

SENIOR MANAGEMENT ARRANGEMENTS – UPDATE

**FINANCE, MODERNISATION AND PERFORMANCE
(COUNCILLOR CHRIS WEAVER)**

AGENDA ITEM: 4

Reason for this Report

1. Following consultation with affected staff, this report seeks approval for proposals to amend senior management arrangements, which were considered by the Cabinet on 17 September 2020.
2. The proposed structure:
 - i. supports the further integration of Social Care, Health, Housing and Community services, building on the progress that has been made over the past 3 years to develop new preventative and specialist support services; and
 - ii. identifies some consequential realignment of responsibilities in relation to the Council's Street Scene and Central Transport services.

Background

3. A report proposing a modification of senior management structures was considered previously by the Cabinet on 17 September 2020 for consultation purposes. It set out the Council's response to the pandemic and resulting managerial capacity constraints in areas such as Children's Services and Housing and Communities.
4. The report identified the progress that had taken place since the establishment of the post of Corporate Director, People and Communities, particularly in terms of the integration of social care, health and housing, and set out a rationale for building on this development with the responsibilities of the statutory director of social services role being transferred to the Corporate Director, People and Communities, following the departure of the Director of Social Services at the end of September 2020.
5. This would enable a strengthening of arrangements at the next tier of management. The report proposed the creation of a new post of Director, Children's Services, with the existing post of Assistant Director,

Children's Services to be deleted. This would address the growing complexity and scale of demand being experienced in Children's Services and the consequential safeguarding and financial risks that need to be managed effectively by the post-holder. It also addresses the inability of the Council, despite previous attempts, to recruit a permanent Head of Children's Services graded at Assistant Director level.

6. In addition and following on from recent successes in developing a joined up early intervention and preventative approach, the report proposed the establishment of a new post of Director, Adults, Housing and Communities.
7. It is expected that the Corporate Director will lead the People and Communities area as an integrated directorate, with back office and support arrangements being managed across the area seamlessly. This has the added advantage of ensuring that areas of good practice, including well developed performance management systems in the Housing and Communities area, are replicated across Social Services as a whole.
8. The report also set out the rationale for the move of Central Transport Services to the Corporate Director, Resources, and the move of waste management and cleansing, and the client function of Shared Regulatory Services to the Director, Economic Development to allow the Director, Planning, Transport and Environment to focus on planning, as well as Cardiff's clean air and transport infrastructure agendas.
9. The move of key street scene functions to Economic Development reflects the need to strengthen city centre management, including liaison with the business community, as the city goes through the recovery phase.
10. Responsibility for Highways will remain with the Director, Planning, Transport and Environment. The Assistant Director, Street Scene, will report for "pay and rations" purposes to the Director, Economic Development, with accountability for highways and parking continuing through the Director, Planning, Transport and Environment. The Director, Economic Development, is currently reviewing operational management arrangements in the directorate to meet pressures in the sport, leisure, parks and economic development areas.
11. The Cabinet resolved previously on 17 September 2020 to:
 - approve the Chief Executive's proposal to transfer the responsibilities and title of the statutory director of social services to the Corporate Director, People and Communities following the departure of the Director of Social Services;
 - approve the proposed remodelling of the Senior Management Team on a provisional basis subject to the outcome of a consultation process;
 - approve a consultation period on the proposed model to commence immediately following Cabinet approval.

- receive a further report in October 2020, which provides confirmation of the model proposed and the process for change taking account of issues raised during the consultation process.
- delegate authority to the Head of Paid Service in consultation with the Leader and Cabinet Members to realign managers and support staff to the remodelled structure.

Consultation Process and Responses

12. The proposals represent an evolution of the Council's existing senior team model. They aim to strengthen arrangements that have already been put in place to further develop preventative and specialist services in the social services, and housing and communities, areas, with the new posts bringing together related services to promote integration and cross-service working.

13. Details of the responses received as part of the consultation on the proposals for the reshaping of the Council's senior management arrangements are summarised as follows:

i) Individual Employees

14. Responses have been received from eight members of staff who are affected directly by the proposals. These were overwhelmingly positive and supportive of the further integration of Adult Services and Housing and Communities, recognising the positive impact and clear benefits in terms of developing the Council's preventative agenda.

15. Most respondents recognised that *"the gap between housing and social services has become smaller over the past few years"*, but despite *"some great work between Housing and Social Services over the past few years...there is more to do to achieve the 'whole system' approach that is so needed for vulnerable people"* in Cardiff.

16. One respondent believed that *"the integration of Adults, Housing and Community Services under one Director shows a real commitment to this 'people-led' way of working"*, with the proposed new Director post being *"able to lead change in areas we need it most, and enable the joint assessment of need"*.

17. The respondents also believed that the more joined up approach and closer working between Housing and Communities and Social Services will be *"very beneficial"* and welcomed the opportunity for more joint working and preventative work with Children's Services in particular, such as the *"further integration and development of services for young people leaving care."*

18. One respondent did express concern about the disparity between the senior management posts responsible for Adult Services and Children's Services respectively and argued for the creation of an additional Director post with specific responsibility for Adult Services that would report directly to the Corporate Director, People and Communities.

However, accountability for the management and performance of social services, including safeguarding, is clearly vested in the Corporate Director, who will afford access and support to all heads of service. Furthermore, the creation of an additional Director post with responsibility exclusively for Adult Services would compound the risks of silo working within social services and would not assist in facilitating further integration between Adult Services and Housing and Communities.

ii) Trade Unions

19. The Trade Unions have been consulted and have submitted a collective response, which welcomes the proposed restructuring of senior management.
20. The Trade Unions believe that the vacant post of Director of Social Services provides the administration with *“the opportunity to strengthen the directorate as a whole”*, with the strengthening of both Adults and Children’s Services providing *“the necessary steerage and stability”* that is needed within social services. This is particularly important in the light of the continuing Covid-19 pandemic, which has *“shown how critical Social services is to the citizens of Cardiff”*.
21. The Trade Unions also welcomed the proposed move of waste management and the client function of Shared Regulatory Services to the Director, Economic Development. The Trade Unions made reference to ongoing restructuring process within the waste function about which they are in consultation with management and emphasised the importance of *“working closely with senior management and...with the administration to keep services in-house”* as part of this process.

iii) Social Services Peer Advisor

22. Comments have been received from the Council’s Social Services Peer Advisor, Phil Hodgson, former Director of Social Services at Blaenau Gwent and Swansea Councils, who has been advising the Council on safeguarding matters, both corporately and within social services. He expressed his support for the proposals and considered that *“the integration of social care, health, and housing within the Council’s organisational arrangements is logical.”* He also believed that *“the proposals will create further opportunity to strengthen prevention and early intervention through a wider collegiate approach across relevant council services.”*
23. In addition, he highlighted that *“the roles, responsibilities, and synergy between the Corporate Director of People & Communities (Director of Social Services) and the Director of Children’s Services will be critical in achieving change and improved outcomes.”* The proposed changes should also assist in delivering improved outcomes for individuals and families, as well as overall financial benefits for the Council.

iv) Policy Review and Performance Scrutiny Committee

24. On 15 September 2020, the Council's Policy Review and Performance Scrutiny Committee considered the proposals set out in the previous Cabinet report and made a number of recommendations and requests that were set out in the subsequent letter sent from the Chair to the Cabinet Member for Finance, Modernisation and Performance.
25. The Policy Review and Performance Scrutiny Committee raised the issue of whether it is appropriate for the responsibilities of the statutory director of social services role to be held by someone who is not qualified in social work. The Scrutiny Committee also requested that it should consider a further report, at an appropriate time, that provides assurance regarding the inclusion of appropriately qualified staff in the social services senior management team and provides an update on the implementation and related benefits of the proposals set out in this report.
26. As was explained by the Chief Executive at the Scrutiny Committee meeting on 15 September 2020, the person holding the statutory role and responsibilities is not required to hold a social work qualification, but does need to have both *"a sufficient level of seniority to discharge the authority's social services functions and deliver their accountabilities"* and strong strategic leadership and performance management skills in accordance with the competencies set out within the Welsh Government's Code of Practice on the Role of Statutory Director of Social Services.
27. The Code of Practice makes clear that: *"A local authority may not appoint a person to be its director of social services unless it is satisfied that person has demonstrated the full set of interrelating competencies that define the knowledge, skills and behaviours required of the role. These competencies are generally consistent with the Welsh Public Service Leadership Behaviours Model."* All members of Cardiff's senior team have competencies that are consistent with this model.
28. As the Chief Executive advised the Committee, the senior management team for social services will include qualified social workers and it is expected that the new post of Director, Children's Services will be recruited on the basis that the post holder is a qualified social worker, with considerable experience in that field and a strong track record of achievement.
29. The Policy Review and Performance Scrutiny Committee also highlighted that the Economic Development directorate will be the third directorate that Waste Management has moved to in recent years and believed that this could be destabilising for staff within the service area. As was explained by the Chief Executive at the Scrutiny Committee meeting on 15 September 2020, the proposed move of Waste Management to the Economic Development directorate is considered to be a positive one based on the good fit between the services within the directorate and the stable operational management team that is now in place. Effective

communications will be an important element of the transition to the new arrangements.

30. Finally, the disentangling of the responsibility for waste management from the Corporate Director, People and Communities, which was always intended to be an interim arrangement, also addresses directly concerns that were raised previously in the Annual Performance Review Letter 2019/20 issued by Care Inspectorate Wales. Following discussion with senior managers and the Cabinet Member for Clean Streets, Recycling & Environment, it is proposed that the Director, Economic Development should assume responsibility for this area with immediate effect.

Consultation Summary

31. The comments which have been received as part of the consultation process are broadly supportive of the proposals that are summarised below:

- the designation and responsibilities of the statutory director of social services role be allocated to the Corporate Director, People and Communities;
- deletion of the posts of Director of Social Services and Assistant Director, Children's Services;
- establishment of two new social service posts: Director, Children's Services; and Director, Adults, Housing and Communities; and
- consequential changes to the reporting arrangements of the Director, Economic Development and Director, Planning, Transport and Environment.

32. Consequently, this report reaffirms the proposed Senior Management Arrangements that were considered and approved provisionally by the Cabinet on 17 September 2020 and recommends that these should be implemented without amendment.

Process for Change

33. Details of the existing Tier 1 and Tier 2 Senior Management Team structure are set out in **Appendix 1** to this report.

34. Following consultation with affected employees and their representatives, the following roles have been identified as having no, or only minor, changes in responsibilities and, therefore, there would be no change for the current incumbent:

- Corporate Director, People and Communities
- Corporate Director, Resources
- Director, Education and Lifelong Learning
- Director, Economic Development
- Director, Planning, Transport and Environment
- Director, Governance and Legal Services
- Assistant Director, Adult Services
- Assistant Director, Housing and Communities

- Assistant Director, Education and Lifelong Learning
 - Assistant Director, Schools Organisation Programme Director
 - Assistant Director, County Estates
 - Assistant Director, Street Scene
 - Head of Finance
 - Chief HR Officer
 - Head of Performance and Partnerships
35. The following roles are considered to be new roles and, therefore, will need to be advertised externally:
- Director, Adults, Housing and Communities
 - Director, Children's Services
36. Details of the proposed new Tier 1 and Tier 2 Senior Management Team structure are set out in **Appendix 2** to this report.
37. In accordance with the recommendations of the previous report to Cabinet on 17 September 2020, and following the departure of the Director of Social Services at the end of September 2020, the responsibilities of the statutory director of social services role have now been assigned to the Corporate Director, People and Communities.
38. The Standing Orders (Wales) Amendment Regulations 2014 require posts over £100k salary to be publicly advertised. Therefore, this needs to be a consideration in the process for moving from the current structure to the proposed model. As a result of these rules, an Authority cannot ring-fence any vacancies with salaries over £100k or above as 'suitable alternative employment' for redundant employees, but must advertise them externally.
39. Advice has been received which states that it is possible to divide up the duties of one deleted post between other existing post-holders without the need to advertise the receiving posts as there would be no vacancies to advertise. However, the extent to which this can be applied without turning the receiving posts into new posts is not detailed in the Regulations. This report has been prepared on the basis that, as long as any additions to current roles are only minor, then those roles are counted as not changing.

Decision making process

40. There are a number of stages that will need to be completed in order to make changes to the current Tier 1 and Tier 2 Senior Management Team structure and these have been added to by the Standing Orders (Wales) Amendment Regulations 2014. The stages that are now required to be followed are:
- Final proposals by the Chief Executive to Cabinet on 15 October 2020 following consideration of feedback from the consultation process.

- Report to Full Council on 22 October 2020 seeking approval of the proposed creation of the new posts of Director, Adults, Housing and Communities and Director, Children's Services and the external advertisement of the posts.
- Appointments to the new roles to be made by the Appointments Committee.

Reasons for Recommendations

41. To formally recognise that the proposed new senior management structure has been reviewed following representations made during the consultation period. This has resulted in the Chief Executive being able to bring forward final recommendations to the Cabinet on the proposed model, following which a report seeking approval of the proposed creation of the new posts of Director, Adults, Housing and Communities and Director, Children's Services and the external advertisement of the posts will be considered by Full Council on 22 October 2020.

Financial Implications

42. The proposed changes at Director and Assistant Director level delivers an additional cost of £55,950 compared to the previous budget held for these two tiers of management. The senior management roles that cover Housing need to be assessed in terms of cost between Housing Revenue Account (HRA) activities and those activities funded from General Funded Budget. Initial assessments of the work to be undertaken by the Director of Adults, Housing and Communities and the Assistant Director of Housing & Communities indicated that costs to HRA will increase by £70,000 and that there will be a budget saving of £14,050 to the General Fund. There has been no review of other resources within HRA or any other funding opportunities, but these will need careful consideration in order to establish that the additional costs can be found within the HRA Budget.
43. The appointment of the Director of Children's Services anticipates that this will result in a cost avoidance on unbudgeted interim agency costs going forward. This will be demonstrated in the reduction of interim costs at the point the post of the Director of Children's Services is appointed and starts.
44. In proposing the addition and deletions of the posts or outlining the review of any posts, there has been no budgetary allocation provided for any further resources being required as a result of the changes. Any proposals in respect to posts at Operational Manager level or below will need to have identified the funding from within the existing budget allocation of the Council and also have consideration of the Council's Budget Strategy going forward.

Legal Implications

45. The law and procedure for the recruitment of Chief Officers is set out in The Local Authorities (Standing Orders) (Wales) Regulations 2006, as amended by the Standing Orders (Wales) Amendment Regulations 2014, and is reflected in the Council's constitution.
46. Part 4, paragraph 2(a) of the constitution states that a vacancy for the post of Chief Officer, with a salary over £100,000, must be reported to Council who will arrange for the vacancy to be advertised and for any shortlisted candidates to be interviewed. The interviewing of any shortlisted candidates will be carried out by the Appointments Committee in accordance with their terms of reference.
47. The Chief Executive, pursuant to Part 3, paragraph 1.3 of the constitution, has the delegated authority to *'manage the human resources within their area of responsibility, including the appointment, establishment, salary/grade, training, terms and conditions of employment, health and safety, discipline, suspension and dismissal of staff, in accordance with the Council's HR and financial procedures and subject to appropriate consultation'*. Where there has been a reorganisation of responsibilities between existing staff, there is no vacancy to report to Council. Affected staff have been consulted with and Cabinet are asked to approve the proposed structure, and to note and approve the delegation of the implementation of this structure to the relevant officers.
48. The Well-being of Future Generations (Wales) Act 2015 requires the Council as a whole to consider how the proposals will contribute towards meeting its well-being objectives (set out in the Corporate Plan). Members must also be satisfied that the proposals comply with the sustainable development principle, which requires that the needs of the present are met without compromising the ability of future generations to meet their own needs.
49. The public sector equality duties under the Equality Act 2010 require the Council to give due regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. The protected characteristics are: age, gender reassignment, sex, race – including ethnic or national origin, colour or nationality, disability, pregnancy and maternity, marriage and civil partnership, sexual orientation, religion or belief – including lack of belief. It is noted that an Equality Impact Assessment has been carried out in respect of these proposals.

HR Implications

50. This report contains significant 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 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 Cabinet and subsequently Council be minded to accept these proposals.

51. An Equality Impact Assessment of the restructure has been completed and there are no adverse impacts on any specific groups.

Property Implications

52. There are no property implications arising from this report.

RECOMMENDATIONS

Cabinet is recommended to:

1. having considered the summary of responses received as part of the consultation process, approve the new Tier 1 and Tier 2 Senior Management Team structure as set out in Appendix 2;
2. refer the proposed creation and advertisement of the new posts of Director, Adults, Housing and Communities and Director, Children's Services to Full Council for approval on 22 October 2020; and
3. subject to recommendation 2 above, delegate authority to the Head of Paid Service, in consultation with the Cabinet Member for Finance, Modernisation and Performance, to implement the new Tier 1 and Tier 2 Senior Management Team structure and to allocate managerial resources during the transitional process, as appropriate, in accordance with the principles set out in this report.

SENIOR RESPONSIBLE OFFICER	PAUL ORDERS Chief Executive
	9 October 2020

The following appendices are attached:

Appendix 1 – Current Senior Management Structure
Appendix 2 – Proposed Senior Management Structure

The following background papers have been taken into account:

- Cabinet Report, 17 September 2020 – Senior Management Arrangements
- Letter from the Chair of Policy Review and Performance Scrutiny Committee dated 17 September 2020
- Social Services and Well-being (Wales) Act 2014 Part 8 – Code of Practice on the Role of the Director of Social Services (Social Services Functions)
- Care Inspectorate Wales (CIW) Local Authority Performance Review April 2019-March 2020 – Annual Letter dated 2 July 2020