and as Monitoring Officer.
 - Peter Timmins as Interim Director of Finance and Section 151 Officer.
 - Tom Sault as Deputy Section 151 Officer.
- 18.3. Refer and recommend the following proposals to the Employment and Appointments Committee, for consideration and decision:
 - David Armstrong to be assigned to the post of Deputy Director: Planning, Resources and Schools, within the Children and Young People's department (agreed by the Employment and Appointments Committee on 29 September 2011, minute 33), and to be appointed as Deputy Chief Executive to provide support and handover to the new Chief Executive.
 - Julia Hassall to continue as Acting Director of Children's Services until a permanent appointment is made.
 - Chris McCarthy to continue as Interim Director of Technical Services.
- 18.4. Refer and recommend the following proposals to the Employment and Appointments Committee for consideration and decision:
 - The creation of the three Strategic Director level posts:
 - Families and Wellbeing
 - Transformation and Resources
 - Regeneration and Environment
 - The grade for the Strategic Director posts and the re-designation of the Deputy Chief Executive grade, to Strategic Director grade (SD), and to amend the Council's Pay Policy accordingly.
 - That the Director of Public Health assumes responsibility for Policy, and the post is re-named as The Director of Policy, Performance and Public Health.
 - That the post of Head of Policy at EPO12 grade is established and the recruitment process commences.
 - That the two Officers working directly on the Council's Improvement Plan, as detailed in section 6.5, move to the Policy, Performance and Public Health area, and are re-designated as the Improvement Team with amended job descriptions to be determined, and that the Business and Performance Manager is seconded to work with the Improvement Team on a part time basis.

- The service re-organisations as detailed within the report.
- That the permanent recruitment processes for the Strategic Director: Families and Wellbeing and the Director of Children Services commence in September, and that a proportionate Sub-Committee of the Employment and Appointments Committee is established to appoint to the positions.
- That the posts of Strategic Director: Transformation and Resources and Strategic Director: Regeneration and Environment, are filled on an interim or acting up basis, until the outcomes of the Chief Officer investigations are known.

18.5 Approves the re-alignment of services across departments as detailed in the report.

18.6 Receives at the next Cabinet the appropriate virement of financial resources to meet the structure changes.

18.7 Recommends to Council for approval the amendments to the Council's Scheme of Delegation to Officers as set out in Appendix 7 to this report, subject to approval of the relevant senior management structure proposals outlined in this report by Employment and Appointments Committee.

18.8 That the Chief Executive brings back a further report in relation to the further senior management restructure, including details of financial savings.

19 REASONS FOR RECOMMENDATION/S

19.1 The extension and confirmation of the current senior management arrangements will ensure that the Council has sufficient capacity at this level. The arrangements are required to meet the Council's statutory functions.

19.2 The senior management structure proposed at Appendix Two reflects a revised leadership structure that is required to provide capacity for strategic direction and planning, to ensure the Council can deliver the Improvement Plan and ensure adequate corporate governance arrangements.

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APPENDICES

Appendix 1 Current Senior Management Structure

Appendix 2 Proposed Senior Management Structure

Appendix 3 Job Description for Strategic Director: Families and Wellbeing

Appendix 4 Job Description for Strategic Director: Transformation and Resources

Appendix 5 Job Description for Strategic Director: Regeneration and Environment

Appendix 6 Proposed Senior Management Structure: Policy, Performance and Public Health

Appendix 7 Amendments to the Council's Scheme of Delegation to Officers

REFERENCE MATERIAL

None

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Council	16 July 2012
Employment and Appointments Committee	29 September 2011