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To: County Council

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Subject: County Council Directorate and Strategic Commissioning Structure

Classification: Unrestricted

Summary: The paper recommends changes to senior level posts in the Authority, and the consequent redesign of two Directorates, and reports on the outcome of the consultation process on these revisions. It also recommends a new top tier post to deliver strategic commissioning support to all Directorates.

RECOMMENDATIONS

The County Council is asked to:

- Approve the proposed operating framework which sees the deletion of two existing Corporate Director posts and the introduction of two new ones leading to two new Directorates, as recommended by the Personnel Committee.
- Approve the new senior level post of Strategic Commissioner reporting to the Head of Paid Service.
- Authorise the Monitoring Officer to make any necessary and consequential changes to the Constitution as outlined in section 4 of this paper.
- Note the actions and timescale that will result from this decision as outlined in section 8 of this paper.

1. BACKGROUND

- 1.1 The current top tier operating framework for Kent County Council has been in place since December 2011.
- 1.2 It has successfully supported a number of significant service transformation programmes across all areas of the Authority, including the move to becoming a Commissioning Authority which was agreed by the County Council in July 2013. The principles for this were explained in the paper “Facing the Challenge: Whole Council Transformation”.
- 1.3 Since 2011 there have been some changes to Director posts when the roles within a Directorate have needed to adapt to the changing operating environment, not least in relation to the increasingly difficult reality of

reducing financial resources. In addition, a series of steps have been taken to ensure the requirements of becoming a Commissioning Authority are understood and implemented.

- 1.4 Over the last two years, the Personnel Committee has regularly reviewed the sustainability of the top tier structure of the organisation through reports on the impact of internal and external changes and outcomes of succession planning and organisation development activity.
- 1.5 It is within this context that the current proposals for two new Directorates and changes to overarching commissioning arrangements are made which will, subject to County Council agreement, be in place from 3 April 2017.
- 1.6 The overall objectives for the changes proposed in this paper are to:
 - Ensure the operating framework is best placed to deliver the Strategic Statement outcomes.
 - Ensure that responsibility for our services to Children, Young People and Families is vested in a single Corporate Director to allow a relentless focus on continual improvement from a single accountable person at the top tier of the Authority.
 - Recognise the considerable and increasing challenges involved with the provision of social care to vulnerable adults and older people, create the capacity at the most senior level for innovative and sustainable solutions and implementation of the transformation already clearly set out in the vision and strategy for adult social care 2016-21 “Your life, your wellbeing”.
 - Take the next step in realising the benefits of being a Commissioning Authority by meeting the need for comprehensive professional strategic commissioning advice to all Directorates across the Authority.
 - Provide an organisation design which will enable real progress on the agenda to integrate with health services in Kent wherever and as quickly as possible.
 - Put an end to any residual capacity for a silo working approach in any part of KCC by reinforcing accountabilities for joint responsibility and working at all levels and services and developing professional skills which are available for the benefit of all. This whole council ethos is essential if we are to meet the challenges facing local government.
 - Be able to respond effectively to external factors and challenges by having clarity of responsibility and accountability, specialist support to our expert service delivery teams and the capacity to continuously improve.
 - Strengthen our capacity and capability to work effectively to deliver transformation whether working with or without our strategic partners.

2. PROPOSED DIRECTORATE STRUCTURES AND OUTCOME OF CONSULTATION

- 2.1 The proposed new structure sees the deletion of two current Corporate Director posts (the Corporate Director Social Care Health and Wellbeing and the Corporate Director Education and Young People's Services) and the creation of two new posts, a Corporate Director Children, Young People and Education and a Corporate Director Adult Social Care and Health.
- 2.2 The level of challenge and transformation across the services currently delivered by the Corporate Director Social Care Health and Wellbeing and the Corporate Director Education and Young People's Services resulted in the decision that action was needed to ensure the top tier structure in relation to these roles remained fit for purpose in the changing landscape. The current proposal will ensure that the structure remains aligned to the ability to deliver the Authority's strategic outcomes and agendas.
- 2.3 As part of the on-going activity to transform services to Children and Young People, the Authority's vision for the delivery of 0-25 services in Kent has been reviewed. This has reinforced the need to change the Directorate structures to enable a more effective and timely realisation of the vision.
- 2.4 A formal consultation was undertaken with the two Corporate Directors directly impacted by the proposal. However, given the significance of the proposed change, Directors in the two existing Directorates were also invited to provide a response, as were other senior staff providing professional support to the Directorates. Outline information on the proposed change was also shared with the circa 7,000 staff in the two Directorates.
- 2.5 Of the 11 senior Directorate managers invited to respond, 8 provided feedback, including the two Corporate Directors directly impacted. Formal written feedback was also received from a Director within Strategic and Corporate Services. Individual conversations were held with the two Corporate Directors both before and during the consultation period and with five of the Directors who provided feedback.
- 2.6 In the summary of consultation responses that follows, the Corporate Directors are referred to as "consultees" and others who provided feedback as "respondents".
- 2.7 A number of key themes emerged from the consultation:
- An alternative proposal from a consultee for a single Directorate covering all of the functions currently contained in Social Care Health and Wellbeing and Education and Young People's Services.
 - The need for a clear focus on safeguarding, whatever structure is agreed.

- The importance in terms of service delivery outcomes of lifespan pathways and support for the delivery of these being maintained in the Adult Social Care and Health Directorate.
 - The opportunity to consider commissioning arrangements as part of this change in line with the development of Commissioning Authority arrangements .
- 2.8 The positive impact of aligning the Directorate structure to the Change Portfolios was noted.
- 2.9 The confirmation of the report line for all Corporate Directors to the Head of Paid Service was welcomed.
- 2.10 Some other points of detail were commented on and these were reported to the Personnel Committee who considered the outcome of the consultation at their meeting on 16 December 2016. The Committee noted the outcomes of the consultation and agreed to recommend the creation of a Corporate Director Children and Young People and Education and a Corporate Director Adult Social Care and Health to the County Council.
- 2.11 The proposal for change responds to the clear feedback from the transformation discussions in relation to developing the vision for 0-25 services that this is best achieved if the key Divisions within Kent County Council providing services to families, parents and young people aged between 0 and 25 are brought together under the same Corporate Director structure. These Divisions are Specialist Children's Services, currently in the Social Care Health and Wellbeing Directorate and Early Help and Preventative Services, currently in the Education and Young People's Services Directorate.
- 2.12 With the need to ensure that all services to children and young people were delivered from the same Directorate universally accepted as the starting point for discussion, options for how this could be best achieved were considered by the consultees and respondents. This included consideration of the two new Directorates proposed in this paper or one larger Directorate combining the current Social Care Health and Wellbeing and Education and Young People's Services Directorates.
- 2.13 The balance of feedback was in favour of the two Directorate model. The benefits of two Directorates each having capacity and remit to have a relentless focus on the communities and individuals they serve outweighed the potential benefits of having services to vulnerable people of all ages in a single Directorate. Having reconsidered the two alternatives, and taking account of the balance between the organisational risk of having a Directorate of the magnitude of a single Directorate on one hand and the potential effort of having to manage some activity across organisational boundaries on the other, the establishment of the two new Directorates recommended in this report is considered to be the optimum solution.

3. EQUALITY IMPACT ASSESSMENT

- 3.1 A screening of these proposals has been undertaken to inform an Equalities Impact Assessment which can be seen at Appendix A. We will continue to be mindful of the implications on both staff and service provision.

4. SAFEGUARDING

- 4.1 There is a universal commitment and understanding that structural change must enable provision of service that ensures children, young people and vulnerable adults are protected from harm and clear, robust safeguarding arrangements to be in place.
- 4.2 As noted above, this was a consistent theme in the response to the consultation and work will be needed to ensure that the two statutory postholders in the new structure, i.e. Director of Children's Services (DCS) and Director of Adult Social Services (DASS), are enabled through both the structure and clear governance arrangements to discharge their statutory responsibilities.
- 4.3 Assuming that the plans to continue with the delivery of lifespan care pathways are agreed (section 5 refers) and that delivery of the pathways will take place in the Divisions which will form part of the new Adult Social Care and Health Directorate, it is important that plans are put in place to provide the DCS and lead Member for Children's Services with the assurances they require to fulfill their statutory obligations. It is also important that any statutory provision being undertaken as part of lifespan pathways is identified and that those services are provided in a way that the DCS explicitly sanctions and commissions.
- 4.4 The necessary level of clarity and safeguarding is achieved by having explicit and clear accountabilities in the job descriptions for relevant senior roles, and clear accountabilities in the Constitution.
- 4.5 The council intends the DCS post to discharge all statutory obligations, requirements and responsibilities regarding the safeguarding and protection of vulnerable children. Similarly, the council intends the DASS post to discharge all statutory obligations, requirements and responsibilities regarding the safeguarding and protection of vulnerable adults. Given that the posts carry significant responsibilities in relation to both safeguarding and the delivery of a range of important services, this is specifically provided for in the job descriptions which can be seen in Appendix B.
- 4.6 The responsibilities of our statutory office holders and Lead Cabinet Members are referenced in the Constitution and this will also be reviewed and amended as appropriate to reflect the new arrangements that are put in place, subject to agreement of the County Council to the proposed structure. The Monitoring Officer will review the member decision regarding this proposal and the consequential changes required will then be brought before the full council for approval at the March council meeting as part of the broader and regular review of the constitution.

- 4.7 It is intended that the detailed operational arrangements to discharge statutory responsibilities will be further defined by the relevant office holders. This will ensure that they are able to reflect changes as necessary and remain agile to the needs of the vulnerable groups and the reporting requirements of the organisation. Whilst the Head of Paid Service has line management responsibilities, the post holders retain the statutory duties. The Head of Paid Service's role in this regard is one of oversight consistent with existing responsibilities around safeguarding.

5 LIFESPAN CARE PATHWAYS AND CROSS DIRECTORATE SERVICE PROVISION

- 5.1 There was strong support from consultees and respondents to protect and continue the move to the delivery of care packages in a lifespan pathway as these provide much more effective transition arrangements for those needing extended care and who transition between different parts of our care system. The quality of transition for those who are vulnerable or in need is significantly improved through this approach.
- 5.2 A programme was established in April 2015 to look at the Pathway for children, young people and adults with a disability to improve the transition points for all individuals. The pathway supports a more joined up approach in delivering services for children and young people with a disability and is now operating.
- 5.3 Other lifespan pathways are being considered including for those with requirements around mental health, emotional health and wellbeing and autism.
- 5.4 Another example of where lifespan provision will be maintained is in relation to Adult Learning, which will continue to be provided by Community Learning and Skills accountable to the Corporate Director Children, Young People and Education.
- 5.5 The Director of Public Health reports to the new post of Corporate Director Adult Social Care and Health. However, the Public Health team will have strong links across all service Directorates and will work particularly closely with managers in Children, Young People and Education to ensure both health and service priorities are met through effective joint working.
- 5.5 The restructure implementation will ensure that this approach is fully supported in terms of how the pathways are delivered. The intention is that service provision will sit with relevant Divisions in Adult Social Care and Health with the DCS commissioning the activity in relation to children and some young people.

6 PROPOSED DIRECTORATE STRUCTURE

- 6.1 The proposal before the County Council is for two new Directorates to be formed and led by two new Corporate Director roles. The current and new top tier structure charts are shown at Appendix C.

- 6.2 The job descriptions for the two new roles can be seen at Appendix B.
- 6.3 The grade of the two new roles has been looked at alongside that of the role of Head of Paid Service and Corporate Director Growth Environment and Transport. External advice has been taken from the Korn Ferry Hay Group, who co-designed the current grading arrangements put in place for April 2011.
- 6.4 The two new roles equate to KR20 in the current Kent Scheme grade bands.
- 6.5 It is proposed that the grade and salary bands are changed slightly to reflect the new operating framework, as detailed in Appendix D which shows the current grade and salary bands for senior roles and the proposed revised arrangements. The proposals, which take account of market information from Korn Ferry Hay Group, recognise that the Head of Paid Service has line management responsibility for all Corporate Director posts. It also allows for all Service Corporate Directors to be on the same grade band, so allowing more flexibility and consistency. The proposal will see the Head of Paid Service move to a revised grade and payband. Normal HR policy will be applied in relation to this move.

7. COMMISSIONING

- 7.1 The issue of commissioning arrangements was raised by two thirds of the respondents. It was felt that a more radical review of the current structure providing commissioning advice could and should be undertaken as part of this realignment of responsibilities across the organisation. This reflects the current level of maturity of the organisation in terms of the transition to a Strategic Commissioning Authority and the professional support that is required by service managers as part of the successful commissioning of our services.
- 7.2 Since the County Council agreed in July 2013 that the Authority should become a Strategic Commissioning Authority and the principles for this in the paper "Facing the Challenge: Whole Council Transformation" were ratified, positive progress has been made towards achieving that ambition. Following this and the subsequent direction set by the County Council and outlined in a number of papers listed in the background documents section, there have been decisions made which have resulted in improved governance; the development of officer and Member awareness and skills; an enhanced understanding of what activity constitutes commissioning and improvement in the level of performance across many of those functions.
- 7.3 In December 2015, a paper entitled "Embedding strategic commissioning as business as usual" was approved by the County Council, informed by a thorough review of steps taken in each of the Directorates to the move to a strategic commissioning agenda.
- 7.4 The County Council paper in December 2015 concluded:

“Moving towards becoming a strategic commissioning authority is a journey in changing the systems, culture and approach the organisation takes to achieving its strategic objectives, with a sequential and iterative process that builds up through a series of step changes, rather than a single big-bang change which, on past evidence, simply doesn't succeed in KCC. The Facing the Challenge transformation programme has woken the organisation up to increasingly challenge its assumptions about how and why its services are structured in the way that they are, but as it ends, the risk is that momentum will be lost. It is therefore important to make another step change and build on the momentum gained so far.”

- 7.5 The step change taken at that time was the governance approach outlined in that paper. Evidence since has shown that momentum has not been lost for a number of other reasons. Transformation programmes in Social Care, Health and Wellbeing and Education Young People's Services, including those where we have worked in strategic partnership with Newton Europe, have inevitably focused as much on the commissioning of services as on their delivery. The Strategic Business Development and Intelligence Division has become more established and the strategic commissioning support requirements are better understood and articulated. There has been a successful emphasis on skills development across the various professional areas which lead to effective commissioning and the strengthening of the network of commissioners across the organisation which has improved sharing of best practice.
- 7.6 Increased understanding of the activities that can be defined as strategic commissioning as distinct from the specification of service outcomes facilitates discussion of where each activity in the commissioning cycle is best delivered. Commissioning is critical to successful change management and commissioners have a lead role to play through the cycle of transformation, wherever they sit in the organisational structure.
- 7.7 There is a clear and understood need to provide specialist and professional services to Directorate commissioners in relation to the strategic commissioning cycle and provision of change management capacity for KCC. This strategic commissioning activity, working closely with lead commissioners in services, will provide specialist professional services for all phases of the commissioning cycle encompassing commercial leadership and judgement; evidence based decision making; and performance reporting. The range of functions undertaken includes the following:
- Analysis (including demographic, social, economic, market, performance, spend and process)
 - Solution and market development
 - Contract strategy and governance
 - Contract creation and negotiation
 - Contract management (commercial aspects).
- 7.8 The commissioning functions which will be the responsibility of the services Directorates include:

- System, service and market leadership for the commissioning cycle, including engagement with members and stakeholders more widely.
- Budgetary and financial accountability for the service (irrespective of provider)
- System and service development (including the relationship between cost, effectiveness, quality and time).
- Provider management against the systems and service standards and specifications.
- Development of the service specification (service design and standards).

- 7.9 The services will continue to have overall accountability for commissioning drawing on the professional services to discharge this. The professional commissioning function will work collaboratively and seamlessly with the services and this is a key criterion that it will be measured against. The relationship between service Directorates and this new function is symbiotic and there is a shared responsibility to ensure Kent County Council achieves its strategic outcomes.
- 7.10 The clarity around the appropriate relationship between the functions described in sections 7.7 and 7.8 together with the feedback from the consultation exercise; the outcomes of the ongoing transformation programmes across several services; and the embedding of the approaches and support delivered by the Strategic Business Development and Intelligence Division can now be aligned with confidence to the requirements for the Authority's approach to commissioning defined by the County Council. There is therefore a natural opportunity to make the next step change.
- 7.11 It is proposed to introduce a new senior role of Strategic Commissioner, reporting to the Head of Paid Service, to oversee the delivery of the strategic commissioning expertise described in paragraph 7.7. The job description for this role is attached at Appendix E.
- 7.12 Initially, the following top tier posts will report to the new role:
 - Director of Strategic Business Development and Intelligence
 - Head of Procurement
 - Director of Commissioning.
These line management changes will take effect from 3 April 2017.
- 7.13 The Safeguarding and Deprivation of Liberty Safeguarding (DOLS) and the Kent Support Assistance Service teams which currently report to the Director of Commissioning will not transfer to the new Division as it is essential for their line management to remain in the service Directorate as part of its professional operational service delivery. It is possible that some other activity undertaken by staff in the Division will also remain in the Adult Social Care Directorate because the activity undertaken needs to be managed by service experts. This will be clarified during the co-design of activity in the period before implementation of the new structure and the new function should retain the ability to provide audit support in relation to the performance of these activities.

- 7.14 Once agreement to this new role and Division is secured, the next steps will be for the senior managers in the Division to work with all service Directors to co-design the way this activity is provided and the interface between the professional advisers and service leads. The approach taken to the co-design will be consistent with KCC's approach to transformation and will be managed through recognised governance frameworks. This will result in further alignment between corporate and service directorate activities in relevant areas and is likely to lead to further line management changes for some individuals across all Directorates, including potentially from within the functions making up the new strategic commissioning Division itself.
- 7.15 The Access to Resources Teams in both Adults and Children's social care undertake a purchasing of placements following professional assessment by social workers. Whilst there is no appetite to interfere with the efficacy of the provision of placements, it is important that this purchasing is done within the context of a strong understanding and management of the provider market so that placements represent value for money. Further work will be undertaken to determine best position for the access to resources teams.
- 7.16 Given the close professional links and the need to better integrate commissioning and procurement functions to reduce duplication and provide a more seamless support across the strategic commissioning cycle, the Procurement team currently within the Finance function will transfer to Strategic Commissioning, as will the functions currently undertaken by the Strategic Business Development and Intelligence team including Insight & Research, corporate Performance Management, Commercial Support and Demography, Housing and Economic Statistical Analysis.
- 7.17 Effective data analytics are an important aspect of moving towards a collaborative and transformational strategic commissioning cycle with clear governance arrangements, providing intelligence to support evidence based decision making but also management information to support effective performance management and operational delivery of services. This is currently undertaken across a number of functions within Directorates. Whilst the ambition is to bring together all data analysis and intelligence functions across the council into a single professional service, including strong professional teams such as the Public Health Observatory, which collects a wide range of health related data and undertakes statistical analysis to support service design and commissioning decisions within both KCC and NHS, care must be taken to ensure that this does not undermine support to operational front line services. As such, a further review will be undertaken reporting to the Head of Paid Service setting out options as to how a single data analysis service can effectively support both organisational and front line requirements.
- 7.18 It is recognised that in order for senior managers in service Directorates to discharge the responsibilities described in paragraph 7.9 and to assess the performance of and support provided by the new corporate strategic Commissioning Division, Corporate Directors may elect to identify senior

Expert Commissioning Client advice to the service. The specification for these roles will be discussed and developed collaboratively as part of the co-design of how these new arrangements will be implemented and will be deployed with strong links to both the service and the corporate function.

- 7.19 The proposed Strategic Commissioner role is a new one and represents an additional cost to the Authority in the region of approximately £160,000 per annum, including salary and on-costs. However, whilst the formation of the new Division is not primarily about cost saving, it is inevitable that the bringing together of similar activity from across the Authority will result in cost savings, improving consistency in the management of suppliers and gaining efficiencies from the supply chain. More significantly, the impact of improved commercially focused commissioning will drive significant value for money impacts across all parts of the County Council delivering benefit to our partners and residents.

8 NEXT STEPS AND TIMESCALES

- 8.1 If the proposed structure in relation to the new Corporate Director posts is agreed by the County Council, the following timescales and HR process will follow:
- On 27 January 2017 letters will be issued to the individuals impacted by the change. Unless the County Council recommends significant changes to the proposed roles, neither individual will be “slotted” to the new roles and will therefore be informed that they are “at risk” of redundancy. They will be invited to apply for either, both or neither of the new roles.
 - The closing date for response will be 3 February 2017.
 - If expressions of interest in either or both of the new roles are received, a selection decision will be made by Members.
 - If no expression of interest is made by the impacted staff, discussions will be had with the individual(s) about alternative suitable opportunities or redundancy in accordance with usual KCC procedures.
- 8.2 In relation to the Strategic Commissioner role, an advert will be issued to internal staff and placed on Kent.gov.uk in the week beginning 30 January 2017. Applicants will be shortlisted in the week beginning 20 February and a Member selection panel will be convened to consider the shortlisted applicants.
- 8.3 The review of the teams that should be transferred into the new strategic commissioning function outlined in section 7 will be undertaken and agreed by the Head of Paid Service.
- 8.4 It is intended that all the changes outlined in this report will be operational by 3 April 2017.

9. RECOMMENDATIONS

9.1 The County Council is asked to:

- Approve the proposed operating framework which sees the deletion of two existing Corporate Director posts and the introduction of two new ones leading to two new Directorates, as recommended by the Personnel Committee.
- Approve the new senior level post of Strategic Commissioner reporting to the Head of Paid Service.
- Approve revision to the pay and grading structure for the Head of Paid Service and three Corporate Director roles.
- Authorise the Monitoring Officer to make any necessary and consequential changes to the Constitution as outlined in section 4 of this paper.
- Note the actions and timescale that will result from this decision as outlined in section 8 of this paper.

Background documents:

County Council papers:

Embedding Strategic Commissioning as Business as Usual – 10 December 2015

Budget 2015-16 and Medium Term Financial Plan 2015-18 – 12 February 2015

Facing the Challenge: Commissioning Framework – 11 December 2014

Facing the Challenge: Towards a Strategic Commissioning Authority – 15 May 2014

Facing the Challenge: Whole Council Transformation – 18 July 2013

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