

<b>Item No.</b> 18.	<b>Classification:</b> Open	<b>Date:</b> 24 July 2018	<b>Meeting Name:</b> Cabinet
<b>Report title:</b>		Amendment to Strategic Management Arrangements	
<b>Ward(s) or groups affected:</b>		All	
<b>Cabinet Member:</b>		Councillor Peter John, Leader of the Council	

## **FOREWORD - COUNCILLOR PETER JOHN, LEADER OF THE COUNCIL**

In Southwark a fairer future for all means having the best start in life, quality homes that you and your family need, a great place to live with clean, green and safe communities, a healthy borough where your background doesn't determine your life chances and a full employment borough. In the last four years we have delivered on commitments, whether that's about building more homes of every kind, making 97% of our homes are decent, supporting over 5,000 people into jobs and investing in libraries, leisure centres and parks.

Working together with partners and residents the council is determined to reduce health inequalities, which is why for example we introduced free healthy school meals and fruit for all our primary school children and made swimming and gym free for all our residents. This is also why we want to embed health across all that we do and in particular deliver regeneration and development that works for all underpinned by a strong understanding of what our residents are telling us is important to them.

In 2017 we undertook the biggest community engagement exercise of recent times, the Southwark Conversation, the outcomes of which are shaping plans for place making and improving well-being. And as the borough grows and changes we want to make sure that all our communities have the opportunity to benefit. That's why in May 2018 I announced a new set of cabinet portfolios that link together across council departments and services and take a more thematic approach to delivering the Council's vision of a fairer future. In doing this, it was important that we also look at our senior management arrangements to ensure we deliver at pace the plans to support healthier, more resilient and sustainable communities. The council must also be fit for the future and given the continuing impact of significant budget cuts, find ways of doing more for less.

Taking all that together, this report sets out amendments to strategic management arrangements that will mean senior officers taking on and absorbing more cross-cutting responsibilities whilst working across departmental boundaries to deliver improved outcomes for all our communities.

## **RECOMMENDATIONS**

1. Cabinet agree the creation of a temporary post of Strategic Director Place and Wellbeing for the period 1 September 2018 to 30 September 2020. This post incorporates the council's statutory director of public health role.

2. Subject to agreement of recommendation 1 that Cabinet also recommend to Council Assembly that the allocation of responsibility of the statutory director of public health be designated to the Strategic Director Place and Wellbeing; and that part 21, "statutory officers list", of the council's constitution be amended accordingly.
3. Cabinet note that all chief officer posts are contractually inter-changeable; therefore placement of function and post-holders is otherwise delegated to the head of paid service in accordance with the council's policy and procedures.

## **BACKGROUND INFORMATION**

4. The statutory director of public health post is currently filled, on a secondment basis, by the director of health and wellbeing from Public Health England (PHE) Professor Kevin Fenton. This innovative arrangement and supporting resourcing agreement allows for a much closer working partnership between PHE and local government and was designed to be mutually beneficial to both sectors. Professor Fenton is a member of the chief officer team but is not technically a strategic director in our structures. The secondment arrangement was signed in March 2017 following the retirement of the previous director of public health who headed up a shared public health service between Lambeth and Southwark.
5. At its meeting on 19 September 2017 the Cabinet received a report setting out a draft social regeneration policy framework and agreed a definition of social regeneration as being about "ensuring that the places where people live, now and in the future, create new opportunities, promote wellbeing and reduce inequalities so people have better lives, in stronger communities and achieve their potential".
6. In agreeing this definition the Cabinet sought to more clearly define and demonstrate the council's approach to regeneration that works for all. An approach that primarily seeks to reduce economic and health inequalities and to strengthen communities and harnesses change to reduce inequalities in a borough where people are healthy and resilient, feel connected, and there are opportunities for all.
7. The Southwark social regeneration framework has three objectives: a borough wide approach to improving the wellbeing of current and future generations; a one Council approach to bring about improved well-being for people and places across Southwark; and wellbeing as a primary outcome of all our work. A key priority of the emerging framework was the need to hear from people who live, work or play in Southwark on their impression of change and the impact it has had on their lives.
8. Cabinet therefore also agreed that the draft social regeneration policy framework be further shaped and used as part of the evidence for a wider conversation with residents, partners and stakeholders and that a report be brought back on progress. This was known as "the Southwark Conversation". The Southwark Conversation ran from 19<sup>th</sup> October up until 24 December 2017. It involved 109 separate events alongside receipt of 2,923 individual responses. Initial findings from the Southwark Conversation were reported to Cabinet on 13 March 2018.

9. Findings from the Southwark Conversation along with existing empirical research make a strong business case for embedding health and wellbeing into the planning and development process. Research indicates the importance to local residents of health and wellbeing being properly considered and addressed through design early in the planning and development process and as part of a wider place-making approach. Evidence shows that the benefits to both the developer and wider society over the long term will generally outweigh costs.
10. Local communities are at the centre of everything we do. Community-centred approaches are fundamental to forge sustainable interconnections between our place, health and economic productivity. Through partnerships, social innovation and community mobilisation, we have a chance to reshape how we bring together people and ideas to promote place-making in a coherent way. This is based on local needs and demographic profiles and informed by an up-to-date local health evidence base. This includes a stronger integrated focus on: movement and access; open spaces, play, and recreation; the food environment; buildings; neighbourhood spaces and infrastructure; and the local economy.
11. This paper therefore proposes amendment to strategic management arrangements that will provide the appropriate focus and professional connection between the key elements of planning, regeneration, and health and community engagement. Details are set out in paragraphs 14 to 18.

## **KEY ISSUES FOR CONSIDERATION**

12. Southwark Council continues to evolve, responding to new challenges and opportunities. Over the past decade, rationalising senior management structures and reporting lines has been a key element of our efficiency programme. In addition, we have an opportunity to make use of a partnership with PHE that effectively provides us with a strategic director level officer at a cost to the council of a director level post.
13. In the major reorganisation in 2012, the chief executive's department absorbed the regeneration and planning departments and has since contributed significant savings towards corporate targets. A key underlying principle of that reorganisation was a commitment to the chief executive having departmental responsibilities alongside the head of paid service role. This continues as economic development, emergency planning, external affairs and scrutiny all remain in the chief executive department. In addition, to fully utilise the remainder of the secondment period agreed with PHE, there will be further consideration given to future structural reorganisation as this period comes to an end. This consideration is also an inevitable part of the continuing impact of government austerity measures on local government.
14. This report proposes that the planning and regeneration divisions of the current chief executive department, and their specific responsibilities, transfer to the new strategic director for place and wellbeing (and in line with the terms of the creation of a temporary post of strategic director place and wellbeing).
15. A further element of consolidation concerns the aim to pilot a single department with a single chief officer dedicated to the delivery of the social regeneration policy framework and asset based community development. Cross-

council teams of officers are already working in an integrated way to support social regeneration policy outcomes. The creation of a single department focusing on place and wellbeing will add value to this process and further strengthen and integrate the councils' planning, regeneration, health and, where most directly relevant, community engagement functions.

16. The resulting changes in detail are:
  - The creation of a new post of strategic director, place and wellbeing incorporating the statutory role of the director of public health for the period 1 September 2018 to 30 September 2020.
  - The transfer of the planning and regeneration divisions from the chief executive's department to a new 'place and wellbeing' department
  - The transfer of the public health division from environment and social regeneration department to the new place and wellbeing department.
  - The transfer of the voluntary and community sector (VCS) commissioning team and the relevant community engagement responsibilities, principally the consultation and involvement team, equalities and inclusion plus communities projects from the strategic director for housing and modernisation to the new place and wellbeing Department.
  
17. The combining of divisions and teams to create the new place and wellbeing department offers additional benefits including opportunities for joint working and commissioning around social regeneration, asset based community development, improved data, knowledge and intelligence to inform planning decisions and community engagement approaches. Other opportunities include efficiencies of back office functions, sharing of technical support in areas such as needs assessment, workforce planning, equalities and community engagement, with a single point of contact for external agencies interested in place shaping and creating healthy sustainable communities. Once new arrangements are in place, a regular process of review through normal business planning will ensure these arrangements continue to be effective and provide the right safeguards to the discharge of statutory functions.
  
18. In parallel the creation of a new strategic director led department on place and wellbeing, provides an opportunity to further accelerate the council's commitment to integrated health and wellbeing across all council activities including through a. "health in all policies" approach. In so doing, the place and wellbeing department's strong focus on social regeneration will be complemented by embedded strategic and operational partnerships with housing, education, social services, environment, leisure, modernisation, economy and corporate functions.
  
19. In creating the new strategic director led department on place and wellbeing, the existing environment and social regeneration department will be subsequently named environment and leisure.
  
20. Appendix 1 describes the proposed structure chart arising from the proposals set out in this report.

## **Policy implications**

21. Southwark's Constitution (Part 3c 4) includes amongst those matters reserved for Cabinet:

Decisions regarding the strategic management of the council including decisions on major reorganisations and major reallocations of functions between departments or chief officers.

22. This report details the proposed major re-allocations of functions between departments. Any more minor operational or structural decisions as a consequence of these additional functions will be the subject of delegated decision making of either the head of paid service or the relevant strategic director as appropriate.
23. There are no other changes to the designation of the statutory roles within the council as a result of the proposals above with the exception of the designation of the director of public health now being the strategic director place and wellbeing. This change of designation is subject to approval by council assembly.

## **Community impact statement**

24. The public sector equality duty requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities. This change to management structures is designed to improve the visibility, efficiency and effectiveness of our ways of working and simplify how our communities deal with us. Bringing together the planning, regeneration, communities and public health functions strengthens our commitment to urban renewal, asset based community development, and the promotion of place based approaches to improving wellbeing and with it advances equality of opportunity through outcomes achieved.
25. Front line services will remain protected whilst ensuring the necessary business of running the council remains effective and efficient. Proposals are specifically geared to improvements in service delivery through better alignment of functions and encouragement of integration of activity whilst achieving any necessary ongoing savings through efficiency in management and support functions.

## **Resource implications**

26. There are no additional costs associated with the temporary creation of this strategic director role. No additional posts are being created and it is envisaged that the new department will be able to engender further efficiencies through improved ways of working.

## **Consultation**

27. The chief executive has consulted with the Leader and the chief officer team and senior colleagues affected by these proposals and with PHE. Further detailed consultation with staff and Trade Unions is necessary to progress the detail of the changed organisational structure insofar as they affect individuals, in accordance with the council's established reorganisation procedures. It should be noted however that these arrangements are temporary given the nature of the shared secondment with PHE and associated resources; the proposed changes represent a realignment of existing organisational divisional and team structures, with no material impact at this point on staff within those teams.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Director of Law & Democracy**

28. The approval of the creation of posts at grade 17 and above, which would include the post of strategic director place and wellbeing, is a matter reserved for cabinet under Part 3C of the constitution. Cabinet is also responsible for making any decisions regarding the strategic management of the council including decisions on major reorganisations and major reallocations of functions between departments of chief officers. The recommendations in this report are therefore properly matters for the Cabinet to decide.
29. The Appointments Committee has a role in appointing chief officers. As set out in the recommendations, to the extent that serving chief officers are allocated other chief officer duties, this is a matter for the head of paid service.
30. With regard to Recommendation 2 of the report, Council Assembly has the role of designating the posts within the management structure which carry the functions of the designated statutory officers.
31. The recommendations affect officers whose roles are defined by statute.
32. Cabinet should note that the director of health and wellbeing is on secondment from Public Health England (PHE). PHE's agreement to the changes in the seconded role is required. It is understood that has been sought and that that PHE do not object. Further PHE, on behalf of the Secretary of State for Health, must be satisfied that the job description fits with the statutory responsibilities and mandated responsibilities of the director of public health. Formal confirmation of this will be required.
33. Cabinet should also note paragraph 27 of the report which sets out the consultation which has been undertaken and is proposed to be undertaken in respect of the recommendations of the report.
34. Cabinet are reminded of the PSED general duty under section 149 of the Equality Act 2010 when making a decision, to have due regard to the need to:
  - a. Eliminate discrimination, harassment, victimisation or other prohibited conduct;

- b. Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it;
- c. Foster good relations between person who share a relevant protected characteristic and those who do not share it.

### Head of Human Resources

35. Consultation has taken place with those directly affected by these proposed changes to their reporting lines. While the management reach of the director of public health is expanded (into the proposed strategic director of place and wellbeing role), there are no other substantial changes to jobs or redundancies. Further consultation will take place with staff and trade unions as part of preparatory arrangements, for example integration within the new department and maintaining strong links with other council services in order to make the transition a success.

### BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

### APPENDICES

No.	Title
Appendix 1	Proposed structure

### AUDIT TRAIL

<b>Cabinet Member</b>	Cllr Peter John, Leader of the Council	
<b>Lead Officer</b>	Eleanor Kelly, Chief Executive	
<b>Report Author</b>	Eleanor Kelly, Chief Executive	
<b>Version</b>	Final	
<b>Dated</b>	12 July 2018	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments Included</b>
Director of Law and Democracy	Yes	Yes
Strategic Director of Finance and Governance	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>	12 July 2018	