

## CABINET ITEM COVERING SHEET PROFORMA

**AGENDA ITEM**

**REPORT TO CABINET**

**5 OCTOBER 2006**

**REPORT OF CORPORATE  
MANAGEMENT TEAM**

### **CABINET DECISION**

**Corporate – Lead Cabinet Member: Councillor Coleman**

#### **HEADS OF SERVICE REVIEW**

**1. SUMMARY**

This is an interim report which details changes in service delivery responsibility at Head of Service level following the departure of the Head of Property Development, Head of Lifelong Learning and Head of Service Integration. It also highlights issues which will impact on services over the next 6 months.

**2. RECOMMENDATIONS**

1. The intention to implement the interim situation following discussion with the Unison Branch Secretary be noted.
2. That a further report be presented to Cabinet following conclusion of the issues highlighted in paragraph 21 of the report.

**3. REASONS FOR THE RECOMMENDATION**

To update Members with the interim changes in responsibility and advise of the need to undertake a review of the Heads of Service roles and responsibilities in the new year.

**4. MEMBERS INTERESTS**

Members (including co-opted members with voting rights) should consider whether they have a personal interest in the item as defined in the Council's code of conduct (paragraph 8) and, if so, declare the existence and nature of that interest in accordance with paragraph 9 of the code.

Where a Member regards him/herself as having a personal interest in the item, he/she must then consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest (paragraph 10 of the code of conduct).

A Member with a prejudicial interest in any matter must withdraw from the room where the meeting is being held, whilst the matter is being considered; not exercise executive functions in relation to the matter and not seek improperly to influence the decision about the matter (paragraph 12 of the Code).

Further to the above, it should be noted that any Member attending a meeting of Cabinet, Select Committee etc.; whether or not they are a member of the Cabinet or Select Committee concerned, must declare any personal interest which they have in the business being considered at the meeting, and if their interest is prejudicial, they must also leave the meeting room during consideration of the relevant item.

## REPORT TO CABINET

5 OCTOBER 2006

## REPORT OF CORPORATE MANAGEMENT TEAM

# CABINET DECISION

## HEADS OF SERVICE REVIEW

### SUMMARY

This is an interim report which details changes in service delivery responsibility at Head of Service level following the departure of the Head of Property Development, Head of Lifelong Learning and Head of Service Integration. It also highlights issues which will impact on services over the next 6 months.

### RECOMMENDATIONS

1. The intention to implement the interim situation following discussion with the Unison Branch Secretary be noted.
2. That a further report be presented to Cabinet following conclusion of the issues highlighted in paragraph 21 of the report.

### DETAIL

#### Background

1. It is ten years since Local Government Re-organisation and in that time the Council have continued to respond to the ever-changing expectations of local government services and the demands placed on managing the delivery of these services through organisational change in management structures.
2. The large departmental based management team of the Council has evolved to a small corporate management team dedicated to the overarching business critical issues facing the Council. Heads of service are either predominantly responsible for :-
  - a) the delivery of significant operational services with a strategic aspect to a greater or lesser extent depending on the job role or the job OR
  - b) strategic and or performance development of services with a small operational service role
3. Planning for the Future 2 created the three main service groupings of Children, Education and Social Care (CESC), Development and Neighbourhood Services (DNS) and Resources. Service areas have moved between the service groupings on occasions to ensure the most effective and efficient service delivery, for example Parks and Countryside moved from CESC (Leisure) to DNS (Direct Services).

#### Current Situation

4. The departure of a number of Heads of Service in recent months has provided the opportunity to review existing service delivery. In the case of some Heads of Service a direct replacement has been sought, for example Head of HR, however with regard to the

Head of Property Development in DNS and the Head of Lifelong Learning and Head of Services Integration in CESC in was considered that restructuring service delivery would provide an opportunity to re-align services to respond to the changing agenda the Council is now facing.

## **Service Delivery Changes**

### **Development and Neighbourhood Services**

5. In DNS the Corporate Director has taken the opportunity to explore improving service delivery and performance through maximising synergy of services provided across Integrated Transport and Environmental Policy, Property Development, Economic Development and Regeneration and Housing.

### ***Property Development***

6. The main services of Property Development are:-  
Architectural services  
Quantity Surveying  
Capital asset management  
Building services
7. The similarity of technical services provided by property development and engineering professional disciplines enables the managerial responsibility of property development in terms of project management and procurement of service to be managed at Head of Service level by the current Head of Integrated Transport and Environmental Policy.
8. A detailed structure review below Head of Service level has been the subject of trade union consultation. The review creates three service areas of: -
  - Environment, Transport and Urban Design which includes the transfer of the small Landscape Design team from Economic Development and Regeneration.
  - Consultancy Practice to include for example Engineers, Architects, Quantity Surveyors, Building Services
  - Programme and Development to support the service
9. The remaining service is capital strategy and asset management. A greater emphasis is now being placed on making the most out of council assets via Corporate Performance Assessment and in particular the Use of Resources Block. It is therefore considered appropriate that this should reside in the Resources Service Grouping. It has already been identified as a vital area because of the changes the Council is currently proposing such as integrated services in CESC and Access to Services across the Council. There is a strong financial link to ensure that decisions are taken in line with financial resources and the impact on borrowing and investing is known and understood. The Head of Operational Finance is currently the Chair of the Capital Strategy Group and it is considered appropriate that this strategic service area should transfer to this job role.

### ***Economic Development and Regeneration***

10. The Corporate Director (DNS) has taken the opportunity to tweak responsibilities. Explosion of regeneration initiatives requires the full attention of the Head of Economic Development and Regeneration. At the same time the Assistant Chief Executive has become increasingly involved in the Local Strategic Partnership (LSP) due to Government white papers and the need to ensure Council policy is inextricably linked to that of the LSP. For this purpose it is proposed that the LSP and neighbourhood renewal transfer to the Assistant Chief Executive.

11. In addition it is proposed that the operational issues around the voluntary and community sector which principally involve acting as landlord to buildings, administering core funding allocations and linking to the neighbourhood management pathfinder, be transferred to Head of Housing.

### **Children Education and Social Care**

12. The Corporate Director considers that the operational and strategic responsibilities of the Head of Lifelong Learning and Head of Services Integration can be managed across the existing heads of service. This will build on existing and developing roles and enable the Council to move forward with the development of partnership working.
13. The Head of Arts and Culture will assume responsibility for the Libraries Service.
14. The Head of Children and Young People's strategy will assume strategic responsibility for the development of Youth Services and Sure Start and in April 2007 the strategic role for Connexions will also be part of this role. The Head of School Effectiveness will lead on the National Children's Workforce Council strategy for workforce development of the Children's workforce.
15. The Head of Operations assumed responsibility for the Youth Offending Service in the summer of 2005 and following the departure of the Head of Services Integration will now manage the Youth Service. In April 2007 operational service delivery for Connexions will transfer and it is also proposed that during 2007 some of the children's health service will also become the responsibility of the Head of Operations as part of the development of Integrated Service Areas.
16. The Head of Adult Strategy will assume the strategic responsibility for adult learning in respect of the current adult learning partnership and community learning.

### **Policy, Performance and Communications**

17. As detailed at paragraph 10 the Assistant Chief Executive will assume responsibility for the Local Strategic Partnership and Neighbourhood Renewal.
18. The work priorities for the unit over the next 12 to 18 months will focus on preparing the Council for the next Corporate Performance Assessment. An integral part of this includes raising the Council profile on the diversity agenda of the Council. The Council recently advertised for a Diversity Manager and were unable to recruit. The role of this job has been significantly broadened to include policy and performance and consequently the grading level has increased.
19. In addition there is a need to strengthen the day-to-day workload/activities of the Public Relations Unit by adding an additional post into this area of the service as the volume of work has increased by one third.
20. The Head of Communications post has been vacant for some time and the Assistant Chief Executive considers that the priorities facing the unit require the funding of this post to be diverted to the issues detailed in paragraphs 18 and 19. It is therefore considered appropriate to delay the appointment to this Head of Service role.

### **Further development over the next 6 months**

21. Although considerable work has already been done by the Corporate Directors to improve and stream line service delivery to maximise the efficient and effective delivery of services

there were a number of issues highlighted that will have an impact over the next 6 – 12 months. These include: -

- Access to Services review which will be presented to Cabinet in January 2007
- Stockton/Darlington Partnership for which cabinet will receive a report in January/February 2007
- Planned retirement of the lead operational manager for Adults in CESC in 2007
- Potential further work to align operational asset management of buildings across CESC, DNS and our partners
- Further work to identify a potential lead role or a more co-ordinated approach to strategic sports development across CESC/ DNS and Tees Active Limited particularly bearing in mind potential opportunities for the Tees Valley as a result of the 2012 Olympic Games
- Development of Integrated Service Areas in CESC

### **Grading Issues**

- 22 As there are a number of key issues to be considered by Cabinet in the next 6 months it is considered that the additional roles undertaken as a result of the departure of and non-replacement of the three Heads of Service across CESC and DNS should be assessed next year. Equally recent recruitment campaigns for Heads of Service are highlighting the difficulty in attracting high calibre candidates for roles at this level not only in this Council but others across the region. It may be necessary to consider the grading structure and remuneration package (ie pay and non pay benefits) of jobs at this level in line with Council's of similar size and services delivered to identify issues for the future for recruitment and retention of key employees. Recruitment and retention, including market forces has already been identified for consideration as part of the Single Status Agreement following the introduction of a new pay and grading structure. A similar exercise may need to be undertaken for Heads of Service.
- 23 It is suggested that the grading implications are deferred until the issues identified at paragraph 21 have been considered and resolved as this may involve further changes which affect Heads of Service. An assessment of changes across all services can then be made.

### **FINANCIAL AND LEGAL IMPLICATIONS**

24. Any temporary changes to salary deemed necessary will be accommodated within existing budgets. A full financial appraisal will be undertaken alongside the review of Heads of Service referred to in the report.

### **RISK ASSESSMENT**

25. The main risk relates to recruitment and retention of Directors/Heads of Service where salary levels in smaller or similar size councils are more competitive, in their respective professional "market", than those paid by the Council. The risk is variable across the service groupings however across the Council as a whole it is considered to be a low to medium risk.

### **COMMUNITY STRATEGY IMPLICATIONS – N/A**

### **CONSULTATION INCLUDING WARD/COUNCILLORS – N/A**

#### **Officer Contact Details:**

**Name:** Denise McGuire  
**Title:** HR Team Manager  
**Tel:** 01642 526988  
**Email:** denise.mcguire@stockton.gov.uk