

REPORT TO CHIEF OFFICER TERMS AND CONDITIONS COMMITTEE

1st July 2020

Subject:	Revised Senior Management Structure Proposals
Director:	David Stevens Chief Executive
Contribution towards Vision 2030:	
Contact Officer(s):	Sue Stanhope Interim Director of Human Resources
DECISION RECOMMENDATIONS	
<p>That the Committee:</p> <ol style="list-style-type: none"> 1. having previously authorised the Chief Executive to formally consult all relevant Council officers as necessary on the proposals, that Committee receive the outcome of the consultation in relation to the senior management restructure; 2. having considered the outcome of the consultation and the Chief Executive's proposals to restructure the senior management team of the Council (including the realignment of services), approves the proposals and recommends it for approval by Full Council. 	

1 PURPOSE OF THE REPORT

- 1.1 This report details the Chief Executive's proposals for the restructure of the Council's senior management team in order to meet the demands placed on the Council to deliver and/or meet Sandwell's Vision 2030, the Council's corporate ambitions and priorities and budgetary challenges facing the Council.
- 1.2 Ambitious plans have been articulated in the proposed Corporate Plan - "Big Plans for a Great Place" ("the proposed Corporate Plan") for Sandwell to be a fairer, more optimistic and resilient place in future. The proposed Corporate Plan outlines key strategic priorities that will deliver healthier, more prosperous and successful outcomes for the people of Sandwell - through a 'one council, one team' approach that promotes effective engagement and close working with the residents, businesses and partners across the Borough.
- 1.3 The proposed Corporate Plan seeks to create opportunities that will raise the profile and standing of Sandwell (and the Council) on the local, regional, national and international stages. It focuses on creating a Borough where people are proud of their local area, have better paid jobs and opportunities, supported by increased skills for the Borough wide workforce and exciting and appealing opportunities for young people.
- 1.4 The proposed new senior management structure for the Council described in this report responds to those ambitions and outcomes by organising the most senior officer leadership team within the Council in a way that places emphasis on grouping services and allows for more effective working and efficiencies of scale to be realised.

2 IMPLICATION FOR VISION 2030

- 2.1 The Vision 2030 clearly articulates the aspiration that in 2030, Sandwell will be a thriving, optimistic and resilient community. It describes that the Borough will be a place where people are proud to belong, where they choose to bring up our families, where people feel safe and cared for, enjoying good health, rewarding work, feeling connected and valued in their neighbourhoods and communities, confident in the future, and benefiting fully from a revitalised West Midlands.
- 2.2 The senior management team restructure detailed in this report will support the Council reach that aspiration as well as enable the delivery of the proposed Corporate Plan and budget challenges and plans for the Council.

3 BACKGROUND AND MAIN CONSIDERATIONS

- 3.1 The proposed Corporate Plan, and the work that has been undertaken to date on developing it, has helped to inform the proposed senior management team restructure.
- 3.2 The proposed Corporate Plan articulates the strategic direction of the Council over the next 5 years and provides a framework to enable the Council to organise itself to deliver the six strategic outcomes set out within it, namely: -
- The best start in life for children and young people
 - People live well and age well
 - Strong, resilient communities
 - Quality homes in thriving neighbourhoods
 - A strong and Inclusive Economy
 - A connected and accessible Sandwell
- 3.3 Central to delivery of the Council's ambitions and priorities is the need to also drive a change in culture across the Council. This will be achieved through the 'one team, one council' approach. The proposed restructure will enable the Council to build on important initiatives such as Workplace Vision, and continue its ambition to create a modern efficient Council that is capable of delivering the proposed Corporate Plan, vis-à-vis Vision 2030, at pace.
- 3.4 The proposed senior management restructure also recognises that there are a number of key priority areas for the Council that need to be effectively managed and driven. These include, but are not limited to, the following areas:

The **improvement of children's social care services** is a priority for Sandwell ensuring the delivery of outcomes by the new council owned Sandwell Childrens' Trust, driving a new cross-cutting Resilient Families programme. The role and expectations placed upon the Council has changed with the establishment of the Trust that need to be taken account of while ensuring the Council's statutory duty is effectively discharged.

Our **Regeneration and Inclusive Growth Strategy** sets out how everyone can contribute to Sandwell's growth and provides the platform for how all parts of the Council will work with businesses, colleges, schools and the voluntary and community sector as well as our regional partners in the West Midlands Combined Authority and Black Country Local Enterprise Partnership to grow our local and regional economy.

The development of **Town Plans** has been a real priority during 2018, working with our partners and local members as well as consulting with residents and local school pupils to identify the priorities for each of our six unique towns leading to healthier communities, increased employment opportunities, prevention and response to community issues and positive regeneration of places and communities.

We have an ambitious programme for **housing delivery** over the coming years with plans to deliver approximately 630 units made up of houses, bungalows and flats. This will lead to an increase in the Council's housing stock through building on land it already owns or by buying properties off plan from other larger housing developments.

This is a huge opportunity to maximise opportunities within each Town to **transform local services** delivered at a local level to ensure that they are meeting residents' needs within towns as well as providing the shared space where wider community activity can thrive and develop.

Developing **collaborative ways of working with health**, maximising resources such as the Better Care Fund, to support people to live in their own homes longer, prevent hospital admissions, and for those in hospital to be discharged in a timely way.

3.5 The aim of the proposed restructure is to deliver on the proposed Corporate Plan six outcomes, key priorities detailed above in paragraph 3.4 (as well as be able to meet emerging priorities over the coming years) and support the delivery of wider objectives detailed below (which is not an exhaustive list) that are considered integral to the Council achieving success: -

- Create a flatter management structure with clearer lines of accountabilities and a greater emphasis on collaborative working, with decision-making engaging and involving the Council's customer/service users and other stakeholders as much as possible.
- Drive improvements in the quality of service delivery, driving improvement and effective performance management through bold and innovative approaches/initiatives.
- Ensure that the statutory roles (at senior level) are acknowledged and satisfactorily understood and embedded.

- Utilise resources effectively to ensure that there is effective leadership capacity to meet the demands on the Council and deliver the identified ambition, outcomes, priorities detailed above, and improvements such as embedding a flexible and agile workforce capable of responding to changing circumstances and demands, removing silo working, identifying efficiencies and reducing waste, and maximising economies of scale.
- Delivering joined-up service units that promote a 'whole-solution' mind set and approach.
- Rebalancing of existing service areas to effectively meet the needs of Sandwell residents, maximise opportunities and drive delivery.

3.6 To achieve all the above, it is recognised that if the proposed senior management team structure is approved, there will be a need to also review and realign (as appropriate) services that fall within the remit of each role. Consideration has been given to where existing services currently sit and where they should sit under the proposed restructure. The headline proposal for the realignment of services/functions is attached as Appendix 2. It is important to reinforce that this outline description of service areas will also be subject to ongoing consultation with the leadership team both prior to and after appointment in order to refine these both in light of the proposed restructure but also to ensure that the implications of COVID 19 are reflected appropriately and that the Council is best placed to meet the challenges over the coming period.

3.7 It is further recognised that to achieve the ambitions, outcomes and priorities of the Council, particularly those outlined within this report, a review of senior roles falling below Directors posts will be necessary. To effectively do this, certainty is necessary at the senior management team level so that detailed service reviews can be managed, undertaken, and any resulting changes (if any) implemented effectively and at pace.

4 THE CURRENT POSITION

4.1 The current senior leadership structure was agreed over three years ago in February 2017 to meet the challenges that faced the organisation at that particular point in time.

4.2 This structure established the four Executive Director posts and some changes in Director posts. The current structure consists of the following posts:-

- Chief Executive (£147,523)
- Executive Director of Adult Services (£122,977 to £136,679)

- Executive Director of Children’s Services (£122,977 to £136,679)
- Executive Director - Neighbourhoods (£122,977 to £136,679)
- Executive Director of Resources (£122,977 to £136,679)
- Director of Adult Social Care (£92,547 to £107,922)
- Director of Education, Skills and Employment (£92,547 to £107,922)
- Director of Housing and Communities (£92,547 to £107,922)
- Director of Law and Governance (£92,547 to £107,922)
- Director of Protection and Prevention. (£92,547 to £107,922)
- Director of Public Health, (£92,547 to £107,922)
- Director of Regeneration and Growth (£92,547 to £107,922)

4.3 The total cost of the current senior management structure is £1,825,000 inclusive of on costs.

4.4 In the present structure the Chief Executive has the four Executive Director roles as direct reports. In turn the Executive Directors then have the following director posts reporting to them.

- Executive Director of Neighbourhoods
 - Director of Housing and Communities
 - Director of Regeneration and Growth
- Executive Director of Children’s Services
 - Director of Education
- Executive Director of Resources
 - Director of Law and Governance
- Executive Director of Adult Social Care
 - Director of Adult Social Care
 - Director of Protection and Prevention
 - Director of Public Health

5. PROPOSED STRUCTURE

5.1 The current structure has been reviewed in line with the business ambitions, outcomes, priorities and needs set out in this report and the proposed changes to the Council’s senior management structure are detailed in paragraphs 5.2 and 5.3 below.

5.2 The proposed new structure will result in the following Chief Officer and senior leadership team structure for the Council:

- A new post of **Deputy Chief Executive** (£122,977 to £136,679) will have responsibility for all those services that are focussed on

delivering front line services to the people of Sandwell, and will line manage five Director posts, namely:

- **Director of Public Health** (£92,547 to £107,922) – this post will remain in line with legislation and lead on all matters to do with Public Health
- **Director of Adult Social Care** (£92,547 to £107,922) - this post is the statutory post and will remain in the new structure
- A new post of **Director of Housing** (£92,547 to £107,922) - all housing commissioning, delivery and management functions including strategic housing in the Council will be grouped together under this new role in recognition of the priority placed on delivery of housing in the Borough.
- A new post of **Director of Children and Education** (£92,547 to £107,922) – this role will combine the Director of Children’s Services (DCS) and Director of Education roles to ensure effective oversight of the Sandwell Childrens’ Trust, management of children’s services, advocacy for children and young people in schools and colleges, and the Council’s education function.
- A new post of **Director of Borough & Communities** (£92,547 to £107,922) - this role will be responsible for all the front line operational “place” services (excluding housing) and will responsible for driving the neighbourhood delivery agenda.

5.3 It is proposed that the remaining posts in the new structure will report directly to the Chief Executive. These are detailed below:

- The new post of **Deputy Chief Executive** as detailed above.
- A new post of **Director of Finance** (£92,547 to £107,922) – this post will be responsible for managing the council’s budget, finance (and associated) services and be the statutory Section 151 officer (Chief Finance Officer)
- **Director of Regeneration and Growth** (£92,547 to £107,922) - this post will substantively remain unchanged and will be leading on all strategic regeneration opportunities as well as supporting work with the Combined Authority and the Black Country Partnership as they relate to regeneration issues
- **Director of Law and Governance** (£92,547 to £107,922) – this post will remain unchanged and will be responsible for ensuring robust

governance processes are in place and be the Council's statutory Monitoring Officer

- A new post of **Director of Business Strategy & Change** (£92,547 to £107,922) – this post will bring together all the resources required to deliver transformation and change within the council. This will include responsibility for services such as Human Resources, ICT, business intelligence, communications and marketing.

- 5.4 Subject to the senior management proposals being approved and to ensure operational efficiency, there has been work undertaken as described in paragraph 3.6 to identify the most effective location of services to ensure that the organisation can meet the demands of the proposed Corporate Plan and Vision 2030.
- 5.5 The rationale and proposals have been developed following discussion with the Executive who has provided clear strategic direction to enable a clear way forward to be articulated, underpinned by a culture of fairness, openness and transparency.
- 5.6 In summary the proposals contained in this report recommend the following changes to the establishment structure:

Deletion and removal from the establishment of the following Chief Officer posts:-

- Executive Director of Adult Services,
- Executive Director of Children's Services,
- Executive Director - Neighbourhoods,
- Executive Director of Resources,
- Director of Education, Skills and Employment,
- Director of Housing and Communities,
- Director of Protection and Prevention.

Creation and establishment of the following Chief Officer posts:

- Deputy Chief Executive, (£122,977 to £136,679)
- Director of Borough & Communities (£92,547 to £107,922)
- Director of Business Strategy & Change. (£92,547 to £107,922)
- Director of Children and Education (£92,547 to £107,922)
- Director of Finance (& Section 151 Officer), (£92,547 to £107,922)
- Director of Housing, (£92,547 to £107,922)

The following posts remain unchanged:

- Director of Adult Social Care, (£92,547 to £107,922)
- Director of Law and Governance & Monitoring Officer (£92,547 to £107,922)
- Director of Public Health, (£92,547 to £107,922)

- Director of Regeneration and Growth (£92,547 to £107,922)

- 5.7 The total cost of the current senior management structure is £1,825,000 inclusive of on costs and the cost of the proposed senior management structure is £1,724,000 inclusive of on costs.
- 5.8 Subject to the proposed senior management structure, a pragmatic approach will be taken in line with Council policies and procedures to the filling of any new roles in the structure. The purpose of taking this approach is to provide as much stability and clarity and prevent any unnecessary disruption.
- 5.9 For existing posts where a significant part of the post remains unchanged the current post holders will be assimilated into these roles in accordance with Council policy and arrangements and employment law. It is proposed that this will apply to the following roles: -
- Director of Adult Social Care
 - Director of Law and Governance
 - Director of Public Health
- 5.10 For all new posts, the authority to recruit into these posts will sit with the Chief Officer Terms and Conditions Committee (COTCC). To ensure an equitable, fair and transparent process it is recommended that there is a two-stage approach to recruitment.
- 5.11 In accordance with established Council policies and procedures in the first stage of the process all Executive Directors will be given the opportunity to apply for the role of Deputy Chief Executive. Application will be via an expression of interest (EOI) form which invites candidates to detail their knowledge, skills and experience and their suitability for the role.
- 5.12 The COTCC will consider all EOIs received and interview the candidate(s) as necessary. If COTCC believe it is possible to make an appointment they will confirm this to the candidate. If it is considered that it is not possible to make an appointment to this role then the role will be advertised externally.

- 5.13 The second stage of the process will see all remaining Executive Directors and Directors being included in the ringfence for the new Director roles. Application will be via an expression of interest form which invites candidates to detail their knowledge, skills and experience and their suitability for the role. Where it is clear that there is only one candidate who meets the essential requirement for a post and that there is significant alignment with their previous post it will be recommended to Committee that they be assimilated into the role.
- 5.14 The COTCC will consider all EOIs received and interview the candidate(s) as necessary. If COTCC believe it is possible to make an appointment they will confirm this to the candidate.
- 5.15 For any officers facing a reduction in their pay as a result of the implementation of the proposed restructure, they will receive pay protection for up to 12 months from implementation of the change.

6 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)

- 6.1 Those employees who are directly affected by these changes have been involved in initial discussions with the Chief Executive which has contributed to the development the proposals outlined this report. Formal consultation has been undertaken following the decision of committee in February 2020.
- 6.2 The Chief Executive has considered all relevant comments and views from consultees in proposing the final senior management structure for consideration and approval by the Committee (and onwards approval to Full Council as appropriate).
- 6.3 A number of comments were received in relation to the detail of services within each Directorate and these have informed the final structure before Committee. A significant part of the outcome from consultation related to the proposal to delete the post of Executive Director of Children's Services and Director of Education, Skills and Employment and create one post of Director of Children's and Education. The concern expressed was predominantly focussed on the removal of the capacity at the senior level, with a clear view expressed from the Officers concerned that both posts were still required in the structure moving forward. The views expressed were considered at length and the important relationship between children's services and education is acknowledged, however having undertaken research on other councils of a similar size and considered the existence of the Children's Trust it is not intended to separate the two areas and in the proposed structure they will remain under the single Director post.

This post will have a dotted reporting line to the Chief Executive for any matter associated with performing the statutory role of DCS. For all other matters they will report to the Deputy Chief Executive.

- 6.4 Where the consultees have agreed the outcome of the consultation is attached in full as Appendix 1 for consideration by Committee. A response will be sent to each individual who responded to the consultation addressing any detailed concerns raised.

7 ALTERNATIVE OPTIONS

- 7.1 A number of alternative structures were considered during the discussion and design phase but these were discounted as it was considered that they did not meet the requirements of the organisation going forward.

8 STRATEGIC RESOURCE IMPLICATIONS

- 8.1 At the time of writing the report in February seeking approval to consult on the draft proposals we were unaware that the pandemic would have the impact that it has both on the lives of people in Sandwell but also on call for council services and demands on our finances. The challenges on our services will continue and it is likely that whilst we may achieve freedoms and flexibilities over the next few months that we are unlikely to be in receipt of the funding required to close the gap that has been caused by COVID 19. As we move through 2020 it is critical that we ensure that the structure that we put in place enables us to deliver a balanced budget outturn for 2020. Through these proposals whilst the overall number of posts remains the same there is a small saving to be achieved by the deletion of three posts at executive director level.
- 8.2 It is anticipated that further savings as well as a better alignment of services and removal of duplication will be achieved with the future detailed work on the review of services realigned underneath the proposed senior management team structure.
- 8.3 The costs of the proposed senior management team structure is detailed within the report. The Council has a legal obligation under its Pay Policy to openly publish the salaries paid to its senior management.

9 LEGAL AND GOVERNANCE CONSIDERATIONS

- 9.1 It is the duty of the Chief Executive as head of paid service, where he considers it appropriate to do so, to prepare a report and seek approval of the Council in respect of the following:

(1) the manner in which the discharge by the authority of its different functions is co-ordinated;

(2) the number and grades of staff required by the authority for the discharge of its functions;

(3) the organisation of the authority's staff; and

(4) the appointment and proper management of the authority's staff.

9.2 The Council is required to follow relevant Council policies and procedures and comply with applicable employment legislation and case law concerning staff related matters.

10 EQUALITY IMPACT ASSESSMENT

10.1 The recommendations contained within this report have not identified any issues which would discriminate against any disadvantaged or vulnerable persons.

10.2 The Council must follow its equality and diversity policies and procedures, thereby ensuring fairness and equal opportunity for all.

11 DATA PROTECTION IMPACT ASSESSMENT

11.1 This report relates to the employment position and roles of a number of senior officers with whom formal consultation has yet to be undertaken. This gives rise to data protection issues that are managed through Schedule 12A Local Government Act 1972 (as amended) and processes and procedures followed particularly in relation to consultation and the filling/recruit of the roles falling within the scope of the proposed senior management team restructure.

12 CRIME AND DISORDER AND RISK ASSESSMENT

12.1 There are no specific crime and disorder implications arising from the contents of this report.

13 SUSTAINABILITY OF PROPOSALS

13.1 There are no sustainability issues connected to the recommendations contained within this report.

14 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)

14.1 There are no direct specific health and wellbeing implications arising from the contents of this report.

15 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND

15.1 There are no direct specific impacts on any council managed land or property.

16 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

16.1 The report details the rationale and basis for the proposed senior management restructure. The recommendations to the Committee seek approval of the proposals for recommendation to Full Council for approval.

17 BACKGROUND PAPERS

17.1 Chief Officer Terms and Conditions Committee Report - Revised Senior Management Structure Proposals. 21st February 2020.

18 APPENDICES:

Appendix 1 – Individual consultation feedback

Appendix 2 - Outline areas of responsibility

David Stevens
Chief Executive