



## Report of the Cabinet Member for Corporate Service and Performance

Council - 7 July 2022

### Proposals for Recruitment to Director of Corporate Services

<b>Purpose:</b>	To present to full Council for approval, proposals for appointment to the role of Director of Corporate Services.
<b>Policy Framework:</b>	Appointment Procedure Rules – Council Constitution
<b>Consultation:</b>	Legal, Finance & Access to Services
<b>Recommendation(s):</b>	It is recommended that Council:  <ol style="list-style-type: none"><li>1) Considers the options contained within paragraph 2 of the report in relation to the Deputy Chief Executive and Director of Corporate Services post</li><li>2) Approves Option 2 (as set out below) to delete the Deputy Chief Executive and Director of Corporate Services post and create a Director of Corporate Services post with the Role Profile attached at Appendix A and with a salary range of £107,257 to £121,756</li><li>3) Agrees to appoint an interim Director of Corporate Services via a contract for services whilst a recruitment exercise is undertaken in respect of paragraph 2 above</li><li>4) Delegates to the interim Chief Executive and Chief Legal Officer authority to take any further action necessary to give effect to the content of this report</li></ol>
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## 1. Introduction

- 1.1 Following the resignation of the Deputy Chief Executive and Director of Corporate Services in July 2022, there is now a vacancy for that post and an opportunity to consider the available options for replacement.

## 2. Appointment to Deputy Chief Executive and Director of Corporate Services

- 2.1 The Deputy Chief Executive and Director of Corporate Services post will become vacant in July 2022. This provides an opportunity to consider the Director structure and whether a like for like recruitment process is required or whether an alternative structure would be more appropriate for Council to adopt, as per the following options:

### **Option 1; Recruitment of a permanent Deputy Chief Executive and Director of Corporate Services on the existing salary range of £122,334 to £126,875**

The existing role was established in November 2021 following a Senior Management Review and replaced the previous role of Deputy Chief Executive and Director of Resources. The previous role included responsibilities which are now managed by the Director of Finance.

In addition to Deputy Chief Executive duties, the Director of Corporate Services role has overall responsibility for Legal, Democratic Services and Business Intelligence, Communications and Marketing, Digital and Customer Services and the newly-formed HR and Service Centre.

Council could determine to proceed immediately to external advertisement of the role, in line with both the Council's Constitution and the legal requirements set out in the Local Authorities (Standing Orders) (Wales) Regulations 2006. This option does not propose any change to the duties of the post, nor any change to the remuneration level.

### **Option 2; Delete the post of Deputy Chief Executive and Director of Corporate Services and create a Director of Corporate Services on the same salary range as the wider Director grouping, £107,257 to £121,756**

The November 2021 job description for the Deputy Chief Executive and Director of Corporate Services requires the post holder to 'deputise for the Chief Executive.' This option proposes the removal of this duty and the redesignation of the job title to Director of Corporate Services. Copies of the existing and proposed Role Profiles are detailed in Appendix 1.

Moving to a distributed leadership model where all Directors are responsible for deputising for the Chief Executive in their appropriate field provides greater resilience and capacity building. Subject to consultation, the Director grouping could share this responsibility on a rotational basis

as was the agreed arrangement prior to the creation of a Deputy Chief Executive role.

The breadth of services that this post holds has recently altered in that the Finance service is no longer a function sitting within its portfolio. A Director of Finance has subsequently been established and therefore removed from the service grouping that the Deputy Chief Executive and Director of Corporate Services is responsible for. It would be timely to consider whether a realignment of this post with the wider Director grouping is appropriate.

Fewer than half of all Welsh Councils have a Deputy or Assistant Chief Executive post with the majority choosing to distribute the responsibility to deputise for the Chief Executive amongst their Director groupings. Removing the Deputy Chief Executive designation would therefore not be out of line with other local authorities.

The role would need to be re-evaluated with an indicative grade at Director level and will result in a flattening of the Senior Management structure below the Chief Executive. The Council would not be required to submit a proposal to change the responsibilities or salary range of the post to the Independent Remuneration Panel for Wales (IRPW) as this is only now a requirement where Chief Executive remuneration is being altered.

This option would also be in line with the recommendation received from an external review of the management structure carried out with the assistance of the WLGA prior to the November 2021 management restructure.

Based on current salaries this is likely to achieve a saving of employee costs of approximately £20,000 per annum (including on-costs).

### **Option 3; Deletion of the Deputy Chief Executive and Director of Corporate Services role and a restructure of the Director grouping**

This option would completely remove this role from the senior management structure and reduce the span of Director level reports to the Chief Executive to four.

Consideration would need to be given to the allocation of duties currently undertaken and how they could be distributed amongst the Director grouping. This may be achieved by a combination of;

- i) Allocation of duties and areas of responsibilities to other Directors
- ii) An increase in the number of service areas reporting directly to the Chief Executive

Whilst this option could achieve financial savings of approximately £165,000 per annum (including on costs) the non-financial disbenefits are significant and does not consider any possible impact from the senior pay and grading review approved by Council in November 2021.

Further work would be required to fully consider the implications of a smaller Director portfolio restructure and consultation with affected groups would be required. This could take some months to complete and would increase the delay in achieving a permanent, stable senior management structure focused on delivering organisational priorities for the benefit of our communities.

Embarking on a wider restructure does not remove the risk that the corporate Heads of Service will not have a reporting line during any design and consultation period, which will impact the Interim Chief Executive and/or the Directors. This is also likely to be the option with the longest lead time to resolve, thereby extending the period of uncertainty for CMT and the wider Leadership Team.

The delay and uncertainty caused by a wider Director restructure in addition to the increased capacity issues that deletion of the post would result in means that Option 3 is not the preferred option.

- 2.2 The preferred option is Option 2 given that there will be both an increase in resilience and capacity across the Director grouping should a shared and distributed responsibility to deputise for the Chief Executive be determined, and a financial saving should the grade of the post be reduced to reflect the wider Director salary levels. Choosing to redesignate the job title following a short consultation exercise with the Director group enables a more timely recruitment process than Option 3's suggestion of a wider restructure. This will bring about stability and continuity of reporting arrangements for the corporate Heads of Service and not impact on wider capacity demand across the Directors.

### **3.0 Immediate Position**

- 3.1 Due to the gap between the post holder leaving in July 2022 and a suitable recruitment process being completed with any externally appointed candidate providing notice to their employer, it is recommended that an interim Director of Corporate Services is engaged via a contract for services, either on a part time or full time basis.
- 3.2 This will enable a period of continuity for the corporate services portfolio to be managed by an interim Director who can fulfil the current demands of the job description. Without replacing the post until a permanent candidate is selected by the Council's Appointments Committee and has given sufficient notice to their employer, there will be pressure on other senior leaders who are responsible for an already significant number of services. The interim Chief Executive is new in post and currently line manages 4 directorates. Including the corporate services in his portfolio would double

the number of direct reports. The Heads of Service within the corporate services are unable to provide this interim support due to capacity in each of the services and the technical specialism required to achieve key objectives in the relevant field.

- 3.3 The potential costs of a 6 month placement would be a maximum of £75k depending on whether a part time or full time arrangement is made. The Council would ensure that appropriate tax and national insurance deductions are paid in line with IR35 legislation.
- 3.4 The interim Chief Executive has with support from the Head of HR and Service Centre carried out an initial scoping exercise with three recommended public sector agencies. 7 candidates have been put forward by these agencies, 4 of which were discounted and 3 of which were selected for interview by the interim Chief Executive and Head of HR and Service Centre.
- 3.5 Should Council determine that an interim appointment be made whilst the permanent recruitment exercise is undertaken, and given the urgency of the situation, it is suggested that the Interim Chief Executive will make a recommendation on any preferred candidate to Council on 7<sup>th</sup> July.

#### **4. Integrated Assessment Implications**

- 4.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:
  - Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
  - Advance equality of opportunity between people who share a protected characteristic and those who do not.
  - Foster good relations between people who share a protected characteristic and those who do not.
  - Deliver better outcomes for those people who experience socio-economic disadvantage
  - Consider opportunities for people to use the Welsh language
  - Treat the Welsh language no less favourably than English.
  - Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- 4.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

4.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

4.4 Should Options 1 or 2 be approved, there are no service delivery impacts identified as a result and therefore no mitigation is required. Recruiting to this post will enable the Council to have regard to its responsibilities under the WFG legislation by having sufficient leadership posts to work with members to make decisions for the benefit of our communities. No risks have been identified that would cause negative implications but the risk of not recruiting to the post would cause risk to the Council in not having sufficient resource capacity to deliver the Corporate Plan. A full Integrated Impact Assessment (IIA) has not been undertaken on the proposals in this report based on the screening undertaken.

Should Option 3 be approved, there could be service delivery impacts identified as a result. Removing the post will reduce recruitment opportunity that could promote gender equality across the senior leadership team and improve the Council's gender pay gap. Should this option be approved, a further Integrated Impact Assessment (IIA) would need to be undertaken on the proposal due to the workforce impact of services being distributed across wider Directorates and potential impact on partnership working given the role profile of the post.

## **5. Financial Implications**

5.1 The reports outlined options have the following financial implications:

- Option 1: no change in current cost
- Option 2: after full implementation, annual salary and oncost savings of up to £20k.
- Interim arrangement : interim contract cost of up to £75k
- Option 3: financial implications unknown, dependent on outcome of structure
- Dependant on timing and sequencing of implementation, the above costs of Option 2 and an interim shall be contained within existing budget provision, or, if necessary the use of contingency sums up to but not exceeding £75k

## **6. Legal Implications**

- 6.1 Under s 39(1) of the Localism Act 2011, the Council is required to approve its Pay Policy Statement by 31 March each year which includes details of Senior Officer Pay.
- 6.2 Details of the appointment arrangements for these roles are contained in the Council Constitution, Part 4.8 - JNC Officer Appointment Procedure Rules (Rules of Procedure).

**Background Papers:** None

### **Appendices**

Appendix A: Deputy Chief Executive and Director of Corporate Services Role Profile November 2021

Appendix B: Proposed Director of Corporate Services Role Profile July 2022

Appendix C: Current management structure chart

Appendix D: Proposed management structure chart

Appendix E: IIA Screening form