

30th April 2015

Staffing Proposal – Directorate Level Structure

Report of the Director of Human Resources & Organisational Development

1.0 Purpose of Report

- 1.1 To outline proposed changes to the reporting arrangements at the senior management level.

2.0 Description of Decision

- 2.1 To review and approve the proposed changes to the organisation's senior management structure as set out in this report, to be implemented with effect from 1st June 2015, immediately following the retirement of the Deputy Chief Executive.

- 2.2 To recommend Council:-

To authorise the Head of Law and Governance, in consultation with the Leader, to amend the Constitution where appropriate in order to reflect the new management structure and transfer of delegated functions.

3.0 Financial Implications

- 3.1 The proposals contained in this report will result in full year savings at maximum salaries of £146,000; this has already been taken into account in the budget.

4.0 Background

- 4.1 The Council has taken a measured and managed approach to planning for reductions in public funding. The priority has been on safeguarding and improving public services and jobs and ensuring the Council continues to look after and support the most vulnerable residents in the city, at the same time as continuing to attract new businesses to invest in the city. The Council is entering a further period of significant change. In considering the future direction of travel for the Council it is important that the strategic context is considered. All of this means that we need to organise ourselves in a way that responds to these challenges and places us in the best position to be able to lead and manage our actions.

- 4.2 The Council is clear that to ensure the residents of Sunderland are offered the best possible public services in future that the development of a Community Leadership Council draws together our public sector ethos with opportunities

to deliver services in new ways, whilst putting elected members and customers (and their insight) at the centre of decision-making. This changing focus and context will have significant implications for the Council's current workforce, how it is deployed and developed and will require greater flexibility from employees.

4.3 The recruitment of an Executive Director of Commercial Development and an Executive Director of Enterprise Development in the autumn of 2014 started this process and this, coupled with a review of all the senior leadership posts undertaken as part of the Workforce Transformation Project and the retirement of the Deputy Chief Executive at the end of May, have provided the opportunity to undertake a broad review of the senior structure of the Council and to align it to the priorities described above. It is important to recognise that the proposed structure below is very much a transitional structure that will enable the Council to continue its transformation journey over the next 5 years. For purpose of comparison attached is a copy of the existing organisational structure. The Workforce Transformation Project is currently awaiting a ballot by the Trade Unions.

4.4 As a broad concept it is proposed to move away from a Directorate approach to a leadership structure to one that focusses on responsibility and collective leadership and the strategic priorities of People, Place and Economy. This will create the following overall functional areas:-

- People Services Development
- Commercial Development
- Enterprise Development
- Change and Transformation
- Corporate Affairs and Communication
- Human Resources, Customer Services and Performance
- Finance, Risk and Audit

4.5 It is proposed that each of these areas would be headed up by an Executive Director / Director whom together with the Chief Executive would form the Executive Management Team of the Council. Reporting to them would be a number of service areas that would enable the delivery of the responsibilities covered by each area. In describing each of the above in turn:-

People Services Development

- Chief Operating Officer
- Director (Education)
- Director (Social Care)
- Commissioning

- Safeguarding (initial move to combine with community and family wellbeing ultimately combining with adult social care)
- Adult Social Care (combining with safeguarding into one social care function)
- Leisure (pending movement to the JV)
- Community and Family Wellbeing (combine with safeguarding)
- Educational attainment

Commercial Development

- Place based services including Planning and Street Scene
- Legal and Governance Services and Monitoring Officer
- Housing Investment
- Major Infrastructure Programmes

Enterprise Development

- Port
- Research and Development
- Commissioning Development

Change and Transformation

- Public Health
- Community Leadership
- Transformation
- Scrutiny and Area Arrangements
- ICT

Corporate Affairs and Communication

- Media
- Corporate Affairs
- Events
- Policy support for Leader and Chief Executive
- Relationship Management role with key cities, LGA, regions

Human Resources, Customer Services and Performance

- HR and OD
- Customer Service Network including Intelligence Hub
- Housing Benefits

Finance, Risk and Audit

- Section 151 responsibility
- Financial Services including council tax

- Risk, Audit and Procurement
- Facilities Management

4.6 It is proposed that Elections is the one exception to the above proposed approach. This service would continue to report directly to the Chief Executive.

4.7 Furthermore it is proposed to establish a role of Chief Operating Officer reporting directly to the Executive Director of Commercial Development which will be graded at Deputy Executive Director Level. This post is to take responsibility for the management and deployment of resources within the Directorate, to implement agreed plans and to manage performance of the senior team against the agreed performance and service requirements. This post is accountable to the Executive Director for the delivery of services and their achievement. It is proposed that the Head of Street Scene be appointed into this role and that the Head of Street Scene post be disestablished.

5. Associated Amendments to the Constitution including the Scheme of Delegations (Executive and Council Functions)

5.1 If the proposals in respect of the Senior Management Structure are approved, it will be necessary for the Scheme of Delegation relating to Chief Officers and the Management Structure set out in the Constitution to be updated and for consequential amendments to be made to various Rules and Procedures set out in the Constitution, in order to reflect the new arrangements. The Leader has also agreed that if the proposals are agreed, responsibility for relevant executive functions should be transferred to the appropriate Chief Officer in line with the revised structure.

5.2 Amendments which will be required include the following:

5.2.1 All functions which are currently delegated to the Deputy Chief Executive will be delegated to the Executive Director of Commercial Development, other than those functions for which alternative arrangements are proposed as set out in paragraphs 5.2.2 and 5.2.3 below.

5.2.2 Functions relating to the Port of Sunderland and Business Investment will be delegated to the Executive Director of Enterprise Development.

5.2.3 Housing functions will be delegated to the Executive Director of Commercial Development and Executive Director of People Services as set out in 5.2.3.1 and 5.2.3.2 below.

5.2.3.1 The Executive Director of Commercial Development will have delegated authority to –

- (i) manage and develop the Council's statutory housing function including housing strategy, housing renewal, enforcement of housing standards, licensing of houses in multiple occupation and other residential accommodation,
- (ii) issue certificates, licences, notices, consents, orders, authorise registration and undertake enforcement in connection with the following:-
 - a) Housing Act 1985 Part X (Overcrowding) and Part XVIII (Miscellaneous and General Provisions)
 - b) Housing Act 2004
 - c) Protection from Eviction Act 1977
- (iii) determine applications for financial assistance in accordance with the Council's housing renewal and financial assistance policy, made under the provisions of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 in relation to empty properties and area based themes,
- (iv) exercise the functions of the Council under the Building Act 1984, the Public Health Acts 1936 and 1961, Caravan Sites and Control of Development Act 1960, Environmental Protection Act 1990, Health and Safety at Work etc. Act 1974, Local Government (Miscellaneous Provisions) Acts 1976 and 1982 and Prevention of Damage by Pests Act 1949, in so far as they relate to housing conditions and to the management of housing.

5.2.3.2 The Executive Director of People Services will have delegated authority to -

- (i) manage and develop the Council's statutory housing function in respect of allocation of housing accommodation, homelessness and relations with registered social landlords,
- (ii) authorise officers to determine and review applications in relation to homelessness and allocation of housing,
- (iii) issue certificates, licences, notices, consents, orders, authorise registration and undertake enforcement in connection with the Housing Grants, Construction and Regeneration Act 1996 Part I,
- (iv) determine applications for financial assistance in accordance with the Council's housing renewal and financial assistance policy, made under the provisions of the Regulatory Reform (Housing Assistance) (England and Wales) Order 2002 in relation to disability facility grants and decent home standards.

- 5.2.4 All functions previously delegated to the former Executive Director of Commercial and Corporate Services, other than the professional and managerial overview of ICT and those functions for which alternative arrangements are proposed as set out in paragraphs 5.2.5 and 5.2.6 below, will be undertaken by the Director of Finance, who, in addition to the Chief Executive, will also have authority to authorise officers to sign contracts with a value exceeding £50,000 and, in addition to the Chief Executive and Head of Law and Governance, will have authority to attest the affixing of the Council's seal (Articles 14.04 and 14.05 of the Constitution).
- 5.2.5 The administration and operation of matters relating to Housing and Council Tax Benefits and the Council Tax Support Scheme will be undertaken by the Director of Human Resources and Organisational Development, other than appeals, the conduct and determination of which will be delegated to the Executive Director of People Services. The Director of Finance, in consultation with the Executive Director of People Services and Director of Human Resources and Organisational Development will be responsible for formulating recommendations on the Council Tax Support Scheme for the consideration of Cabinet which will in turn deal with any proposals in respect of the Scheme in accordance with the relevant Functions and Responsibilities Regulations in force at the time.
- 5.2.6 The grant of Discretionary Housing Payments and the administration and determination of applications under the Local Welfare Provision Schemes (Crisis Support Scheme and Community Care Support Scheme) will be delegated to the Executive Director of People Services.

6.0 Alternative Options

- 6.1 One alternative option would be to continue with the current management structure and for the vacant post of Executive Director to be recruited to. This was considered but rejected on the basis that it would not provide for an opportunity to structure the organisation in a way that would ensure it was best placed to meet future challenges in the delivery of the expected service improvements and efficiencies outlined above.
- 6.2 A further option would be to do nothing. It is believed that this would not ensure that the necessary leadership measures are in place to provide the necessary strategic direction to those services currently within the people arena. The prevailing economic conditions pose significant challenges for the city. In order to meet these challenges and deliver the strategic priorities it is proposed that the organisational structure needs to change.

7 Consultations

- 7.1 The Trades Unions have been consulted on the proposed changes.
- 7.2 The individuals affected have also been consulted.

