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CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Council**
held on Thursday, 23rd July, 2015 at The Ballroom, Sandbach Town Hall,
High Street, Sandbach, CW11 1AX

PRESENT

Councillor H Gaddum (Chairman)

Councillor O Hunter (Deputy Mayor/Vice-chairman)

Councillors C Andrew, A Arnold, D Bailey, Rachel Bailey, Rhoda Bailey, G Barton, P Bates, G Baxendale, M Beanland, S Brookfield, D Brown, C Browne, B Burkhill, P Butterill, S Carter, C Chapman, J Clowes, S Corcoran, H Davenport, W S Davies, M Deakin, T Dean, B Dooley, L Durham, S Edgar, I Faseyi, P Findlow, R Fletcher, T Fox, D Flude, S Gardiner, L Gilbert, M Grant, P Groves, J Hammond, M Hardy, A Harewood, S Hogben, D Hough, O Hunter, J Jackson, L Jeuda, M Jones, D Mahon, N Mannion, D Marren, A Martin, R Menlove, A Moran, B Moran, H Murray, D Newton, M Parsons, S Pochin, J Rhodes, B Roberts, J Saunders, M Simon, L Smetham, D Stockton, A Stott, G Wait, B Walmsley, G M Walton, L Wardlaw, M Warren, M J Weatherill, H Wells-Bradshaw, J Weston, G Williams and J Wray

Apologies

Councillors D Bebbington, E Brooks, S Gardner, G Hayes, A Kolker, J Macrae, P Mason, S McGrory, G Merry and M Sewart

18 PRAYERS

The Mayor referred to the recent tragedy that taken place on the previous Friday in Bosley. She called upon the Leader of the Council to provide an update on this terrible event.

Following his update the Leader asked Members of the Council to thank all the emergency and other services who had assisted throughout the tragedy for their efforts, by way of applause, following which he handed over to the Chief Fire Officer, Paul Hancock, to address Council. He, in turn, thanked all the services for their support.

The Mayor then called upon her Chaplain to say prayers and this was followed by a minutes silence, in memory of those who had lost their lives in the tragedy.

19 DECLARATIONS OF INTEREST

There were no declarations of interest.

20 MINUTES OF THE ANNUAL COUNCIL MEETING

RESOLVED

That subject to an amendment to the minutes to correct a typographical error at minute number 14 to state that Cllr C Browne was nominated as Vice-chairman of the Northern Planning Committee and not Chairman of the Committee, the minutes be approved as a correct record

21 MAYOR'S ANNOUNCEMENTS

The Mayor:-

1. Informed Members of the death, on 11 July, of Honorary Alderman Alan Barnes. Mr Barnes was a former Cheshire County Councillor and served the Cheshire community for many years. The Mayor asked Members to join her in sending condolences to his family. As Council had already observed a period of silence at the meeting, she asked Members to pause for a moment to reflect on the life of Alan Barnes.
2. Informed Members that, since the Mayor Making ceremony in May she and the Deputy Mayor had attended over 50 events. Details of these had been circulated around the Chamber.
3. Stated that one of the joys of being Mayor was that she got to meet a very wide range of individuals and organisations and that her first two months in post had not let her down. At the Cheshire Show, she had had the privilege of welcoming HRH, the Countess of Wessex to Cheshire East. Two days later she had welcomed HRH, the Princess Royal to a Home Farm Trust event, at Arley Hall. She had attended charity, artistic and social events across the Borough and further afield and had received a very warm welcome on all occasions.
4. Informed Members that she was delighted that the Tatton garden at the RHS Flower Show had won a Silver Gilt medal and the Connecting Cheshire garden a silver medal. These were tremendous achievements and those Members who had attended the Show would appreciate just how high the standard of the gardens were.
5. Reported that it had been a great pleasure for either she or the Deputy Mayor to attend civic services in Chester, Halton, Alderley Edge, Macclesfield and Poynton. Her own Civic Service would be held at 11.00am on Sunday, 20 September, at St Michael's Church, Macclesfield. She hoped that as many Members as possible would be able to attend and asked that Members make a note of the date. Formal invitations would be sent out very shortly.
6. Thanked those Members who had been able to join her at either of the two lunches that she had recently hosted. It had been good to

meet both newly elected colleagues and those she had known for some time.

22 PUBLIC SPEAKING TIME/OPEN SESSION

Mrs J Bennett used public speaking time to address Council concerning the closure of the Hollins View Care Home and the number of respite beds in Cheshire East.

Mrs P Newns, a past carer, used public speaking time to give her views on the closure of Hollins View and other respite care services and to talk about the care facilities she had used when caring for her husband.

Mrs S Dykes used public speaking time address Council regarding the approach to strategic planning. She referred to the Northern Powerhouse/ Liverpool Superport and stated that she would like to see a different approach to strategic planning, with a better balance of open space, jobs, housing and comparison shopping.

Mrs C Peters Rock used public speaking time to present a petition, containing over 4,000 signatures, set up by Cheshire Area For Cheshire Action, asking for the reopening for local public use of public intermediate care and dementia care, respite and assessment care and ancillary facilities.

Mrs S Helliwell used public speaking time to address Council regarding item 10 of the agenda, relating to proposed changes to the Council's Constitution.

Mr D Wood used public speaking time to request Cabinet and relevant Scrutiny Committee, when considering the issue of respite care, that they consider that this is not for only planned short stays, but also for unplanned short stays.

23 APPOINTMENT OF THE DIRECTOR OF CHILDREN'S SERVICES AND DEPUTY CHIEF EXECUTIVE

Consideration was given to a report regarding the appointment of he Director of Children's Services and Deputy Chief Executive.

The Staffing Committee had met on 11 June and unanimously agreed to the appointment of Ms Kath O'Dwyer, with a requirement for the Chief Executive to finalise the offer for full Council.

Subsequently Group Leaders had been consulted on the offer, and met with their Groups to consider the matter, and had been supportive.

RESOLVED

That the appointment of Ms Kath O'Dwyer, as the Director of Children's Services, on a salary of £135,000 per annum be endorsed and her position as Deputy Chief Executive be noted.

24 **REVIEW OF THE SENIOR MANAGEMENT STRUCTURE**

(The Mayor stated that there were a number of officers present at the meeting who were directly affected by this report and asked whether Members were content for the officers to remain in the meeting. This was agreed. The Mayor reported that the Head of Legal Services and Monitoring Officer would not advise the meeting on this issue. The Head of Legal Services and Monitoring Officer stood aside from the dais and took no part in the meeting.

Consideration was given to a report, setting out proposals to further refine the Council's senior management structure as a result of a review and a need to better align responsibilities within the senior management structure to deliver the Council's priorities and all within a reduced funding envelope for senior management.

It was reported that the Council had previously delivered over £5M of management savings and would continue to ensure that costs of supervision and management were lean and kept under constant review to deliver value for residents as part of the service and financial planning work. Seeking greater synergies and continued alignment of responsibilities to reduce cost, improve productivity and efficiency would be an ongoing requirement.

As referred to in the previous minute, the Staffing Committee had agreed to the appointment of Ms Kath O'Dwyer and had noted her appointment as Deputy Chief Executive.

RESOLVED

1. That the appointment of Ms Kath O'Dwyer, as the Director of Children's Services and to note her position as Deputy Chief Executive be noted.
2. That the following recommendations be approved, at a reduced net overall cost for senior leadership and management:-
 - Delete the role Executive Director, Strategic Commissioning.
 - Transfer the client and strategic commissioning and other functions and posts from the Executive Director, Strategic Commissioning role to the Chief Operating Officer.
 - The reporting line for the roles of Director of Children's Services and Deputy Chief Executive, Director of Public Health, and

Director of Adult Services and Independent Living will remain reporting directly to the Chief Executive.

- The amendment of the remuneration of the Chief Operating Officer to an inclusive salary of £135,000 per annum in recognition of additional responsibilities with effect from July 2015.
- The amendment of the remuneration of the Executive Director, Economic Growth and Prosperity to an inclusive salary of £120,000 per annum in recognition of additional responsibilities with effect from July 2015.
- The amendment of the remuneration of the Head of Legal Services, and Monitoring Officer role to an inclusive salary of £90,000 per annum with effect from April 2015.
- The amendment of the remuneration of the Director of Adult Services and Independent Living to an inclusive salary of £110,000 per annum with effect from July 2015.
- The mandating of the Chief Executive to review senior management pay including the performance related pay (PRP) elements in the contracts for senior managers currently in receipt of PRP, with the proviso that the overall pay bill for the most senior managers must decrease.
- The Chief Executive, in consultation with the Leader of the Council and Chairman of Staffing Committee, be authorised to implement the changes detailed above in accordance with the Council's HR policies and procedures, and make the necessary amendments to the Pay Policy.

25 RECOMMENDATIONS FROM THE 2014/15 FINAL OUTTURN REVIEW OF PERFORMANCE TO CABINET

Cabinet, at its meeting on 21 July 2015, had considered a report setting out the Council's continuing improved performance for 2014/15, and highlighting the latest progress towards achieving the Council's Residents First Outcomes as described in the Council's three year plan 2013 to 2016. Permanent savings of £5m in management costs had been achieved from 2013/14 to 2014/15.

Cabinet had approved a number of recommendations, as set out in the Cabinet report and had requested that Council approve fully funded supplementary capital estimates and virements above £1,000,000 in accordance with Finance Procedure Rules, as set out in Appendix 7 of the Cabinet report; and the creation of earmarked reserves of £4.9m, as set out in Appendix 12 of the Cabinet report.

RESOLVED

1. That fully funded supplementary capital estimates and virements above £1,000,000, as set out in Appendix 7 of the Cabinet report be approved, in accordance with Finance Procedure Rules.
2. That the creation of earmarked reserves of £4.9m, as set out in Appendix 12 of the Cabinet report be approved.

26 RECOMMENDATIONS FROM THE CONSTITUTION COMMITTEE - PROPOSED CHANGES TO THE CONSTITUTION

The Leader of the Council stated that he considered that this matter required further cross party discussion and proposed that a cross party Task and Finish Group be established to give consideration to this issue.

RESOLVED

That this item be deferred and that a cross party Task and Finish Group be established to consider this issue and a further report be submitted to the next meeting of Council, to take place on 22 October 2015.

27 OVERVIEW AND SCRUTINY ANNUAL REPORT 2014/15

Consideration was given to the Overview and Scrutiny Annual Report 2014/15.

In proposing the report, Cllr Margaret Simon paid tribute to the work of the late Cllr Phil Hoyland, for the work that he had carried out as Chairman of the Children and Families Overview and Scrutiny Committee.

The Mayor thanked all the Overview and Scrutiny Committee Chairman for their work during the past year.

RESOLVED

That the Overview and Scrutiny Annual Report 2014/15 be received, noted and placed on the Council's website.

28 LEADER'S ANNOUNCEMENTS

The Leader of the Council announced the delivery of the second wave of companies to be attracted to the new science hub at Alderley Park, creating more jobs in the area. He also reported that more jobs would be created at the Astra Zeneca site in Hursfield, Macclesfield.

He also announced that a company had come forward, who were working with the Council to deliver jobs at Radway Green, Alsager.

He would have further detailed announcements to make at the October meeting of Council.

29 NOTICES OF MOTION

No Notices of Motion had been submitted.

30 QUESTIONS

Members asked the following questions:-

Cllr S Carter, in respect of Hurdsfield Library – The Leader of the Council, Cllr M Jones responded.

Cllr D Flude, in respect of ring fencing of the independent living fund – The Adults, Health and Leisure Portfolio Holder, Cllr J Clowes responded.

Cllr Corcoran, in respect of the Health and Wellbeing Board - The Leader of the Council, Cllr M Jones responded.

Cllr Rhoda Bailey, in respect of how MAELR highway improvements would be funded in the future – The Highways Portfolio Holder, Cllr D Brown, responded.

Cllr J Jackson in respect of the living wage - The Leader of the Council, Cllr M Jones responded.

Cllr S Gardiner in respect of the Graduates Award Ceremony - The Leader of the Council, Cllr M Jones responded.

Cllr H Davenport in respect of the cost of implementing a feasibility study to ascertain whether it would be possible to bring forward improvements to the A6 in Disley - The Highways Portfolio Holder, Cllr D Brown responded.

Cllr G Barton, in respect of recent improvements to highway safety in Wilmslow and asking what progress had been made in the process to introduce a 20mph speed limit near to schools - The Highways Portfolio Holder, Cllr D Brown responded.

Cllr M Deakin in respect of brownfield sites earmarked for development in Alsager - The Leader of the Council, Cllr M Jones responded.

Cllr A Moran, in respect of progress on the Local Plan – The Children and Families Portfolio Holder, Cllr Rachel Bailey responded.

Cllr Murray, in respect of the Transport Research Laboratory research into reducing average speed limits and also in respect of the Poynton relief road – The Highways Portfolio Holder, Cllr D Brown responded.

The meeting commenced at 2.00 pm and concluded at 4.00 pm

Councillor H Gaddum (Chairman)

CHAIRMAN

CHESHIRE EAST COUNCIL

Council

Date of Meeting: 23rd July 2015
Report of: Chief Executive
Subject/Title: Review of the Senior Management structure.

1.0 Report Summary

- 1.1 The Council has significant ambitions to put its residents first, and in order to continue to deliver quality, cost effective services, it needed to review its senior management structure.
- 1.2 Following a review of the commissioning functions across the Council I have concluded, in consultation with the Leader of the Council and Chair of Staffing Committee, that the scope and accountabilities of the Executive Director, Commissioning role is too broad. Given the growing significance of public sector transformation; the importance of the integrated health and wellbeing agenda within the wider economy; and the new Governments vision to create opportunities for greater regional collaboration - organisational changes are needed. The restructuring of the functions within the senior management team will allow the Council to achieve more, at a greater pace, and from a lower overall cost for senior leadership and management.
- 1.3 The recent Government announcements regarding sub regional collaboration within the public sector, and between the public and private sector adds significantly to the Council's existing ambitious programme for Economic Growth and Regeneration for Cheshire East residents. The Council continues to be at the forefront of public sector transformation with the creation of alternative service delivery vehicles and other arrangements such as its partnership with other Councils for its award winning Adoption Service. Delivering greater value as part of a resident first approach.
- 1.4 This report sets out proposals to further refine the Council's senior management structure as a result of a review and a need to better align responsibilities within the senior management structure to deliver the Council's priorities and all within a reduced funding envelope for senior management.
- 1.5 The Council has previously delivered over £5M of management savings and will continue to ensure that costs of supervision and management are lean and kept under constant review to deliver value for residents as part of the service and financial planning work. Seeking greater synergies and continued alignment of responsibilities to reduce cost, improve productivity and efficiency will be an ongoing requirement.

1.6 As discussed previously the Staffing Committee met on 11 June and unanimously agreed to the appointment of Ms Kath O'Dwyer, with a requirement for the Chief Executive to finalise the offer for full Council.

2.0 Recommendation

2.1 Note the appointment of Ms Kath O'Dwyer, as the Director of Children's Services and to note her position as Deputy Chief Executive.

2.2 The Council is invited to agree the following recommendations, at a reduced net overall cost for senior leadership and management:

2.2.1 Delete the role Executive Director, Strategic Commissioning.

2.2.2 Transfer the client and strategic commissioning and other functions and posts from the Executive Director, Strategic Commissioning role to the Chief Operating Officer.

2.2.3 Note the reporting line for the roles of Director of Children's Services and Deputy Chief Executive, Director of Public Health, and Director of Adult Services and Independent Living will remain reporting directly to the Chief Executive.

2.2.4 Endorse the amendment of the remuneration of the Chief Operating Officer to an inclusive salary of £135,000 per annum in recognition of additional responsibilities with effect from July 2015.

2.2.5 Endorse the amendment of the remuneration of the Executive Director, Economic Growth and Prosperity to an inclusive salary of £120,000 per annum in recognition of additional responsibilities with effect from July 2015.

2.2.6 Endorse the amendment of the remuneration of the Head of Legal Services, and Monitoring Officer role to an inclusive salary of £90,000 per annum with effect from April 2015.

2.2.7 Endorse the amendment of the remuneration of the Director of Adult Services and Independent Living to an inclusive salary of £110,000 per annum with effect from July 2015.

2.2.8 Mandate the Chief Executive to review senior management pay including the performance related pay (PRP) elements in the contracts for senior managers currently in receipt of PRP, with the proviso that the overall pay bill for the most senior managers must decrease.

2.2.9 The Chief Executive, in consultation with the Leader of the Council and Chairman of Staffing Committee, be authorised to implement the changes detailed above in accordance with the Council's HR policies and procedures, and make the necessary amendments to the Pay Policy.

3.0 Reasons for Recommendations

- 3.1 Since the implementation of the recommendations of the report to Council entitled “Becoming a Strategic Council” on the 4th February 2013, a number of significant changes have begun to impact upon the nature of the roles of the strategic leadership team within the Council. As a result it is important to consider future requirements to enable the continued delivery of the Council’s vision and priorities.
- 3.2 A restructure of the organisation of our commissioning approach across the Council is essential given the growing significance of public sector transformation, and the importance of the integrated health and wellbeing agenda within the wider economy. Redefining the scope and accountabilities of Executive Director roles within the current senior leadership team will allow the Council to achieve more and at a greater pace.
- 3.3 Following consideration of the senior management requirements a mutual agreement has been reached with the post holder in the role of Executive Director, Strategic Commissioning and the post deleted. This decision is not a reflection of the capability or commitment of the previous postholder.
- 3.4 The Director of Children’s Services is a critical role within the Council and national evidence suggests that success for children is linked to corporate leadership and joined up public sector partnership support to this agenda. This approach was outlined in the Council’s Giving the Best Start in Life – Every Child Matters Innovation led 0-25 Programme.
- 3.5 The national focus upon public sector transformation in Children’s Services with our partner agencies gives a new emphasis, and systemic improvement is critically important. Given the new appointee’s expertise in national children’s services inspection, she will be asked to directly support the Chief Executive in delivering this holistic Children’s transformation approach with our public sector partners and take on additional responsibilities acting on behalf of the Chief Executive. In recognition of this broader strategic role Ms O’ Dwyer will also be designated as the Deputy Chief Executive.
- 3.6 The statutory functions of Director of Children’s Services & Deputy Chief Executive, Director of Public Health, and Director of Adult Services and Independent Living will report directly for all matters to the Chief Executive.
- 3.7 The client functions in relation to the Council’s ASDVs and major contracts such as Highways, Communities, Libraries, Customer Services, Revenues and Benefits will transfer to the Chief Operating Officer (COO) to allow synergies with other functions within COO e.g. procurement, stewardship and governance. This will also allow further synergies with the large scale digital customer services programme which falls under the responsibility of the Chief Operating Officer, and better alignment with finance and treasury functions.

- 3.8 The accountabilities of the COO have grown significantly over the last twelve months. Since the appointment to the role there has been growing market pressure on the salary range offered for similar roles within local government. An assessment of the current job market for this role type and job evaluation suggest that a revision within the existing grade to £125,000 plus a £10,000 market supplement per annum with effect from July 2015 is appropriate.
- 3.9 The reduction in the number of senior leaders at a strategic level requires greater involvement in corporate leadership and governance for the Executive Director, Economic Growth and Prosperity. It is appropriate to revise the salary within the current Executive Director grade to an inclusive salary of £120,000 per annum to reflect the additional accountability. The recent Government announcements regarding the encouragement of regional collaboration across a wide range of public services, and further significant growth prospects for local government have the potential to add substantial scope to the opportunities available to the Council. Such growth would impact the breadth and scope of this role. It is not proposed to address this at the present time however, it will be kept under review given the national decisions around HS2.
- 3.10 The remit of the Head of Legal Services, and in particular the significance of the Monitoring Officer role, has grown since the appointment of the current post holder. Under the current job evaluation scheme and Pay Policy the role was given a spot point at the bottom of the grade and salary range for 'director level' roles - £75,000 to £90,000. Given the major importance of this role within the Council in giving increasingly complex legal and constitutional advice to Cabinet, Elected Members, and senior managers, it is felt that a movement to an inclusive salary of £90,000 per annum with effect from April 2015 is appropriate.
- 3.11 Given the decision to delete the role of Executive Director, Strategic Commissioning it is necessary to reassign accountability for the leadership of the health and adult social care integration agenda, the Better Care Fund, and local authority leadership of the Cheshire Pioneer Programme to the role of the Director of Adult Services and Independent Living. The significance and profile of an aging population is growing in strategic importance and is extremely challenging. Given these factors it is recommended that the salary for this role increases from £95,000 to an inclusive salary of £100,000 plus a £10,000 market supplement per annum.
- 3.12 In 2013 the Council introduced a performance related pay scheme for first, second and third tier managers as a way of stimulating improved operational performance. It was agreed that a review would be undertaken to consider the impact of the scheme, and give consideration to rolling it out to the wider workforce at a future date. After two years in operation it has become clear that whilst the performance and development review scheme is demonstrating improvements in performance through increased numbers of employees engaged in the process, the link to pay is less quantifiable. After further consideration it is not intended to roll out the scheme further. Instead it is proposed to consider a comprehensive review of the scheme during this financial year. The scheme forms part of the contract of employment for the

employees currently covered by the scheme and a formal process will therefore need to be concluded including consultation with the recognised trade unions to review the scheme that enables the Council to continue to recruit and retain managers within the cohort covered by the scheme.

4 Wards and Local Ward Members Affected

4.1 None

5.0 Policy Implications

5.1 The revisions highlighted within this report will require an adjustment to the Council's current Pay Policy.

6.0 Financial Implications

6.1 The deletion of the Executive Director, Strategic Commissioning role will enable an ongoing saving to be made in overall senior leadership costs. The budgetary implications of the proposed revisions fall within the current financial plan for 2015/16. The deletion of the post with salary additions for other Tier 2 leadership and statutory posts identified in this report will result in a net overall saving of approximately £65,000 in a full year from 2016/17.

7.0 Legal Implications

7.1 The Council Meeting has a duty to consider and to disclose agreed variations to the remuneration of all roles earning above £100,000 per annum under Section 40 of the Localism Act 2011.

8.0 Risk Management

8.1 Actions have been undertaken in accordance with the appropriate policies, procedures and scheme of officer delegations.

9.0 Background and Options

9.1 The recruitment process for the Director of Children's Services has been managed by the Staffing Committee and is referred to elsewhere on this agenda.

10.0 Access to Information

The following background papers relating to this report can be inspected by contacting the report writer:

The report to Council on 4th February 2013 entitled Becoming a "Strategic Council" – Review of Management Roles and Responsibilities.

The Council's current Pay Policy Document.

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