

COUNCIL: 30 NOVEMBER 2017

**REPORT OF THE CHIEF EXECUTIVE AND HEAD OF PAID
SERVICE**

SENIOR MANAGEMENT PROPOSAL

Reason for this Report

1. To seek the approval of Council for the creation, public advertisement and remuneration of the new post of Corporate Director People & Communities, which forms part of the new senior management structure that was agreed by the Cabinet on 16 November 2017.

Background

2. The new Tier 1 and Tier 2 senior management structure was approved by the Cabinet on 16 November 2017. The new structure represents an evolution of existing arrangements: addressing areas that need strengthening to deliver Capital Ambition and responding to issues that have become increasingly significant for the Council in recent years. It is predicated on the adaption of existing senior management arrangements to the Council's emerging agenda on a cost-neutral basis. It also seeks to strike a balance between retaining existing roles to maintain momentum and stability, and creating new posts that bring together related services to promote integration and cross-service working.
3. The new senior management structure, approved under Cabinet delegations, includes:
 - a new Chief Digital Officer post, which will address the need to change services through the roll out of new technologies and digitisation of council processes;
 - a new post of Assistant Director Corporate Landlord to ensure the development of the Council's property estate, including a sharp focus on the Council's legal and compliance obligations;
 - a new post of Assistant Director Street Scene to support the Administration's commitment to develop a 'total street' approach to keeping streets and public spaces clean, with responsibility for integrating relevant services including highways, enforcement activities, waste management and cleansing; and,

- a new Head of Democratic Services post (Operational Manager Level 1) to discharge the responsibilities of the statutory Head of Democratic Services role, providing increased advocacy and support for elected members.
4. In addition, the structure includes the proposed creation of a new Tier 1 post of Corporate Director People & Communities. It is proposed that this should have strategic responsibility for integrating services to vulnerable people, building on the positive working arrangements that have developed in recent years between the current Social Services and Communities, Housing and Customer Services directorates. It would make a crucial senior-level contribution towards enabling the Council – and Cardiff more broadly – to respond positively and robustly to fundamental challenges, formulating a cohesive cross-council approach to the development of a change agenda for social services and housing that is vital to the Council’s reputation, service delivery role and financial resilience. The proposed new post of Corporate Director People & Communities would also have overarching managerial responsibility for a net revenue budget in excess of £196m, along with a gross Housing Revenue Budget of £73.5m.
 5. The new Tier 1 and Tier 2 senior management structure includes the deletion of the two existing posts of Director Communities, Housing & Customer Services and Assistant Director Commercial Services. An ongoing review of operational management responsibilities will further ensure that the new senior management structure as a whole is implemented on a cost-neutral basis.
 6. The Cabinet agreed on 16 November 2017 to refer matters relating to the duties, role profile (including any qualifications or qualities to be sought in the person to be appointed), terms & conditions and remuneration of the proposed new post of Corporate Director People & Communities to the Council’s Employment Conditions Committee, on 22 November 2017, for determination as appropriate.
 7. The Cabinet has referred the proposed creation and advertisement of the new post of Corporate Director People & Communities, together with its remuneration, to Council in accordance with The Local Authorities (Standing Orders) (Wales) Regulations 2006 (as amended in 2014), which require all decisions on the remuneration of Chief Officers to be taken by resolution of the Authority itself (i.e. by Full Council) and all vacant posts with a salary of £100,000 per annum or greater must be advertised externally.
 8. Council approval is therefore sought for the creation of the new post of Corporate Director People & Communities within the agreed new senior management structure; its proposed salary; and public advertisement.

Issues

9. On 22 November 2017, the Council's Employment Conditions Committee, within the scope of its terms of reference, approved the duties, role profile (including any qualifications or qualities to be sought in the person to be appointed) and terms & conditions of the proposed new post of Corporate Director People & Communities. A copy of the agreed role profile for the proposed new Corporate Director post is attached as **Appendix A** to this report.
10. Details of the decisions and recommendation arising from the meeting of the Employment Conditions Committee that was held on 22 November 2017 are attached as **Appendix B**.
11. The remuneration of the proposed new Corporate Director People & Communities post is a matter for decision by Council. The proposed new post has been evaluated by Korn Ferry Hay Group and set at Corporate Director level due to the breadth and significant responsibility levels of the role. Therefore, the Employment Conditions Committee has recommended that the role is paid at the level set previously for Corporate Directors, as set out in the Council's Pay Policy Statement 2017/18, which is a spot salary of £132,613 per annum.
12. Under the 2006 Regulations and the Council's Employment Procedure Rules, the appointment or dismissal of various officers, including Directors, must be made by the Council or by a Committee delegated by the Council to make the appointment or dismissal, which must contain at least one Cabinet Member, but not more than half of the members of that Committee shall be Cabinet Members.
13. The appointment and dismissal of Chief Officers, Assistant Directors, Directors, and Corporate Directors is delegated to the Council's Appointments Committee. Appointment to the new Corporate Director post will therefore be made by the Appointments Committee, which must also make any decision to dismiss redundant Directors.

Financial Implications

14. The costs of the proposed senior management arrangements approved by Cabinet on 16 November 2017, which included the new post of Corporate Director People & Communities, can be met from within existing budgets for Tier 1 and Tier 2 posts, together with anticipated changes to the operational manager structure. The one-off costs associated with the advertising and appointment process, and in relation to any redundancy or pension costs that may be incurred, will be funded from within existing resources.

Legal Implications

15. It is the responsibility of the Cabinet to decide on employment strategy and policy in so far as this has not been further delegated. The Cabinet may therefore determine the broad Senior Management arrangements of the Council. However, this is subject to a number of specific requirements set out in the Local Authorities (Standing Orders) (Wales) Regulations 2006, as amended in 2014. These requirements are further set out in the Employment Procedure Rules contained within the Council's Constitution.
16. The Employment Procedure Rules state under Rule 2 that:

2. Recruitment of Chief Officers

- (a) *A vacancy for the post of Chief Officer must be reported to the Council or body delegated to do so which will consider whether the post should be filled, and if so, subject to Rule 2A, the terms and conditions of employment and method of appointment.*
- (b) *Where the proposed remuneration of the Chief Officer post is £100,000 or more per annum, the Council will arrange for the following to be prepared:-*
 - (i) *A statement of the duties of the officer concerned and the required qualifications or qualities to be sought in the person appointed, which is sent to any person on request; and*
 - (ii) *Public advertisement of the post to bring it to the attention of people who are qualified to apply, unless the proposed appointment is for a period of 12 months or less.*
- (c) *Following advertisement, the Council will arrange for either all qualified candidates to be interviewed; or a shortlist to be prepared of qualified applicants and those candidates interviewed. If no suitably qualified person has applied, or if the Council decides to re-advertise the appointment, the post will be re-advertised in accordance with paragraph (b) above.*

2A. Remuneration of Chief Officers

Any decision to determine or vary the remuneration of Chief Officers (or those to be appointed as Chief Officers) must be made by full Council.

17. On 22 November 2017, the Employment Conditions Committee, within the scope of its terms of reference, determined the duties for the proposed new post of Corporate Director People & Communities, role profile (including qualifications and qualities to be sought in the person to be appointed); and terms and conditions. The Committee also made a recommendation to Council in respect of the remuneration for the post, as set out in Appendix B to this report.

18. It is now for the full Council to consider approving the creation, public advertisement and proposed level of remuneration of the post.
19. As has been stated in the text of this report, any appointment to the post would be made by the Appointments Committee, which would also be responsible for the dismissal of any redundant Director.

HR Implications

20. This report contains HR implications which will need to be managed in accordance with the recommended legal principles, the employment legislative framework and the requirements set out by the Welsh Government. There will need to be ongoing discussions with impacted employees and Trade Union colleagues, with work done to minimise any disruption to the organisation, should Council agree the recommendations.

RECOMMENDATIONS

Council is recommended to:

1. approve the creation and public advertisement of the new post of Corporate Director People & Communities on the basis of the duties, role profile and terms & conditions that were agreed by the Employment Conditions Committee on 22 November 2017;
2. approve the remuneration of the new post of Corporate Director People & Communities based on a spot salary of £132,613 per annum in accordance with the recommendation of the Employment Conditions Committee on 22 November 2017; and
3. note that responsibility for the appointment of a suitable candidate to the new post of Corporate Director People & Communities is delegated to the Appointments Committee.

Paul Orders

Chief Executive and Head of Paid Service

24 November 2017

The following appendices are attached to this report:

Appendix A: Corporate Director People & Communities – Role Profile

Appendix B: Recommendations of the Employment Conditions Committee,
22 November 2017

The following background papers have been taken into account:

- Employment Conditions Committee Report, 22 November 2017: Senior Management Review
- Cabinet Report, 16 November 2017: Senior Management Arrangements – Update
- Cabinet Report, 21 September 2017: Senior Management Arrangements
- Equality Impact Assessment
- Responses to Consultation