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Democratic and Member Support

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CITY COUNCIL SUPPLEMENT

Monday 22 June 2015

2.00 pm

Council House (Next to the Civic Centre), Plymouth

Members:

The Lord Mayor, Councillor Dr. Mahony, Chair

The Deputy Lord Mayor, Councillor Ball, Vice Chair

Councillors Mrs Aspinall, Mrs Beer, Bowie, Bowyer, Mrs Bowyer, Mrs Bridgeman, Churchill, Coker, Damarell, Dann, Darcy, Philippa Davey, Sam Davey, Deacon, Downie, Drean, Evans, Fletcher, K Foster, Mrs Foster, Fox, Fry, Hendy, James, Jarvis, Jordan, Kelly, Martin Leaves, Michael Leaves, Sam Leaves, Lowry, McDonald, Morris, Murphy, Nicholson, Mrs Nicholson, Parker-Delaz-Ajete, Penberthy, Mrs Pengelly, Rennie, Ricketts, Riley, Dr. Salter, Singh, Smith, Sparling, Stevens, Storer, Jon Taylor, Kate Taylor, Tuffin, Tuohy, Vincent, Wheeler and Wigans.

I refer to the agenda for the above meeting and attach the report on Changes to the Senior Management Structure which was shown as 'to follow' and also a Motion on Notice that has been received for consideration at the meeting.

Tracey Lee

Chief Executive

CITY COUNCIL

AGENDA

PART I – PUBLIC MEETING

10. MOTIONS ON NOTICE

To consider motions from councillors in accordance with Part B, paragraph 14 of the Constitution.

10a Government announcement on cuts to public health funding **(Pages 1 - 2)**

Proposed by Councillor Evans
Seconded by Councillor Bowyer

13. CHANGES TO THE SENIOR MANAGEMENT STRUCTURE **(Pages 3 - 8)**

Tracey Lee (Chief Executive) will submit a report on a number of changes to the senior management structure following reports to various meetings of the Chief Officer Appointments Panel.

MOTION ON NOTICE

22 June 2015

**GOVERNMENT ANNOUNCEMENT ON CUTS TO PUBLIC HEALTH FUNDING**

On 4th June 2015 the Government announced that it is launching a consultation on removing £200 million from local authority Public Health budgets within the current financial year. This forms part of a programme to make £4.5 billion of savings in the upcoming July budget. The announcement indicates that the figure, which amounts to 7.4% of local authority Public Health funding, is based on projected underspends of Public Health grant funding.

There are currently no details as to how the proposed cuts to funding will be allocated.

Plymouth is already under-funded for Public Health. The per head of population allocation is currently £47 compared to the target figure of £57 per head, representing an existing shortfall of approximately £3 million on what would be a target allocation. This situation exists despite the fact that Plymouth has a number of complex public health challenges. The 2015 Health Profile for Plymouth published by Public Health England shows that the situation is significantly worse in Plymouth than the national average for 13 out of 32 health indicators, including smoking prevalence and smoking related deaths, opiate and crack use, sexually transmitted infections and alcohol specific hospital stays in under 18's.

The whole health economy in Plymouth and the NEW Devon CCG area is significantly challenged and has been identified by NHS England as one of 3 areas in need of additional support to protect and promote services to patients through a support regime.

The NHS Forward View, which has received cross party support, sets the aspiration of an “upgrade in prevention” and commits to making the NHS a service that prevents as well as treats illness. The plan recognises that prevention is essential to ensuring the sustainability of the NHS going forward.

Our ability to invest money into innovative programmes of work aimed at tackling health inequalities in Plymouth has been restricted by our historical underfunding, which means that there is little scope in investing money into anything other than mandated public health services. Last year, there were opportunities to save money; not through restrictions to public health services, but through things such as staffing costs. A decision was made to use this money to develop a planned programme of public health projects, to be initiated in 2015-16, which would go beyond the services currently commissioned and explore new ways of improving the health of the population. This programme would not be possible without those savings.

We call upon this Council and the City's Members of Parliament to write to the Under Secretary for Public Health [Jane Ellison MP] and the Chancellor of the Exchequer [George Osborne MP] asking that the government reconsider this decision or in taking it forward that they;

- (1) Ensure transparency in how budget claw-back will take place and use the opportunity it presents to address the inequitable current public health funding allocations by making savings from those local authorities who are funded to levels above their target value and by raising the funding allocation of those below their target value to that value.
- (2) Consider the 3 health economies identified for additional support by NHS England to be special cases in terms of public health funding allocation and recognise that public health funding and a preventative health approach will be an essential resource to help the local health economies meet the challenges they face in developing sustainable local health systems.
- (3) Recognise that local authorities should be able to operate in a way that enables them to forward plan to deliver new services and drive forward locally relevant service initiatives to tackle health inequalities and improve the health of their local populations. This may require financial management that delivers an under-spend in any one year and the building of a local financial reserve.
- (4) Recognise that reducing funding for public health goes against the aspiration and ambition of the NHS Forward View for increasing investment in prevention.
- (5) Recognise that local authority public health funding is currently used to commission NHS services [e.g. NHS stop smoking services, sexual health services including hospital based GUM services, school nurses] and as such, the statement that these funding cuts are not related to NHS services is incorrect.

Proposed by Councillor Tudor Evans

Seconded by Councillor Ian Bowyer

Dated 15 June 2015

PLYMOUTH CITY COUNCIL

Subject: Changes to the Senior Management Structure
Committee: City Council
Date: 22 June 2015
Cabinet Member: Councillor Evans
CMT Member: Tracey Lee (Chief Executive and Head of Paid Service)
Author: Annie Walker (Senior HR Adviser)
Contact details: Tel: 01752 306089 Email: annie.walker@plymouth.gov.uk
Key Decision: No
Part: I

Purpose of the report:

This report sets out proposals for changes within the Senior Management Team (SMT) following a period of significant organisational change. These proposals have been considered and recommended by the Appointments Panel, and are now subject to approval by Council.

The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:

The proposed changes to the senior management roles will provide greater clarity to roles and responsibilities and more accurately meet the needs of the organisation following a number of significant changes to the organisation structure.

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land:**

The proposals will see a reduction in Chief Officer positions within the Council and will reduce the associated salary costs at this level by circa £160k per annum. The overall net financial impact, with the creation of a new non-Chief officer post, is a reduction in salary costs of circa £94k per annum. It should be noted that as the non-Chief officer role is likely to attract a market factor supplement, these savings will be reduced dependent on any agreed supplement.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

None identified.

Equality and Diversity:

No implications.

Recommendations and Reasons for recommended action:

It is recommended that:

1. Council approves the proposals for changes to the Senior Management Team as outlined in the report.
2. The Council's constitution is amended to reflect the changes to the senior management team structure

Alternative options considered and rejected:

None.

Published work / information:

Appointment Panel meetings held on 17 April 2015 and 5 June 2015

Background papers:

| Title | Part I | Part II | Exemption Paragraph Number | | | | | | | |
|------------------------------------------------------|--------|---------|----------------------------|---|---|---|---|---|---|--|
| | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | |
| Appointment Panel reports, 17 April and 5 June 2015. | | x | | x | x | | | | | |

Sign off:

| | | | | | | | | | | | | | |
|-----------------------------------------------------------------|---------------------|-----|-----------------------------|------------|------------------|----|-----------------------------|--------|--|----|--|---------------|--|
| Fin | djn l 516. 14 | Leg | lt/23 199/ 1206 15 | Mon Off | DVS 2319 9 | HR | MF- HRI 2.06. 2015 | Assets | | IT | | Strat Proc | |
| Originating SMT Member: n/a | | | | | | | | | | | | | |
| Has the Cabinet Member(s) agreed the content of the report? Yes | | | | | | | | | | | | | |

I Introduction

1.1 The Council last undertook a major restructure of its senior management team in September 2013, with subsequent changes to the structure being submitted to Council in March 2014 (with the establishment of the post of Director for Public Health as part of a distinct Public Health Directorate) and in November 2014 (when changes in the People Directorate were made).

1.2 Further changes are now being proposed in the Directorates for People and Transformation and Change as set out below.

1.3 As Head of Paid Service, the Chief Executive is required to report to Council on the Chief Officer structure of the Council.

1.4 The current senior management structure comprises of the following roles:

Assistant Directors (9)
Head of Portfolio Office (1)
Head of Business & Technical Architecture (1)
Head of Legal Services (1)

1.5 The proposed structure comprises the following roles:

Assistant Directors (9)
Head of Transformation Programme (1)
Head of Legal Services (1)

1.6 This proposed change to the senior management structure will see an associated reduction in the salary costs of circa £160k. The creation of the new Transformation Architecture Manager role (which replaces the Head of Business & Technical Architecture) is a non-chief officer role and the associated salary costs of circa £66k need to be taken into account to give an overall reduction in our salary costs of circa £94k per annum. As the Transformation Architecture Manager role is likely to attract a market factor supplement, these savings will be reduced dependent on any agreed supplement.

2 Summary of Proposals

2.1 It is proposed to delete the following roles

- Assistant Director for Adult Social Care (transferred under TUPE to Plymouth Community Healthcare)
- Head of Portfolio Office (to be replaced by the Head of Transformation Programme)
- Head of Business & Technical Architecture (this role will be replaced by the Transformation Architecture Manager on NJC terms and conditions who will report to the Head of Transformation Programme – see below)

2.2 It is proposed to create the following role:

2.2.1 **Head of Transformation Programme**

The Appointments Panel agreed with the proposal to replace the Head of Portfolio Office (which is established temporarily until September 2015) with a new permanent Head of Transformation Programme. This role now encompasses responsibility for the Business & Technical Architecture function, together with the programme managers; and more accurately reflects the wider requirements of the transformation programme. If Council approves the changes outlined in section 2.3.2 below, this post holder would also be responsible for ICT.

The Chief Office role of Head of Business & Technical Architecture role was graded at Chief Officer grade Band 2 (the salary for this is £71,088). As highlighted above, it is proposed that this role is deleted.

The Transformation Architecture Manager role (which replaces the Head of Business & Technical Architecture but is a non-chief officer role) will report directly into the Head of Transformation Programme and is subject to re-evaluation but is anticipated to be graded at NJC Grade L (£51,302 - £54,949 per annum). This role is expected to attract a market factor supplement.

Following job evaluation, the role of Head of Transformation Programme was evaluated at Chief Officer grade Band 2. The salary for this is £71,088. The Head of Portfolio Office (which this role will replace) was evaluated at Chief Officer Band 1 salary £58,920 with the current postholder receiving a market supplement of £5,000 per annum.

2.3 It is proposed to amend the following roles:

2.3.1 **Assistant Director for Strategic Co-operative Commissioning**

When Adult Social Care Delivery transferred to Plymouth Community Healthcare in April 2015, not all posts within the previous Adult Social Care Department transferred and following a review of the options available for their line management, they were placed under the role of Head of Strategic Cooperative Commissioning.

A revised draft role profile incorporating the responsibility for Strategic Commissioning and the new areas now within the span of control of that post was drafted, shared with the Appointments Panel for their comments, and consulted on with the Trade Unions and the existing post holder.

The main areas of change were:-

- the new responsibility of being the Council's lead officer for the allocation, monitoring and commissioning of the Section 75 total pooled budget of £462m

- the increase in direct budget responsibility – from £50m to £121m (the amount the Council has put in the Section 75 agreement with the Clinical Commissioning Group.
- the increase in overall responsibility for staffing numbers including direct line management responsibility – now approximately 200 employees from approximately 94 within the department.
- the increase in responsibility for different work functions not only commissioning.
- the new statutory responsibility for safeguarding of vulnerable adults.

It was also proposed to change the name of the post from Head of Strategic Co-operative Commissioning to Assistant Director for Strategic Co-operative Commissioning.

The Appointments Panel agreed the proposed amendments to the existing Head of Strategic Co-operative Commissioning role to become an Assistant Director (a Deputy Chief Officer role). Following job evaluation this role was evaluated at Chief Officer grade, Band 3. The spot salary for this is £86,300. This is an increase from Chief Officer Band 2 spot salary £71,088.

The Appointments Panel agreed that the existing Head of Cooperative Commissioning should be “slotted in” to the role of Assistant Director of Strategic Co-operative Commissioning and agreed to the recommendation of backdating the post holder’s commencement in the new role to 1 April 2015, subject to Council’s approval of the recommendations in this report.

2.3.2 Assistant Director for Human Resources and Organisational Development and ICT

As part of the senior management restructure in 2013, Council approved the decision to include responsibility for ICT in the role of the Assistant Director for Human Resources for Organisational Development. However since that time, because of the interim arrangements for the role and a number of organisational changes (including the ICT function transferring to Delt Shared Services, the appointment of the Strategic Director for Transformation & Change, the creation of the Intelligent Client Function and responsibility for IT architecture being, in effect, transferred to the Head of Transformation Programme), responsibility for ICT has only nominally been undertaken within the role of Assistant Director for Human Resources and Organisation Development and ICT.

In light of these changes and the requirement to recruit to this role on a permanent basis, the Appointments Panel has agreed the removal of the ICT responsibility within this role and its title being called Assistant Director for Human Resources and Organisational Development.

Following job evaluation of the amended role profile, this role was evaluated at Chief Officer grade, Band 3. The spot salary for this is £86,300. The evaluation for this role therefore remains unchanged.

3. Summary

The proposals set out in this report will result in the following changes to the Chief Officer structure:

- i. The deletion of three posts
- ii. The creation of one role
- iii. The amendment of two roles

The salaries for the new and amended Assistant Director and the amended roles have been subject to independent job evaluation (Hay) of the role profiles.

4. Council procedure

- 4.1 The power to appoint staff and determine the terms and conditions on which they hold office, including procedures for their dismissal, is a non-executive function.
- 4.2 I, as Chief Executive and Head of Paid Service, must therefore produce a report in situations such as that which I am proposing where senior staffing structures are to be revised.
- 4.3 It is the duty of the Head of Paid Service, as soon as practicable after she has prepared a report under this section, to arrange for a copy of it to be sent to each member of the authority. This is done by virtue of this report to Full Council.
- 4.4 It is the duty of a relevant authority to consider any report under this section by the Head of Paid Service at a meeting held not more than three months after copies of the report are first sent to members of the authority.
- 4.5 The Appointments Panel has considered any responses from the individual consultation undertaken with the officers concerned and approved the role profiles and grades for the new and amended positions and, subject to Council's approval, will make appointments to roles as appropriate.

5. Constitutional amendments

The Council's constitution will need to be amended to reflect these changes to these designations.

6. Conclusions

- 6.1 The actions being proposed need to, and will I believe, provide:
 - Continuity of safe and improving services
 - An overall reduction in costs
 - Continue the delivery of a streamlined structure suitable for a Brilliant, Co-operative Council.