



Constitution and General Purposes Committee

17 January 2019

Title	Senior Management Restructure
Report of	Chief Executive and Head of Paid Service
Wards	All
Status	Public
Urgent	Yes
Key	Yes
Enclosures	Appendix – Senior Management Restructure
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Summary

This paper sets out proposed changes to the council's senior management structure and some senior management roles, to take effect by 1 April 2019. In this context, senior management means "head of service" level and above. These changes deliver a net reduction of 10 establishment senior management posts. Where possible, this takes advantage of existing vacancies and natural turnover.

The financial savings from these changes will form a key part of the council's MTFS 2019-24 and the savings for 2019/20. These changes deliver a spend reduction of £1.0m and a budget reduction of £0.74m. The net savings are subject to potential cost of redundancies, and an estimate is included in the finance section of the report.

The changes have been based on some simple design principles to ensure coherence and both align with and support the organisation's approach to delivering improvements in its operations and governance, for example, clarifying lines of accountability, signalling the importance of financial management and prevention for the council's financial sustainability, and improving consistency with regard to spans of control and role titles.

In the context of the strategic contract review with Capita, the proposed structure takes into account only the decision taken by Policy & Resources Committee on 11 December 2018 to progress with the transfer of finance and strategic HR services back to the council. Any further changes to the CSG and RE contracts will be considered in any future changes to the senior management structure.

Officers Recommendations

- 1. The Committee approve the proposed changes to the senior management roles and structure, to take effect by 1 April 2019.**
- 2. The Committee note that a 30-day consultation has been undertaken with the current senior management across the Council. A summary of the feedback from this is included within the report.**
- 3. The Committee delegate authority to the Chief Executive to agree redundancy payments for the roles identified at risk (subject to the scheme of financial delegation).**

1. WHY THIS REPORT IS NEEDED

- 1.1 The senior management restructure is an important part of the development of the organisation in the future. This balances the need to focus on quality and service delivery, alongside the need to generate savings to meet the ongoing budgetary constraints that all Councils face.
- 1.2 This paper sets out proposed changes to the council's senior management structure and some senior management roles, to take effect no later than 1 April 2019. In this context, senior management means council employed posts at management grades 1 – 8; broadly from Chief Executive to Head of Service.
- 1.3 These changes result in a net reduction of 10 posts. Whilst advantage is being taken of existing vacancies and natural turnover, two posts are at risk of redundancy and, therefore, a potential financial cost.
- 1.4 Consultation with staff took place between 18 November – 19 December 2018 in line with the council's policy on Managing Organisational Change. The timing enables the proposed changes to take effect on 1 April 2019, and deliver a full year effect of financial savings for the 2019/20 budget, as part of the council's MTFs.
- 1.5 Since the launch of the staff consultation, Policy & Resources Committee decided on 11 December 2019 to proceed with the return of Finance and Strategic HR Services from Capita to the council in 2019 and a phased review and detailed business case for the future of the remaining services in the council's contract with Capita. The recommendations in this report take account of the transition of these services to the council's management structure in 2019.

2. REASONS FOR RECOMMENDATIONS

- 2.1 It is necessary to review and restructure the senior management arrangements to reduce costs and deliver savings as part of the 2019/20 budget. The proposed arrangements are expected to deliver a spend reduction of £1.0m and a budget reduction of £0.74m in 19/20. The changes are aligned to and support a corresponding reduction in spend on interim staff and roles outside the budgeted establishment.
- 2.2 The proposed changes have been shaped by and tested against a set of simple “design principles” to ensure coherence. In summary the principles are as follows:
- i. Retain control of strategic functions;
 - ii. Integrate commissioning and delivery functions;
 - iii. Simplify and clarify roles and lines of accountability;
 - iv. Ideal management span: 5-8 (4-5 at the most senior level) and no 1:1 management ratios;
 - v. Flatter structure and reduced layers and hierarchy;
 - vi. Preference for fewer but higher skilled roles, taking advantage of technology;
 - vii. More consistency between grades and role titles; and
 - viii. Simpler, more standardised approach to role titles.
- 2.3 Those principles are congruent with the organisation’s approach to improving its operations and governance in relation to a number of issues and challenges that have been identified and prioritised over the last year, including the inadequate judgement from Ofsted in respect of Children’s Services and a number of issues in the most recent Annual Governance Statement. These include strengthening oversight and the financial control environment; increased control of strategic functions; clarifying lines of accountability, roles and responsibilities; signalling the importance of financial management and prevention for the council’s financial sustainability; and improving consistency with regard to spans of control and role titles. This structure also proposes a move away from a commissioning delivery structural split, replaced by a service-focused directorate structure.
- 2.4 The proposed changes address these challenges as follows:
- A simpler structure with clearer lines of accountability, integrating commissioning and delivery functions across the organisation;
 - Clarifies roles and responsibilities with more consistent and straightforward role titles;
 - Delivers a spend and budget reduction against current senior management costs which will support the delivery of the Medium Term Financial Strategy;
 - Protects the investment made in Children’s Services management to ensure that the council can achieve the necessary improvements for the benefit of services for children in the borough;
 - Raises the profile of finance and prevention in the organisation, reflecting

the critical role of both to the council's financial sustainability;

- Resolves some anomalies in management spans and delivers greater consistency; and
- It also protects senior level capacity to lead the organisation in addressing the financial and service improvement challenges it faces.

2.5 Furthermore, the changes provide a vehicle and catalyst to support our ambitions for an effective and efficient council by facilitating greater collaboration across structures, a focus on prevention, and strengthening financial management.

2.6 The proposed changes, in particular the level 1 management structure (direct reports to the Chief Executive), will support the organisation in addressing its challenges over the next 2-3 years. It is, however, recommended that these changes should be reviewed again in two years, to ensure that the management structure remains effective to support the organisation for the challenges it faces, especially in light of the current uncertainties around the future financing of local government.

3. CONSULTATION FEEDBACK

3.1 Overall, the feedback has been positive and supportive of the proposed senior management changes recognising they not only meet a financial target but also take account of our existing challenges and support the delivery of improvements in management and governance identified. At the same time, a number of concerns were a number of challenges and concerns that were fed back. The following paragraphs summarise the key themes of the feedback and, where relevant, how this has been incorporated into the recommended changes.

3.2 End of the Commissioning Delivery Structure

3.2.1 There is broad support for bringing commissioning and delivery together within a simpler organisational structure and dissolving the commissioning group, and this was raised many times in the feedback.

3.2.2 It is worth reiterating that commissioning of services continues to be a critical function of this and any council (whether they are in house, external or arms-length delivery arrangements or working with other public sector partners). This change does not signal the end of any contracts per se.

3.2.3 Whilst supportive of the end of the commissioning group in structural terms, concerns were raised that the proposed structure could create a siloed organisation. Every organisational structure comes with advantages and disadvantages, and the Chief Executive will work with the senior managers in the organisation to mitigate the risks of operating and thinking in a silo-based manner, for example Council Management Team members being accountable for leading on cross cutting issues, such as prevention, customer relationships, or organisational development.

3.3 Impact on Adult Social Care

- 3.3.1 Concerns were raised about the impact of the proposed changes upon adult social care, on account of the more significant changes in this area, in particular, transition planning, capacity, loss of knowledge and expertise.
- 3.3.2 In addition to establishing robust transition plans, the Chief Executive will support the Executive Director Adults & Health to ensure robust and effective transition planning and organisational support are in place that enable the service to build on its success and continue to adapt and improve in face of the challenges and opportunities facing social care.
- 3.3.3 Specific suggestions were made for further improving synergies within the directorate and these will be developed by the Executive Director and senior managers.

3.4 Roles, Titles, Grades

- 3.4.1 Whilst there is support for greater consistency and simplicity in role titles and corresponding grades, some queries were raised as to whether the restructure proposed that titles should determine the grade of a job. It is important to clarify that the grade of a job is determined by our job evaluation scheme, not the job title, to ensure a fair and consistent approach.
- 3.4.2 A key part of the restructure is the expansion of the remit and scope of existing roles. Where relevant, job descriptions have been updated and roles revaluated under the council's evaluation scheme to assess any required change in grading.

3.5 Location of Finance

- 3.5.1 Whilst there is no risk per se in a S151 officer reporting into the Deputy Chief Executive, the council context warrants a separate finance directorate with the S151 Officer reporting directly to the Chief Executive. Indeed, this is common practice in many councils. Not only does this give the S151 Officer a more visible status and position in the organisation, with greater independence, it sends a clear message about the importance of financial and budget management for the council's sustainability. Furthermore, the creation of a separate finance function enables the S151 Officer to have a clear focus on not only transitioning back and embedding finance services from Capita but also transforming the finance function, and improving financial management and the control environment across the council.

3.6 Pensions Administration

- 3.6.1 Clarification was sought regarding location of pensions administration in the new structure. In light of the decision to proceed with the return of Strategic HR to the council, the Assistant Director of HR & OD role will be line managed by the Deputy Chief Executive. The Assistant Director of HR & OD will be responsible for pensions administration because of its close links with and dependencies upon operational HR. The Director of Finance will be accountable for pension fund accounting.

3.7 Audit

- 3.7.1 Queries were raised as to why internal audit was not reporting directly to the Director of Finance (S151).
- 3.7.2 It is good practice for internal audit to report directly to either the Chief Executive or the S151 Officer to enable it to have the required status and independence to effectively discharge its duties. The Head of Internal Audit will have a dotted, non-managerial line to the Chief Executive with day-to-day support and line-management provided by the Director of Assurance, who is now part of the Council Management Team. The Assurance Directorate itself is also independent of most of the council's service delivery and this strengthens the rationale further. This gives the required status and independence to the role; this is further enhanced and supported by three members of CMT holding a special interest in the effective discharge of internal audit: namely the Chief Executive, Director of Finance, and Director of Assurance.
- 3.7.3 Accountability for external audit will sit with the Director of Finance to support the administration of the council's financial affairs.

3.8 Organisational Resilience and Records Management

- 3.8.1 Whilst the Director of Assurance is currently holding responsibility for emergency planning, business continuity and records management, on an interim basis, to be made permanent within this review, it is recognised that further work is required on the nature, discharge, and management of these functions, including the specific management roles and the relationship with ICT. Arrangements will be finalised in early 2019.

3.9 Corporate Complaints

- 3.9.1 There are several sensible options for the location of corporate complaints and ideas were put forward during the consultation. Based on the feedback, Corporate Complaints will move to the Assurance function, to be managed by the Head of Assurance and Business Development because of the valuable links with cross council scrutiny, member enquiries and improving services.

3.10 Specific Queries and Individual Issues

- 3.10.1 A number of clarifications and minor amendments were raised during the consultation; these have been updated in the proposals that follow.
- 3.10.2 Where individuals had specific concerns about their role, these have been addressed directly by the Chief Executive on a 1:1 basis and any changes are reflected in the recommended proposals.

4. RECOMMENDED OPTION

4.1 The recommended changes to the senior management are summarised below. The appendix includes the proposed outline organisational charts.

4.2 A key part of the proposed changes are the dissolution of the Commissioning Group and a move to a simpler structure of directorates. The council's original commissioning model has been adapted in recent years, rightly, in response to organisational need. This change recognises that, whilst commissioning of services is a critical function of any Council (whether they are in house, external or arms-length delivery arrangements), the organisation needs a simpler model that integrates these functions, provides clearer lines of accountability, and allows it to focus on the challenges and improvements it wants and needs to address.

4.3 The key changes to the level 1 management team are as follows:

4.3.1 Council Management Team (CMT)

- i. Deletion of the Assistant Chief Executive (ACE) role. Responsibilities to be distributed between the Deputy Chief Executive and the Director of Assurance;
- ii. The S151 Officer (Director of Finance) to be directly line managed by the Chief Executive to ensure the role has the appropriate status in the organisation;
- iii. The Director of Assurance to be directly line managed by the Chief Executive to ensure the continued independence of these functions in the organisation, support improvements in the control environment, and also to deliver a flatter management structure with fewer layers;
- iv. Adjust the management responsibilities for the Executive Director of Adults & Health to bring the commissioning and delivery management teams closer together. This team will focus on social care, community services and the interface with health, reflecting the national challenges facing adult social care in terms of demand and the care market, and the significant service and financial impact for the council overall; and
- v. Establish consistent role titles – rather than the current structure which includes different role titles for commissioning and delivery roles.

4.4 The key changes within the remit of each level 1 director are set out below:

4.4.1 Deputy Chief Executive

- i. Transfer in the Human Resources function from the Assistant Chief Executive (ACE) remit, including the strategic HR service, currently provided by Capita under the CSG contract. The Assistant Director of HR & OD will be line managed by the Deputy Chief Executive (job role to be designed and evaluated taking account of the transfer of services);
- ii. Transfer in the Strategy and Communications functions, formerly part of the ACE remit, and delete the Head of Communications role to create an

- Assistant Director Strategy & Communications role.
- iii. Transfer out of the S151 Officer and finance function to establish a separate Finance directorate led by the S151;
 - iv. Transfer in the customer related functions from ACE (including customer strategy, Registrars, customer services, the website, and the customer transformation programme). Redesign the existing Head of Customer Strategy role to become Head of Customer Strategy & Digital, incorporating the client lead responsibilities for the IT contract with Capita;
 - v. Expand the Director of Commercial remit to line manage the Head of Customer Strategy & Digital and rename as Director Commercial & ICT;
 - vi. Revise the remit and functions of the existing Commissioning Director role to create a Director Growth & Development (subject to evaluation of grade) that is responsible for regeneration, housing strategy, estates, economic development and skills (reflecting the transfer of some functions from the Director of Resources); and
 - vii. The Assistant Director Commercial role will be retained on an interim basis until the end of the year 7 contract review.

4.4.2 Director of Finance (S151)

- i. Establish direct line management into the Chief Executive;
- ii. Revise the Head of Finance role to become Deputy Chief Finance Officer and regrade the role; and
- iii. Confirm management of external audit;
- iv. Transfer out the Estates, IT, and Health & Safety functions to the Deputy Chief Executive and Director of Public Health & Prevention, creating a deliberately narrower remit for the Section 151 Officer that allows a clear focus on financial management and the quality of the finance function, including management of the transfer back of Finance services from Capita. Transfer out information management to Director of Assurance.

4.4.3 Executive Director Environment

- i. Confirmation of the role of Director of Streetscene on a permanent basis, with the seconded post-holder assimilated into the role, following the deletion of the substantive post of Strategic Lead of Clean and Green;
- ii. Confirmation of the senior manager role for Greenspaces & Leisure, with the seconded post-holder assimilated into the role, following the deletion of substantive post of Strategic Lead for Sport & Physical Activity; and
- iii. Redesignation of roles in the Environment from Strategic Lead to Assistant Director and Head of Service, as appropriate.

4.4.4 Executive Director Adults & Health

- i. Adjust the scope of the Executive Director of Adults & Health's management team to bring together commissioning and delivery functions and provide a focus on adult social care and the interface with health. This reflects the importance of managing the interface with health and its impact on demand, recognises the significant challenges facing adult social care in terms of

demand and the care market (nationally and locally), and the significant financial risks these present for the council overall.

- ii. Amend the management spans to establish a flatter senior structure. The Executive Director to directly manage three senior roles holding the key levers affecting the quality, levels of demand, and finances of the service: Director of Adult Social Care (social work practice), Assistant Director Performance & Communities (performance, finance, systems, transformation), and Assistant Director Joint Commissioning (shaping and managing the care market: costs, quality and sustainability).
- iii. Adjust the scope of the AD Community Wellbeing to create an Assistant Director Performance & Communities.
- iv. Rationalise the heads of service level, including deletion of vacant posts, to establish a total of 8 heads of service across the Director of Adult Social Care and the AD Performance & Communities.

4.4.5 Executive Director Children & Young People

- i. No changes to the existing management roles put in place to deliver the required improvements to children's social care services.
- ii. Minor amends to role titles for consistency: Operational Directors to become Directors, Divisional Directors to become Assistant Directors, Strategic Leads to become Assistant Directors or Heads of Service, subject to grade.

4.4.6 Director of Assurance

- i. The Director of Assurance role will report directly to the Chief Executive, supporting the independence of the role and managed functions, in line with strengthening of the control environment;
- ii. The remit of this role will also pick up organisational resilience, emergency planning, business continuity, information management, records management, corporate complaints, and Geographic Information Systems
- iii. Expand the Head of Business Development and Project Delivery role to become Head of Assurance and Business Development; and
- iv. Expand the role of Head of Electoral Services to include Geographical Information Systems
- v. Establish a two-year fixed term contract for the 0.5 FTE Chief Legal Advisor and Monitoring Officer role, reporting into the Director of Assurance and with a dotted line to the Chief Executive, with a view to reassessing the council's requirements in 2020/21.

4.4.7 Director of Public Health and Prevention

- i. The Director of Public Health and Prevention role sits within the Adults & Health team and is also part of the Council Management Team (CMT) as a statutory chief officer and to reflect a cross organisational role in prevention;
- ii. The remit for the role is extended to be the overall council lead on prevention and also the council lead for health, safety and wellbeing, including line management of the Head of Health & Safety;

- iii. The role is regraded from grade 6 to grade 5;
- iv. The public health commissioning remit currently sitting with the Adults joint commissioning unit will move into the public health team; and
- v. This role will take the overall lead for insight for the organisation, with a particular focus on the use of data and insight to design and deliver intelligence led prevention to manage demand.

4.5 The roles being deleted are as follows

1. Assistant Chief Executive
2. Strategic Lead, Programmes and Performance
3. Head of Information Management
4. Head of Communications (replaced by AD Strategy & Communications)
5. Head of Customer Strategy & Programmes (replaced by Head of Customer Strategy & Digital)
6. Assistant Director Adult Social Care
7. Head of Customer Financial Affairs, Adult Social Care
8. Head of Safeguarding Adults
9. Adults Wellbeing Strategic Lead
10. Strategic Lead Clean & Green
11. Strategic Lead Leisure & Sport (replaced by AD Green Spaces & Leisure)
12. Assistant Director Commercial (interim until 2020)
13. Commercial Advisor

4.6 The proposed structure is illustrated in the appendix to this report. The directorates are illustrated below



4.7 The target saving for the senior management restructure is £0.75m in 2019/20 and an additional £0.13m in 20/21. The financial benefits of the proposed changes are £1.0m in annual spend and £0.74m in budgetary spend. Further work will be undertaken to close the £10k gap in 2019/20 and identify the additional £130k in 20/21.

4.8 The potential cost of redundancy is estimated to be between £0.1m and £0.2m and every effort will be made to minimise the financial impact on the council, for

example through redeployment.

5. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

5.1 In developing the options, a key component was defining the senior team directly reporting into the Chief Executive. Some desktop research was undertaken to compare the roles and structures for the top team in other local authorities.

5.2 A number of other options were considered but are not recommended, as set out below.

5.3 OPTION 1: No Change.

Continue with the existing arrangements in terms of structure and posts.

The benefit of this approach is that it does not place any additional demand for change on the organisation nor add to the current organisational flux and uncertainty.

This option is not considered to be a feasible option for the following reasons:

- i. Does not deliver financial savings
- ii. Does not resolve inconsistencies in management spans and role titles.
- iii. Does not clarify accountabilities.
- iv. Misses an opportunity to raise the profile and status of the S151 role and send a message to the organisation about the importance of financial management.

5.4 OPTION 2: A Core Senior Team: People, Place, Resources

Implement the once popular model of a small senior team, with the Chief Executive supported by a Director of People, Director of Place, and Director of Resources. It has been implemented for different reasons in each authority, e.g. to fulfil an organisational principle, to promote a successful DASS or DCS into a role where they can apply their skills to improving the other service, or to reduce management costs.

The benefits of this approach are its apparent simplicity at the most senior level and potential savings (albeit subject to high redundancy costs).

This option is not considered to be suitable for Barnet at this point in time for the following reasons:

- i. The council is in a period of significant change, uncertainty, and pressure including financial and performance challenges. This requires capacity and bandwidth at the most senior level to lead and drive through these changes, which this model does not provide.
- ii. It does not reflect the administration's priorities around Growth and Regeneration.
- iii. A Director of People risks insufficient focus on children's improvement at the top table because there is no single role focused on it. It would not appear

consistent with an organisation that is prioritising the organisational focus on children's improvement.

- iv. A Director of People risks insufficient focus on adult social care budget and transformation at the top table because there is no single senior role focused on it.
- v. There is a risk that three key statutory roles could be absent from the top table, i.e. DASS, DCS, S151. Conversely, a Director of People holding both the DASS and DCS roles risks insufficient capacity to fulfil both.
- vi. There is a risk this simply creates an additional layer of management, e.g. above the directors for children, adult social care, finance, thus increasing costs and increasing the distance between the Chief Executive and the front line.
- vii. The redundancy costs are likely to be high.

This model may be suitable in future years.

5.5 **OPTION 3: An Expanded "People, Place, Resources" Model**

Expand the People, Place, Resources model: split "People" into Executive Directors for Children's and Adults to reflect proportion of council budget, level of challenge, and risk. Split Place into Executive Directors for Environment and Regeneration to reflect Barnet priorities and ambitions. Ensure the Director of Resources is S151.

The benefits of this approach are that it keeps Children's and Adults at the most senior level reflecting their significance and importance, and provides the Chief Executive with direct line of sight to these areas. It also keeps key statutory roles on the senior management team and reporting directly to the Chief Executive: S151, DASS, and DCS.

This option is not considered to be suitable for Barnet at this point in time for the following reasons:

- i. Creates considerable change and upheaval for corporate and place based services with minimal direct or immediate benefit, either financially or operationally.
- ii. High risk of overburdening a Director of Resources at a time when significant improvements are required across a range of corporate services and the council's financial position overall. The current organisational position requires capacity of more than one "level 1" director to lead on delivering the improvements required, in particular the future of the partnership with Capita.
- iii. Risk of redundancy costs and loss of senior level experience and expertise.

6. POST DECISION IMPLEMENTATION

- 6.1 Upon approval of the recommendation, changes will be confirmed with affected staff and HR will support the implementation of the changes. It is expected the changes will be in place by 1 April 2019; with some changes already in place as advantage as been taken of natural turnover and vacancies.
- 6.2 Where staff are at risk of redundancy, HR and the Executive Director will work to finalise arrangements.
- 6.3 Specific focus will be given to the transition arrangements for Adults & Health, led by the Executive Director and supported by the Council Management Team.

7. IMPLICATIONS OF DECISION

7.1 Corporate Priorities and Performance

- 7.1.1 The proposed changes take account of the corporate priorities and directly support and underpin our ambitions to be an Efficient and Effective Council. Furthermore, they support the council's financial sustainability by delivering MTFS savings for 19/20 and support the senior management of the council to focus on improving performance in key areas, for example children's and social care. The clearer lines of accountability support an effective performance management framework, including financial management and the delivery of the MTFS.

7.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 7.2.1 The target savings for the senior management restructure are £0.75m in 2019/20 and £0.13m in 2020/21.
- 7.2.2 The proposed changes deliver a saving in spend of £1.0m and budget saving of £0.74m. These are intended to deliver a full year effect saving in 2019/20 as part of the council's MTFS.
- 7.2.3 Further work will be undertaken to identify the £10k gap in 2019/20 and the £0.13m saving for 2020/21. This will take account of the financial implications of the return of the Strategic HR and Finance services in relation to senior management roles, e.g. the AD Human Resources & OD.
- 7.2.4 The estimated gross savings have been validated by Finance. The net savings will be affected by the one-off cost of any redundancies, estimated at between £0.1m - £0.2m. Redundancies will be funded from reserves.

7.2.5 The proposed senior management structure grading levels for each post are as follows:

	Role
Grade 1	Chief Executive
Grade 2	Deputy Chief Executive
Grade 3	Executive Director Environment, Executive Director Adults & Health, Executive Director Children's Services
Grade 4	Director of Finance, Director of Assurance, Director of Adult Social Care
Grade 5	Director of Public Health and Prevention, Director of Children's Social Care (x2), Director of Streetscene, Director of Commercial and ICT, Director of Growth and Development
Grade 6	Deputy Chief Finance Officer, Assistant Director Human Resources Assistant Director Joint Commissioning, Assistant Director Performance & Communities (adults) Assistant Director Strategy & Communications Assistant Director Commissioning (children's), Assistant Director Education, Strategy & Partnership Assistant Director Transport & Highways, Assistant Director Community Safety & Regulatory Services, Assistant Director Greenspaces & Leisure
Grade 7 and 8	Assistant Director Streetscene All other Heads of Service within the senior management structure Consultants in Public Health

7.3 Social Value

7.3.1 The new senior management structure will support the Council's duties in respect of social value.

7.4 Legal and Constitutional References

7.4.1 In accordance the Council's Constitution, Article 7- the Constitution and General Purposes terms of reference includes responsibility for staffing matters (i.e. salaries and conditions of service) other than those within the remit of the Chief Officer Appointment Panel.

7.4.2 The HR Regulations in the Council's Constitution (Section 2.1) require that no vacant post at Assistant Director level or above shall be advertised or recruited to without prior Committee approval and all new posts at Assistant Director level or above shall be created by Committee decision.

7.4.3 Chief Officers, including the Head of Paid Service can determine employment matters relating to staff, except changes to terms and condition of employment or additional payments to any individual member of staff above £100,000. The Constitution and General Purposes Committee approves severance packages above £100,000.

7.4.4 The restructure has been carried out in accordance with the Council's Managing Organisational Change Policy. Consultation with Trade Unions and collective and individual staff consultation has concluded. The new structure can now be implemented subject to the approval of this Committee in accordance with the Managing Change Policy.

7.5 Risk Management

7.5.1 The key risk is typical of any restructure: that the lead up to and the actual changes create uncertainty and destabilise the organisation and detract from key priorities or cause staff to leave the council. The proposed mitigations are to

- Work closely with HR and the Unions
- Ensure regular communication and engagement with staff
- Senior directors to lead the consultation and engagement in their areas

7.6 Equalities and Diversity

7.6.1 It is recognised that a transformation of services is likely to have an impact upon staff. This impact has been monitored and the majority of changes will be a realignment of areas of responsibility to existing Senior managers. The potential impact of the proposals on individuals has been considered and on-going support provided during the restructure. Overall there has been a small impact on individuals affected by the restructure, with no overall negative impact for any protected group.

7.6.2 In relation to the changes no specific disproportionate impacts to employees were identified on any protected characteristics relating to the Council's Equalities Duty. The restructure will mean the proportion of women on the Council Management Team is 63% (and the proportion of women across all three tiers of senior management is 54%) which is broadly consistent with the overall gender make up on the Council (58%). However, it is recognised there is a lower representation of BAME employees at senior management level. In order to address this and representation of other groups with protected characteristics, the Council is actively reviewing its approach to equalities and diversity, and further improving workforce representation is an important objective of the Council's management team.

7.7 Corporate Parenting

7.7.1 The changes have no direct impact on looked after children or care leavers; rather they protect the new arrangements within children's social care services as part of the improvement journey.

7.8 Consultation and Engagement

- 7.8.1 The proposed changes were the basis of formal consultation with the senior management staff in scope of the restructure, in line with the council's Managing Change policy during November and December. Where an Employer proposed to dismiss as redundant 20 or more employees at one establishment within a 90 day period, the employer shall consult about the dismissals for at least 30 days. Nevertheless, the Council has consulted with staff for a 30 day period as this was considered reasonable. Feedback from the consultation has been summarised within this report.
- 7.4.2 The changes do not require public consultation because they do not directly impact on service users.

7.9 Insight

- 7.9.1 There are no specific insight implications in respect of this report.

8. BACKGROUND PAPERS

- 8.1 None.
- 8.2 Appendix included setting out the recommended senior management structure.