

## **Proposed Alignment of Council Structure to the New Business Plan**

### **Purpose**

1. The purpose of this report is to seek Cabinet's approval to take steps to make changes to the senior management structure of the council at tier 1 following discussion with the current corporate directors to ensure the necessary strategic capacity is in place to deliver a proposed new business plan for 2017-2027.

### **Background.**

2. Since 2009, when Wiltshire Council was formed, we have been focused on a single vision to deliver stronger and more resilient communities and on three priority areas that have supported delivery of the vision, and which have been firmly embedded in everything we do. These priorities are:
  - i. Protecting those who are most vulnerable
  - ii. Growing the local economy
  - iii. Working closely with our communities to encourage and enable them to do more for themselves
3. This vision and the priorities have driven an environment in the council that has encouraged innovation and change and whilst we have had little choice but to do things differently, and be more innovative, the challenges we have faced has enabled us to think differently, significantly reduce costs and achieve a huge amount.
4. The challenges continue. A continued reduction in funding from central government, and the increasing demands that we face for our key frontline services, means that a proposed new business plan for 2017 – 2027 will continue to focus on the vision that has been driving the achievements we have made since 2009, and will also shape a portfolio of work to improve how we deliver services for the people and businesses across Wiltshire set against 4 new priorities, which are:
  - i. Growing the economy
  - ii. Strong communities
  - iii. Protecting those who are most vulnerable
  - iv. An innovative and effective council
5. The new business plan sets out goals that describe how we will deliver these priorities, and key to all of this is ensuring the council has a structure that is aligned with these priorities and visions and has the resilience to continue to meet the challenges that we will continue to face.

6. Currently there is an interim structure in place at the top tier, corporate director level following the departure of one corporate director in 2016. However the substantive and agreed structure has been in place since 2013 and consists of 3 corporate directors and 13 associate directors, which was a significant reduction from 2009 when the new council employed a chief executive, 5 corporate directors, a joint director for public health and 22 service directors. This reduction has delivered approx. £2m savings annually from staffing costs. (This annual saving is inclusive of the index linked pay increases that would have applied from 2009 to date to provide a realistic impact of the savings this reduction has delivered).

### **Main considerations for Cabinet**

7. The current structure has been successful, has delivered significant outcomes for the council, and has met all of the financial challenges. The leadership of the council has been effective and great strides have been made in developing the collaborative working that is now key to the delivery of the council's vision.
8. As outlined the new business plan sets out the priorities that will enable us to meet the continued reduction in funding from central government, and the increasing demands that we face for our key frontline services. There are significant challenges ahead, and a key aspect of this is the further development of our collaborative work, which includes the integration of our adult social care services with health, so that we protect those that are the most vulnerable, and to further develop the economy for Wiltshire. As a result I have now reviewed the senior management structure to take account of these challenges.
9. This review has highlighted the need for more resilience and strategic capacity at the top tier, and I am now proposing a new senior management structure.
10. I am proposing a senior management structure that means an increase in the number of corporate directors from 3 to 4. This proposed 4 corporate director model aligns with the new priorities to give more resilience in the structure, and creates greater strategic capacity at the top tier of the council.
11. The proposed structure, which includes a draft outline of how services will align with the proposed 4 corporate director model, is shown in appendix 1 and, in summary, is based on the following alignment of service responsibilities:
  - I. Children & Education (statutory Director Of Children's Services (DCS))
  - II. Adult Social Care & Health (joint statutory Director Of Adult Social Services (DASS) and Chief Accountable Officer for the CCG)
  - III. Growth, Investment & Place
  - IV. Communities, Resources & Transformation, Returning Officer (RO) and Electoral Registration Officer (ERO))
12. In my proposal the corporate director role, with responsibility for adult care & health, will be a joint post with the CCG (Clinical Commissioning Group). I am making this proposal following agreement with the CCG about the need for us to work together to integrate our services with health, with the aim of developing a seamless provision of services, which supports the priorities in our new business plan. This supports our vision for integrated services and has identified significant merit in a joint appointment. Appendix 2 provides further information about the

vision for the integration of health and social care in Wiltshire, and the rationale for this proposed joint role.

13. The CCG governing body has already approved a recommendation to appoint a joint Director of Adult Social Services (DASS) and CCG Accountable Officer and if this proposal is approved by Cabinet the details of this joint appointment will be explored with the CCG. This will include full consideration of the implications for both the council and the CCG of this joint role and the constitutional and operational implications of the decision.
14. In my proposal the statutory responsibility for children's social care will be allocated to the corporate director for children & education and for adult social services it will be allocated to the corporate director for adult care & health, who will also have statutory responsibility as the Chief Accountable Officer for the CCG in this joint role.
15. In respect of the statutory role of director of public health I am proposing that this will be the responsibility of an associate director at tier 2, which is a change from the current substantive structure where this responsibility was previously with one of the corporate directors.
16. I am proposing that the statutory responsibility as the Returning Officer and Electoral Registration Officer is allocated to the corporate director for communities, resources & transformation.
17. In respect of the role of head of paid service the Council has a statutory duty under Section 4 Local Government and Housing Act 1989 to designate this role to one of its officers. The head of paid service has a duty, where they consider it appropriate to do so, to prepare a report to the council setting out their proposals in respect of the following matters:
  - The manner in which the discharge of the different functions of the council is coordinated;
  - The number and grades of staff required by the council for the discharge of its functions;
  - The organisation of the council's staff; and
  - The appointment and proper management of the council's staff.
18. Under statutory rules incorporated in the council's constitution the appointment and dismissal of, and taking disciplinary action against staff, other than specified senior officers, must be discharged on behalf of the council by the head of paid service, or by an officer nominated by him.
19. The current designation of this role has been in place since November 2013 when Council agreed that the role of head of paid service should sit with the then three corporate directors on a rotational basis, with each corporate director taking on the responsibility for 4 months. The current arrangement in place based on the interim structure is that this role is rotated every 6 months.
20. Whilst the rotation of the role has operated well the proposal to increase the number of corporate directors to 4 for the reasons outlined in paragraphs 7 & 8 of this report means that I am now proposing that this role is designated to one

role in order to strengthen the governance of the council, and to remove the risk of overlap in responsibilities if the role continues to rotate between four corporate director roles.

21. As a result I have now sought legal advice on the options in terms of where this role can be designated, and the advice I have received says that the role of head of paid service may be discharged by any officer, other than the monitoring officer. Full details of this advice is provided in appendix 3.
22. Having now taken account of this advice, and the statutory responsibilities of the role of head of paid service, I am now proposing that this is designated to the associate director role with responsibility for HR, and this is currently the associate director for people & business. This proposal has the advantage of providing, together with the monitoring officer and Section 151 Officer, appropriate checks and balances, and these roles combined will provide sound governance of the council as part of the council's senior leadership team.
23. I recognise that this proposed designation of the head of paid service role to a post below the most senior level in the organisation, though lawful, could be seen to create a challenge for the post holder in discharging the role. However, in common with the other statutory roles outlined above, which also sit at associate director level, the role will have direct access to senior decision makers on any issues where the statutory role is being exercised as a member of the senior leadership team. I believe that this designation will work effectively within the context of the structure that is proposed which will require the four corporate directors to work on an equal footing in the overall corporate management of the council, a responsibility that is designated to them in Part 3 of the constitution (paragraph 3.3).
24. The proposed designation of the above statutory roles must be approved by Full Council and the constitution amended accordingly.
25. I have discussed my proposal with the two current corporate directors, who are fully supportive of the proposal to increase the number of corporate directors from 3 to 4, and if this proposal is approved by cabinet my intention is that following formal consultation on the proposal with the corporate directors, and all staff at the council, I will take steps to redeploy and appoint to roles in the structure.
26. The appointments policy & procedure for chief and senior officers outlines the redeployment process that should apply. In line with previous cases of redeployment where there are the same or more roles available than candidates a redeployment meeting will take place with the corporate directors to identify which role in the new structure is deemed to be suitable alternative employment. A report to the Officer Appointments Committee will make a recommendation to appoint them to a role in the new structure and the committee will decide if an offer of an appointment should be made. In line with the policy any decision to appoint cannot be ratified until Cabinet have been notified and no objection to the appointment received.
27. However, one of the current corporate directors, Mrs Carolyn Godfrey, has outlined her intention to give notice of her retirement from the council with her employment ending in October 2017. As a result I am proposing that steps are taken to redeploy Mrs Godfrey into an interim role as a corporate director while recruitment to the corporate director roles for adult care & public health (DASS) and for children &

education (DCS) takes place. As well as ensuring that our statutory responsibilities continue to be met while these roles are filled, Mrs Godfrey will also be able to support the transition to the new structure, which will see a number of new appointments to roles in the top tier if this proposed change to the structure is approved.

28. This means that my proposal to increase the number of corporate directors to 4 means that there will be at least 3 vacant posts once the redeployment process is complete, and the notice of retirement has been received from Mrs Godfrey. It is my intention therefore to take steps to advertise these vacant posts after the redeployment process is complete.
29. In the case of the proposed joint post with the CCG this will be advertised externally in line with NHS requirements once a decision on who the host employer of this role will be. The appointment to this role will be done jointly with the CCG but the process will be in line with the policies, procedures and constitutional requirements relevant to the host employer.
30. For the other remaining vacancies these posts will be advertised internally only in the first instance. This is in line with the councils recruitment and selection policy which states that vacancies should be advertised internally only in the first instance where the skills, knowledge, experience and qualifications are available in our workforce, and I believe this to be the case. If it is not possible to appoint an internal candidate then I will take steps to advertise the posts externally, and consideration will be given to procuring the services of an executive search and selection agency to manage this process.
31. The appointments policy & procedure for chief and senior officers outlines the process for these appointments which will be led by the Officer Appointments Committee, who will decide if an offer of an appointment should be made.
32. In addition, and as outlined in appendix 1, the services that will be line managed by the corporate directors in the proposed structure do not all align with the current service responsibilities that associate directors have. Steps to review how services are aligned at tier 2, associate director level, will be taken once this proposal is agreed and appointments to the corporate director posts are complete. The re-alignment of services, and therefore a re-structure at tier 2, will be the responsibility of the four corporate directors following consultation with The Leader and Cabinet, and with the head of paid service. I anticipate that a report will be provided to Cabinet in early autumn on the progress of this re-structure.

### **Overview and Scrutiny Engagement**

33. Overview and scrutiny will have the opportunity to comment about the proposal as part of the formal consultation with the corporate directors and staff and will be kept informed about the implementation.

### **Safeguarding Considerations**

34. The proposed changes to the structure maintains separate statutory responsibility for adult social services and children's social care, and the expectation that all corporate and associate directors have a role in promoting safeguarding within their specific areas continues.

## Public Health Implications

35. There are no public health implications as a result of the proposals outlined.

## Environmental and Climate Change Considerations

36. There is no environmental or climate change impacts as a result of the proposals.

## Equalities Impact of the Proposal

37. There is no equalities impact as a result of the proposals outlined. The council has in place robust policies and procedures to support change to structures all of which have been subject to an equalities impact assessment.

## Risk Assessment

38. In proposing the senior management re-structure a number of risks have been considered, namely:

- I. **Financial risks**, details in paragraphs 40 - 42
- II. **Legal risks**, details in paragraph 43 - 45
- III. **Delivery of the business plan**: The risk is that if the new structure is not implemented the council may not be able to deliver the new business plan (2017 – 2027).

The proposed new business plan (2017 – 2027) outlines the council's vision and four new priorities against which a number of goals outline how these priorities will be delivered. This relies on the council having a strong and resilient structure and means that we now require an increase in the strategic capacity at the top of the organisation, and will need to ensure services are aligned in a way that that supports the new proposed 4 corporate director model to deliver these priorities.

- IV. **Short term impact on delivery**: The risk is that there will be a short term disruption to focus and activity due to uncertainty whilst posts at the top tier (corporate director) are filled and due to an anticipated reorganisation of services and changes in reporting lines at tier 2 (associate director).

39. Based on the risks outlined above the overall risk is assessed as medium, but will be kept under review.

## Financial Implications

40. The current 2017/18 base budget approved by Full Council in February 2017 allows for a gross pay budget of £0.695m for 3 corporate directors posts at, at least mid-grade point and other associated costs. As the Council and CCG will jointly fund the adult care and health corporate director post the base budget, with partner contributions, is sufficient for 3.5 fte posts. This means that there would be an overall increase overall of 0.5 fte.

41. It is proposed that the gap of 0.5 fte will be funded from a draw down from reserves, and whilst a one off fund there is sufficient in reserves to fund a number

of years. Alternatively and ideally the following year costs would be funded from savings found elsewhere. The proposal therefore, as set out in this report, is fully costed and funded.

42. There may be costs associated with the recruitment of new corporate directors, but these costs will not be determined until steps to advertise vacant posts externally are taken. No additional costs will apply for any post that is filled by an internal candidate.

## **Legal Implications**

43. Legal advice will be provided at each stage to ensure that the proposed new structure is implemented lawfully and in accordance with the requirements of the council's policies and procedures, and the constitution.
44. Partnership agreements under section 75 NHS Act 2006 allow budgets to be pooled between local health and social care organisations and authorities. Resources and management structures can be integrated and functions can be reallocated between partners. A section 75 agreement will need to be developed and agreed between Wiltshire Council and the CCG to cover the funding for the proposed joint post and provide a suitable governance framework to enable the joint appointment to work efficiently and effectively. This includes addressing governance and legal issues, such as the process for dealing with disputes or potential conflicts of interest, given the fact that the CCG and Council will remain two separate legal entities with their own distinct statutory roles and responsibilities. The existing agreement with the CCG on children's services commissioning is due to be refreshed soon so can take place alongside this if appropriate. Additionally section 113 of the Local Government Act 1972 enables local authority staff to be placed at the disposals of certain NHS bodies and visa versa.
45. The terms of any agreement between the council and the CCG will be an important vehicle for mitigating risks associated with making joint appointments – including: the different regulatory arrangements for the council and CCG; the top-down nature of the NHS; and the CCG acting as a commissioner but the council acting as a commissioner and provider of services. Similarly, staff concerns may need addressing, including messages on future options for co-location.

## **Options Considered**

46. The other option considered was to make no changes to the current structure and maintain 3 corporate director roles, with steps taken to recruit to the current vacant post. However an opportunity to further develop the collaboration with partners and to work more jointly with the CCG has arisen. This proposal therefore includes a corporate director post with joint responsibility with the CCG for adult care & health, and I am clear that this additional responsibility will require an increase in the strategic capacity at the top of the organisation and cannot be absorbed into the current structure.

## **Proposals**

47. I am proposing that cabinet:

- I. Approve the proposed changes to the structure of the council at the top tier (corporate director) and as outlined in appendix 1 and paragraphs 10 & 11, on the understanding that the alignment of services below that level will be determined by corporate directors following discussion and agreement with the head of paid service, and after consultation with the Leader and Cabinet.
- II. Recommend that Full Council approves the proposed changes to the designation of the statutory roles outlined in paragraphs 14 – 22.

48. If approved I propose that cabinet note that:

- I. Initial consultation on proposals to implement a new structure will start week immediately.
- II. Once a new structure is confirmed following consultation, that steps to redeploy the current corporate directors into posts in the new structure will take place.
- III. That Mrs Carolyn Godfrey, corporate director, has outlined her intention to retire from the council in October 2017. As a result she be redeployed into an interim corporate director role as part of the redeployment process while steps to recruit to the corporate director roles for adult care & public health (DASS) and corporate director children & education (DCS) take place. Mrs Godfrey will remain in this interim role until October 2017 while recruitment to these roles takes place.
- IV. Steps to advertise the vacant posts will be taken following completion of the redeployment process and, with the exception of the joint post with the CCG, the vacancies will be advertised internally only in the first instance, in line with the council's recruitment & selection policy and procedure, following which an external recruitment exercise will take place if there are no suitable internal candidates.
- V. In the case of the joint corporate director for adult care & health this post will be advertised externally in line with NHS requirements. The appointment will be done jointly with the CCG governing body in line with the relevant policies, procedures and constitutional requirements, and an agreement will need to be developed to provide a governance framework for such a working arrangement.
- VI. A further report to Cabinet in the autumn will provide an update on the progress of a re-structure at tier 2 to align services with the new tier 1 senior management structure and proposed new business plan for 2017 – 2027.

**Baroness Scott of Bybrook, OBE**  
**Leader of the Council**

---

## **Appendices**

Appendix 1 – Proposed tier 1 structure

Appendix 2 – A vision for integration of health and social care in Wiltshire

Appendix 3 - Proposed Senior Management Restructure - Constitutional Issues