



**CAMBRIDGESHIRE
& PETERBOROUGH**
COMBINED AUTHORITY

Agenda Item No: 2.2

Senior Management Restructure

To: Cambridgeshire and Peterborough Combined Authority Board

Meeting Date: 19 October 2022

Public report: Yes

Lead Member: Councillor Edna Murphy, Lead Member for Governance

From: Gordon Mitchell, Chief Executive

Key decision: No

Forward Plan ref: n/a

Recommendations: The Combined Authority Board is recommended to:

- a) Note the new senior management structure contained at Appendix 1 of this report.
- b) Approve the commencement of a recruitment campaign leading to the appointment of the permanent Chief Executive and Executive Directors into the new structure.
- c) Approve that the CEO is authorised to make financial settlement in cases of redundancy.

Voting arrangements: A simple majority of Members present and voting.

To be carried, the vote must include the vote of the Mayor, or the Deputy Mayor when acting in place of the Mayor.

1. Purpose

- 1.1 The purpose of the paper is for the Board to note the new senior management proposed structure for the Combined Authority and give approval for the Interim Chief Executive to proceed and recruit into the new structure, whilst addressing any associated redundancy situations.

2. Background

- 2.1 The Board will recall that at its meeting on the 27th July 2022, the Interim Chief Executive presented a paper setting out a number of recommendations associated with an Improvement Plan. Amongst the recommendations was a specific delegation concerning the production of a new senior management structure for the CA. Specifically it gave approval to:

Delegate authority to the Interim Chief Executive to finalise the senior management structure of the Authority as set out in paragraph 3.16 to 3.18 of that report.

- 2.2 Over the preceding weeks the Interim Chief Executive has worked with colleagues to understand the drivers for change in respect of the existing structure and how these may be addressed via a restructure of the senior management tier of the organisation. This work has now concluded and a new structure consisting of 3 rather than 4 directorates, with some changes in service location within directorates having been agreed.
- 2.3 This new structure has been subject to staff consultation and attached at Appendix 2 are the various comments received and management's response. After due consideration there was nothing additional from a consultation perspective that negatively impacted on the new proposed structure.
- 2.4 The Board is therefore asked to note the new structure. A more detailed overview of the case for change in respect of the restructure is contained within Appendix 1 – Senior Management Restructure.
- 2.5 However in order to progress to the next stage of the process, approval is now being sought for the Interim Chief Executive to proceed to the recruitment phase. This will enable the new structure to be populated with permanent employees of the Combined Authority, providing stability at the organisation's senior level. Attached within Appendix 1 – is an indicative timeline in respect of the recruitment exercise. However it must be noted that this is purely an estimated timeline, which may need to flex as we progress through the more detailed planning activity.
- 2.6 It envisages that recruitment to the Executive Director roles will commence at the end of November/beginning of December, with the Chief Executive role to follow early in the new year. The rationale behind a two phase approach to recruitment is to provide an ongoing element of stability across the organisation with the Interim Chief Executive being the constant. To replace the Interim Chief Executive and the Executive Directors at the same time would potentially create additional instability across the CA.

- 2.7 Board is therefore asked to approve the commencement of a recruitment campaign leading to the appointment of a permanent Chief Executive and Executive Directors into the new structure.
- 2.8 Finally reducing the number of Directorates from 4 to 3 may have redundancy implications that will need to be addressed. Until the detailed Job Descriptions, Personal Specifications and Job Evaluations have been completed it is difficult to know with any degree of certain if this will be the case. However, in the event that there are redundancy implications the Board is asked to approve that the Interim Chief Executive has authority to pay redundancies in consultation with the HR Manager, Chief Finance Officer and Monitoring Officer.

Significant Implications

3. Financial Implications

- 3.1 The current costs associated with the agreed Combined Authority senior management structure (excluding) the Chief Executive role is £640,000 including on costs. The new restructured senior management team cost is estimated to be in the region £510,000, again including on costs.
- 3.2 It is assumed that the substantive Chief Executive's salary will remain the same. Therefore the overall impact of the new structure will be a saving of approximately £130,000 p.a. Again this is of course subject to a formal job evaluation exercise.
- 3.3 It should also be pointed out that there will be additional costs associated with the implementation of the new structure. Firstly are the recruitment costs themselves, which are likely to be substantial. Initial estimates are in the region of £60,000 to £70,000 for the recruitment of both the Chief Executive and Executive Director posts. In addition any subsequent redundancies as a consequence of this restructure will incur additional costs. Until we have concluded the next stage of the process it is not possible to provide an estimate of what these might be.

4. Legal Implications

- 4.1 Chapter 4 para 1.14 of the Constitution states that "The Combined Authority Board shall have the power to reserve decisions to itself which would otherwise be taken by the Executive Committees." On July 27 2022, this Board delegated authority to the Interim Chief Executive to finalise the senior management structure of the Authority
- 4.2 Section 4 of the Housing and Local government Act 1989 provides that the Head of Paid Service has responsibility for:
 - (a) the manner in which the discharge by the authority of their different functions is co-ordinated;
 - (b) the number and grades of staff required by the authority for the discharge of their functions;

(c)the organisation of the authority's staff; and

(d)the appointment and proper management of the authority's staff.

5. Public Health Implications

5.1 Not applicable.

6. Environmental and Climate Change Implications

6.1 Not applicable.

7. Other Significant Implications

7.1 Not applicable.

8. Appendices

8.1 Appendix 1 – Senior Management Restructure (Slide Pack)

8.2 Appendix 2 – Response to Staff Consultation Exercise

9. Background Papers

7.1 None

