

Committee/Meeting: Cabinet	Date: 9 th March 2011	Classification: Unrestricted	Report No: CAB 100/101
Report of: Chief Executive Originating officer(s) Kevan Collins, Chief Executive		Title: Children's and Adults' Services Reorganisation Wards Affected: All	

Lead Member	Mayor Lutfur Rahman
Community Plan Theme	One Tower Hamlets; A Safe and Supportive Community
Strategic Priority	Efficient and effective services; Locally focused services empowering local people; Improved outcomes for vulnerable children and adults.

1. **SUMMARY**

- 1.1 This report is being brought forward to enable Members to consider the proposition that the existing two Council directorates of Children, Schools and Families and Adults, Health and Wellbeing should be reorganised into one new unified directorate, with some of the strategic and back offices functions passing to the centre.
- 1.2 Key issues include:
- 1.2.1 Whether the service and financial advantages of such a reorganisation in the medium to long term outweigh the disruption that any such major restructuring may bring in the short term;
- 1.2.2 Whether feedback from stakeholders received since Cabinet first discussed this proposition in February 2011 supports the proposal;
- 1.2.3 The risk to high performing Council services and well established links to key partners and stakeholders.

2. **DECISIONS REQUIRED**

Cabinet is recommended to:

- 2.1 Agree that the existing two Council directorates of Children, Schools and Families and Adults, Health and Wellbeing should be reorganised into one new unified directorate;
- 2.2 Agree to proceed with the recruitment of an Executive Director amalgamating the existing posts of Corporate Director, Children, Schools & Families and Corporate Director, Adults, Health & Wellbeing;

- 2.3 Delegate to the Chief Executive the responsibility in consultation with the Assistant Chief Executive (Legal) and the current Directors of Children's Schools and Families and Adults, Health and Wellbeing to ensure that the merging of the two Directors posts will still ensure that the social care needs of children and schools services and adults health and wellbeing in the local community are given equal emphasis and are managed in a co-ordinated way.
- 2.4 Request a progress report to Cabinet on the implementation of the new arrangements in January 2012.

3. REASONS FOR THE DECISIONS

- 3.1 From the perspective of families who use these Council services, which in the case of schools is all families with school age children, these changes would result in a better, more holistic and seamless service which does not require handover of services between directorates when looking at the needs of children, young people and adults in the family.
- 3.2 The Council is going through a period of major budget reductions but at the same time is as far as possible trying to maintain and even improve front line services to residents. The decision to proceed with the amalgamation of the two major Council directorates into the unified Directorate would make a significant contribution to the savings targets that the Council is currently aiming to achieve over the next four years.
- 3.3 While the reorganisation of Council directorates is an internal Council matter subject only to the Council's own agreed reorganisation procedures, nevertheless the creation of a new single directorate would bring change for service users including individual children, adults, families and related institutional providers such as schools, health providers and local communities.
- 3.4 The proposal will meet the statutory requirements to designate a Director of Children's Services and a Director of Adult Social Services. The new Executive Director will be designated both of those roles.
- 3.5 The statutory requirement to designate a member of the Executive as the Lead Member for Children's Services will continue to be met. The appointment of further executive members for adults' and health (not being a statutory requirement), or the incorporation of those areas in the portfolio of the Lead Member for Children's Services or other Lead Members, is at the Mayor's discretion.
- 3.6 The feedback from stakeholders and partners received since the last Cabinet meeting recognised the pressures the Council is under, highlighted some of the risks and was broadly supportive of those risks being managed and the proposal going forward.

- 3.7 Feedback from key stakeholders and partners, including the NHS and Schools, was positive about the proposal. In particular, the letter received from NHS Tower Hamlets highlighted the need to review structures across public service and said that the “focus on protecting valuable services, whilst minimising management and associated costs must be right.”
- 3.8 Schools and governors had strong comments regarding risks and maintaining positive relationships. Safeguarding was highlighted as a key issue by all respondents and the Chair of the Adults’ and Children’s Safeguarding Board, while not declaring a definitive position on the proposal, confirmed that current arrangements are secure and provide a good platform for managing change. Although it is clear there will need to be thorough and detailed transitional planning arrangements.
- 3.9 A number of staff, including senior officers, have also commented on the proposal. The responses from staff highlighted the challenge of delivering the amalgamation of the two directorates alongside significant changes programmes within current plans - for example, Transforming Adult Social Care and implementing the Family Wellbeing model - these are significant change programmes in their own right and would need to be accommodated alongside the potential turbulence of a significant review of the senior management structures. In line with the Council’s Handling Change procedures, if Cabinet accept the recommendations to amalgamate the two directorates, there will be consultation with the affected staff and their trade unions before any new management arrangements are implemented.

4. ALTERNATIVE OPTIONS

- 4.1 Alternative options would be to either:
- Do nothing and maintain the status quo;
 - Look for opportunities to amalgamate council adults’ social care services with community health provision;
 - Review the current management arrangements and look for closer alignment and the operation of a ‘joint’ management team.
- 4.2 All three options have now been considered and none is recommended:
- 4.2.1 The current interim arrangements covering the Corporate Director positions in these services need to be resolved and it would be inappropriate not to take this opportunity to consider alternative leadership arrangements.
- 4.2.2 There is uncertainty surrounding the nature and impact of changes to health services that are currently under discussion and subject to future legislation. Unfortunately, this rules out the alternative of an amalgamation between Adult’s Social Care Services and health, either inside or outside the Council at this stage.
- 4.2.3 Continuing to have separate directorates with two Corporate Directors, while looking for joint working at the managements levels below the first tier, has the advantage of being the least disruptive change. However the

disadvantage would be a lack of clear accountability and leadership. A more radical solution than people meeting together in joint teams is required and it is important to demonstrate savings at a senior level. This may seem to be the easiest option but it does not deliver enough.

5. BACKGROUND

- 5.1 The Children Act 2004 required local authorities (LAs) to bring together education and children's social care into one service. Most LAs, including Tower Hamlets, set up a new Children's Services directorate (called Children, Schools & Families) and a separate Adults' Services directorate (called Adults, Health & Wellbeing). In some LAs these directorates took on a wider range of responsibilities, such as housing and neighbourhood services, in addition to social care.
- 5.2 However, a few LAs – right from the start – met their new legal responsibilities for Children's Services without splitting adult's and children's social care between two different Council directorates and combined the posts of Director of Children's Services (DCS) and Director of Adult Social Services (DASS) into one Executive Director post. In subsequent years other LAs have followed suit. It is now estimated that currently as many as 10% of LAs have amalgamated the two directorates in one way or another and others are actively considering it. The trend has accelerated in recent months in response to the need to make severe budget reductions.
- 5.3 LAs which have already made the change include, amongst others, Surrey, Middlesbrough, Oldham, Windsor and Maidenhead, Wakefield, Stockton on Tees, Redcar and Cleveland, Havering, Ealing, West Sussex, East Riding of Yorkshire, Bracknell Forest and the City of London.
- 5.4 The majority of these had already been graded as good or better in one or both of their separate services prior to amalgamation. The IDEA report 'Think Family, Think Community', which looked in detail at 10 of these LAs, reported that the vast majority had either maintained or improved on their previous high standards. Of all the LAs detailed in the previous paragraph, only one, Middlesbrough, was not satisfied with the outcomes achieved and reversed the process.
- 5.5 A strong view coming through from the study is that there is no 'one size fits all' model and each LA needs to sort out the best structural solution to meet its local circumstances.
- 5.6 No institution ever reaches a point where there is nothing that can be improved upon, and even at the level of maintaining peak performance it is necessary to remain open to change and development. External circumstances also change, necessitating review and reassessment. It is important for maintaining its freedoms to operate through making decisions locally rather than having them imposed centrally, that Tower Hamlets remains at the top of the tree, so it needs to be open to considering change even in its most successful areas. Therefore the first question to ask when considering whether to go ahead with this major structural change of unifying

Adults' and Children's Services in one directorate, is: "Will this have an impact on the four star quality rating we have achieved and continuous improvement?"

- 5.7 This will be the first time that Tower Hamlets has considered such a proposal but as well as potentially delivering service improvements, it is also very much in line with a trend over recent years. We have seen a significant reduction in the number of Council directorates and a reduction in the Corporate Management Team (8 in 2008 to, potentially, 5).
- 5.8 These considerations come at a time when there is an imperative to reduce Council spending and delay the management of the organisation. This development would send a powerful signal and demonstrate our determination to delay management at the most senior levels of the Council.
- 5.9 Additionally, the Council has recently found that the advertising for the Director of the single Children, Schools and Families Directorate has not resulted in a strong field; our experience is not untypical of the national recruitment situation for Directors of Children's Services. A new Executive Director role spanning both Adults' and Children's Services is expected to be more attractive and bring applications from serving Directors, resulting in a much stronger field.

6. BODY OF REPORT

UPDATE SINCE FEBRUARY 2011 CABINET MEETING

- 6.1 The Council has set out underlying principles that are guiding its approach to making difficult decisions in the course of having to severely reduce its spending. It is determined to achieve a lean, flexible and citizen centred organisation which secures the best possible outcomes for all residents and in particular protects the most vulnerable by achieving savings through the delayering of management and cutting central costs rather than services wherever possible.
- 6.2 This proposal to amalgamate the two directorates applies that principle to the most senior post holders and therefore is in line with, and demonstrates, the commitment of that Council approach of making management savings. Due to the size of the proposed directorate, it would represent a significant change to the Corporate Management Team (CMT). The Chief Executive will continue to keep the structure and operation of CMT under review and retain the option of bringing back any further proposals at a later date.

- 6.3 In our engagement with stakeholders since the February Cabinet meeting, they have broadly endorsed the potential benefits of amalgamation. A summary of these benefits were set out in that Cabinet report which was sent to all stakeholders. However, stakeholders were also mindful of the potential risks that would need to be managed. Possible risks, and any mitigating action, are set out in the Risk Management Implications section of this report.
- 6.4 The report and the recommendations have also been informed by the advice of two former Directors - a former Director of Adult's and Children's Services and of Social Services and a former Director of Children's Services and of Education. Their agreed view was that the merit of such a change was that it provides an opportunity to make improvements in the way services are delivered that goes beyond just making savings from an internal Council reorganisation. They supported the view that there was a need to go forward with the appointment of the Executive Director as soon as possible, and following their appointment, there would be benefit in involving staff, stakeholders and service users in a coproduction approach to reconfiguring services.

BENEFITS AND RISKS OF AMALGAMATING CHILDREN'S AND ADULTS' SERVICES

- 6.5 There are a number of potential benefits and advantages that would flow from bringing together the Children's and Adults' Directorates, both from the perspective of individuals and families, of the Council as a whole and of its partners.
- 6.6 From the point of view of those using the services there are potential benefits from an amalgamated directorate which include:
- 6.6.1 The importance of the 'place-shaping' role of the local authority, where the Council is an enabler as much as a provider, and where the provision of social care services for the most needy plays its part in underwriting a continuum of services all the way from prevention to full support, much of which ideally takes place in the community;
- 6.6.2 The development of personalisation, where the Council is fostering independence and empowering individuals and local community organisations to decide what is needed and how best to spend eligible public funds. The Council has made major strides in the development of personalisation in adult services, but there is further to go in developing this for families and with health colleagues.
- 6.6.3 Smoother transitions for children with complex needs from 0 to 25 and for young people moving on from the care system means:
- They will no longer need to move from one directorate, system and people to another;

- There will be continuity of care across the traditional cliff edge of transition, which for many young people can be a confusing and unsatisfactory experience.

6.6.4 Adopting a 'think family' approach, working with the family as a whole rather than with individuals defined by age:

- Working as one directorate will help promote family solutions and consider provision over longer periods of time. Developing continuity in service delivery helps to build trust and helps to deliver better outcomes;
- Transitions between services can be points of concern, not just for service users, but also for their families – as they are expected to become familiar with new people and processes;
- The proposed amalgamation will shift the focus from looking at individuals by age, to looking at the whole family. Children usually exist as part of a family and structurally joining up one dimension through the creation of Children's Services directorates has resulted in creating an artificial separation in other areas, most notably in social care, by splitting social services between adults and children;
- Those LAs who have gone for a unified directorate nearly all list the ability to focus on the family as a whole, as well as the individual, as one of the drivers and one of the most important outcomes. Several refer to an overall 'Think Family' approach, for example previously an adult with mental health difficulties was assessed solely as an individual, rather than as an adult who is also a parent or a grandparent, as this may guide the nature of the support provided;
- In addition, closer alignment may help to improve flexibility in eligibility criteria for certain services – provision of certain services can be phased in or out depending on the needs of the individual service user as the service user and the service providers are within the same directorate.

6.6.5 Increased intergenerational work:

- Several LAs have reported that increased cross generational work is not only a positive outcome in itself, but has proved to be a way of involving schools more, for example by locating a pensioners' luncheon club in a primary school;
- This proposal builds on Tower Hamlets' existing strong record in developing extended use of schools as part of its community development activities. It also encourages looking at other facilities, for example centres used for older people, to see whether there are a range of people who would benefit from the use of those facilities;
- There will also be further opportunities for different age groups to work together beyond what is currently practiced.

6.6.6 Bringing together universal (education and schools) and targeted (social) services will lead to improvements in general health and wellbeing. Previously, those services had operated separately and with different perspectives and priorities. These improvements in the health and wellbeing of the general population will in turn reduce the need for, and spend on, targeted services for individuals later on in their life:

- LAs and Primary Care Trusts (PCTs) are both commissioners of closely interdependent services – very often for the same group of people – and the area where this has been least successful is in preventative work which has a more universal than targeted approach. The changes in the NHS include a major new role for the Council in leading on public health, and the opportunity to work much more closely with Health on commissioning, where the Council will have a 'convener' role in partnership with the emerging GP consortia, building on the existing good relationship with the PCT;
- Bringing adults' and children's services together moves in the direction of adults' adopting a wider, strategic overview role. That is, not just looking at individuals when they become vulnerable or in need but considering how adult social care play a role in the health and well being of the wider population, with the aim of ultimately reducing the numbers in need of individual targeted services. It is in reducing the number of so called 'high cost and low volume services', that potentially the greatest savings can be made. The Council can spend thousands of pounds a week on individuals without necessarily achieving the best for them or indeed what they would buy for themselves if they had more control of the spend. This would require a greater focus on preventive services, a move away from institutional services, and working with individuals and families on greater personalisation of services, all of which will be made easier by bringing adults' and children's services together;
- An example of this shift is Liverpool City Council, which was not part of the IDEA study, but has a combined directorate. In its Adults' Services, it concentrates on the importance of enabling people to participate fully in community life as active citizens, not simply as passive recipients of care;
- There will be no reduction in universal services for children and young people outside school such as Early Years provision, after school, holiday and youth provision as a direct result of this amalgamation;
- Better joined up working should result in better employment opportunities and skills for employment for hard to reach groups. For example, those working with 14 to 19 year olds should become more aware of the needs of young people with learning disabilities. This is especially important when considering that the schools, Health and

the Council are three of the major employers of local people in the Borough.

- 6.7 There are opportunities for efficiencies and consolidation of the Council's work to be achieved through the elimination of overlapping and duplicated work and from improvements in commissioning arrangements:
 - 6.7.1 There are a number of essential 'back office' support functions that can be delivered more efficiently in a unified directorate, or unified across the Council from the centre. These include strategy, policy and performance, commissioning, research and development, finance, HR and workforce development, IT and information, administration and business management;
 - 6.7.2 There will be longer term benefits of managing the commissioning of high cost multi agency care packages. A joint department will have better leverage for commissioning from the NHS;
 - 6.7.3 There are also professional and service areas which both directorates are involved with where there would be potential benefit in service delivery terms by being situated within one directorate. These areas include drugs, alcohol, and substance abuse, disability, safeguarding, domestic violence, health promotion, family support, access and inclusion, all of which it is reported can benefit from the more holistic approach that results from having a combined directorate;
 - 6.7.4 Organisationally, more effective working can be achieved by learning from each other and sharing good practice e.g. children's from adults' on fully delivering on integration, and adults' from children's on safeguarding;
 - 6.7.5 A unified directorate also makes it easier if a LA wants to go down the route of integrated teams and a locality focus working from community bases.
- 6.8 Externally there are potential benefits to be gained by improving working with partners:
 - 6.8.1 Partners, especially health, would find it easier to relate to a unified directorate, because although they do sometimes deal with children and adults separately, their overall structure is not predicated upon a rigid split between the two;
 - 6.8.2 An unified directorate would result in better communication and more effective use of joint appointments and the Joint Strategic Needs Assessment would be considerably strengthened by there being a single strategic approach for all services, genuinely 'cradle to grave';
 - 6.8.3 A preliminary analysis of the Health White Paper indicates that the benefits to the Council's working relationship with the health service, particularly in the area of public health and health prevention, would be

enhanced by moving to an amalgamated directorate for adults, children and families.

6.9 In terms of financial savings:

- 6.9.1 Initial estimates show that savings in the area of £300k can be achieved just from restructuring the chief officer posts and their directorate support. In the longer term, there are potentially much greater savings to be made through the reconfiguration of how services are delivered, including in areas such as commissioning, preventative work and in personalisation, to name a few;
- 6.9.2 It is through the lower levels of the restructure that the economies of scale and efficiency savings can be driven through. The new Executive Director would be tasked with coproducing reconfigured service delivery proposals with staff, stakeholders and service users but an initial estimate suggests that a significant further amount could be saved once the restructure is complete, although some of these savings may arise from current restructures (e.g. Strategy, Policy and Performance);
- 6.9.3 CSF and AHWB commission a significant level of services. At present the commissioning functions work in isolation and we do not ordinarily consider provision that cuts across different members of the same family or provide for longer time spans crossing from childhood into adult services;
- 6.9.4 A number of the organisations provide commissioned services to both AHWB and CSF. Aligning budgets and driving single commissioning contracts will give the Council the opportunity to deliver better value for money.
- 6.10 The new job will be a big one and will require the successful recruitment of an outstanding person, who can take overall responsibility across the broad range of services that the newly amalgamated directorate will encompass. This will almost certainly mean recruiting with very senior management and leadership experience, including serving at Director level. While the span of control is large, that is true for all Executive Directors. The new directorate would account for a large proportion, approximately 56%, of the Council's budget but of this, a much smaller amount would be spent on directly managed staff as the rest is accounted for through devolved services e.g. the schools budget accounts for over 200 million per annum.
- 6.11 The new directorate will be responsible for our most vulnerable residents, based on current figures this includes 299 children subject to a child protection plan, 1,166 children in need, 319 children looked after, 5,500 vulnerable adults supported in community based services and 890 in residential and nursing care.
- 6.12 There may be a tension between the need to move quickly to achieve the savings and the need to win hearts and minds as to the benefits of the proposal in terms of service delivery, regardless of the budget situation. As

well as the staff, directly affected, particular attention needs to be paid to bringing key partners from the health community and schools on side. GPs, Headteachers and governors will need to be reassured that within the new arrangements there will still be the expertise to give the strategic leadership at the highest level. Close working between the Council and the schools has helped to secure improvements and high standards in schools in Tower Hamlets. Likewise, in period of change and turbulence health partners will need reassurance and confidence that the Council is devoting sufficient strategic attention to the broad array of health matters.

- 6.13 Our priority is, and will remain, protecting our most vulnerable children and ensuring the safety and wellbeing of adults at risk. The proposal to bring the services closer together under a single management regime must set out how all risk factors will be evaluated and possible appropriate mitigating actions. Further information on the risks are contained within the Risk Management Implications section of the report.

NEXT STEPS

- 6.14 Following today's meeting, if the Mayor and Cabinet approve the recommendations contained within this report, the Chief Executive will instruct the relevant officers to commence the recruitment exercise for the new Executive Director post. An initial recruitment timetable suggests that the new Executive Director could be in post by August 2011.
- 6.15 It is also proposed that there be an overlap period with the current acting Directors (if neither has been appointed to the new substantive post) remaining in office after the appointment of the new Director for at least one month. During this time the new structure will be drawn up and statutory consultation with the Trade Unions will take place. The new Director would then take full operational responsibility by October 2011, thus achieving part year savings in 2011/2012 and the full restructure completed and savings achieved in 2012/2013.
- 6.16 Under Article 7 (The Mayor and the Executive), part 7.05 (Cabinet Responsibilities) of the Council's Constitution, the determination of the number and scope of portfolios held by Cabinet Members is at the Mayor's discretion. These portfolios can be amended from time to time as and when the Mayor deems fit and will be effected by the Monitoring Officer as soon as reasonably practicable when so advised by the Mayor.
- 6.17 Accordingly, if the recommendations are agreed, the Mayor will determine whether he wishes to have one Cabinet Member for the whole directorate or two Cabinet Members - one for Children and one for Adults – to ensure a specific focussed overview and political leadership for each area.
- 6.18 If the Mayor determines that there should only be one Cabinet member, that Member would be designated as the Lead Member for Children's Services in line with statutory requirements. That Member could have responsibilities for additional areas of the Council's work.

- 6.19 One of the general themes arising during the engagement period was a concern for the shape the new directorate would take. In order to ensure those concerns are properly addressed the new Executive Director will embark on an exercise with staff, service users and stakeholders to develop the best possible structures for the new directorate.

7. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 7.1 The reorganisation would save the budget for one Corporate Director post and relevant support and opens up the possibility of rationalising and reorganising back-office services of the two existing Directorates and reviewing the delivery of certain front-line activities. This is expected to deliver a minimum of £300,000 a year in savings with the potential for significantly greater savings arising from a detailed review. The first full year of savings would be 2012/13, and the current Medium Term Financial Plan identifies a savings gap in that year which this proposal could help to fill.
- 7.2 There would almost certainly be implementation costs especially in relation to the reorganisation and these would be likely to be affordable on an invest to save basis, although more specific proposals would need to be assessed in detail. The costs of reorganisation would need to be met from Council reserves and contingencies.
- 7.3 The reorganisation has the potential to facilitate greater value for money savings and efficiencies in future years from such areas as the use of finance, procurement, commissioning and localised working.

8. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)

- 8.1 Section 18 of the Children Act 2004 requires the Council to appoint a Director of Children's Services, "DCS", for the purposes of its education functions and children's social service's function. Section 6 of the Local Authority Social Services Act 1970 requires the Council to appoint a Director of Adults Social Services ("DASS") for the purposes of their social services functions other than those for which the DCS is responsible under the Children's Act. Under section 18 (5) of the Children's Act 2004 the Council may give its DCS responsibilities in addition to children's education and social services functions.
- 8.2 The statutory guidance on the DASS states that the creation of the DASS post alongside the DCS post will ensure that the social care needs of the local community are given equal emphasis and are managed in a co-ordinated way through joint strategic needs assessment and joint planning. It goes on to provide that local authorities shall ensure that the DASS is directly accountable to the Chief Executive of the local authority and comparable in terms of seniority with the DCS. However, the guidance does not make any recommendation on whether or not the DASS and the DCS post should be held by separate people. Therefore the posts can be combined within certain safeguards. It is therefore recommended that there must be a strong justification which we believe is covered by the matters set

out in the report in terms of benefit and awareness of balancing risk and that the Chief Executive must ensure that the corporate responsibilities inherent with the position of the DASS and the DCS are both equally delivered. One way of doing this could be to ensure that the second tier structure divides the children and school functions from the adult's health and wellbeing function whilst other posts could be merged to ensure flexibility and best practice working.

- 8.3 The Council already has been operating a Children's and Adults Health and Wellbeing Chief Executive's Safeguarding Panel which meets regularly to discuss key priorities in safeguarding matters throughout the borough to ensure that these priorities are being met and that there is joint working. It is suggested that if the post is being combined that the second tier managers would also sit on this Safeguarding Panel to ensure that the social care needs of both children's and adults within the local communities are given equal emphasis.

9. ONE TOWER HAMLETS CONSIDERATIONS

- 9.1 Differentials in update of services or outcomes, across all the equalities strands, are not expected as a result of the recommendations contained within this report.
- 9.2 As this report does not propose the creation or withdrawal of policies or services, an Equalities Impact Assessment (EqIA) has not been required. Any subsequent changes made by the new Executive Director will have an EqIA carried out if required.
- 9.3 Overall, it is anticipated that the amalgamated directorate will provide a better, integrated, more holistic and seamless service to all residents and service users in Tower Hamlets.

10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 10.1 A unified directorate would require fewer resources due to the merging of some functions and through the achievement of efficiencies and the elimination of duplication.
- 10.2 This will lead to a decrease in the carbon footprint generated by the directorate.

11. RISK MANAGEMENT IMPLICATIONS

- 11.1 Failure to recruit a suitable person to a combined post:
There has been difficulty in recruiting to the substantive post of Director of Children's Services (Corporate Director, Children Schools & Families). The combined post should attract a wider field. The challenge will be to appoint an experienced Executive Director who can gain the confidence of all partners, including the schools. The new job will be a big one and will require the successful recruitment of an outstanding person, who can take overall responsibility across

the broad range of services that the newly amalgamated directorate will encompass. This will almost certainly mean recruiting someone with very senior management and leadership experience, including experience of serving at director level. While the span of control is large, that is true for all Executive Directors. The new directorate would account for a large proportion, approximately 55%, of the Council's budget. However, of this, a much smaller amount would be spent on directly managed staff as the rest is accounted for through devolved services e.g. the schools budget accounts of over 200 million per annum.

- 11.2 In the short term disruption of a restructure results in deterioration in standards of service delivery:

This is less likely to happen if there is as wide as possible consensus as to the ultimate service advantages of a combined directorate. Additionally, Tower Hamlets' extensive experience in managing large organisational change programmes will mitigate any decline in service standards.

- 11.3 Risk that in the longer term the cultural differences are such that the expected improvements are not forthcoming:

The leadership of the new directorate and the way the whole exercise is managed both in the short and medium term, should be able to create a new unified culture taking the best aspects of both directorates and creating a universal cradle to grave approach which aims to enhance the quality of life for the whole community of all ages, while securing the provision of excellent targeted services for those individuals who need them.

- 11.4 Risk to the partnership between LA and schools:

Schools may feel that the LA is downgrading the importance of education. This and other risks are mitigated by the involvement of the Chief Executive who will be over seeing and monitoring the process and ensuring the excellent relationship that exists between the LA and schools is retained and continues.

- 11.5 It is a piecemeal change rather than part of a Council wide restructuring strategy:

The proposal in this report is a continuation of a trend already established to reduce the number of Corporate Management Team members and further changes have not been ruled out for the future.

12. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 12.1 There are no crime and disorder reduction implications arising from this report.

13. EFFICIENCY STATEMENT

- 13.1 Comments concerning efficiencies have been addressed within the body of the report and in the Comments of the Chief Financial Officer section.

14. APPENDICES

None

Local Government Act, 1972 Section 100D (As amended)

List of “Background Papers” used in the preparation of this report.

Brief description of “background papers”	Name and telephone number of holder and address where open to inspection.
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None

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