



**Cabinet
Tuesday, 20 December 2016**

ADDENDA

11. Senior Management Review - Proposed Structure (Pages 1 - 6)

Attached are 3 addendas setting out the views of an all councillor performance scrutiny session and meetings of full Council and Audit & Governance Committee.

There is a suggested change to recommendation (c) which is set out in full below:

- (c) pending a permanent appointment as discussed in paragraph 9 above, and following the full Council decision Cabinet endorse peter Clark's redesignation from County Director to Interim Chief Executive.

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Item 11 – Senior Management Review**

Addenda 1 – Views from All-member performance scrutiny meeting on 9 December 2016

This meeting was a Performance Scrutiny session open to all Members and Chaired by Cllr Brighthouse in her capacity as Chair of the Performance Scrutiny. It was an opportunity for all Members to hear from Dr Barry Quirk who co-authored the Penna report. He described how the review had proceeded, on what principles, and with what ambitions, as set out in the Cabinet paper (of 22 November 2016).

The meeting was then run as a Q&A session with the key points summarised below:

Isn't "Place" a better Strategic Director role title than "Communities"?

It was acknowledged that there's no perfect shorthand to describe roles. Barry explained that the "Strategic Director for People" role relates to the minority of residents who need adult or child social services, whereas "Communities" refers both to locations and to the majority of residents who do not require social services.

There are 8 directors proposed: more than now? More expensive?

It was explained that in most cases "Director" would be a re-designation of posts which are currently Deputy Directors or Corporate Advisors, which would entail no salary increases.

Could the vacant Strategic Director role go to someone external, able to mediate with the District and City councils, and/or with experience of dealing with LEPs?

To do this would mean unhelpfully restricting the pool of applicants. As with the other two Strategic Director appointments, the successful candidate will need to have exceptional capability for strategic management, adaptability and flexibility.

Members highlighted misunderstanding of the role title of Assistant Chief Executive.

It was clarified that this is a renaming of the Chief Policy Officer role. "Assistant" does not mean "deputy" – one of the three Strategic Directors would deputise for the Chief Executive whenever needed. The post and its responsibilities are in line with similar posts with this title in other authorities. Members returned to this issue at the end of the meeting and still had concerns about the job title, they suggested 'Director for Policy & Scrutiny' better reflected the role.

Is the title of Assistant Chief Executive a missed opportunity to give prominence to the Chief Scrutiny Officer role incorporated in that post?

Cllr Hudspeth noted that the election of a new Council in May offers an opportunity to revisit the review of scrutiny implemented in 2013.

Some of the role titles won't mean anything to our public. Some of the ones being changed – for example County Director – are already adequate.

This was noted, but the Chair explained how the process of agreeing the proposed roles had shown the difficulty of identifying wording which met all individuals' perceptions equally. No further changes to role titles would be proposed for now.

Are there plans to follow the review with consideration of other structural reform such as Cabinet portfolios, scrutiny functions and so on?

Barry and Cllr Hudspeth agreed that the review offers that opportunity. Cllr Hudspeth noted the possibility of Cabinet roles being more strategic but stressed the value of "lead member for..." to provide a focal point and leadership.

How does the review fix the problem of the council's culture of operating in silos?

The review sets the conditions in which that change can take place. Strategic Directors will look across the piece to join up resources and activities for strategic benefit, as well as looking down at service performance to hold Directors to account. Greater coalescence around strategic priorities in the Corporate Plan – already happening now under performance reporting reforms – would naturally break silos. Systems and functions which enable services need to be more uniform across business teams, and we should work towards (for example) one commissioning team and one ICT system supporting all teams equally.

The new structure will meet the "aspirations of members" but we need to be clearer that it's about the "decisions" of members being implemented.

This was noted and wording would be updated in the final proposals.

If approved, when will the proposals be implemented?

From January 2017, building on changes already made this year.

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Addenda 2 – Views from County Council on 13 December 2016

County Council discussed the proposals put forward as part of the Senior Management Review (SMR) on 13 December 2016.

The views put forward for Cabinet are as follows:

Titles

- Agreement that it would be easy to become obsessed with titles and perspective on what is important to the public must be kept. Public need clear signposting and staff need to understand the structure.

Breaking down silos

- Some points were raised during the debate as to whether the proposed structure would break down silos. These ranged from this is a reshaping of the organisations thinking to focus on those receiving services rather than those providing services; to asking whether this proposed structure would have prevented the issues discussed at County Council about the building of the new Children's Homes.
- There was agreement that the success of breaking down silos will be down to actions and behaviours of Members and Officers

Re-designating the County Director to Chief Executive

- There was some debate about whether the title of County Director had served its purpose, but overall there was support in using the title of Chief Executive moving forward.
- Members were supportive of Peter Clark being appointed permanently as Chief Executive and praised his performance to date. One Member questioned whether we knew we had the best person for the role if we didn't enter into a competitive process.
- One Member appealed for careful positioning of this with the public given Oxfordshire County Council had previously said it didn't require a Chief Executive. He also asked for clear communication to all staff and Councillors so they are aware of any changes.
- One Member questioned whether the Chief Executive would have the capacity to carry out the role of Strategic Director for Resources and line manage at least 7 people.

No lead for Education at this level

- This was put forward as a weakness in the structure and something Education Scrutiny has previously made clear was important. The Cabinet Member for Education disagreed saying he had confidence in Lucy Butler being able to carry out the full requirements of her role as Director for Children's Services.

Support for savings associated with the SMR

- There was strong support for the savings associated with the SMR

Gender balance at the top of the structure

- One Member noted that the top 4 posts could well be undertaken by men and whilst jobs should be given on merit surely there are some women who could do these roles.

Recommendations were approved with 55 for and 3 abstentions and were as follows:

The County Council is RECOMMENDED to:

- (a) *note the progress made to date on the Senior Management Review;*
- (b) *endorse the Senior Management Review recommendations and proposed structure;*
- (c) *agree in principle that the post of County Director should be made permanent and re-designated Chief Executive;*
- (d) *notify the Proper Officer of the Council's intention to appoint Peter Clark as the Council's Chief Executive on a permanent basis with a view at its next meeting to:*
 - *receiving the outcome of the Proper Officer's consultation with members of the Cabinet on this proposal in accordance with Part 8.4(4) of the Council's Constitution;*
 - *determining whether to proceed with the appointment;*
- (e) *agree that pending those further decisions Peter Clark is appointed Interim Chief Executive.*

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Addenda 3 – Views from Audit & Governance Committee 14 December 2016

The Committee members felt that this meeting should have been held before the County Council meeting of the 13 December 2016, so that their views could have fed into the County Council debate.

The points raised were as follows:

Why is the Strategic Director for People interim? Is the person or the post interim and how long is it interim for?

The Chief HR Officer explained that this enabled the organisation to keep options open and review the structure in 12 months. The proposed post holder will keep his statutory Director of Public Health role but will take on additional responsibilities, on the same salary, to enable us to make the most of his skills and experience in bringing Public Health, Adults and Childrens Services together.

The proposed Assistant Chief Executive job title

A number of Members raised concerns about this job title, particularly around:

- The seniority implied by the job title despite it not being the formal Deputy to the Chief Executive
- Lack of clarity about why this job title is so different from the others in the Resources directorate
- Lack of clarity about the remit of the role and its potential to be misleading
- Concerns that 'scrutiny' had not been part of this job title and that it should be

The Chief HR Officer emphasised that this role was not the deputy for the Chief Executive which would be undertaken by the Strategic Directors. There would be no change in job role or salary but the title was vital to use with external partners, (especially concerning our unitary bid) who need to know they are dealing with someone who has significant responsibility within the organisation.

The Committee felt it was important to vote on this issue and a vote on the following took place:

This Committee believe the Assistant Chief Executive job title is misleading. It requests Cabinet to give consideration to using 'Director of Policy & Scrutiny' instead.

In favour: 6

Against: 1

Abstain: 1

Is recruiting internally the best strategy? How do you know you are getting the best people for the roles?

The Chief HR Officer explained that Penna had assessed our Deputy Directors as part of the review and found them to be capable and willing to make the next step to Directors. The intention was to capitalise on this in order to retain our talent and save on recruitment costs. However, if approved, once this structure was complete further recruitment processes would include an external search.

How quickly will this be implemented?

If approved by Cabinet in December the intention would be to implement by the end of January.

Financial elements to the proposals

The Committee discussed the proposed savings and supported the approach. A question was asked as to why Finance did not sit in Communities given the current infrastructure challenges. The Chief HR Officer explained that the purpose of the structure was to deliver increased flexibility based upon need at any particular time. At present, given the Transformation agenda the County Director felt Finance needed to be in Resources, but there was no reason why Finance couldn't move to Communities in the future. Indeed all services under this model could be moved if circumstances dictated.

Would a team reward structure be more appropriate for the roles in this structure? This would further encourage working together rather than as individuals

The Chairman noted that this was the remit of Remuneration Committee rather than this Committee and the Chief HR Officer said he would include this idea in a future paper for Remuneration Committee.

The Audit & Governance Committee approved the following recommendations **subject to the above point about the job title of the Assistant Chief Executive.**

The Audit & Governance Committee is RECOMMENDED to:

- Note the progress made to date on the Senior Management Review
- Endorse the Senior Management Review recommendations and proposed structure and / or provide comments on any governance aspects for consideration by Cabinet.