

Division(s): N/A

## **COUNTY COUNCIL – 9 JULY 2019**

### **SENIOR JOINT LEADERSHIP ROLES - OXFORDSHIRE COUNTY COUNCIL AND CHERWELL DISTRICT COUNCIL**

**Report by Deputy Director – Human Resources**

#### **RECOMMENDATIONS**

**Council is asked to:**

- (a) note the proposed change to the Senior Management Structure;**
- (b) approve the salary package as proposed in paragraph 15(i) for two Joint Corporate Director roles.**

#### **Executive Summary**

1. Since the implementation of the joint working partnership between Oxfordshire County Council and Cherwell District Council a series of senior joint roles have been implemented on a combination of permanent and interim arrangements. These are currently expected to deliver around 600k of savings per annum shared between the two organisations. There is a clear ambition for CDC and OCC to continue to develop the partnership for several reasons:
  - To explore the potential of enhanced two tier working to improve the 'joining up' of services, improving the experience of service users
  - To explore the benefits of enhanced two tier working to improve locality working
  - To support the financial sustainability of both organisations (i.e. sharing management roles where appropriate reduces the costs of management overhead)
  - To align and develop approaches to major strategic opportunities such as the growth deal.
  - To align service delivery in areas such as commissioning, housing and social services, to manage demand and improve customer access.
2. The recent Peer Challenge at Oxfordshire County Council made a clear recommendation to stabilise the senior management arrangements by completing the review of the joint working partnership between OCC and CDC. Likewise, CDC needs to clarify and stabilise senior management arrangements as it winds down its joint working arrangements with SNC.

#### **Current situation**

3. Currently both councils have senior management teams with some vacancies and a series of interim arrangements. The OCC structure was designed with

the support of Penna relatively recently. The CDC structure was designed to facilitate a separation from SNC. The CDC structure therefore should be seen as a transitional state and as such is supported with the use of a number of interim roles. The OCC structure is relatively fit for purpose with a number of tweaks required to update and reflect the delivery of strategic objectives.

4. The positions of each authority are set out below:

### **Oxfordshire County Council**

5. The OCC structure was reviewed relatively recently and whilst there are some gaps due to senior staff retiring and taking career development opportunities the structure is broadly fit for purpose. However, in the light of the recommendations from the peer challenge and a consideration of current priorities and areas for development the changes set out in this document and its appendix are recommended.
6. In addition, there are a series of changes required to iron out some anomalies, these changes are relatively small, non-material or have already been implemented but for the sake of completeness are set out below:

Director of Public Health <i>Line management</i>	Will no longer line manage the Director Adult Services and the Director of Children's Services. Recruitment for the DPH has completed.
Director Adult Services and the Director of Children's Services <i>Reporting line</i>	Will report directly to the CEO. Recruitment for the new DAS is complete.
Director of Law and Governance <i>Joint working (already established)</i>	Now a joint role covering OCC and CDC. Direct report to the CEO and taking on the role of monitoring officer for both councils.
Strategic Director – Resources <i>Currently vacant</i>	Role to be recast at the same level. A joint role to lead on all matters relating to strategic finance, assets, investment, commercial development.
Strategic Director Communities <i>Interim arrangements</i>	Currently covered with interim arrangements. The substantive post holder is seconded to lead the growth deal and as such leadership in this directorate will need either interim or fixed term arrangements.
Assistant Chief Executive <i>Interim arrangements</i>	Role to be recast as a joint appointment to cover this remit.

### **Cherwell District Council**

7. A stand-up senior management structure was put in place in January 2019 to facilitate the separation of CDC and SNC. At the time it was recognised that the structure would need further development and consideration subject to opportunities arising from the joint working partnership. Following the six-month review of the partnership it has been agreed to continue developing these opportunities. As such a series of changes and clarifications to the senior

management structure are recommended with the aim of meeting the council's strategic priorities within its financial envelop.

Chief Operating Officer <i>permanent CDC post</i>	To continue in current role and format. To note that the postholder currently line manages Assistant Directors who work jointly, so whilst the post is currently a CDC only role, a good understanding of, and contribution to, joint working is required.
Director Customers and Service Development <i>Currently interim joint working</i>	To note that the post holder is currently acting as the OCC interim Assistant Chief Executive in a joint role. The proposal is to develop a joint role between CDC and OCC to cover this remit.
<i>Executive Director Finance and Governance Interim</i>	Role to be reconfigured. The new joint role of Monitoring Officer (Director of Law and Governance) is already responsible for all matters of governance across both Authorities . As a result this role will be subsumed into a joint strategic director role encompassing all matters relating to strategic finance, assets, investment and commercial development.
Executive Director Place & Growth <i>Interim</i>	Role to lead the recruitment of senior planning and development management capacity (for CDC). Thereafter potential for joint working arrangements to encompass this ED role. In the longer term it is expected that this role will be covered through joint working arrangements.
Director of Law and Governance <i>Joint working (established)</i>	Now a joint role covering OCC and CDC. Direct report to the CEO and taking on the role of monitoring officer for both councils.

### Proposals for stabilisation

8. The recommendations for a new structure seek to stabilise the senior management arrangements at both organisations
9. The diagram set out at appendix 1 presents the proposed senior management structure, including OCC and CDC stand alone roles and a series of joint roles.
10. It should be noted that a significant amount of work is well advanced in terms of stabilisation of the senior management team at OCC and the proposals seek to add relevant additional capacity in line with priorities and ensure that there is a stable leadership team in place.
11. The proposals do not suggest a simultaneous restructure of deputy chief officers (i.e. deputy/assistant directors) as service transformation plans led by responsible chief officers will likely address these issues in the coming year.

## **Design Principles**

12. Senior management design principles are set out below:

- Where it is possible and desirable for a joint role to be developed this will be explored. Where a role has a clear single organisation function or requirement it may be appointed to without a 'joint working' element. However, that should not mean that the post holder would not seek to maximise operational joint working effectiveness or alignments where-ever possible.
- Wherever possible one functional line management route (e.g. a service should only have one reporting line e.g. HR should report into one director rather than a CDC director and an OCC director).
- Statutory officer roles should be deliverable, the size and scope of these roles should take account of the statutory responsibilities required. As such there should be clear deputy arrangements, approaches in place to manage any potential conflict and the scale of the role should be deliverable across two organisations.
- The usual considerations will be given to spans of control.
- Both councils will need to ensure they have effective pay and grading arrangements in place. In the longer-term opportunities to align HR policy will be explored.
- Where a post holder is not considered to be in a joint role the employing authority will be responsible for 100% of the costs of the post.
- For joint roles costs will be split between each authority. As per the partnership agreement financial impacts should wherever possible see a reduction for both councils. In some cases, a cost neutral impact may be considered where additional capacity or expertise is secured.

## **Developing the joint working partnership in the longer term**

13. In the longer term there may be additional opportunity to further consolidate senior manager posts. However, at this stage the priorities are to ensure there is effective and stable leadership in place for both organisations and to retain senior dedicated capacity for both OCC and CDC in priority areas until such time that operational joining up of service is feasible (for example it may depend on ICT integration).
14. As Members would expect the CEO, in their role as Head of Paid Service, would expect to keep senior roles under review in terms of ensuring the right capacity and capability is available to ensure the delivery of both councils' strategic objectives. The recommendations in this report seek to address

immediate issues and build the opportunity to further develop and enhance the skills and capacity of the joint senior leadership team for both authorities.

## Proposals and Next steps

15. The proposals below are presented in diagrammatic form at Appendix 1.
  - (i) Create two new permanent posts for immediate recruitment:
    - A **Joint** Chief Officer level role to cover the remit of strategic finance, assets, property, commercial matters, procurement and contracts. Job title to be determined. This role would be a Member appointment for both authorities and remuneration level will sit within the OCC Corporate Adviser range (£117,912 - £144,228). The post will be on an OCC contract.
    - Recast the Interim Assistant Chief Executive / Director of Customers and Service Development into a single joint senior role to lead on the following: HR, ICT, digital, transformation, strategic communities, policy and performance, customer contact. This role would be a Member appointment for both authorities and remuneration level will sit within the OCC Corporate Adviser range (£117,912 - £128,631). The contract of employment will be with CDC.
  - (ii) Undertake a review of the OCC senior management paygrades to modernise align and update, mitigating any equal pay risks and iron out current anomalies (nb. this task was undertaken at CDC in 2017 and is therefore not required).
  - (iii) Continue to develop proposals for joint working and alignment between county and district services under the guidance of the Partnership Working Group.
  - (iv) Seek to fill these posts with a single co-ordinated recruitment campaign.
16. The power to appoint any individual to the joint roles has been reserved to the Joint Shared Service and Personnel Committee established under the Partnership Agreement between Oxfordshire County Council and Cherwell District Council.
17. The Department for Communities and Local Government published a guidance document in 2012 that provided that Members should be offered the opportunity to vote before large salary packages are offered in respect of new appointments. The Secretary of State considers that £100k is the right level for that threshold to be set. The Council's pay policy statement provides that new posts attracting a salary of over £100k requires that salary package to be approved by Full Council. Whilst neither Oxfordshire County Council or Cherwell District Council will be paying a sum of £100k individually the post

holder will receive a salary in accordance with the grade outlined in paragraph 15(i) above.

## **Financial Implications**

18. As indicated in paragraph 12 above, the costs of joint roles will be split between each authority and as such the financial impacts should see a reduction in costs for both authorities. To date a series of senior joint roles have been implemented on a combination of permanent and interim arrangements. These are currently expected to deliver around £600k of savings per annum shared between the two organisations. The proposed senior management structure will continue with and build on that position.'

### **KAREN EDWARDS**

Deputy Director – Human Resources

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Background Papers:

June 2019

**Proposed senior leadership team**

**Chief Executive (Joint)**

OCC Roles		Joint Roles		CDC Roles	
Corporate Director of Public Health	Corporate Director Children's Services	Corporate Director: Commercial Development, Assets and Investment ( <i>new role title to be confirmed</i> )	Corporate Director: Law & Governance (MO)	Chief Operating Officer	Executive Director: Commercial, Property and Assets (interim)
Corporate Director Adult Services	Corporate Director Communities**		Corporate Director: customers, people and improvement (title to confirmed)	Executive Director: Place & Growth (interim)	

Tier 1: Chief Exec direct reports

*Notes*

- \*\* post holder currently seconded - requirement to hold vacant. In the longer-term post could be reconfigured as a joint role.