

REPORT FOR UPDATE

Agenda Item	
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DECISION OF:	OVERVIEW & SCRUTINY COMMITTEE
DATE:	22 November 2018
SUBJECT:	Recruitment to Senior Positions Use of External consultants / advisors
REPORT FROM:	Councillor J Kelly, Cabinet Member (Corporate Affairs and Regulatory Service)
CONTACT OFFICER:	
IMPLICATIONS:	
Corporate Aims/Policy Framework:	The proposals accord with the policy framework
Statement by the S151 Officer: Financial Implications and Risk Considerations:	Restructuring of senior officer posts will be undertaken within existing resources. The one-off costs of using consultants should be assessed against the ongoing budget savings delivered since 2010.
Statement by Interim Executive Director of Resources & Regulation (including Health and Safety Implications)	Organisational capacity must be resilient and effective if the Council is to address current and future budget challenges and maintain standards of service delivery. Restructuring and the use of interim / external resources help facilitate this.
Equality/Diversity implications:	Any recruitment will be in line with the Council's equality and diversity standards
Considered by Monitoring Officer:	
Wards Affected:	

1. PURPOSE OF REPORT

At the last Overview & Scrutiny Committee meeting on the 11 September 2018, the Committee requested an;

“Update in respect of recruitment to senior positions within the Council and the use of external consultants / advisors”

The Committee agreed to invite the Chief Executive, to its next meeting on the 22 November 2018.

2. BACKGROUND

In response to funding reductions the Council has reduced the workforce by 565 staff since 2010; 165 of these being at a Senior Management level. Financially, these equate to ongoing reductions in the Council’s staffing budget of £18.3 million, per annum. The majority of this reduction has been through reducing senior management posts, where spending has reduced by £10.7 million per annum.

Clearly reductions of this scale will have a significant impact upon organisational capacity. The one-off costs of interim arrangements / use of consultants outlined later in this report need to be assessed in light of the ongoing savings that have been made.

Since taking up post in mid-July the Chief Executive put in place an initial set of changes to begin the process of strengthening the Council’s managerial capacity. All of the most senior roles reporting to the Chief Executive are currently held on a temporary basis. This insecurity for the organisation and for the individuals concerned needs to be resolved if the Council is to be served by a more confident and dynamic management style.

Given the priorities for the Council, the strategic leadership team needs to be developed to:

- bring stability to the strategic leadership team;
- increase capacity for strategic management and implementation of transformational change; and
- ensure alignment with the creation of the One Commissioning Organisation.

This will be done within existing budgets for senior management across the Council and the CCG.

The requirement to develop senior management is only one part of wider changes to transforming the Council. Whilst not the subject of this report it is important to note that these wider changes include investing in the wellbeing and training of the workforce as a whole, especially front-line staff.

The Council’s new Chief Executive has also been appointed as the Chief Officer of Bury NHS Clinical Commissioning Group (CCG). This will enable the Chief Executive to accelerate the implementation of a single commissioning function for all local government and NHS Commissioning across the borough. The Chief Executive’s remuneration is not changed by these additional responsibilities creating a saving of the salary of the CCG Chief Officer post.

3. SENIOR OFFICERS

Executive Director for Strategy and Transformation

This new post has been created to replace the role of Executive Director Resources and Regulation which has been performed on an interim basis since April 2015. The new post has been evaluated under the Hay Evaluation Scheme. It is intended that the key deliverables for the post will be:

- To create an effective corporate core by combining HR/OD, finance, procurement, communications, ICT support, performance intelligence and research from across all directorates and the CCG;
- To deputise when necessary for the Chief Executive at GM Wider Leadership Team and public service reform meetings and on all aspects of public service reform and internal organisational transformation;
- To support the Chief Executive in the creation of the One Commissioning Organisation;
- To develop a Bury Local Industrial Strategy;
- To change the pace, scale and focus on the public service reform programme;
- To deliver programmes to transform the internal management of the Council, including the essential organisational development and digital programmes; and;
- To support the Chief Executive and S.151 Officer with the development and delivery of the new medium term financial strategy.

The role will have responsibility for leadership and management of the corporate core once created.

The additional cost of the Executive Director of Strategy and Transformation will be, £142,029 (top of scale). This will be funded from the deletion of the post of Executive Director Resources and Regulation £124,499 and a contribution from Bury CCG from the saving produced by the Chief Executive also performing the duties of the CCG Chief Officer.

The role has been advertised internally and externally. If the recruitment process is successful, the post will be offered before the end of December.

Executive Director of Children's and Young People

The role of Executive Director of Children's Services has been filled on an acting up basis since March 2017. This post holder has responsibilities for child safeguarding. A full Ofsted inspection of Children's Services is due during 2018. There is also an urgency to fill this post permanently in order to support the development of the Council's relationship with schools.

A recruitment process to fill this role on a permanent basis has begun. The post has been advertised simultaneously internally and externally. External expertise from the LGA is being used to advise on this appointment.

Once the Director of Children's Services role is filled, the role of Assistant Director (Social Care and Safeguarding) which is also currently filled on an interim basis, will be filled on a permanent basis.

Communities and Wellbeing Directorate

The role of Executive Director of Communities and Wellbeing has been filled on an Acting basis since March 2017. This role includes the statutory role of Director of Adult Social Services (DASS). At this stage no changes are proposed pending further progress with the formation of the Locality Care Alliance (LCA) and One Commissioning Organisation (OCO). The direction of travel is for the DASS to be part of the single management team once the OCO is established. Senior adult social care managers and staff are expected to be deployed into the LCA and OCO. All these changes will require extensive staff and trade union consultation.

As well as being the DASS the Acting Executive Director Communities and Wellbeing also has responsibility for a range of other operational services such as sports and leisure, grounds maintenance, parks and countryside and housing related services. Grounds maintenance and parks and countryside services have been transferred to the Interim Director of Operations. Housing related services are the subject of a current consultation on transfer to Six Town Housing following approval by HR and Appeals Panel.

Growth and Investment Directorate

The Executive Director of Growth and Infrastructure is appointed on a fixed term contract. This post is key to Bury delivering its Growth Strategy. The role is leading on regeneration and housing and influencing GM to support major development programmes (eg Prestwich Town Centre). This capacity is essential if the Council is to secure new income and reduce its reliance on central government funding. Regeneration and growth will generate additional receipts locally. This post is also responsible for the delivery of £2.3 million of savings / efficiencies by 2020.

The HR and Appeals Panel on 20 June 2017 approved a restructuring of the Growth and Investment Directorate including two new Director Posts.

Operations Directorate

This post is bringing new professional leadership to range of waste, recycling, highways and parks operational services which are essential to the quality of the environment for all neighbourhoods across the Borough. It should be noted that the Council needs to deliver £3.6 million of savings / efficiencies from these service areas by 2020.

4. USE OF EXTERNAL CONSULTANTS

The use of consultants is standard practice in local government but only where it can be justified:-

- To address peaks in workload (where it is not cost effective to have permanent staff)
- To undertake specific time-limited projects
- To address areas where specialist skills / capacity are not available in house

Specific examples include;

- Specialist support for school improvement activity – improving outcomes and school attainment
- Specialist support to assist with Health & Social Care reform – externally funded following successful GM Transformation Fund bid.
- Technical support to assist with capital / building projects
- Professional advice to support the Council’s growth plans
- External reviews e.g. Housing Services; to deliver significant efficiency gains and service improvements
- External consultancy to support specialist IT applications / upgrades
- Specialist financial advice e.g. Treasury Management brokers; currently reporting a £3m surplus – reinvested to support front line services

During 2017/18 spend on consultants was £1.6 million. Forecast spend for the current year is £1.2 million.

	2017/18	2018/19
	Actual	Spent to date & committed
	£	£
Children & Young People	757,330	452,691
Communities & Wellbeing	454,555	531,535
Operations	52,444	49,507
Business / Growth	27,188	29,567
Resource & Regulation	48,731	74,526
Non Service Specific	4,952	19,700
Capital	211,540	70,835
	1,556,741	1,228,360

Contact Details:

Geoff Little, Chief Executive
0161 253 5102