



## **Senior Management – Interim Arrangements**

### **SUMMARY**

- 1.1 An Urgent Leader of the Council meeting was summoned on 9 January 2015 to consider a proposal to allow the Chief Executive to leave the authority by way of voluntary redundancy (VR). The report was exempted from publication at the time of its consideration, but that exemption was subsequently lifted by the Monitoring Officer and the report published on the Council Meetings Information System (CMIS).
- 1.2 The Leader resolved at that meeting to report the decision to authorise the payment enabling the Chief Executive to exit the organisation to this meeting.
- 1.3 This report also seeks further authority to put in place a number of interim measures in relation to the council's senior management structure, in advance of Council considering the budget for 2015-16 at its meeting in March. That budget includes within it proposals to achieve savings through a senior management review.

### **RECOMMENDATION**

- 2.1 To note the decision taken by Leader of the Council on 9 January 2015 to authorise a payment of £140,000 to be made to enable the Chief Executive to exit the organisation by way of voluntary redundancy from 31 January 2015, to be funded through existing salary budgets in 2014-15 and the Redundancy Cost Reserve..
- 2.2 To note that the Deputy Chief Executive has been covering the Chief Executive role since 12 January 2015 and therefore to formally appoint the Deputy Chief Executive and Strategic Director of Neighbourhoods, Mr Paul Robinson, as Acting Chief Executive and Interim Head of Paid Service with effect from that date.
- 2.3 To appoint the Strategic Director of Children and Young People, Mr Andrew Bunyan, as Acting Deputy Chief Executive with effect from 1 February 2015.

- 2.4 To delegate authority to the Acting Chief Executive, following consultation with the group leaders, to:
- make an interim appointment to the Strategic Director of Neighbourhoods post, utilising acting up arrangements as necessary, following implementation of the resolution recommended at paragraph 2.2; and to implement interim backfill arrangements where deemed necessary and appropriate and
  - make an interim appointment to the Strategic Director of Adults, Health and Housing, utilising acting up arrangements as necessary, following the exit of the existing postholder, Ms Cath Roff, at the end of March 2015, and to implement interim backfill arrangements where deemed necessary and appropriate.
- 2.5 To note the Acting Chief Executive will oversee the Resources Directorate during the absence of the Strategic Director of Resources and the interim Strategic Director of Neighbourhoods will include day-to-day responsibility for Regeneration and Economic Development, although the Acting Chief Executive will still lead on this area.
- 2.6 To delegate authority to the Monitoring Officer to make any necessary changes to the Articles of the Constitution and Scheme of Delegations within the Council Constitution, arising from decisions recommended at paragraphs 2.1 to 2.4.

#### **REASONS FOR RECOMMENDATION**

- 3.1 The Leader of the Council resolved at the meeting on 9 January 2015 that the decision taken at that meeting be reported to Council for information.
- 3.2 The council is required to have a Head of Paid Service. The Deputy Chief Executive has been fulfilling that role on an interim basis during the Chief Executive's absence, but a more formal appointment is required following the Chief Executive's departure on 31 January 2015.
- 3.3 Council resolved in 2013/14 to appoint a Deputy Chief Executive, the post having rotated between Strategic Directors prior to that. It is considered that this need still exists. The Strategic Director of Children and Young People is considered to be the appropriate interim appointment to this position.
- 3.4 To ensure resilience across the senior management structure while any proposed changes are considered and implemented, a number of backfill appointments may be necessary, as recommended in paragraph 2.4. Given that these would be interim appointments only, it is considered appropriate to delegate this authority to the Acting Chief Executive rather than convene appointments panels.

## SUPPORTING INFORMATION

### **Voluntary Redundancy (VR) of the Chief Executive**

- 4.1 As part of the budget consultation for 2015-16, a review of the council's senior management restructure was proposed. This would involve reducing the number of senior management roles and reconfiguring management responsibilities.
- 4.2 While the budget consultation has not yet ended, the Chief Executive indicated a willingness to exit the authority in advance of any potential future restructure by way of VR.
- 4.3 The proposed payment was well within the affordability test that the council applies when considering VR applications. In addition, the council's external auditors were informed and were content that the value for money test would be met. However, the sum exceeded that which can be approved by officers.
- 4.4 In order that the matter could be finalised at the earliest opportunity, enabling the Chief Executive to exit the organisation on 31 January 2015, an urgent resolution was required. This was obtained at the Urgent Leader of the Council meeting on 9 January 2015.

### **Proposed interim appointments**

- 4.5 The council is required to have a Head of Paid Service. The Deputy Chief Executive is already authorised to act in this capacity in the absence of the Chief Executive, and formal delegation of those duties was made by the Chief Executive following the decision taken on 9 January 2015. The permanent exit of the Chief Executive results in the requirement for a formal appointment to the Head of Paid Service position. It is proposed that the current Deputy Chief Executive will fulfil this role as Acting Chief Executive.
- 4.6 Council approved on 23 July 2014 that the Chief Executive be the named postholder with operational responsibility for any directorate in the absence of the chief officer. At the current time, the Chief Executive has operational responsibility for the Chief Executive's Office and the Resources Directorate. It is proposed that the current Deputy Chief Executive would assume these responsibilities if recommendation 2.2 is approved.
- 4.7 This will result in two roles currently undertaken by the Deputy Chief Executive to be filled – firstly the role of Deputy Chief Executive and secondly the role of Strategic Director of Neighbourhoods. Recommendation 2.3 proposes to address the first of these, and recommendation 2.4 proposed to address the second.

4.8 The Strategic Director of Adults, Health and Housing has announced that she will leave the authority to take up a role with Leeds City Council from the end of March. Recommendation 2.4 also seeks to address this matter on an interim basis, in order that no further permanent appointments are made until the senior management review is concluded (subject to the approval of that issue within the proposed revenue budget 2015-16).

### Constitutional amendments

4.9 The Articles of the Constitution and Scheme of Delegations will require amendments arising from the changes proposed in paragraphs 2.1-2.4. As any interim changes could be subject to further amendment following a senior management restructure, it is proposed to delegate authority to make those changes to the Monitoring Officer until such time as a final structure is in place.

<b>OTHER OPTIONS CONSIDERED</b>
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5.1 None. Reporting the exit of the Chief Executive and proposed interim arrangements were essential to ensuring the authority's senior management structure remains robust and resilient until any future review or restructure is undertaken and completed.

**This report has been approved by the following officers:**

<b>Legal officer</b> <b>Financial officer</b> <b>Human Resources officer</b> <b>Estates/Property officer</b> <b>Service Director(s)</b> <b>Other(s)</b>	Janie Berry – Director of Legal and Democratic Services Martyn Marples – Director of Finance and Procurement Liz Moore – Strategic HR Business Partner N/A N/A N/A
<b>For more information contact:</b> <b>Background papers:</b> <b>List of appendices:</b>	Janie Berry    01332 643616 <a href="mailto:janie.berry@derby.gov.uk">janie.berry@derby.gov.uk</a> None Appendix 1 – Implications

<b>IMPLICATIONS</b>
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**Financial and Value for Money**

- 1.1 The cost of the proposals will be contained within overall existing council budgets.

**Legal**

- 2.1 The council is required to have a Head of Paid Service under Local Government Standing Orders Regulations. Approval of this report will ensure this requirement is satisfied.

**Personnel**

- 3.1 None, other than those directly affecting postholders as detailed in the recommendations.

**IT**

- 4.1 None.

**Equalities Impact**

- 5.1 None.

**Health and Safety**

- 6.1 None.

**Environmental Sustainability**

- 7.1 None.

**Property and Asset Management**

- 8.1 None.

**Risk Management**

- 9.1 Any risks arising from the reduced number of chief officers following the Chief Executive's exit would need to be considered as part of the proposed senior management restructure.

**Corporate objectives and priorities for change**

- 10.1 None.

