

EMPLOYMENT COMMITTEE	AGENDA ITEM No. 4
25 AUGUST 2020	PUBLIC REPORT

Report of:	Steve Cox, Executive Director; Place & Economy, Cambridgeshire and Peterborough	
Cabinet Member(s) responsible:	Councillor Peter Hiller cabinet member Councillor Steve Allen cabinet member	
Contact Officer(s):	Steve Cox, Executive Director; Place & Economy, Peterborough & Cambridgeshire	Tel. 01733 453492

PLACE AND ECONOMY DIRECTORATE – SENIOR MANAGEMENT CHANGES

R E C O M M E N D A T I O N S	
FROM: Director Place and Economy	Deadline date: N/A
<p>It is recommended that Employment Committee:</p> <ol style="list-style-type: none"> 1. consider and agree to the new senior management structure in Place & Economy (Appendix A) and the creation of the following new deputy chief officer posts: <ul style="list-style-type: none"> • Shared Assistant Director Growth and Regeneration (shared role with Cambridgeshire County Council (CCC)) • Assistant Director Housing (100% Peterborough City Council (PCC)) 2. consider the proposed job descriptions for approval, making any necessary proposals for changes and, if required, delegating authority to finally approve the job descriptions to the Executive Director Place and Economy in consultation with the Chairman of Employment Committee. 3. approve that the tried and tested joint appointment process be followed for recruiting to the new Shared Assistant Director role for Growth and Regeneration. 4. approve the remuneration band for the shared Assistant Director Growth & Regeneration & Assistant Director Housing 	

1. ORIGIN OF REPORT

- 1.1 This report arises following the success of the shared senior management arrangements to date and the benefits they delivered to both Councils. In November 2017, PCC’s Cabinet and the General Purposes Committee of CCC requested that the Chief Executive explore delivery of further shared services and asked that this became a joint programme of work. A joint leadership team capable of leading and developing the shared approach to a sustainable, effective Local Government for PCC and CCC is therefore being proposed.
- 1.2 This report arises following the appointment of the Executive Director; Place & Economy, PCC and CCC in 2019. Since appointment, consideration has been given to the management structure that sits below this post whilst exploring opportunities to further build on the success of the shared senior management arrangements in place with CCC.

2. PURPOSE AND REASON FOR REPORT

- 2.1 With these roles being deputy chief officer posts, the purpose of this report is to provide Employment Committee with the opportunity to share views and feedback on the proposed senior management structure at Appendix A and the job descriptions at Appendix B and C and be satisfied that they accurately reflect the work and the standards expected of the post holders.
- 2.2 The Chief Executive has the delegation at 3.6.2(g) of officer delegations to approve the structure change subject to Employment Committee's delegation at 2.3.2.5 of its terms of reference to consider and recommend actions where necessary in respect of the change.

3. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	NO	If yes, date for Cabinet meeting	
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4. BACKGROUND AND KEY ISSUES

- 4.1 For a number of years PCC and CCC have implemented an ambitious programme of transformation, with a determination to improve lives for local people despite an increasingly challenging financial context. Building a whole system approach around shared priorities, Community outcomes and cost efficiencies is a crucial part of the programme and requires a greater degree of collaboration between local public services, their partners and providers and with the public than has ever previously been experienced in Local Government.

As part of this new model of Local Government, PCC and CCC have come together with the support of their Members to explore the merits of shared and integrated services, looking at how we might further develop our close working relationship to reduce cost to serve, avoid duplication and ensure that we put outcomes for people at the heart of our service delivery. This approach is not new, over the last few years both Councils have taken advantage of opportunities for shared services as they arose with several senior management positions now shared across both Councils. In Place and Economy the shared Executive Director was appointed in June 2019, and the shared Service Director for Highways and Transport in August 2019.

The principles that underpin the Place & Economy management approach is to have strong strategic subject expertise in key areas of responsibility across both Councils. Where the Place & Economy functions in both Councils coincide, the opportunity to put in place joint senior management will be explored and taken forward, such as in Highways and Transport. Shared leadership builds up expertise and resilience in services and enables more effective and streamlined interface with key partners common to both Councils, such as Cambridgeshire and Peterborough Combined Authority (CPCA); Highways England; and others working across Cambridgeshire and Peterborough. It also supports joint working with other PCC/CCC Directorates that are already shared.

Strategic leadership of PCC's housing function, through the work of an Interim Director over the last 6 months, has already delivered considerable improvements to service performance, better outcomes for residents, and significant savings for the Council. This includes savings of £1.5m in bed & breakfast costs, significant reduction in the backlog of housing applications, and a clear strategic direction to ensure demand for temporary and affordable accommodation is matched with supply. Appointing a permanent Assistant Director for Housing will ensure we build upon this success and save on the additional interim costs currently being incurred.

5. PROPOSALS

5.1 Place and Economy Senior Management Structure

After two rounds of recruitment, including first stage interviews, it has not been possible to recruit to the Service Director for Growth and Development which was identified in Gillian's senior leadership review at the end of 2018. Through the review of services undertaken as part of our Lean Operating Model work in Peterborough and a review of priority service areas in CCC, the current structure of leadership is proposed.

The Highways and Transport side is well established with a Service Director in post working with teams in both Councils. The remaining functions, many of which are distinct and not common to both Councils (including Housing; Local Planning; and Environmental Services) are shaped to be led by senior managers with very important but narrower spheres of responsibility, at Assistant Director or Head of Service level. Each post has responsibilities that are typically either a combination of significant technical sector specialism; major budget and contract management responsibility; important strategic leadership and project delivery functions; or key statutory functions to manage.

The number of direct reports to the Executive Director remains high across both Councils but is considered manageable given the specialist nature of some direct reports. The structure is being kept under review. The rationale for the new posts is explained below and job descriptions are attached as Appendix B & C.

5.2 The drivers for this change are:

- To introduce senior level economic development expertise into both Councils to support and drive a sustainable economic recovery post Covid
- To fill the senior resource gaps created by not being able to appoint to the Strategic Director for Growth and Development after two unsuccessful attempts in 2019 and early 2020
- The transfer of the PCC housing function from People & Communities to Place & Economy in January 2020
- To support and drive forward economic recovery across the County and the delivery of major regeneration schemes in Peterborough.
- To bring to an end the interim arrangements that are in place for regeneration and housing in PCC

5.3 **Shared Assistant Director Growth and Regeneration**

Economic recovery post Covid-19 is a major priority for both Councils and comes on top of initiatives already in place to support, lead and enable economic growth and regeneration. This is important in Peterborough where PCC's specific responsibilities for planning, housing and regeneration require senior leadership. With the land use policy context for major growth established through the Local Plan and the ambition set through the Investment Framework there is a range of major schemes that require expert, senior leadership to facilitate delivery, including the Station Quarter, University, and North Westgate. In addition, the anticipated £25m funding from the New Towns Fund and joint working with CPCA, the Peterborough Investment Partnership and a range of developers also underlines the scale of ambition and work in this area. The postholder will also support Westcombe Engineering, the PCC owned manufacturing business.

In CCC the post Covid-19 recovery is of equal importance and CCC requires the expertise to help drive through support for economic growth through its various service responsibilities. This

position will act as the champion for growth, supporting the Growth and Development team and other teams across the Council in responding to major planning applications and in supporting CCC's own development initiatives, including environmental projects, that will drive a sustainable economic recovery. Enabling growth across the County will also require close working with the CPCA, GCP and District Councils to help shape and deliver a range of skills, business support and inward investment initiatives and ensure the Council maximises income from funding opportunities. The postholder will also support CCC's work across the Oxford to Cambridge Arc, London-Stansted-Cambridge corridor and other strategic partnerships beyond the County boundary.

5.4 **Assistant Director, Housing (100% PCC)**

The success in having strategic leadership of the Housing function has been demonstrated by the delivery of over £1.5m of savings in the housing needs service. That has been achieved through the work of the housing team led by an Interim Housing Director, reporting to the Executive Director of Place and Economy. It is proposed now to permanently recruit to an Assistant Director Housing position to ensure we lock in the vision and exceptional strategic leadership this important service requires. The post holder will have demonstrable experience of delivering high performing services across all aspects of Housing, including housing management, housing needs and new development.

The Assistant Director, Housing will be responsible for the development, implementation and review of all Housing strategies, Business Plans and Programmes. The strong strategic leadership will be required to continue the growth of the service by consolidating the huge change already achieved, developing service areas to build up expertise and self-sufficiency, to improve and increase the Council's housing supply, including through the establishment of a Housing Revenue Account, and to ensure the housing team is an active and supportive part of the Peterborough Hub, and the Think Communities approach.

The role will provide the leadership to inspire colleagues, partner agencies, including Medesham Homes, and Registered Providers to help deliver the Council's ambitious corporate and housing plans, which include building new mixed tenure communities, being an exemplar in tackling rough sleeping and making Peterborough a Thinking Community.

PCC is focused on delivering the best possible housing outcomes for residents across the City. Peterborough has established multiple sub-regional collaborations and has a strong working relationship with MHCLG. The post-holder will have the strategic and leadership experience of establishing and leading sub-regional forums and forging positive relations at a national and local level.

5.5 A summary of the changes is noted below.

Role to be deleted	Shared Service Director, Growth & Development	CCC/PCC (vacant - unable to appointed to)
New role created	Shared Assistant Director Growth & Regeneration	PCC & CCC
New role created	Assistant Director Housing	PCC

6. CONSULTATION

- 6.1 Consultation on the proposed structure changes has taken place with:
- PCC and CCC's Joint Management team
 - Directorate Management Teams in both councils.

7. RECRUITMENT PROCESS

- 7.1 Subject to approval by Employment Committee the next steps are for these roles to be advertised internally and externally. Given that one of these posts is a joint role, both PCC Employment Committee and CCC's Staffing and Appeals Committee have delegated powers to appoint Chief Officers and Deputy Chief Officers as enabled under the Local Authorities (Standing Orders) (England) Regulations 2001. A Joint meeting will therefore be set up and the previous tried and tested approach to recruiting shared posts will be adopted.

Appointment to the post of Assistant Director, Housing will be by PCC's Employment Committee only.

8. ANTICIPATED OUTCOMES

- 8.1 Anticipated outcome is for feedback to be received on the creation of the new deputy chief officer posts and job description in order that a recruitment process can progress.

9. SALARY PAY BAND

- 9.1 To ensure the senior management team is representative of both authorities, it is proposed that the posts are appointment to as followed:

The Shared Assistant Director Growth and Regeneration post will be a PCC appointment. The outcome of the evaluation is senior manager pay band 5 which is a salary band of between £79,834 and £97,575 under the 19/20 pay scales.

The Assistant Director Housing job description is a PCC role only. The outcome of the evaluation is senior manager pay band 5 which is a salary band of between £79,834 and £97,575 under the 19/20 pay scales (less on costs).

10. REASON FOR THE RECOMMENDATION

- 10.1 The new management structure builds on the success of the shared senior management arrangements already in place with CCC and brings together the expertise required to enable the authority to improve the lives of local people despite an increasingly challenging financial context. Strategic leadership of PCC's housing function, through the work of an Interim Director, has already delivered considerable improvements to service performance, better outcomes for residents, and significant savings for the Council. The size, scale and complexity of these roles indicates that Assistant Director roles are suitable roles, set at the right level, to fulfil these leadership requirements.

11. IMPLICATIONS

Financial Implications

- 11.1 **Assistant Director - Growth & Regeneration**

The costs of this post, including on costs, will be maximum of £126.8k pa, split 50:50 between both Councils; PCC share being between £51.8k and £63.4k. It will be funded from the budget originally allocated for the Service Director for Growth and Development which we have not been able to appoint to, therefore creating a saving of between £8.6k and £20.2k depending on scale point. The functions are currently being delivered in PCC by an Interim Development Director, the permanent appointment will represent a further saving on these costs to PCC.

Assistant Director – Housing

The role is currently being filled through an interim resource. In addition to savings already achieved, there are further plans in place to drive out further savings and secure income by the introduction of the Council's own rent collection and housing management function. This business case has been tested and approved through the Council's budget review process. It is also the intention to establish a Housing Revenue Account. This will provide further opportunity for the general fund revenue costs of the role to be reduced.

With regards to the forecast annual savings and income, the business case described above will yield c340k per annum of savings before the Assistant Director Housing costs are taken into account.

The costs for the Assistant Director - Housing will be a maximum of £126.8k including on costs. There will be a cost in 2020/21 as it will take time for the business case to be implemented. This is reflected in budget monitoring as currently the requirements of this new post are being fulfilled by interim resource.

Legal Implications

- 11.2 The Chief Executive, as the Head of Paid Service, has a duty under the section 4 of the Local Government and Housing Act 1989 to determine the staffing arrangements necessary to deliver the Council's functions.

Human Resources

- 11.3 The review has been conducted in accordance with Council policies and relevant Employment legislation.

Equalities

- 11.4 The post holders will be expected to uphold the Council's commitment to equality of opportunity and respect for diversity in how they work with Members, staff and partners and in the way they deliver services to residents that are accessible and inclusive.

12. BACKGROUND DOCUMENTS

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

- 12.1 PCC's Constitution - Executive Functions

a) delegations section 3 clause 3.6.2g: to determine changes within the management structure where these involve substantial change to the responsibilities of first and second tier posts, having regard to the proposals of the relevant Cabinet Member for the services affected and also of the Leader of the Council;

b) delegations section 2 clause 2.3.2.5: to consider and recommend appropriate actions where necessary in response to executive proposals relating to changes within a department/division's structure which involve substantial changes in the responsibilities of first and second tier posts

13. APPENDICES

- 13.1 Appendix A - Senior management structure in Place & Economy
- Appendix B - Job description Growth & Regeneration
- Appendix C - Job Description Housing

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