

<b>CITY OF WOLVERHAMPTON COUNCIL</b>	<b>Cabinet</b> <b>7 July 2021</b>
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<b>Report title</b>	Our Future Senior Leadership (Phase 1)	
<b>Decision designation</b>	RED	
<b>Cabinet member with lead responsibility</b>	Councillor Ian Brookfield Leader of the Council	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	No	
<b>Wards affected</b>	All Wards	
<b>Accountable Director</b>	Tim Johnson, Chief Executive	
<b>Originating service</b>	Chief Executive	
<b>Accountable employee</b>	Mark Taylor Tel Email	Deputy Chief Executive 01902 554500 Mark.taylor@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Executive Team Council	21 June 2021 21 July 2021

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### Recommendations for decision:

The Cabinet recommends that Council approve:

1. The establishment of an Executive Director of Families post subject to appointment by a Special Appointments Committee.
2. The establishment of a Chief Operating Officer post subject to appointment by a Special Appointments Committee.
3. A Special Appointments Committee for the appointment of an Executive Director of Families.
4. A Special Appointments Committee for the appointment of a Chief Operating Officer.

5. That the Special Appointment Committees approved within this report have delegated authority to endorse both appointments on behalf of Council.
6. That a nominated chair of an employee equality forum also be included on the Special Appointment Committee panels as an observer to further embed our absolute commitment to equalities and diversity.
7. The revision to the Senior Management Pay structure to support the introduction of new senior management posts; Chief Operating Officer and Executive Director of Families.
8. The financial implications of delivering our future senior leadership will be considered as a whole, taking account of both phases one and two. By the end of phase two there will have been a reduction in headcount, and as a minimum the revised structure will be cost neutral.

**The Cabinet is recommended to approve:**

1. That the Chief Executive be given delegated authority to undertake any final consultations with employees and trade unions to implement the changes contained within this report.
2. That the vacant Director of Housing post be deleted.

**Recommendations for noting:**

The Cabinet is recommended to note:

1. The restructuring of the council's senior leadership team to create a stronger, more coherent structure focused on delivering the city's recovery plan and local priorities will be as a minimum cost neutral.
2. That a further delegated review (phase 2) of structures will take place by the Chief Executive/Strategic Executive Board following the appointments approved within this report.
3. That all senior management posts have been subject to job evaluation.
4. All Directors (Section 151 Officer, Monitoring Officer and other statutory roles) will continue to have direct access and support from the Chief Executive and the Deputy Chief Executive.
5. The Director of City Housing and Environment assumes the responsibilities of the vacant Director of Housing post.
6. That the vacant Head of Human Resources post has been deleted.
7. That the vacant Head of Democratic & Support Services post has been deleted.

8. The Deputy Director of People & Change post has been created to assume the responsibilities of the vacant Head of Human Resources and Head of Democratic & Support Services posts.
9. The financial implications of delivering our future senior leadership will be considered as a whole, taking account of both phases one and two. By the end of phase two there will have been a reduction in headcount, and as a minimum the revised structure will be cost neutral.

## **1.0 Purpose**

- 1.1 The purpose of this report is to propose changes to the way in which the senior management team are strategically aligned, maximising the council's ability to respond to its operating environment in terms of both financial constraints and priorities as set through the City's Vision 2030, Council's Corporate Plan and Relighting our City programme.
- 1.2 This report seeks approval for phase 1 revisions to the senior management structure of the Council.
- 1.3 The Chief Executive, alongside the Deputy Chief Executive have undertaken a thorough review of the current Senior Management Structure.

## **2.0 Future structure proposals – Phase 1**

- 2.1 In order to maximise the council's ability to respond to its changing operating environment in terms of both financial constraints and priorities as set through the City's Vision 2030, Council's Corporate Plan and Relighting our City programme it is proposed the senior management team strategically align themselves to strategic themes.
- 2.2 Nationally and locally there has been a need to review and reset strategic priorities and plans in light of the Covid-19 pandemic and the significant impact this has had on society. On the 16 September 2020 Council approved the Relighting Our City recovery framework to guide the Council's approach as we emerged from the Covid-19 pandemic.
- 2.3 The Relighting our City plan sets out five overarching priorities for recovery:
  - Support people who need us most
  - Create more opportunities for young people
  - Support our vital local businesses
  - Generate more jobs and learning opportunities
  - Stimulate vibrant high streets and communities
- 2.4 These priorities will guide the council's approach as the organisation and the city transitions from the response to the recovery phase of the pandemic. These priorities together with the associated key actions and activity form a framework for recovery. It is imperative that our structures are reviewed to support the delivery of our relighting our city priorities.
- 2.5 Underpinning this will be an ongoing focus on a series of key principles and objectives:
  - Ensuring effective and timely support from SEB members and their leadership teams to Councillors
  - Recognising, respecting and supporting all elected councillors across their varying roles
  - Creating and nurturing external relationships to benefit our City
  - Unlocking the potential of our Digital infrastructure
  - Continuing to embed fairness and inclusivity in everything we do

- Driving efficiencies in all we do
  - Targeted Investment in our future public service transformation activity
  - Ensuring we all focus on delivering our Council's net carbon neutral target by 2028.
- 2.6 In order to deliver our outcomes and priorities we continue to require a workforce of great, committed people with strong public service values combined with strong officer leadership.
- 2.7 A key factor in achieving our current and future success in a highly complex environment is about attracting, retaining and developing a talented high performing leadership team able to deal not only with not inconsiderable challenges of today, but also able to creatively shape and deliver activity that will help ensure a brighter future for our City and its residents.
- 2.8 The current senior management structure is detailed in Appendix 1.
- 2.9 It is proposed to move towards three distinct strategic themes (Communities & Place, Families and Organisation) as demonstrated in the proposed Our Council thematic structure chart Appendix 2.
- 2.10 Directors will continue to work in a matrix manner on cross-cutting priorities with distinct areas/portfolios of responsibility, however, we will strengthen our strategic alignment further improving our ability to be an organisation that continues to operate and respond in a dynamic and agile way.
- 2.11 The Chief Executive working closely with the Deputy Chief Executive will continue to provide support to members of Strategic Executive Board (SEB), whilst retaining a key focus on the overall strategic officer leadership of the Council as well as ensuring we have sufficient capacity to engage and influence in a growing number of external arenas critical to our Council and City.
- 2.12 All Directors (including the Section 151 Officer, Monitoring Officer and other statutory roles) will continue to have direct access and support from the Chief Executive and the Deputy Chief Executive.
- 2.13 Overall this refreshed approach will enable us to focus on our key priorities for our Council and City as enshrined in our "Relighting our City approach" and the related "Relighting our Council" approach as well as emerging key policy themes including:
- Shaping a new community wealth building approach
  - Further developing and delivering a transformational youth offer at scale
  - Growing and maximising the impact of our quality city visitor offer
  - Supporting our diverse business base in key sectors to retain/maximise future employment opportunities for our citizens in the future.
- 2.14 In previous years the senior management restructures have made the following savings to the General Fund after payback:

<b>Structure review - year</b>	<b>Savings achieved</b>
2014 – 2015	£500,000 (in addition to approximately £1.2 million saved since 2010)
2016	£200,000
2017	£263,000
2018	£260,000
2019	£350,000
<b>Total</b>	<b>£2.8 million</b>

- 2.15 The financial implications of delivering our future senior leadership will be considered as a whole, taking account of both phases one and two. By the end of phase two there will have been a reduction in headcount, and as a minimum the revised structure will be cost neutral.

### **Communities & Place Strategic theme**

- 2.16 The Communities & Place strategic theme will understand and respond to the challenges and opportunities within our diverse city - this involves providing consistent quality Place based services to our residents; improving our city Housing offer; supporting our local businesses to survive and thrive, as well as shaping opportunities for external public/private investment with an absolute focus on maximising the benefits of this for the people and employers in our City.
- 2.17 The Deputy Chief Executive will lead and ensure delivery of the Communities and Place strategic theme outcomes and priorities.
- 2.18 The Director of Housing post remained vacant pending a review of structures, the Director of City Environment (redesignated Director of City Housing and City Environment) assumed responsibility for this service in the interim.
- 2.19 It is now proposed that the Director of Housing post is deleted, and the Director of City Housing & City Environment assumes responsibility for this service on a permanent basis within the communities and place theme.

### **Families Strategic theme**

- 2.20 Children's and Adult services have a strong link and inter-relationship and dependency – both areas support the most vulnerable residents in our city and deliver a number of statutory services.
- 2.21 Over the last ten years Children's and Adult services has reported separately under the two statutory Directors. We have strived to adopt a 'whole family approach' to deliver

certain services through a Children and Adult Principal Social Worker, a joint Multi-Agency Safeguarding Hub (MASH) and a Children and Adult Safeguarding service to name a few.

- 2.22 Wolverhampton families are at the heart of the Relighting our City priorities and as such a review of how we work across the Council to deliver these priorities is timely.
- 2.23 During this interim period, efficiencies have been realised - there were a number of meetings which both the DCS and DASS attended, or where representatives from Children's and Adult services were in attendance – as a result of the current interim structure we have been able to rationalise this. Similarly, joint leadership teams now take place which has strengthened relationships of Heads of Services across the service areas and again has reduced duplications but more importantly led to richer, more outcome focussed discussions for families in our city.
- 2.24 In order to deliver our Relighting our City framework, it is imperative we create the right environment and systems to support the priorities. Families are central to this and with the right individual support, at the right time, through meaningful relationships they can become empowered, independent and resilient, both individually and as a family system.
- 2.25 The key considerations and rationale for bringing together the adults and children's services under a Families strategic theme are as follows:
- Overall integration of Children's and Adult services to ensure a whole family approach
  - Assurance that there is appropriate capacity for the delivery of the statutory Director roles
  - Ensures an efficient delivery model to prevent duplication, and promote further integration across Children's and Adult services, putting our residents at the centre
  - Increases capacity to progress at pace the Council's priorities
  - Increases strategic capacity to lead on whole system transformation, strategy and improvement within the Families theme
  - Creates a clear approach to supporting families and the place they live
- 2.26 An opportunity arose for the Chief Executive and the Strategic Executive Board (SEB) to review services and where they were positioned within the structure when the Director of Adults left the council in November 2020.
- 2.27 It was agreed that Adult services would 'lift and shift' to the Director of Children's (redesignated Director of Children's and Adults) for line management responsibilities, while further reviews and consultation took place. This enabled time and space to consider proposals for a permanent structure that is absolutely informed by a holistic review of services, priorities and outcomes.
- 2.28 The Director of Children's & Adults Services also assumed responsibility for the DASS statutory function on an interim basis.
- 2.29 A Deputy Director for Adults post (Grade 13) was created as an interim measure pending the outcome of the service review.

- 2.30 Taking into consideration the review it is now proposed to create an Executive Director of Families (new Grade 15) to lead and ensure delivery of the Families strategic theme outcomes and priorities.
- 2.31 Approval is therefore required for a Special Appointment Committee to be established to appoint to the Executive Director of Families post, this post will be subject to internal advertisement as per council policy.
- 2.32 Approval is also required for a nominated chair of an employee equality forum to be included on the Special Appointment Committee panel as an observer, to further embed our absolute commitment to equalities and diversity.
- 2.33 It is also proposed that the Special Appointments Committee has delegated authority to endorse this appointment on behalf of Council.

### **Organisation Strategic theme**

- 2.34 The Organisation strategic theme will ensure we have an efficient, effective and consistently high performing corporate core. Our operating model as a Council is changing to reflect a series of ongoing financial and service challenges, but critically exploiting the opportunity that for example our digital infrastructure provides. Coherent strong strategic leadership of the corporate grouping of services will further improve our ability to deliver on this critical ambition.
- 2.35 The vacant Head of Human Resources and Head of Democratic & Support Services posts remained vacant pending a review of structures; the responsibilities for these posts have been assumed by the recently created Deputy Director of People & Change post.
- 2.36 The vacant Head of Human Resources and Head of Democratic & Support Services posts have been deleted as the responsibilities attached to these posts have been assumed by the newly created Deputy Director of People & Change post within the organisation strategic theme.
- 2.37 Following a review it is proposed to create a Chief Operating Officer (new Grade 15) to lead and ensure delivery of the Organisation strategic theme outcomes and priorities.
- 2.38 Approval is therefore required for a Special Appointment Committee to be established to appoint to the Chief Operating Officer post, this post will be subject to internal advertisement as per council policy.
- 2.39 Approval is also required for a nominated chair of an employee equality forum to be included on the Special Appointment Committee panel as an observer, to further embed our absolute commitment to equalities and diversity.
- 2.40 It is also proposed that the Special Appointments Committee has delegated authority to endorse this appointment on behalf of Council.
- 2.41 A further report detailing phase 2 of the senior management structure will be presented for approval once phase 1 has been embedded (subject to approval).

## Job Evaluation

- 2.42 To support the proposed changes to the Senior Management structure, West Midlands Employers were commissioned to job evaluate existing and proposed posts and undertake a bench marking exercise of senior management pay.
- 2.43 Senior managers pay has been independently reviewed by West Midlands Employers (WME). Posts in scope have been evaluated using the Local Government Employer (LGE) Senior Job Evaluation scheme.
- 2.44 The LGE scheme evaluates roles based on 4 criteria; knowledge requirement, creative thinking/policy direction, impact on people/organisation and responsibility for resources.
- 2.45 Following evaluation the posts were grouped or clustered to suggest grading approaches based on evaluation score. The following groupings are proposed;

Group	JE Range	Current Grade
Group 1	1900 and above	Grade 16
Group 2	1700 - 1899	Grade 15
Group 3	1500 - 1699	Executive Director*
Group 4	1250 - 1499	Director
Group 5	1249 and below	Deputy Director

\* not in existing senior management pay structure

- 2.46 Both the Chief Operating Officer and Executive Director of Families have been evaluated at the proposed new Grade 15.
- 2.47 Subject to approval the revised senior managers salary grades will be used when implementing the relevant changes.
- 2.48 WME have conducted a review of Senior Management salaries benchmarking with similar sized local authorities and roles as comparators. The benchmarking data examined posts in other authorities deemed to be comparable and relevant to CWC.
- 2.49 The benchmark recommendations review the mean (average) and the upper quartile figures. WME have concluded that the current salaries are within a 5% range of the mean average for salaries included within the benchmark dataset.
- 2.50 It is therefore concluded that the senior management salaries continue to be appropriate and reflective of the market median.
- 2.51 The City of Wolverhampton Councils pay ratio is 9.25:1, this is not affected by the above proposed changes and therefore maintains the City of Wolverhampton's pledge to have a pay ratio below 10:1.
- 2.52 The current senior management structure can be seen in Appendix 1 and the proposed Our Council structure can be seen in Appendix 2.

2.53 The current senior management pay structure can be seen in Appendix 3 and the proposed senior management pay structure can be seen in Appendix 4.

### **3.0 Evaluation of alternative options**

3.1 The development of the proposal included consultation with senior managers to explore alternative proposals.

3.2 To continue with existing arrangements would result in the retention of the current structure, without the benefit of the savings indicated and improvements to strengthen the senior management structure of the Council. Therefore, this option was rejected.

### **4.0 Reasons for decision**

4.1 The recommendations in this report are designed to strengthen the Council's senior management structure, ensuring that the senior management pay structure is appropriate.

### **5.0 Financial implications**

5.1 The senior managers pay structure has been reviewed, it is proposed to amend the senior manager pay grades to reflect the creation of the Executive Director/Chief Operating Officer level.

5.2 The financial implications of delivering our future senior leadership will be considered as a whole, taking account of both phases one and two. By the end of phase two there will have been a reduction in headcount, and as a minimum the revised structure will be cost neutral.

[AS/25062021/E]

### **6.0 Legal implications**

6.1 The Localism Act 2011 required the local authority to publish details of senior management pay.

6.2 A Special Appointments Committee can be established to appoint Executive Directors Service Director or any other director in accordance with the constitution.

6.3 Any Special Appointment Committee will follow the procedure required by the Local Authorities (Standing Orders) (England) Regulations 2001 ("the Regulations") as amended by The Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015.

[TC/23062031/B]

### **7.0 Equalities implications**

7.1 Both the Executive Director of Families and Chief Operating post will be subject to internal advertisement and appointments subject to a Special Appointments Committee, with a nominated employee representative from an Equality Forum.

7.2 The chairs of the employee equality forums have been consulted on the proposals.

## **8.0 All other implications**

- 8.1 The human resources implications will be dealt with in line with the Council's policies. As this only relates to senior management greater flexibility will be expected from the relevant employees to reflect the agile and business led approach the Council needs to adopt.
- 8.2 Any further restructuring will be undertaken in accordance with the City of Wolverhampton Council's Restructure Policy and Procedures.
- 8.3 Both the Executive Director of Families and Chief Operating post will be subject to internal advertisement and appointments subject to a Special Appointments Committee.
- 8.4 Engagement and consultation with Unison took place on 21 June 2021.
- 8.5 All Senior Managers have been briefed and consulted on the proposals contained within this report.

## **9.0 Appendices**

- 9.1 Appendix 1 - Current Senior Management structure.
- 9.2 Appendix 2 - Our Council thematic structure chart
- 9.3 Appendix 3 - Current Senior Management Pay Structure
- 9.4 Appendix 4 - Proposed Senior Management Pay structure