

**Cabinet**

**11<sup>th</sup> July 2012**



**Establishing the New Organisational Structure in the Children and Adults Services Service Grouping**

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**Report of Corporate Management Team**

**George Garlick, Chief Executive**

**Rachael Shimmin, Corporate Director, Adults, Wellbeing & Health**

**Councillor Morris Nicholls, Portfolio Holder for Adult Services**

**Councillor Lucy Hovvells, Portfolio Holder for Safer & Healthier Communities**

**Councillor Maria Plews, Portfolio Holder for Leisure, Libraries & Life Long Learning**

**Councillor Neil Foster, Portfolio Holder for Economic Regeneration**

**Councillor Claire Vasey, Portfolio Holder for Children & Young People's Services**

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**Purpose of the Report**

- 1 To report to Cabinet the changes that have taken place within the new Service Grouping of Children and Adults Services in line with Medium Term Financial Plan (MTFP) savings, following the appointment of the Corporate Director for the Service on 15 May 2012.

**Background**

- 2 On the 21 March 2012 the Council considered a report proposing the merger of the existing Adults Wellbeing and Health (AWH), and Children and Young People's (CYPS) Services into one new Service Grouping for the Council.
- 3 The Council approved the recommendations within the report which proposed that a period of consultation should commence in relation to the changes, which would include a reduction in the number of posts in Corporate Management Team (CMT) from seven to six. It outlined a plan to delete the two Corporate Director posts of AWH and CYPS, and to create a new post of Corporate Director, Children and Adults Services.
- 4 These proposals were set within the context of extensive consultation in the development of the Medium Term Financial Plan (MTFP) for 2011/12 – 2014/15, and the commitment by the authority to maximising savings from management and support services costs, in order to minimise the impact on frontline services.

- 5 The Council had already committed to reducing management costs by at least 30% over the MTFP period and this proposal to reduce CMT by one Corporate Director post would realise a permanent base budget saving for the Council of £175k (including on-costs).
- 6 In accordance with the Council's guidance on reorganisation and restructure a period of consultation commenced and the powers to implement the changes to the senior structure were delegated to the Chief Executive in consultation with the Chair of the Chief Officer Appointment Committee. Implementation was progressed to conclusion on 15 May 2012, with the two substantive post holders being ring fenced for the new post. One of the individuals had expressed an interest in Early Retirement and Voluntary Redundancy (ER/VR) and in such circumstances, in line with established procedures, that individual chose to step aside from the interview process.
- 7 Rachael Shimmin, the existing Corporate Director of AWH Service Grouping progressed through the selection process and was successfully appointed into the new role on the 15 May 2012 by the Chief Officer Appointment Committee. David Williams, the existing Corporate Director of CYPS who chose to step aside from the process, has had his request for ER/VR granted by the Human Resources Committee. The new Director has worked closely with the outgoing Director to progress the plans to merge and integrate the majority of functions across the two Service Groupings. This will result in the services being brought together and a new Head of Service structure being in place by 1<sup>st</sup> August 2012.

### **Progress to date**

- 8 Outlined at Appendix 2 is the senior structures at Director and Head of Service (HOS) level in the two original Service Groupings. Following the new Director's appointment a structure at HOS level was proposed and is included as Appendix 3.
- 9 This structure includes a reduction in two posts at a HOS level with consequential savings of £229,597 and a consultation period commencing with those employees potentially directly affected by the changes. As a result of the consultation exercise, one individual expressed an interest in ER/VR and another in voluntary redundancy, and in light of wishing where possible to avoid compulsory redundancies in the exercise, it was proposed to support these applications. In addition, the combined service grouping has targets in excess of £6.9 million in relation to management and back office support in the next two years linked to the medium term financial plan.
- 10 Statutory Guidance

During the course of the consultation on the re-structure of CMT, the government issued revised statutory guidance on the roles and responsibilities of the Director of Children's Services and the Lead Member for Children's Services. This replaces earlier 2009 guidance. It sits alongside the statutory guidance on the Director of Adult and Social Services and guidance on multi agency policies and procedures to protect vulnerable adults from abuse.

The guidance states that the Director should be a first tier officer. The new CMT re-structure reflects this. The guidance whilst advising that the local authority should give due consideration to protecting the discrete roles and responsibilities of the DCS before allocating them any additional functions other than Children's

Services, acknowledges that it is legally permissible for the roles to be combined and recommends that the authority should carry out a local test of assurance so that the focus on outcomes for children and young people will not be weakened or diluted as a result of adding other responsibilities. That test was carried out by the Chief Executive prior to the decision to merge the Children and Young People's Service grouping with Adults, Wellbeing & Health, but it was acknowledged that the test would need to be revisited once proposals for the single service grouping structure were developed.

As part of this stage of the organisational structure, the test has been updated and is attached as appendix 4.

- 11 The existing Head of Service Management Team are immediately answerable to the two Corporate Directors and help to ensure that the Directors and the Council meet its statutory responsibilities in relation to Children and Adults services, for example one HOS being directly responsible for Children's Services relating to Safeguarding and Specialist Services.
- 12 It is clearly important to ensure that the organisation continues to have responsibility at a Head of Service level for Education and Achievement of young people across the County. This post brings together functional areas previously split across two heads of service into a single senior management post wholly focused on education.
- 13 Additionally the responsibility for Adult Services is significant and the structure does not dilute the accountability for Adult Services, with the Heads of Service who would have the responsibility for the provision of Adult Social Care, Adult Protection and Commissioning remaining. The Commissioning service would however expand its remit to include Children's services.
- 14 The Council's commitment to prevention in Children's Services is clearly evidenced in the post of Head of Early Intervention and involvement. The service is now widely integrated with staff from health services and incorporates the "One Point" teams. Furthermore the adoption of a "Think Family" strategy in the Council signals the Council's cross service commitment to ensure that children and their families are helped to reach their potential and that early indications of family difficulties are identified and resolved in order to promote well-being and reduce the incidence of child protection. It is key for the Council to ensure that the emphasis on prevention and holistic support for families and communities remain as a key feature in the reconfigured service.
- 15 The Council will remain committed to working in partnership with statutory bodies to ensure that the needs of children, young people and vulnerable adults are promoted and safeguarded. The Community Safety Partnership and associated partnership governance forums as they relate to community safety will continue including, multi agency public protection arrangements, multi agency risk assessment conferences and all other interagency arrangements relating to safeguarding children and vulnerable adults.
- 16 The need to establish Health and Wellbeing Boards under the Health and Social Care Act has also been carefully taken into account when designing these arrangements. The Corporate Director of CYPS and the Corporate Director of AWH have been actively involved in the shadow local Health and Wellbeing Board. It is a requirement of the Health and Wellbeing Board that the DASS and

DCS are members of this board and this will continue, albeit in a single individual responsible for both adult and children's services.

- 17 There will continue to be a Portfolio Member for Children & Young People's Services; a Portfolio Holder for Safer and Healthier Communities and a Portfolio Holder for Adult Services. In addition separate portfolio holders will also remain for Libraries and Culture and work alongside colleagues in Neighbourhood Services as these services transfer service grouping.
- 18 It was apparent in the planning that some of the existing functions within AWH would have a limited strategic fit with the new integrated Service Grouping. This included culture, heritage and libraries and the Council's archive. Culture and heritage functions and employees have now been transferred to Neighbourhood Services. It is proposed that Libraries will transfer on 1<sup>st</sup> August 2012 to Neighbourhood Services. It is also further proposed that the archive transfers on the same date to the Assistant Chief Executives office as this function will have a positive fit with records management and information governance.
- 19 In summary following the consideration of the outcomes of the consultation exercise on the new structural arrangements, the new structure will be implemented in line with the Council's policy and procedures in relation to restructure and reorganisation, and Appendix four identifies the new post holders that have been confirmed into the new structure at a HOS level.
- 20 The new service grouping will come into place formally from 1 August 2012 and will ensure an appropriate handover of functions to happen from those individuals exiting the organisation.

#### **Next steps**

- 21 The new Senior Management Team for Children and Adults services will work together to further restructure and realign functions in a way that will minimise disruption to these key services for the Council.
- 22 Where further restructuring is required this will be set within the already established planning framework for MTFP savings and in accordance with established HR processes.
- 23 Changes in portfolios will be widely communicated to staff and partner agencies prior to 1<sup>st</sup> August 2012.

#### **Recommendations and reasons**

- 24 Cabinet are asked to note the above changes.

#### **Background papers**

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## **Appendix 1: Implications**

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**Finance** - The financial implications/savings are identified within paragraphs five and nine of this report. This structure includes a reduction in two posts at a HOS level with consequential savings of £229,597 and a consultation period commencing with those employees potentially directly affected by the changes. As a result of the consultation exercise, one individual expressed an interest in ER/VR and another in voluntary redundancy, and in light of wishing where possible to avoid compulsory redundancies in the exercise, it was proposed to support these applications. In addition, the combined service grouping has targets in excess of £6.9 million in relation to management and back office support in the next two years linked to the medium term financial plan.

**Staffing** – The report highlights a reduction in CMT posts from seven to six and a deletion of two HOS posts.

**Risk** – The proposal for an integrated service, whilst new for Durham, has been successfully implemented in many other authorities, including those in the same size range as Durham.

**Equality and Diversity/Public Sector Equality Duty** - The proposed changes had a potential gender impact with the CMT changes having one post holder female and one male. In relation to the HOS changes, again there was the potential for gender impact as the cohort affected by the change had five female post holders and three males. The resulting changes saw one male and one female employee leaving the organisation.

**Accommodation** - N/A

**Crime and Disorder** – The Council's community safety responsibilities have been incorporated into the new arrangements.

**Human Rights** – See comments on legal implications.

**Consultation** - The changes outlined within this report have been the subject of two separate consultation exercises with those employees directly affected by the changes.

**Procurement** - N/A

**Disability Issues** – See comment on Equality and Diversity

**Legal Implications** – The processes outlined in the report are designed to ensure that the Council complies with employment and equalities law, and that any termination arrangements are compliant with the law relating to redundancy and regulations governing the relevant pension schemes.