

Report of the Chief Executive & Director of Place

Extraordinary Council – 7 April 2016

SENIOR MANAGEMENT STRUCTURE

Purpose:	To propose a senior Management Structure that is fit for purpose.
Policy Framework:	None.
Reason for Decision:	To allow consultation to proceed.
Consultation:	Legal, Finance and HR.
Recommendation(s):	<ol style="list-style-type: none">1) Approve the structure, subject to the consultation below, as detailed in the report2) Authorise the Chief Executive to consult all affected staff3) Subject to (2) identifying no significant change authorise the Chief Executive to implement the structure.4) Note the reduction of senior posts and the consequent annual full year saving of just over £300k.5) Require the Chief Executive to report back on any 'change costs' and the allocation of duties 'post' consultation.
Report Author:	Phil Roberts
Finance Officer:	Ben Smith
Legal Officer:	Tracey Meredith
H.R. Officer:	Deb Yeates

1. Background.

The current Chief Executive, Jack Straw, will leave on 30th May 2016. Council on 26th November 2015 resolved that an interim Chief Executive be appointed on an internal basis ring fenced to the existing Directors

On 28th January 2016 Council appointed a Chief Executive for the period 1st June 2016 until 31st May 2017 in accordance with the Local Authorities (Standing Orders) (Wales) Regulations 2006 as amended. The resolution was made in order to provide a level of stability leading up to the local government elections in 2017 after which a permanent appointment can be made. Until that time the Chief Executive will need to be appointed annually.

The Director of Corporate Services will be leaving on 15 May 2016 and this further underlines the need for stability in the period leading up to the local government elections in 2017.

In setting the revenue budget for 2016/17 Council has agreed a target for management savings of £3 million rising to £5 million from 2017/18.

The combination of these issues necessitates a review of the Council's senior management structure which must be implemented as soon as possible to reduce the impact of instability on the organisation.

It is worth noting that in 2007 the structure at 1st and 2nd tier comprised 33 posts, in 2008 32 and presently 24. The key once again is to balance economy with the capacity and capability to be effective.

Finally whilst structure is an important component in establishing fitness for purpose other factors such as culture, values and clarity of priorities interact to determine ultimate performance.

2. Context.

Local Authorities operate in a complex political, partnership and citizen focussed environment. This section of the report sets out some of the myriad of considerations. There are of course others.

2.1 Key considerations.

Over the next two years,

- Budgets will continue to reduce dramatically in real terms , perhaps by 20% as austerity measures are reflected in future Revenue Support Grant settlements;
- Management savings must be made to contribute to meeting the budget targets. However, given the departure of 2 of the 4 most senior managers in the Authority there is a real need for stability for at least the next 12 months;
- The Council must ensure that resources are allocated in accordance with the established corporate priorities, namely
 - o Safeguarding
 - o Pupil Attainment
 - o Poverty
 - o City Centre and Economy
 - o Building Sustainable Communities
- The proposals for the reorganisation of local government in Wales are likely to become clearer following the Welsh Assembly elections in May this year;

- The Council's major transformation programme, Sustainable Swansea, must continue to be driven in order to transform services and modernise the organisation;
- The process of commissioning reviews is key to this and resources must be in place to ensure that the process and implementation of reviews is carried out effectively;

2.2 Organisational Context.

As stated earlier, structure is only one aspect of the organisation which contributes to fitness for purpose. However along with culture, values and others it is an important contributor to how we work and ultimately our performance.

The internal reasons for structural change are many but the key areas can be summarised;

- The need to deal with the imminent departures of the current Chief Executive and Director of Corporate Services, whilst maintaining the progress made in improving services and driving forward transformation;
- The financial environment is severe. The Council has set a challenging budget for 2016/17 and an ambitious Medium Term Financial Plan. This will need major focus and significant effort if it is to be managed effectively;
- To create a focus on themes, portfolios and priorities which promotes the **Team Swansea** approach between members and officers;
- Cabinet has agreed a new model for business support and senior management arrangements will need to change to deliver this.
- To create the capacity for National and Regional Collaborative working and to raise the profile of the City and the Council in Wales, UK, Europe and beyond;
- To further establish the Head of Service level as responsible for operational activity, performance and customer focus;
- Create capacity for change, and a focus on the Council's priorities;
- to further foster innovation at all levels of the organisation;

3. The Proposed Structure.

3.1 Overall.

There are four themes underlying the approach to structural re-organisation.

3.2 The need to maintain stability given the imminent departure of key officers

The previous review of senior management structures established the Place and People Directorates. The changes have taken time to bed in but are now firmly embedded and bearing fruit. The recent inspections by ESTYN, CSSIW, WAO and the WLGA Peer Review all highlight the effectiveness of the corporate arrangements and the quality of services provided by the Council. The existing Head of Service structure in the People directorate has operated effectively and should for the time being be retained.

However, as highlighted above this situation is fragile for all councils and the financial challenges that face us need to be managed effectively with robust and experienced management at director level.

It is therefore proposed that the existing directorates of Place and People be retained and that a Director of Resources is appointed on an interim basis for a minimum period of 12 months. This post should carry the section 151 officer responsibility.

The Monitoring Officer function will remain with the Head of Legal & Democratic Services pending the implementation of the Business Support review.

3.3 The need to ensure that the Sustainable Swansea Programme is delivered.

The Sustainable Swansea programme is central to transforming the organisation over the next 12-24 months. A transformation presence is needed on Executive Board with sufficient seniority to drive forward changes which may well encounter resistance from parts of the organisation.

It is therefore proposed that a Chief Officer for Transformation post is established as a member of the Executive Board.

A new model of business support has been agreed by Cabinet and we are now implementing this to modernise the Council. This has been driven by the current Corporate Director (Corporate Services) within a very tight timescale given the financial targets within the Sustainable Swansea programme for business support rationalisation. It will require a restructuring of the Heads of Service within the current Corporate Services directorate. The proposal is for the business change, information, ICT and project/programme management functions to be managed by the Chief Transformation Officer. The promotion of the digital agenda for the modernised delivery of customer services will be a key challenge for this post.

The post of Head of Legal & Democratic Services will be retained subject to further review as part of the business support implementation process and the duties will ultimately form one of the longer term replacement posts.

The delivery of transactional and back office services will be overseen by the Head of Services Centre.

The current review of Business Support has identified that in addition to establishing a Head of Services Centre to deliver central transactional services there will also need to be a Head of Service to oversee Business Intelligence and a Head of Strategy & Performance. These posts will undertake the functions currently carried out by the Head of Legal & Democratic Services, the Head of Communications & Customer Engagement, the Head of HR & OD, the Head of Commercial Services and the Head of Information & Business Change.

In addition resources must be in place to deliver the implementation of the commissioning reviews that are currently in progress; specifically in the areas of Adult Social Services and Education. This is being addressed by increasing the capacity at Principal Officer level through the Transformation Fund.

The most advanced commissioning review to date is that of Cultural Services and the implementation of this will be challenging. It will require almost the full time attention of the Head of Cultural Services and inevitably lead to further changes in the management structure when it is fully implemented.

3.4 The need to make savings in management costs

In approving the revenue budget the Council has set a target for management savings of £3 million for 2016/17, rising to a cumulative £5m by 2017/18. This target must be met if we are to avoid further reductions to front line services.

The need for stability in the senior management structure is recognised. However, whilst the review will impact on the broader management cadre in the organisation, it is essential that reductions are made at the most Senior Management level to contribute towards this testing target.

An Interim Director for Place has been appointed. It is proposed that the post of Chief Operations Officer is not filled and that the Director of Place will continue to be responsible for Corporate Building and Property Services, albeit with appropriate acting up arrangements at the tier below the Heads of Service. This will save one senior post.

The implementation of the Business support Review will result in a reduction of two posts from the Corporate Service Directorate.

Overall the number of senior posts will reduce from 24 to 21 with a financial saving of £306,000 including on costs in a full year (and excluding all initial restructuring and transition costs)

3.5 The need to retain the focus on delivering services and priorities

It is essential that resources are allocated in the most efficient way to deliver the corporate priorities of the Council, namely;

- Safeguarding
- Pupil Attainment
- Poverty
- City Centre and Economy
- Building Sustainable Communities

Progress in social care and education must be maintained. There are no proposals to change the senior management structure for social services.

The Head of Poverty & Prevention post should be retained, albeit with a review of the functions within that service.

The post of Chief Education officer should be maintained. The current Head of Service structure in education will in time need to change as a consequence of the review of Business Support and the centralisation of financial strategy and operations.

The key corporate priority for the Place Directorate remains the regeneration of the City Centre and the wider City economy. Substantial progress has been made towards achieving this objective over the last 12 months. It is proposed that the post of Head of Economic Regeneration and Planning is renamed Head of City Regeneration and Planning. Additional resources will need to be allocated to City Regeneration at the management layer below the Head of Service and this issue is currently being addressed by the Executive Board. The regeneration of the City Centre will be one of the personal objectives of the Chief Executive for the first twelve months in post.

An emerging element of the Building Sustainable Communities priority is the delivery of affordable housing through the More Homes project. This will have a significant resource requirement, require structural change in Housing and Corporate Building Services and will need to be a personal objective for the Interim Director of Place.

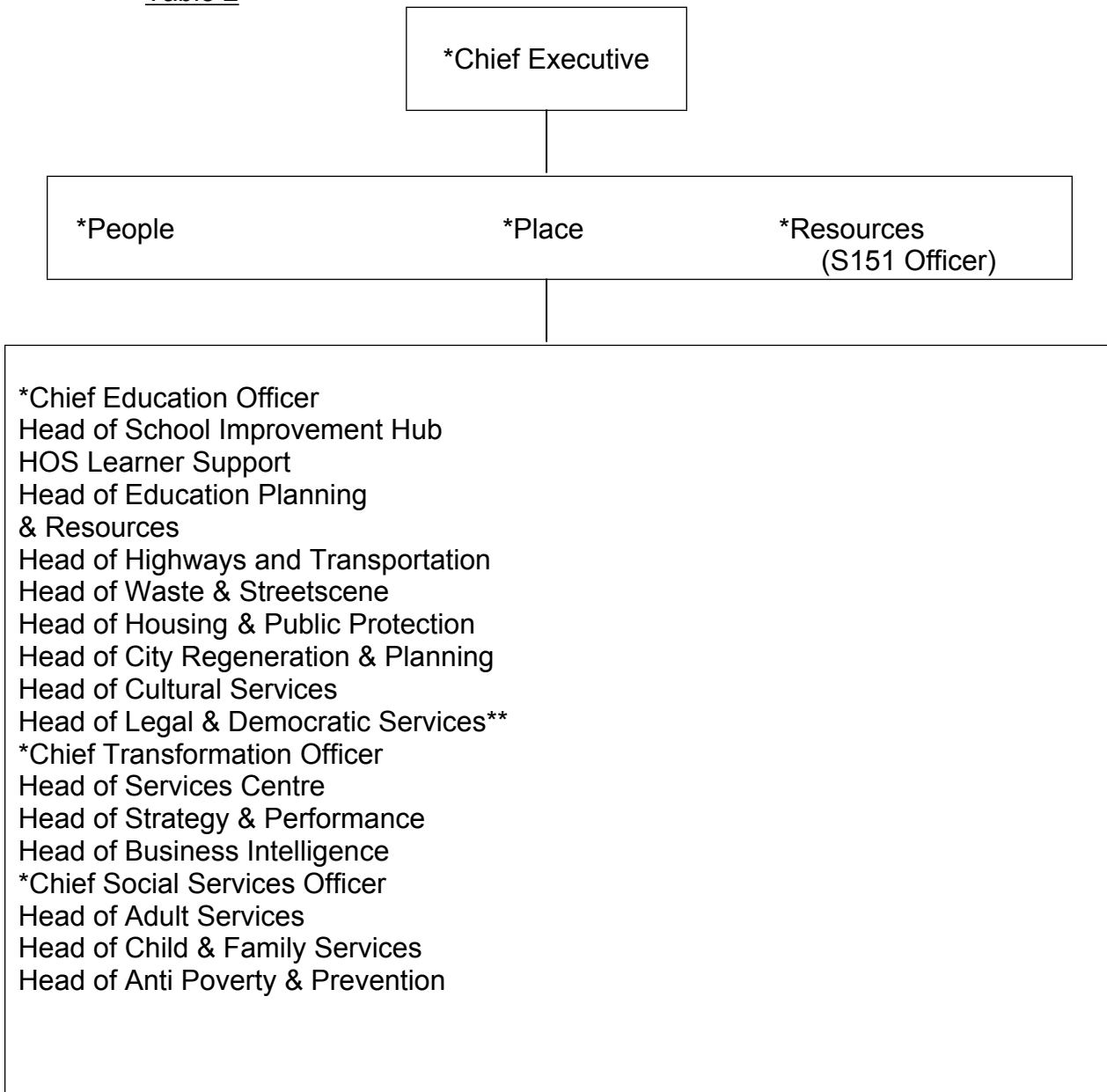
Table 1 details the themes and strategic leads for the Chief Executive and Directors of People, Place and Resources

Table 1

<p><u>Chief Executive</u></p> <p><u>Themes</u></p> <ul style="list-style-type: none"> Partnership (LSB) Regional/National working External relations Governance Performance City Regeneration and profile <p><u>Strategic Leads</u></p> <ul style="list-style-type: none"> Head of Paid Service Principal Policy Adviser Member Relations Communications Single Integrated Plan Political Interface. 	<p><u>Director People</u></p> <p><u>Themes</u></p> <ul style="list-style-type: none"> Smarter City Fairer City Safer City Healthier City <p><u>Strategic Leads</u></p> <ul style="list-style-type: none"> Protection of the Vulnerable Children & Young People Healthy Cities Safer Communities Service Integration Poverty and Inclusion Communities First Education Improvement (inc ERW) City of Learning
<p><u>Director – Place</u></p> <p><u>Themes</u></p> <ul style="list-style-type: none"> Greener City Richer City Better Environment <p><u>Strategic Leads</u></p> <ul style="list-style-type: none"> Regeneration of City & Region More Homes Energy Transport Strategy Sustainability Worklessness City of Sport City of Culture Housing Planning Waste Streetscene 	<p><u>Director Resources (S151 Officer)</u></p> <p><u>Themes</u></p> <ul style="list-style-type: none"> Transformation Efficiency Effectiveness Performance Delivery Governance <p><u>Strategic Leads</u></p> <ul style="list-style-type: none"> Financial Strategy Workforce Planning Information Management Performance Management Delivery Customer Care Organisational Development Improvement Plan Scrutiny Asset Management Health & Safety

Table 2 details the proposed structure

Table 2



* = Executive Board Members.

** pending the implementation of the business Support Review

The Council must appoint to key statutory roles, dependent on appointments made these could vary but it is presently assumed,

Section 151 Officer	-	Director of Resources
Monitoring Officer	-	Head of Legal & Democratic Services
Social Services	-	Chief Social Services Officer
Education	-	Chief Education Officer
CYP	-	Director People

In simple terms the responsibilities will remain as follows,

Tier A Chief Exec. + Directors	Thematic management Relationship management National/Regional Work
Tier B. Tier A plus Chief Education Officer Chief Social Services Officer Chief Transformation Officer	Executive Board Responsible for strategic management.
Tier C. HOS & 'Chiefs'	Operational Management/Performance.

4. Next Steps.

Subject to approval by Council today it will be necessary to undertake a 30 day consultation with affected staff. Should the consultation result in proposals for substantive alterations to these proposals a further report will be brought to Council. If not the process of implementing the new structure will commence thereafter. The target implementation date is currently 1st June 2016.

5. HR & Legal Implications.

These proposals reduce the current senior management structure from 24 posts to 21.

If adopted by Council an appropriate process will need to be adopted to populate the new structure.

It is proposed that the current Head of Finance and Delivery and Section 151 officer is appointed to the Interim post of Director of Resources.

It is proposed that the post of Chief Transformation Officer is immediately advertised internally and externally and that until the appointment is made the Chief Executive appoints an existing Head of Service to act up in this post.

It is proposed that the posts of Head of Service Centre, Head of Strategy and Head of Business Intelligence are ring fenced to the existing heads of service in Corporate Services.

Role profiles and person Specifications at this level are generic. The Director profile is at Appendix 2 and Head of Service at Appendix 3. These will be updated following consultations including the new Chief Officer role profile.

Following the Council meeting, the proposals will be confirmed in writing to all Directors and Heads of Service and formal consultation commenced. Although not legally required, good practice would suggest a consultation period of 30 days in which written responses can be sent to the Chief Executive.

At the end of the consultation period, the Chief Executive formally inform all Heads of Service of the outcome of the consultation.

Following this, the slotting and matching process will be undertaken on the basis of roles being either identical or at least 60% similar and on the same grade.

A number of individual posts are placed at risk as a consequence of these proposals. These include the Heads of Service for Commercial Services, Communications & Customer Engagement, Information & Business Change and Human Resources & OD.

If more than one employee claims an appropriate match to a post, then an internal competitive interview is held. This will be via the Appointments Panel.

Displaced staff will be issued with their contractual notice and placed on the Redeployment Register. Under the Authority's Redeployment Policy every effort will be made for such staff to be redeployed into another post within the Authority.

If redeployment is not found within the Authority for any displaced staff, they would be made redundant at the end of their notice period and in which case, the Authority's Redundancy Policy in force at that time will apply. These employees will have the right of appeal against the decision to terminate their employment on the grounds that

- The Council's redundancy procedure has been incorrectly applied
- the selection criterion has been unfairly applied in their case
- they have been overlooked for existing suitable alternative employment.

Any reporting requirements with redundancies should be complied with appropriately.

6. Financial Implications.

Excluding on costs, the current top structure costs £2,088,000. The proposed longer term structure will cost £1,861,000 i.e. a saving of £227,000 (£306,000 including on costs). This is considered to strike an appropriate balance between making a significant contribution to overall senior staff savings whilst retaining the necessary strategic capacity and capability at the most senior level to lead at a time of great change.

The above comparison is based on top of all pay scales. The actual cost will be less than the above figure in the short to medium term.

There is a national pending Chief Officer pay award of 1% per annum for each of the next two years. This has not been taken into account in the above figures but is incidental to, and slightly adds to the overall projected full year savings.

Any costs of change resulting from the appointment process will be reported separately and financed from the Contingency Fund or Restructuring Reserve as has previously been the case.

Background Papers: None.

Appendices: A – Job Descriptions and Person Specification Director and Head Of Service.
B - Structure diagrams before and after implementation of business support review.



JOB DESCRIPTION

DEPARTMENT:

DIVISION/SECTION/UNIT:

Directorate

TITLE:

Corporate Director

POST NO:

SALARY:

£95,000 to £110,000

RESPONSIBLE TO:

Chief Executive

1. MAIN PURPOSE OF JOB

- 1.1 To be a member of the Corporate Management Team, responsible with the Chief Executive for the corporate and strategic management of the Authority.
- 1.2 To ensure the effective working of the Authority in achieving corporate objectives, support the work of the Cabinet and Elected Members generally, lead on agreed corporate responsibilities and projects, lead partnership working and be responsible at strategic level for functions and services within the assigned Directorate.

2. OUTLINE OF DUTIES

- 2.1 As a member of the Corporate Management Team, participate in the corporate and strategic management of the Authority, working to ensure the Authority is pursuing a coherent and practical strategy in line with political priorities.
- 2.2 To support the work of the Cabinet Members collectively and individually by providing policy advice for areas of assigned responsibility and overseeing the achievement of Cabinet decisions.
- 2.3 To take a leadership role for assigned areas of corporate responsibility and corporate projects.
- 2.4 To take a lead in proactively developing and supporting partnership with other organisations, reflecting corporate or directorate responsibilities.
- 2.5 To lead the strategic management of the assigned Directorate/Services, ensuring achievement of annual Corporate Plan Targets, a proactive

approach to strategic planning, the provision of Directorate and business unit plans, continuous improvement and the provision of management systems, processes and structures in line with corporate policies.

- 2.6 To provide leadership to Heads of Service and their Service Units within the assigned Directorate/Services through the setting of objectives and performance indicators, the allocation of resources, the monitoring of achievement, identification of variances and remedial action, mentoring and role modelling and proactive use of the individual performance appraisal systems.
- 2.7 Other duties consistent with the level of the post as agreed with the Chief Executive.

3. HEALTH & SAFETY RESPONSIBILITIES

- 3.1 To undertake the Health and Safety responsibilities within the HASAWA 1974.
- 3.2 Employees have a duty of care;
 - i) to take reasonable care for the health and safety of both themselves whilst at work and of other persons who may be affected by their acts or omissions (by what they do or do not do).
 - ii) to co-operate with the employer so as to enable the duty imposed on them to be performed or complied with.
 - iii) not to interfere with, or misuse, anything provided for their health, safety or welfare.

4. GENERAL DUTIES

- 5.1 To assist in the development of initiatives, e.g. Investors in People; Performance Management and Appraisal; Continuous Professional Development, etc.
- 5.2 To ensure that all activities are operated in accordance with Equal Opportunities.

REVIEW DATE/RIGHT TO VARY

This Job Description is as currently applies and will be reviewed regularly as part of the Performance/Appraisal process, and may be subject to other variance. You may be required to undertake other tasks that can be reasonably assigned to you which is within your capability and grade.

SIGNATURE OF EMPLOYEE	SIGNATURE OF LINE MANAGER
Signed:.....	Signed:
Name:	Name:.....
Date:	Date:.....



PERSON SPECIFICATION

POST TITLE:	Corporate Director	POST NO:	
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DEPARTMENT:		SECTION:	Directorate
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REQUIREMENTS FOR SAFE AND EFFECTIVE PERFORMANCE

EXPERIENCE, KNOWLEDGE & QUALIFICATIONS:	<ol style="list-style-type: none"> 1. Substantial, successful experience in a senior management role in a large and complex organisation. 2. A high general standard of education (e.g. degree or equivalent). 3. Good understanding of the context of Local Government and of the issues faced. 4. Track record in performance management of public facing services with clear examples of challenging achievement. 5. Evidence of on-going management development.
SKILLS & ABILITIES:	<ol style="list-style-type: none"> 1. Political sensitivity including understanding of the roles of Elected Members and the ability to support this effectively. 2. Able to work effectively as part of a team, contributing to shared goals, supporting colleagues and leading areas of collective responsibility. 3. Proven ability to work in partnership with other organisations. 4. Excellent written, verbal and presentation skills. 5. Strong interpersonal skills, and able to win confidence and influence others. 6. Good understanding of the principles of strategic management and performance management, together with proven practical ability.

<p>PERSONAL ATTRIBUTES:</p>	<ol style="list-style-type: none"> 1. Ability to lead by example and support colleagues through mentoring and performance appraisal. 2. High standard of personal integrity and discretion. 3. A proactive approach. 4. High levels of energy and stamina
<p>DESIRABLE:</p>	<ol style="list-style-type: none"> 1. Social Services and/or Housing qualification, preferably both. 2. Successful experience of the management of large and complex projects and general knowledge of project management methodologies. 3. Formal high level management qualification, i.e. MBA.
<p>COMMITMENT TO EQUAL OPPORTUNITIES:</p>	<p>Candidates should have a knowledge of the Council's Equal Opportunities Policy, and an appreciation of how the policy affects Council procedures and practices.</p>
<p>SPECIAL REQUIREMENTS:</p>	<p>None</p>



JOB DESCRIPTION

DIRECTORATE:

SERVICE UNIT:

TITLE:

Head of Service

POST NO:

GRADE:

Band 1 to 3

RESPONSIBLE TO:

Corporate Director -

1. MAIN PURPOSE OF JOB

- 1.1 Operational responsibility for a business unit consisting of a defined group of functions and services ensuring that the services operate within the Council's policies and strategies to achieve the objectives and performance to achieve the objectives and performance standards set for the unit within the resources allocated
- 1.2 The Head of Service will have devolved responsibility for their operations under the strategic leadership of the Corporate Director and within the framework for political decision making and delegations.

2. SPECIFIC DUTIES

(Refer to attached information sheet.)

3. OUTLINE OF DUTIES

- 3.1 Seek to achieve the aims of the Improvement Plan through focusing on improvements to performance, customer satisfaction and 'one council' working.
- 3.2 Within Council policies and strategies, and statutory requirements, undertake operational management for the assigned functions and services.
- 3.3 To negotiate via the Corporate Director the objectives, performance standards and resources for the unit and to be responsible for delivering the objectives and standards within the allocated resources - ensuring the pro-active identification of performance and resource problems.

- 3.4 To agree with the Corporate Director a business plan for the unit.
- 3.5 To implement and support management systems, processes and structures in line with corporate policies.
- 3.6 To ensure the effective development of technology, business processes and working practices across the service unit.
- 3.7 To ensure a high standard of service to customers is secured, seeking continuously to improve on this and that customer complaints and Member enquiries are dealt with effectively within corporate guidelines.
- 3.8 To ensure the effective management of the resources including budgets, assets and people.
- 3.9 To lead staff, recruit, regularly appraise and develop, discipline as required and ensure effective performance management of all teams and individuals within the unit.
- 3.10 To participate in and, when required, lead corporate projects as agreed with the Corporate Director, including active membership of corporate working groups.
- 3.11 To work co-operatively with other Heads of Service, Directors and Members for the greater good of the Council.
- 3.12 To seek and build partnerships with other organisations, the not-for-profit and the private sectors to achieve the Council's goals.
- 3.13 Where appropriate, to be the Proper/Statutory Officer for the assigned function.
- 3.14 Other duties consistent with the level of post as agreed with the Corporate Director.

4. HEALTH & SAFETY RESPONSIBILITIES

- 4.1 To undertake the Health and Safety responsibilities within the HASAWA 1974.
- 4.2 Employees have a duty of care;
 - iv) to take reasonable care for the health and safety of both themselves whilst at work and of other persons who may be affected by their acts or omissions (by what they do or do not do).
 - v) to co-operate with the employer so as to enable the duty imposed on them to be performed or complied with.
 - vi) not to interfere with, or misuse, anything provided for their health, safety or welfare.

5. GENERAL DUTIES

- 5.3 To assist in the development of initiatives, e.g. Investors in People; Performance Management and Appraisal; Continuous Professional Development, etc.
- 5.4 To ensure that all activities are operated in accordance with Equal Opportunities.

REVIEW DATE/RIGHT TO VARY

This Job Description is as currently applies and will be reviewed regularly as part of the Appraisal/Development & Performance Review process, and may be subject to other variance. You may be required to undertake other tasks that can be reasonably assigned to you which is within your capability and grade.

DATE PREPARED/ISSUED: November 2012

SIGNATURE OF EMPLOYEE	SIGNATURE OF LINE MANAGER
Signed:.....	Signed:
Name:	Name:.....
Date:	Date:.....



PERSON SPECIFICATION

POST TITLE:	Head of Service	POST NO:	
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DEPARTMENT:		SECTION:	
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REQUIREMENTS EXPERIENCE, KNOWLEDGE AND QUALIFICATIONS

- Successful experience in a management role in a large and complex organisation
- A good general standard of education
- understanding of the context of a local government and the issues faced
- Track record in performance management of public facing services with clear examples of challenging achievement

SKILLS AND ABILITIES

- Political sensitivity including understanding of the roles of elected Members and ability to support this effectively
- Able to lead a team
- Good communication skills
- Effective inter-personal skills, able to win confidence and influence others
- Good understanding of the principles of performance management, together with a proven practical ability
- Able to manage large and complex budgets
- Good general understanding of IT and personal IT skills
- Able to lead by example and support colleagues through mentoring and performance appraisal
- High standard of personal integrity and discretion
- A pro-active approach
- High levels of energy and stamina

DESIRABLE

- professional or technical qualification relevant to a core business of the business unit
- Successful project management experience and general knowledge of project management methodologies
- Understanding of the range of approaches to procurement and experience of contract letting and management.