

Corporate Policy Committee

Date of Meeting:	08 June 2021
Report Title:	Proposed Senior Management Restructure
Report of:	Lorraine O'Donnell, Chief Executive
Report Reference No:	CP/07/21
Ward(s) Affected:	N/A

1. Executive Summary

- 1.1. The report outlines the final proposals for the Senior Management Structure following formal staff consultation. Approval is sought from Corporate Policy Committee to recommend these changes to full Council.
- 1.2. The outcomes of the consultation are summarised, together with a timeline for the proposed recruitment process.
- 1.3. The final proposed Senior Management Structure has been designed on the basis that it will support the strategic aims to be an opening and enabling organisation which empowers and cares about people.

2. Recommendations

- 2.1. Recommendations to Corporate Policy Committee to:
 - 2.1.1. Recommend to full Council the adoption of the Senior Management Structure at Appendix 1.
 - 2.1.2. Recommend to full Council the deletion of the Executive Director People and the Strategic Director Adult Social Care and Health roles and the creation of 2 new posts Executive Director of Children's Services and the Executive Director of Adults, Health and Integration (see Appendix 2) which include the statutory responsibilities of the Director of Children's Services and Director of Adults Social Services.

- 2.1.3.** Recommend to full Council the salaries in respect of the Executive Director of Children's Services and the Executive Director of Adults, Health and Integration which will be in excess of £100,000 (up to £136,313 / Grade CX2).
- 2.1.4.** Recommend to full Council to delegate all constitutional changes including the scheme of delegation to the Monitoring Officer.
- 2.1.5.** Note the summary of the consultation and progress since the Staffing Committee meeting on 22 April 2021.
- 2.1.6.** Note that following a formal procurement exercise, Tile Hill Executive Recruitment has been appointed as the executive search partner for the recruitment and selection processes.
- 2.1.7.** Note the timeline for the recruitment and selection process, subject to approval by full Council.

3. Reasons for Recommendations

- 3.1.** Following the resignation of the Executive Director People and the Strategic Director Adult Social Care and Health, appropriate interim arrangements have been in place.
- 3.2.** The Executive Director People role fulfilled both statutory roles of the Director of Children's Services (DCS) and the Director of Adult Social Services (DASS). It is a statutory requirement for Cheshire East Council to have a designated DCS and DASS.
- 3.3.** The interim arrangements have ensured that the duties of the statutory roles of the DCS and DASS were fulfilled, together with the other duties of the Executive Director People, pending a review of the senior management structure.
- 3.4.** These interim arrangements enabled the Chief Executive to formulate draft proposals regarding permanent changes to the senior management structure of the Council. The draft proposals were approved by Staffing Committee on 22 April 2021. Approval was given to undertake formal consultation with the affected staff.
- 3.5.** The formal consultation has now been completed and the final proposed changes to the senior management structure have been formulated.
- 3.6.** The outcome of the consultation is that the proposal to create two new executive director posts has been well received by the consultation group.
- 3.7.** The recommendations have been made on the basis that they will support the strategic aims to be an opening and enabling organisation which empowers and cares about people.

4. Background

- 4.1.** The Council has an unprecedented workload at present as we strive to implement a new corporate plan, a new model of governance and the Medium-Term Financial Strategy. These significant changes take place against the backdrop of the coronavirus pandemic.
- 4.2.** The resignations of the Executive Director People and the Strategic Director of Adult Social Care and Health, whilst presenting short term challenges, have also offered the opportunity to restructure, in order to ensure that the Council is fit for purpose to deliver the Corporate Plan and has the capacity to deal with strategic matters relating to these important services.
- 4.3.** As reported to the last Staffing Committee, the Chief Executive introduced interim arrangements to ensure that the Council continued to deliver its statutory responsibilities. This has provided time to develop a revised permanent structure (the final proposed structure is shown at Appendix 1).
- 4.4.** The final proposed structure is presented to the Corporate Policy Committee for its consideration and recommendation before recommendation to full Council.

Interim arrangements

- 4.5.** The Interim arrangements were introduced to ensure that Cheshire East Council's statutory obligations in relation to the Director of Children's Services and the Director of Adult Social Services were met at a time of extreme pressure on council services due to the Covid pandemic.
- 4.6.** The arrangements ensure that the duties of the previous Executive Director of People are fulfilled pending the restructure being implemented.
- 4.7.** These interim arrangements can be afforded within the available salary budgets relating to the senior management structure for 2021/22.

5. Consultation

- 5.1.** The formal staff consultation took place from 27 April to 26 May 2021. The staff group that were included in this consultation were:

- Director 14-19 Education and Skills
- Director of Children's Social Care
- Director of Prevention and Early Help
- Director of Adult Social Care
- Director of Commissioning
- Director of Public Health
- Public Sector Transformation Programme Director

5.2. Feedback from the consultation group and its impact on the final proposed structure is summarised as:

- The proposal to create two new Executive Director posts is supported and has been well received.
- Positive comment has been received in relation to the interim arrangements that have been in place since February 2021.
- The Executive Director roles should require applicants to have a social work qualification. Following careful consideration to this point, this has not been amended in the final proposal as there is not statutory requirement for the post holders to have this qualification. The importance is to attract a broad field of suitably qualified and experienced candidates for these key roles. Competence and experience will be tested through the selection process.
- A request was received to reframe some of the wording in the Executive Director the job descriptions. It was decided that this could be best addressed and reflected within the advert for the job roles.
- The role of Public Sector Transformation Programme Director will report to the new post of Executive Director Adults, Health and Integration.
- There are historical issues that need to be reviewed in respect of the Directors' job descriptions. They will be considered by the new Executive Directors on their appointment with the insight from their professional expertise and vision for the development of their directorates for the future.
- There were comments about the affordability of the proposal as the salary costs of two Executive Directors is more than those of the current Executive Director and Strategic Director of Adult Social Care and Health. It has been acknowledged that the proposal does represent a small increase in the potential total cost over the current senior management structure. However, this investment is deemed to be appropriate given that it will direct capacity to enable the Council to better meet the opportunities and address risks in these important service areas.
- The differential in the salary levels between the Executive Directors and the Directors was raised. The job roles have been externally

evaluated under the HAY scheme. This information has been used to determine the appropriate grade on the CEC Senior Manager Pay Structure. This is up to grade CX2 (£136,313). As part of the evaluation process, it was determined that these grades/salaries were within the range for similar job roles in other local authorities. During the recruitment process, Tile Hill, the recruitment partner, will provide their expertise in the market to ensure that the salaries are appropriate to secure the right calibre of candidates for the posts.

6. The Final Proposed Senior Management Structure

- 6.1.** The final proposed structure will ensure there is sufficient capacity and expertise to deliver the corporate plan and the MTFS as well providing strategic capacity to deal with the fast-changing agenda and demands relating to Adults, Children's and Health Services.
- 6.2.** The final proposed structure confirms the deletion of the posts of Executive Director People and the Strategic Director of Adult Social Care and Health and the creation two new posts. These new posts will be the Executive Director Adults, Health and Integration and the Executive Director Children's Services. Such a structure refocuses existing senior management resources to meet the current and anticipated service needs arising from developing regulatory requirements and the recent NHS white paper.
- 6.3.** The creation of an Executive Director Children's Services is based on the need to create additional senior management capacity for Children's Services, the growing demand and complexity of cases particularly in relation to Looked After Children and Special Educational Needs and Disability and the need to manage complex budgets. It is also designed to ensure that there is a coherent, strategic and holistic approach to children's services.
- 6.4.** The creation of an Executive Director Adults, Health and Integration has been informed by the recent proposals to create Integrated Care Systems across Cheshire & Merseyside and with implications for health and social care at the Cheshire East level. These are at an early stage of development and are requiring significant input from chief executives across the sub-region. Currently, the interim arrangements are assisting in this this strategic work.
- 6.5.** The final proposed structure in adult services has been designed to provide sufficient support at Executive Director level to members and the Chief Executive to ensure that health and social care integration for Cheshire East residents can be shaped, effectively and, simultaneously, reflects this direction of policy development in all senior management posts within the Adults, Health and Integration directorate.

- 6.6.** At the time of writing, it is expected that the Cheshire CCG, which covers both Cheshire West and Chester and Cheshire East, will be replaced with new arrangements at both the C&M footprint and Cheshire East level.
- 6.7.** The size, geography and the fact that the current CCG is not coterminous with individual local authority boundaries, means that the transition to the new arrangements which need to be implemented by next April will be complex.
- 6.8.** The final proposed structure will create strategic capacity so that the new duty for the Council to collaborate across health, public health and the social care system can be met and enable the Council to play a significant part in shaping the new arrangements.
- 6.9.** The responsibilities of the Executive Director Adults, Health and Integration would incorporate the statutory role of Director of Adult Social Service (DASS) and the Executive Director Children's Services would be designated as the Statutory Director of Children's Services (DCS).
- 6.10.** The job descriptions for the two new Executive Directors are shown in Appendix 2.
- 6.11.** The evaluated salaries for the posts are:-
- The Executive Director Adults, Health and Integration is up to CX2 £136,313 per annum.
 - The Executive Director Children's Services is up to CX2 £136,313 per annum.
- 6.12.** It is proposed that as part of the recruitment campaign, the role will be advertised at a salary of up to £136,313 to secure the appointment of the right candidate for the role. The actual salary will depend on the skills and experience of the successful candidate.
- 6.13.** The evaluation following the review of the existing roles suggests that the grade for the Director of Adult Social Care Operations and the Director of Commissioning would remain at D3 (£88,985 per annum). The consultation has highlighted historic issues in respect of these posts which will be addressed by the new Executive Director posts. The evaluation and grade will also be kept under review as the Integrated Care System develops.
- 6.14.** Tile Hill Executive Recruitment have been procured and appointed as external support for the executive search and recruitment processes.

- 6.15.** Preparatory work has commenced with Tile Hill in advance of the recruitment campaign so that the campaign can commence as soon as possible if approval is given by full council. This will be progressed in consultation with the Chair of the Appointment Committee and the Chair of Corporate Policy Committee.
- 6.16.** It is to be noted that within the Corporate Services Directorate, the repositioning of the currently vacant Director of Transformation to the Director of Policy and Change has also been undertaken. This will ensure that the role is suitably refocused on ensuring that current and future demands are met.
- 6.17.** It should be noted that the need to recruit to another senior management post is anticipated in the near future. If this is required, it would be to an existing established post in the management structure which is unaffected by the changes proposed above.
- 6.18.** Therefore in the interests of efficiency and expediency it is proposed that the recruitment campaign for both the Director of Policy and Change and the potential other senior management post will also be supported by Tile Hill and to the same timeline as the two new Executive Director posts.
- 6.19.** There is no requirement to seek the approval of Corporate Policy Committee. The recruitment of the senior management post would be a member appointment. Members will be updated on developments.

Next Steps

- 6.20.** The appointment of the two Executive Directors will be undertaken by the Appointment Committee with the support of Tile Hill and Cheshire East Council Officers.
- 6.21.** Subject to the approval from full Council, the preparatory work for recruitment campaign will be finalised and the job advertised.

6.22. The proposed timeline for the recruitment campaign is:

Final proposed structure to Special Corporate Policy Committee	Chief Executive	8 June 2021
Recommendation for approval to full council	Chief Executive / Council	22 June 2021
External Recruitment Campaign	Chief Executive / HR / Appointments Committee / Tile Hill	Commences 23 June 2021
External job advert	Chief Executive / HR / Appointments Committee / Tile Hill	After 23 June 2021 (tbc)
Closing date	Chief Executive / HR / Appointments Committee / Tile Hill	16 July 2021 (tbc)
Shortlisting	Chief Executive / HR / Appointments Committee / Tile Hill	w/c 19 July 2021 (tbc)
Interviews	Chief Executive / HR / Appointments Committee / Tile Hill	w/c 26 July 2021 / w/c 2 August 2021 (tbc)
New structure in place (interim arrangements may be required)	Chief Executive / all	1 September 2021(tbc)

6.23. It is expected that interim arrangements will need to be in place beyond July 2021 until the new appointments can take up post.

7. Consultation and Engagement

7.1. The formal consultation period for the Senior Management Structure with affected staff and the recognised trade unions commenced on 27 April 2021 and ended on 26 May 2021.

- 7.2.** All affected staff were also offered an individual consultation meeting with the Chief Executive.
- 7.3.** All affected staff have been encouraged to provide feedback on the proposals to inform the final proposed structure to be considered by Corporate Policy Committee and approval by Full Council.

8. Implications

8.1. Legal

- 8.1.1.** There is a statutory requirement for the designation of Director of Children's Services and Director of Adult Social Services within a local authority.
- 8.1.2.** The role of the Director of Children's Services was created by virtue of the Section 18 Children Act 2004. The role of the Director of the Adult Social Services was created by amendment to Section 6 the Local Authority Social Services Act 1970 and the Care Act 2014, which require a local authority to appoint a Director of Adult Social Services, for the purposes of their social services functions, other than those for which the authority's Director of Children's Services is responsible under Section 18 of the Children Act 2004.
- 8.1.3.** Permanent changes to roles within the senior management structure followed the same consultation route as any other restructure. This is required to ensure compliance with employment legislation and ensure procedural fairness.
- 8.1.4.** The final proposed changes to the senior staffing structure require members to be fully engaged with the process and to ultimately approve any recommendation from the Chief Executive.
- 8.1.5.** As the statutory posts of the Director of Children's Services and Director of Adults Social Services are affected by the final proposed structure, the changes require approval by Full Council.
- 8.1.6.** In addition, as the proposed salaries for the posts of the Executive Director Children's Services and the Executive Director Adults, Heath and Integration following independent job evaluation are in excess of £100,000, the constitution requires the salaries to be agreed by Full Council.

8.2. Finance

- 8.2.1.** The current total senior salary budgets for the current established senior management structure for the People Directorate is £1,091,491
- 8.2.2.** The costs for the permanent structure have been based on the appointments to the Executive Directors at the maximum grade (CX2) and the Directors remaining at D3. This has been estimated to cost £1,115,732.
- 8.2.3.** This therefore represents a small increase in the potential total cost other senior management structure. However, this investment is deemed to be appropriate given that it will direct capacity to enable the Council to better meet the opportunities and address risks in these important service areas.
- 8.2.4.** This budget shortfall can be met from the MTFS reserve set aside to support transformation.
- 8.2.5.** The total costs of the interim arrangements, which may be required to continue up to 31 October 2021, can be afforded for within the total salary budget for the People Directorate.

8.3. Policy

There are no direct policy implications.

8.4. Equality

The Equality Impact Assessment is shown in Appendix 3.

8.5. Human Resources

Actions will be undertaken in accordance with the Constitution and appropriate HR policies and procedures.

8.6. Risk Management

Actions have been undertaken in accordance with appropriate policies procedures and scheme of officer delegation.

8.7. Rural Communities

There are no direct implications for rural communities.

8.8. Children and Young People/Cared for Children

There are no direct implications for children and young people/cared for children.

8.9. Public Health

There are no direct implications for public health.

8.10. Climate Change

There are no direct implications for climate change.

Access to Information	
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Appendices:	Appendix 1 Current and Final Proposed Structures Appendix 2 Executive Director Job descriptions Appendix 3 Equality Impact Assessment
Background Papers:	Staffing Committee Report – 22 April 2021