

COUNTY COUNCIL

1 November 2017

Appointment of the Chief Executive (Head of Paid Service) and associated changes to the Executive Management Structure

Report of the Leader of the Council

Purpose of the Report

The purpose of this report is to seek approval for the appointment of a Head of Paid Service (Chief Executive) in accordance with the provisions of the Local Authorities (Standing Orders) (England) Regulations 2001 and the County Council's constitution and to propose some subsequent changes to the underpinning executive structure.

As a consequence of the appointment of the Head of Paid Service the Director of Children's Service's Role becomes vacant. The current interim Director of Children's service is due to take flexible retirement in April 2018.

In order to ensure that Children's and Adult's Services management arrangements are robust this report therefore seeks to review and strengthen the leadership arrangements for the Council's key social care and education services.

In order to strengthen the roles that underpin the Adult Services and Children's Services roles this report seeks approval to reconfigure two current management roles and seek to approve one additional post (the latter post is wholly funded by the NHS).

Recommendations

To agree the following recommendations:

- 1. Agree that following a formal process, approve the appointment of Daljit Lally as the substantive Chief Executive and Head of Paid Service for Northumberland County Council with effect from 1st November 2017.**
- 2. Agree that the remuneration of the Chief Executive (Head of Paid Service) will be as outlined within this paper and then subject to ongoing review by the Staff and Appointments Committee.**

3. **Agree that this is currently a joint appointment with Northumbria Healthcare NHS Foundation Trust in which the postholder also holds the substantive Executive Director of Delivery role on a permanent basis. This may be reviewed in time should the requirements of either organisation change. the postholder will be substantively employed by the County Council.**
4. **Agree the changes to the underpinning Children's Services and Adult Services arrangements and approve the proposed wholly NHS funded additional post to the Executive Management Team Structure to support the Chief Executive who has a joint post with Northumbria Healthcare NHS Foundation Trust as outlined in Appendix 1.**
5. **Agree that these posts will be considered as suitable alternative employment as part of the current Executive Management Team restructure and where appropriate a formal recruitment process will take place for the roles.**
6. **Agree that the remuneration for these posts will be as outlined within this paper and then subject to on-going review by the Staff and Appointments Committee.**
7. **Note that it is proposed that the Service Director for Integration will be a joint appointment, which is fully funded by Northumbria Healthcare NHS Foundation Trust to ensure that the Council expands on the arrangement to continue to provide the very best health and social care arrangements for its residents across integrated health and social care services in the county.**
8. **The salaries for these posts are set at over £100,000 and need the formal approval of the full Council in line with the Council's Pay Policy Statement which states the following:**

"Any appointment within the Council that attracts a salary package of £100,000 or more will be considered by Full Council before it is advertised. Members will be given the opportunity to vote on whether they agree with proceeding with the recruitment for the post. Salary package in this respect includes salary and any other fees, allowances, bonuses and benefits in kind that the post holder would routinely be entitled to. This does not include the employers' pension contributions should the post holder choose to join a pension scheme."
9. **The post holders will be responsible for leading and managing a comprehensive portfolio across diverse areas of the council and its partners within the revised Executive Management Team arrangements therefore it is requested that these changes are supported by Full Council.**

Links to the Corporate Plan

In line with Section 4 of the Local Government & Housing Act 1989 Northumberland County Council must ensure that it fulfils its duty to designate one of their officers as its Head of Paid Service.

The Head of Paid Service is required to report to the Council as appropriate with regard to the way in which the overall discharge by the Council of its different functions is coordinated, the number and grades of staff required for the discharge of these functions, the way in which these people are organised and managed, and the way in which they are appointed.

This report ensures that the Council is managed and governed in line with legislation and the structure of accountability is clearly set out transparently.

Background

1. Following the departure of the previous Chief Executive in May 2017, the Deputy Chief Executive has temporarily acted as the Interim Chief Executive and Head of Paid Service.
2. The council is required to appoint a Head of Paid Service in line with Section 4 of the Local Government and Housing Act 1989.
3. The Council's Constitution requires an Appointing committee to be convened, chaired by the Leader of the Council to deal with the selection process. This has been managed in accordance with the Council's Management of Change guidelines.
4. Northumberland County Council has recently adopted a revised executive management structure and this is currently being implemented but due to the Chief Executive being a joint role with Northumbria Healthcare NHS Foundation Trust further executive management support is required to support the Chief Executive.
5. The Chief Executive has worked with the Leader of the Council and Cabinet members to develop a proposal for an Executive Management Team, which can provide long-term stability and support to Northumberland County Council to achieve its strategic priorities. These priorities have been considered and the structure for education and health and social care is proposed to be amended to ensure that these core priorities for the administration have the appropriate leadership arrangements.
6. There is a history of some shared posts with Northumbria Healthcare NHS Foundation Trust and these are based on historical integrated health and social care arrangements which operate under a successful partnership agreement. The introduction of a new role of Service Director: Integration is seen to enhance this arrangement. The NHS wholly funds this role.

Issues for Consideration

1. An appointing committee was convened on 11th October 2017, chaired by the Leader of the council as part of the selection process associated with the Executive Management Restructure.

2. The selection process was part of the Executive Management Restructure in which Mrs Lally's post of Deputy Chief Executive was deleted from the previous structure.
3. The appointing committee was chaired by Cllr Jackson as Leader of the Council and leader of the Conservative Group and the following members were also part of the committee:
 - Cllr J G Davey, Leader of the Labour Group
 - Cllr L Rickerby, on behalf of the Leader of the Liberal Democrat Group
 - Cllr C Homer, Member of the Staff and Appointments Committee.
4. Following a formal interview on 11th October, the Appointing Committee agreed that, subject to approval by the remaining members of the Staff and Appointments Committee and subject to approval by the County Council, Mrs Daljit Lally OBE should be offered the post of Chief Executive (Head of Paid Service)
5. Details of Mrs Lally's background and experience are attached as appendix 2.
6. In accordance with regulations introduced under the Local Government Act 2000, all members of the Cabinet were informed of the Appointing Committee's proposals. The Leader has confirmed to the Monitoring Officer that the Cabinet has no objection to the proposed appointment.
7. The proposal is that the salary for the post of Chief Executive will be £190,000. which is 0.5 wte funded by Northumberland County Council as part of the joint arrangements with Northumbria Healthcare NHS Foundation Trust.
8. Before setting the salary, the role was evaluated through Job Evaluation (JE), as is the case for all County Council roles. In addition, market testing was carried out based on current pay levels for existing chief executives in county, unitary, and district and borough roles was used. Based on this data, it was agreed a correct and competitive salary for the role, would be spinal point 4 on the NJC Chief Officer's Pay scale of: £189,586 per annum.
9. The regulations require the full County Council to approve the appointment of the Head of the Paid Service and members are therefore asked to agree the recommendation set out above.
10. The role of a part-time Project Director is proposed to report directly to the Chief Executive and will provide leadership and support on key projects relating to raising educational and skills attainment for the county. The proposed banding for the role is Band 18 and the post is to be established as 0.6 wte.
11. The role of Service Director: Education and Skills is a re-configured role which was previously the Head of School Improvement.

The revised salary band for this reconfigured role is Band 17. It is proposed that the new Service Director: Education and Skills role will provide structured leadership and challenge within the education system within Northumberland to ensure that standards are raised and maintained during a challenging period. The Service Director: Education and Skills is proposed to be a full-time role and will report directly to the Executive Director of Children's Services.

12. The role of Service Director for Adult Safeguarding and Commissioning is a reinstatement of a previous role within the structure and is at proposed to be at Band 17.
13. That the role of a part-time Service Director: Integration is established to lead, promote and facilitate integrated working and organisation between primary, secondary and social care across the county of Northumberland. This role has been proposed to be fully funded by Northumbria Healthcare NHS Foundation Trust. The Service Director: Integration will report directly to the Chief Executive and Head of Paid Service. The proposed banding for the role is Band 17 and the post is to be established as 0.6 wte.

Proposed Job Descriptions and Gratings

All proposed job descriptions for the above roles have been drafted and evaluated using the Local Government Evaluation (LGE) job evaluation scheme. The grading of posts is as follows:

Chief Executive:	NJC Chief Executive
Project Director:	NCC Band 18
Service Directors	NCC Band 17

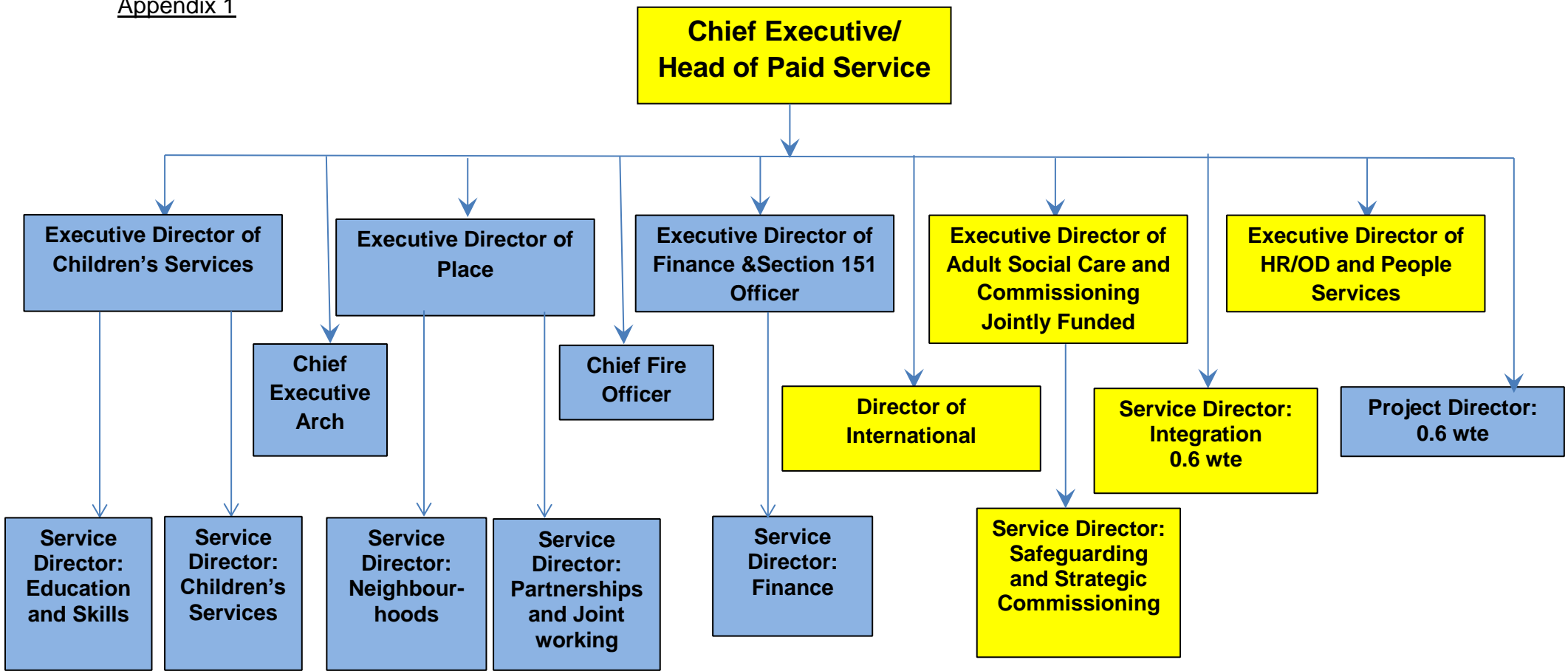
All grading's for these post's, subject to approval will be published on the Council's website in line with the requirements of the Local Government Transparency Code (2015).

Processes associated with Managing the Changes to the Executive Management Team Structure

All changes to the new Executive Management Team Structure will be managed in line with the Council's managing change policy and these new roles will be factored into that process. Where appropriate there will be opportunities for existing Corporate Leadership Team members or members of Northumbria Healthcare NHS Foundation Trust's Executive Management Team to be considered for these roles if appropriate and subject to internal processes.

Kelly Angus
Director of HR
October 2017

Appendix 1



Key: Coded yellow:
Shared/Fully funded
post with partner
organisations

Mrs Daljit Lally OBE

Daljit Lally is the current Interim Chief Executive of Northumberland County Council and is employed in a formal joint role between the County Council and Northumbria Healthcare NHS Foundation Trust where Daljit is the Executive Director of Delivery. Daljit has previously worked in a formal joint role between the County Council and the NHS since 2007 and until September 2017 was the Executive Director of Community Health Services.

In her career Daljit has worked in a range of business and hospital/care settings including the petroleum industry, hospitals, community settings, care homes and SME's, For a number of years Daljit worked as a warranted Nurse and Social Care Inspector regulating hospitals, hospices and care facilities and in senior management positions in the private sector, the NHS and local government.

Daljit specialises in developing and delivering integrated care services, working closely with elected members, health professionals, academic organisations and local communities to develop and implement policy and services to assist residents to live independent, successful lives.

In January 2016, Daljit received the honour of OBE from Her Majesty the Queen for services to the community by integrating health and social care.

As the joint Interim Chief Executive for Northumberland County Council and the Executive Director of Delivery (Northumbria Healthcare NHS Foundation Trust), Daljit has led many initiatives including developing joint teams, seamless services for patients and supporting the development of senior leadership and management teams.

Appendix 3

Implications:

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Policy:	This policy is in line with Council policy. The Transparency Code will be amended as appropriate.
Finance and value for money:	The additional posts will be recruited as described within the report.
Legal:	There are no direct legal implications arising from this report which has been reviewed by the Council's Monitoring Officer.
Procurement:	Not applicable
Human Resources:	All contractual changes will be made accordingly and any permanent appointments made in due course will be subject to a formal appointment process in line with best practice.
Property:	Not applicable
Equalities:	An Equality Impact Assessment has not been prepared for this change in establishment.
Risk Assessment:	The risks within the paper are regarded as manageable if the proposed changes are made.
Crime and Disorder:	Not applicable
Customer Consideration:	Strong leadership within the Executive Management Team will ensure improved services for the population of Northumberland.
Carbon Reduction:	Not applicable
Wards:	The proposals are not related to any particular ward but cover the whole of Northumberland.

Background papers:

None

Report sign off:

Authors must ensure that officers and members have agreed the content of the report:

Finance Officer	Alison Elsdon
Monitoring Offer/Legal	Liam Henry
Human Resources	Kelly Angus
Procurement	N/A
IT	N/A
Executive Director:	Daljit Lally
Portfolio Holder(s)	Cllr P Jackson

Author and Contact Details

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