Agenda Item No.

5

HERTFORDSHIRE COUNTY COUNCIL

EMPLOYMENT COMMITTEE
MONDAY, 5 FEBRUARY 2018 AT 2.30PM

CREATION OF DIRECTOR OF ENVIRONMENT AND INFRASTRUCTURE POST

Report of the Assistant Director of Human Resources having consulted the Leader of the Council

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1. Purpose of report

1.1 This report has been requested by the Leader of the Council and seeks approval for the creation of a new Chief Officer post of Director of Environment and Infrastructure.

2. Summary

2.1 The Employment Committee is responsible for the appointment of the Chief Executive and the Director of Environment and Chief Officers

2.2 This report sets out the context and rationale for the proposal to separate the roles and responsibilities of the Chief Executive and Director of Environment to create a new chief officer post to be known as the Director of Environment and Infrastructure. The Chief Executive as Head of Paid Service agrees to the creation of the new post of Director of Environment and Infrastructure.

2.3 The senior management structure comprises part of the Council's Constitution. Any decisions to separate the roles and responsibilities of the Chief Executive and Director of Environment and to create a new Chief Officer post would constitute changes to the Constitution and should be reported to full Council.

2.4 Full Council would also need to consider revising its delegations to chief officers to reflect the agreed changes to the senior management structure and the Leader of the Council would need to consider revising the delegations of executive functions.

3. Recommendations

3.1 That the Committee agree that:

(a) subject as mentioned in (b) below, with effect from 1 April 2018, the roles and responsibilities of the Chief Executive and Director of

Environment be separated and a new Chief Officer post of Director of Environment and Infrastructure be created with the principal areas of responsibility set out in paragraph 4.4 of the report.

(b) pending appointment to the post of Director of Environment and Infrastructure, that the Chief Executive undertakes the role of Director of Environment and Infrastructure.

3.2 That Committee recommend that Council:

(a) agrees for inclusion in the Constitution a revised senior officer structure to include the post of Director of Environment and Infrastructure with the principal responsibilities as set out in paragraph 4.4 of the report and the revised officer structure to take effect from 1 April 2018 (As shown in Appendix 2).

(b) delegates to the Director of Environment and Infrastructure the functions currently set out in paragraph 4.4.5 of Annex 3 to the Constitution and currently delegated to the Chief Executive and Director of Environment (the Chief Executive to retain such delegations until the Director of Environment and Infrastructure takes up post).

(c) confirms that the post of Chief Executive is designated as Head of Paid Service with the principal responsibilities set out in paragraph 4.5 of the report and retains the delegations in paragraphs 4.4.1 – 4.4.4 of Annex 3 to the Constitution.

(d) authorises the Chief Legal Officer to make to make any consequential amendments as may be necessary to the Constitution to give effect to the decisions at (a) to (c) above.

4. Background

4.1 Since 2012, the roles and responsibilities of the Chief Executive and the Director of Environment have been combined and fulfilled by one officer. The decision to form the combined role was taken at a time when the Strategic Management Board had one more member than today and priorities and demands on the Authority made this a viable option. Appendix 1 sets out the changes to the Chief Officer structure from 2011 up to the present.

4.2 It is clear from Appendix 1 that there have been a number of changes reflecting a changing context since 2012. There is a need to keep this structure under continual review and there have been two particular drivers leading to the proposal in this report.

The role of Chief Executive has had an increasing expectation placed upon it to contribute to strategic external issues, for example the creation of a major change programme within the NHS, known as the NHS Sustainability & Transformation Partnership (STP). In particular, cross sector Chief

Executive attendance and accountability is expressly required in the STP, involving attendance at regular board meetings as well as contributing to ongoing activity outside those meetings. A greater engagement with the governance of Clinical Commissioning Groups is also often required, alongside managing strategic relationships with individual Chief Executives and Chairmen. In its current form the Chief Executive aspect of the role has been delivered through a reduction in participation in external networks and there is pressure for the postholder to play a greater role nationally going forward. The Chief Officer team may also need to be reviewed depending on the outcome of the Police and Crime Commissioner's bid to take over the governance of the Hertfordshire Fire and Rescue Service.

Alongside that, responding to and managing the significant growth planned in Hertfordshire is a key priority for the Authority requiring increased attention from the officer with the responsibilities of the role of the Director of Environment. To give some context of the scale of the Growth Challenge: cumulative District and Borough Local Plans across the county provide for 91,000 new homes, 92,000 new jobs and forecast a 20% increase in traffic up to 2031. Much of this growth is through strategic development requiring board level presence. Hertfordshire County Council needs to play an active role in the delivery of this growth, not least of which will be securing sufficient infrastructure for all County Council services.

4.3 In comparison to other County Councils of a similar size, the County Council has the lowest total pay bill for the Chief Executive and their direct reports compared to Kent, Essex, Hampshire and Norfolk. Furthermore, when reviewing the number of roles as referenced in the 2017 Taxpayers Alliance Town Hall Rich List, Hertfordshire has 13 roles paid over £100k, which is significantly fewer roles paid greater than or equal to £100k than for example Essex with 36 and Kent with 26.

When comparing the number of direct reports to the Chief Executive for Essex, Buckinghamshire and Surrey the average is 6. Hertfordshire County Council's Chief Executive currently has 5. The proposed change would mean the County Council equating to the average of 6, and below Essex's Chief Executive who has 8 Executive Directors reporting to him.

4.4 To address the challenges referred to in paragraph 4.2, it is proposed that a new post of Director of Environment and Infrastructure is created. The responsibilities of this post will be:

- to provide overall direction to his/her department;
- to lead Hertfordshire County Council's engagement and negotiations with Hertfordshire's 10 Local Planning Authorities on growth, development and associated infrastructure;
- to be at the forefront of strategic discussions influencing how growth can be accommodated;

- to be responsible for services in respect of planning, highways, rights of way, waste management, traffic regulation, traffic management, road safety, passenger transport and tourism;
- to be responsible for strategic planning and economic well-being;
- to secure infrastructure for County Council services; and
- to promote and deliver the County Council's housing strategies.

4.5 A new Chief Officer structure reflecting the proposals in this report is shown in Appendix 2 and should Committee agree to this proposal, this structure will be proposed by the Chief Executive as Head of Paid Service to full Council for adoption into the Constitution.

4.6 The post of Chief Executive would be the designated Head of Paid Service for the Council and would have the following principal areas of responsibility:

- Overall corporate management and operational responsibility, including overall management responsibility for all officers; and
- Lead policy adviser to the Council and the Executive.

4.7 The Chief Executive as Head of Paid Service has proposed the revised management structure (should the Committee agree to the proposal to create the new Chief Officer role). The Director of Environment and Infrastructure would be a member of the Strategic Management Board of the Council and the post of Deputy Director Environment would no longer be a member of the Strategic Management Board. All other duties and terms and conditions of the Deputy Director Environment would not be changed as a result of this proposal.

4.7 The Chief Executive would cease his existing role in relation to Environment, other than as line manager to the Director of Environment and Infrastructure and his terms and conditions would not be changed as a result of this proposal.

4.8 It is proposed that the post of Director of Environment and Infrastructure be created with effect from 1 April 2018. Pending appointment to this post the Chief Executive will retain his current Director of Environment responsibilities and delegations.

4.9 In making the recommendation to separate the combined post of Chief Executive and Director of Environment and to create a new Chief Officer post of Director of Environment and Infrastructure the option to carry on "as is" has been given full consideration. It has been concluded that this is unsustainable and unlikely to meet the priorities of the County Council.

5. Financial Implications

5.1 The recommendation to create a new Chief Officer post of Director of Environment and Infrastructure is expected to necessitate offering a

headline salary of around £130,000 per annum (£166,000 including on costs). This cost will be partially offset through some adjustments to the Assistant Director structure in the department. This estimate is given in the context that the salary range for Chief Officers is £121,106 - £163,534 (April 2017).

5.2 Even with the proposed new post, the cost of the Environment senior management team is around £300K less than it was in April 2012 when the current arrangement started.

5.3 With the inclusion of this new post and taking into account the changes in the Chief Officer team reflected in paragraph 4.2., the overall cost of the Chief Officer team is comparable with the April 2012 position.

5.4 The additional cost arising from the new post can be met from within the proposed Integrated Plan for 2018/19 - 2021/22.

6. Equalities implications

6.1 When considering proposals placed before Members it is important that they are fully aware of, and have themselves rigorously considered the Equality implications of the decision that they are making. Rigorous consideration will ensure proper appreciation of any potential impact of that decision on the County Council's statutory obligations under the Public Sector Equality Duty. As a minimum this requires decision makers to read and carefully consider the content of any Equalities Impact Assessment (EQiA) produced by officers.

6.2 The Equality Act 2010 requires the County Council when exercising its functions to have due regard to the need to (a) eliminate discrimination, harassment, victimisation and other conduct prohibited under the Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The protected characteristics under the Equality Act 2010 are age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion and belief, sex and sexual orientation.

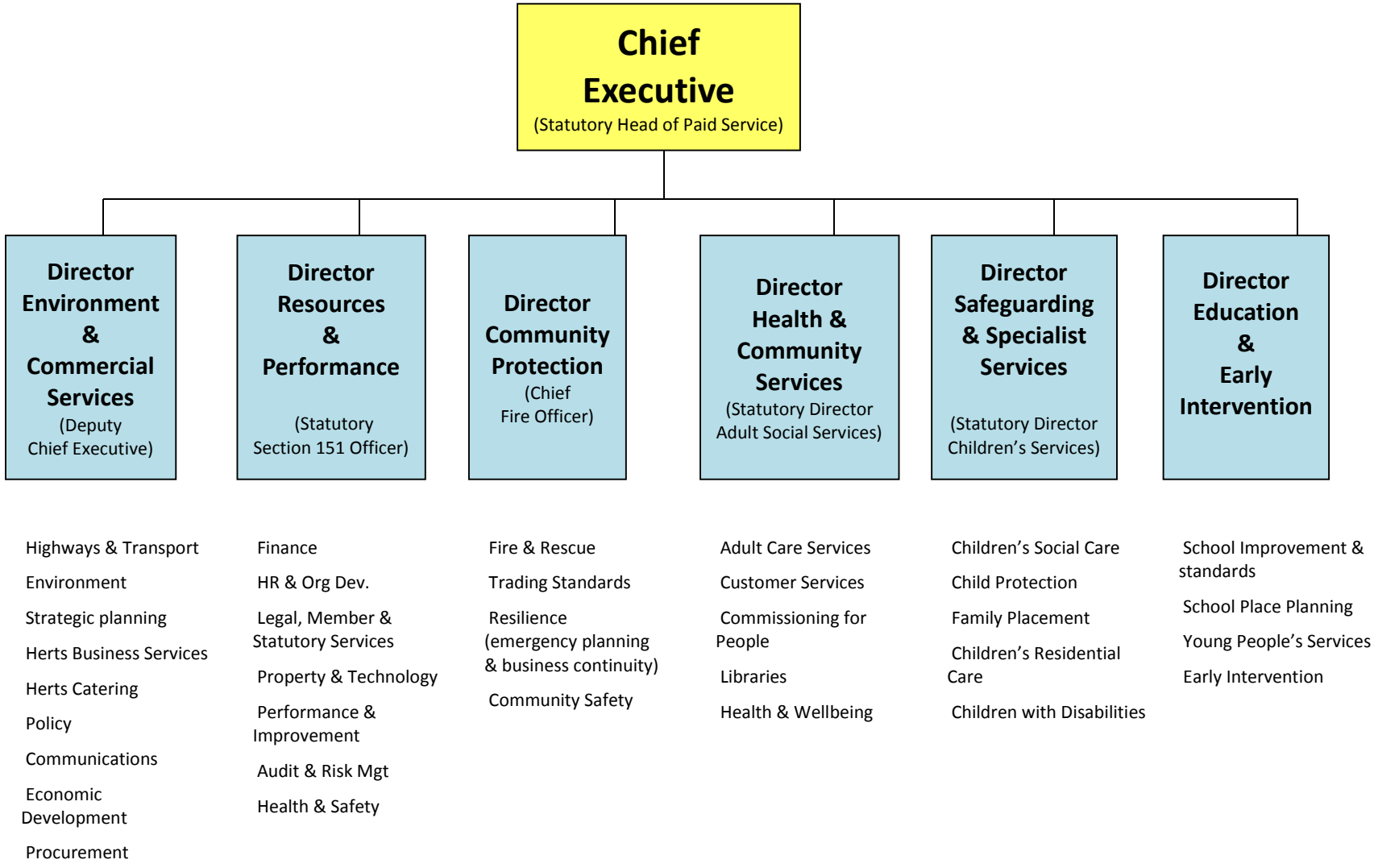
6.3 There are no equalities implications in relation to the decisions recommended in this report. Any equalities implications relating to the implementation of the decisions will be taken into account as part of the recruitment and selection process.

Appendix 1

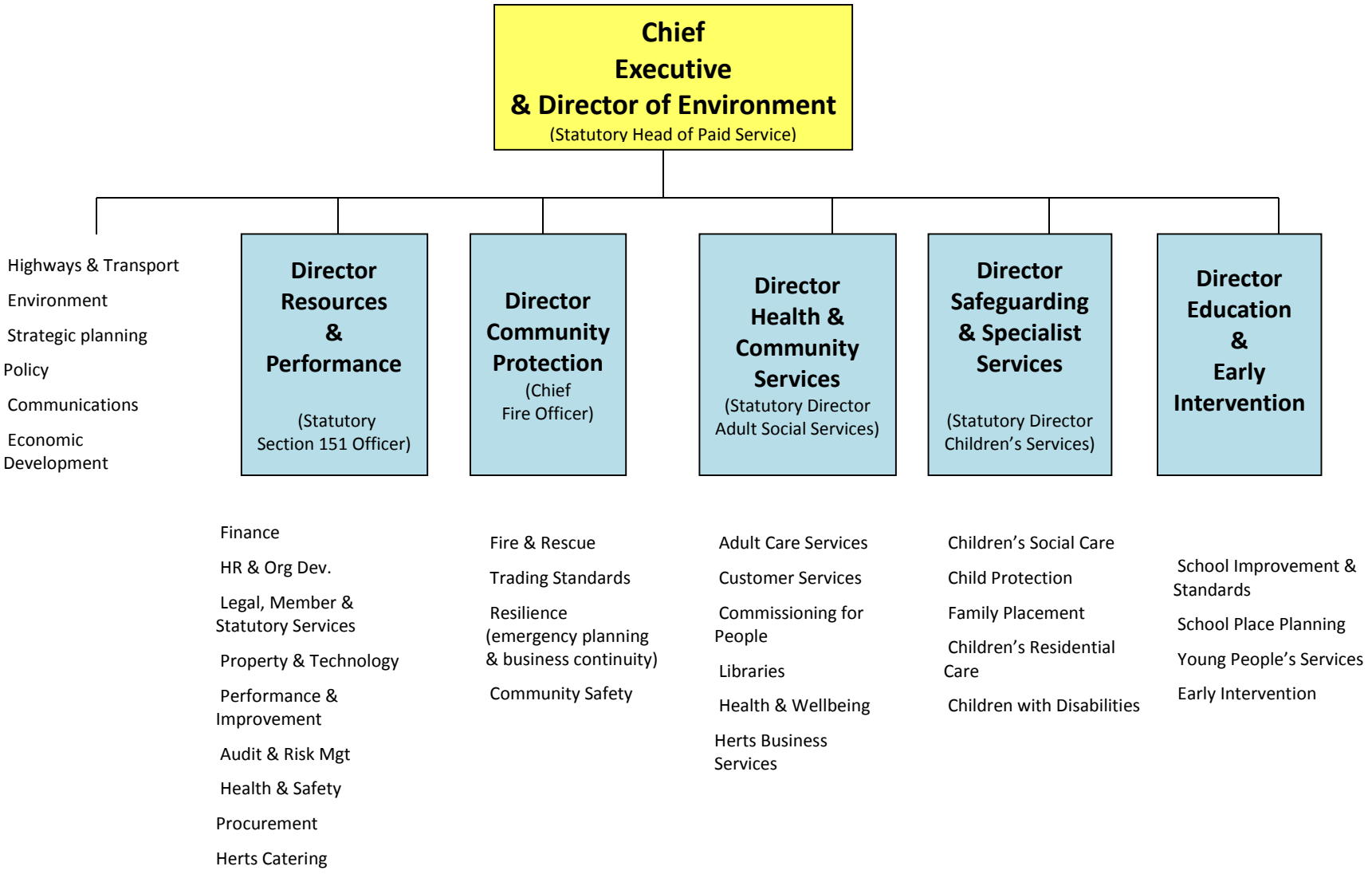
Employment Committee report 5 February 2018

Strategic Management Board (SMB)

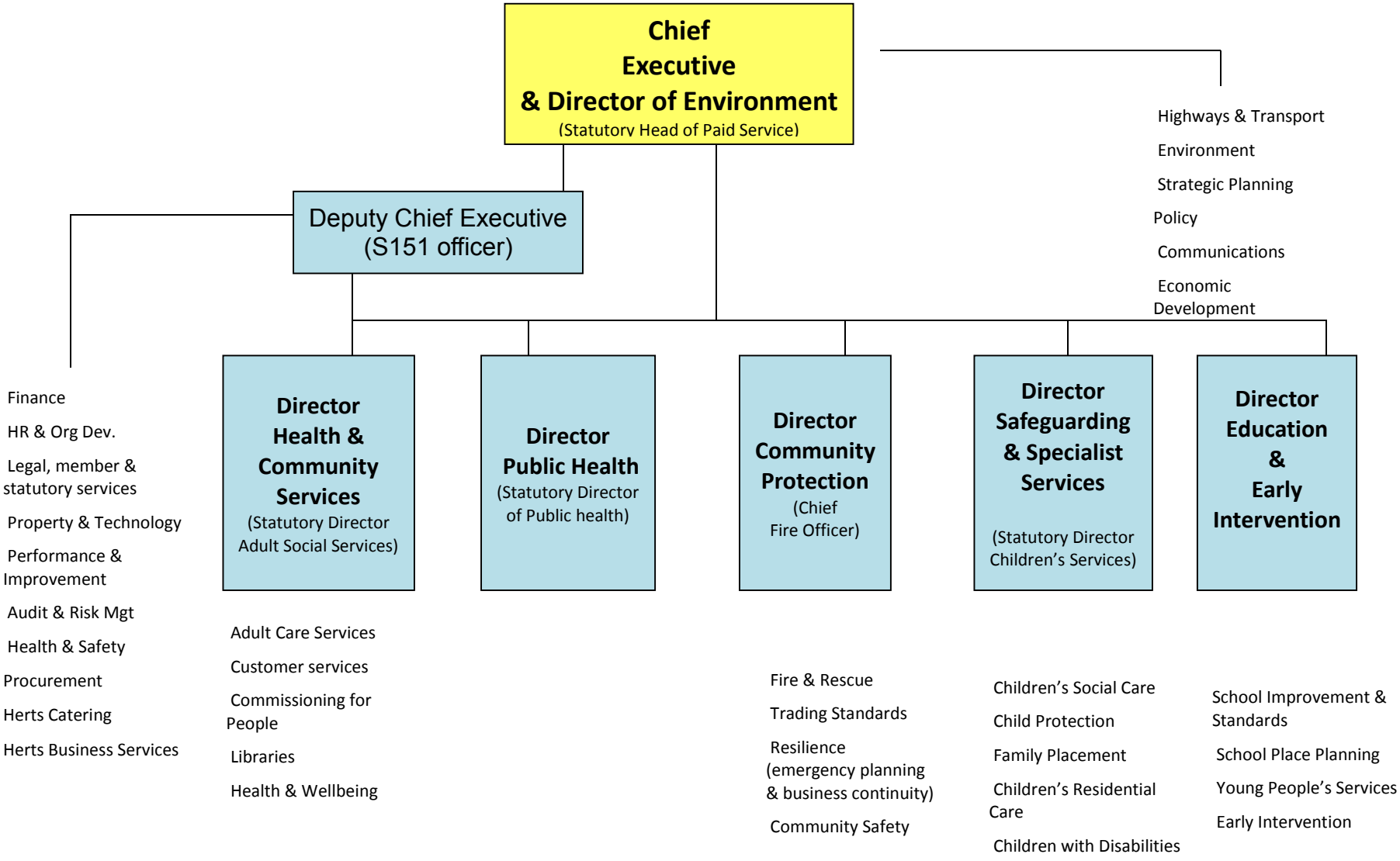
(structure as at 1 October 2011)



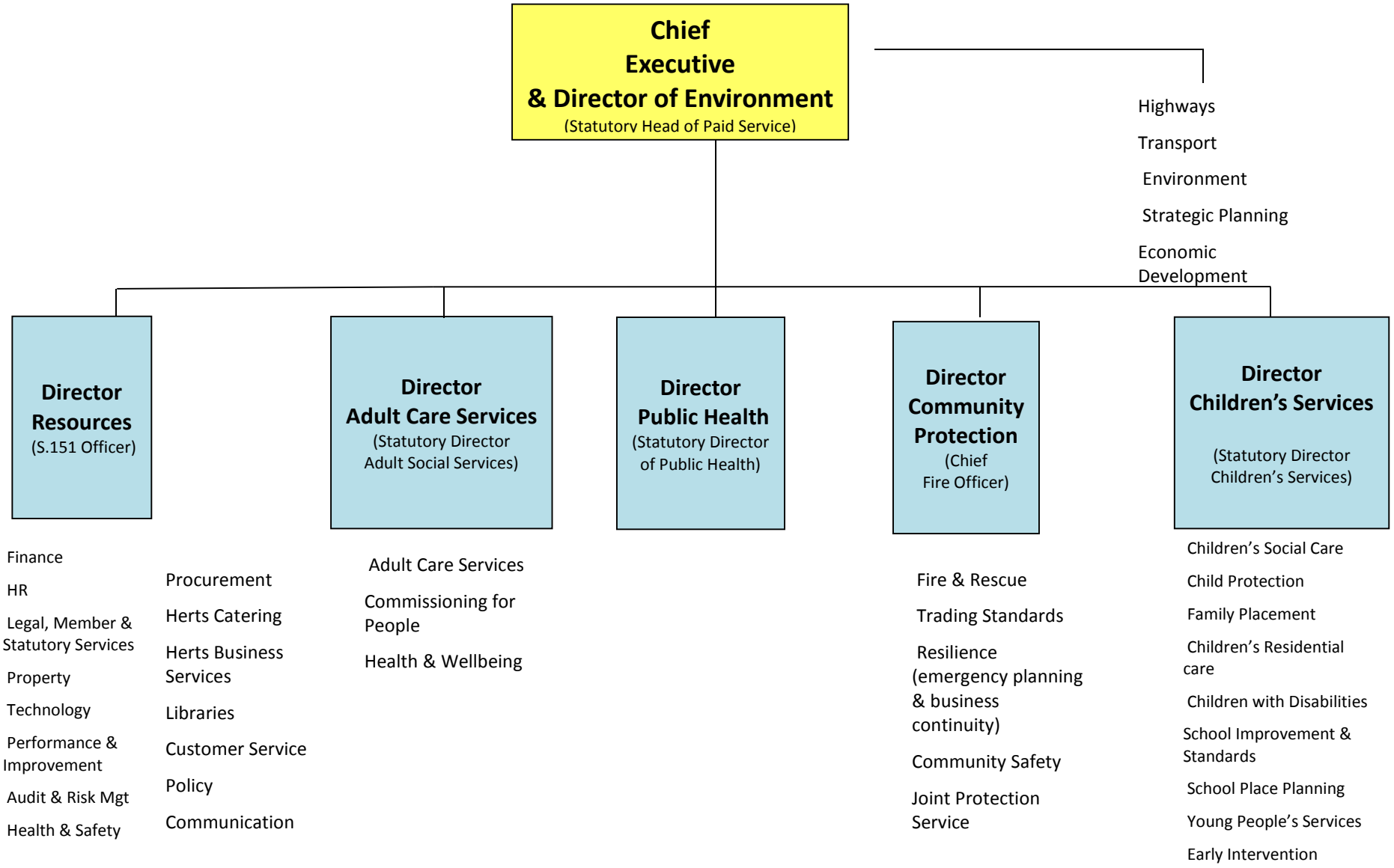
Strategic Management Board (SMB)
Statutory and service responsibilities (June 2012)



Strategic Management Board (SMB)
Statutory and service responsibilities April 2013



Strategic Management Board (SMB)
Statutory and service responsibilities July 2017



Appendix 2

Strategic Management Board (SMB) April 2018
Statutory and Service responsibilities

Chief Legal Officer
(standing invitee)

Chief Executive
(Statutory Head of Paid Service)

Director of Environment & Infrastructure

- Highways Management & Maintenance
- Transport & Infrastructure Planning & Delivery
- Environmental Management
- Passenger Transport
- Strategic Planning
- Economic Development
- Housing Strategy & Delivery
- Securing HCC Infrastructure Needs

Director Resources
(S.151 Officer)

- Finance
- HR
- Legal, Member Statutory Services
- Property
- Technology
- Performance & Improvement
- Audit & Risk Mgt
- Health & Safety
- Procurement
- Herts Catering & Herts Business Services
- Libraries
- Customer Service
- Policy
- Communication

Director Adult Care Services
(Statutory Director Adult Social Services)

- Adult Care Services
- Commissioning for People
- Health & Wellbeing

Director Public Health
(Statutory Director of Public Health)

Acting Director of Community Protection
(Chief Fire Officer)
Pending outcome of PCC bid for HFRS governance

- Fire & Rescue
- Trading Standards
- Resilience (emergency planning & business continuity)
- Community Safety
- Joint Protection Service

Director Children's Services
(Statutory Director Children's Services)

- Children's Social Care
- Child Protection
- Family Placement
- Children's Residential care
- Children with Disabilities
- School Improvement & Standards
- School Place Planning
- Young People's Services
- Early Intervention