

Senior Management Review

Report of the Head of Paid Service

Date:	July 2020
Agenda Item:	4
Contact Officer:	Diane Tilley
Tel Number:	01543 308001
Email:	Diane.tilley@lichfielddc.gov.uk
Key Decision?	NO
Local Ward Members	n/a



EMPLOYMENT COMMITTEE

1. Executive Summary

- 1.1 To consider changes proposed to the Senior Management Structure following departure of three heads of service and two directors in 2019/2020.

2. Recommendations

- 2.1 To approve the permanent removal of the posts of Director (Community and Place) and Director (Transformation and Resource) from the establishment with immediate effect.
- 2.2 Confirmation of the Leadership team structure as set out in Appendix 1.
- 2.3 Re-designation of the position of the Head of Corporate Services to the Head of Governance and Performance, to more effectively reflect their duties and responsibilities including the role of Monitoring Officer.
- 2.4 Re-designation of Assistant Chief Executive to the Head of Corporate Services and designation of that role as Deputy Head of Paid Service going forward.
- 2.5 Delegated approval to Head of Governance & Performance, in consultation with the Chair of the Committee, to update the relevant HR policies to the appropriate job titles in the new structure.
- 2.6 Delegation to the Head of Paid Service and the Chair of the Committee to amend the job title of the Head of Corporate Services as appropriate to maximise recruitment potential to the role before it is advertised.

3. Background

- 3.1 In 2016 Council approved the implementation of a new Senior Management Structure designed to:
 - Facilitate, support, enable and promote transformation in how the council operates and delivers services to the community
 - Support a 'one council' ethos across the organisation, and reinforce strong corporate governance and performance management
 - Enable a more policy driven and evidence led approach to decision-making and service development
 - Work alongside elected members to provide stronger, proactive and forward looking strategic leadership to the authority and district
 - Create and support a tier of empowered and confident heads of service and technical professionals that manage day-to-day operations and service delivery

- 3.2 The revised Senior Management structure was fully embedded in April 2017. In late 2018 /early 2019 the top tier of the Senior Management Team, known as Leadership Team, saw the departure of three Heads of Service and an extension to the post of Assistant Chief Executive, which was originally a two-year post.
- 3.3 Interim arrangements were put in place to deal with the vacancies and a review began informally in May 2019 with the new Cabinet on the effectiveness of the structure for the forthcoming council term. Following initial scoping of the options the Directors exited the organisation on 30th November and 31st December respectively and a decision was taken to hold off recruitment and reapportion responsibilities to existing Heads of Service on a trial basis.
- 3.4 From January 2020 Leadership team have operated without the roles of directors and were completed with the arrival of the Head of Operational Services in February 2020, ensuring all portfolios were covered effectively. The new structure with fewer tiers of management and more direct lines of accountability has operated very well allowing for faster decisions, clearer communications and a clear change of pace in delivery.
- 3.5 The new structure and portfolio mix has demonstrated it is ‘fit for purpose’, particularly during the recent Covid 19 crisis, which tested the model and capacity of the team to the limits. The development of the team over the crisis has been invaluable and the team, staff and members now have absolute confidence in the structure to be able to lead the organisation effectively.
- 3.6 Clearly, normal day to day delivery is some way from being achieved, however the team have risen to the challenge and the resourcing gaps are now pinpointed as lower in the structure, as the key ambitions of the senior management restructure as outlined in 3.1 have been achieved.
- 3.7 Therefore it is with every confidence that I recommend the permanent removal of the posts of Director (Transformation and Resources, Community and Place) from the establishment and confirmation of the Leadership team structure.
- 3.8 I am also recommending the re-designation of the position of the Head of Corporate Services to the Head of Governance & Performance to more effectively reflect their duties and responsibilities including the role of Monitoring Officer. **Appendix 2** details the Job Description for his role.
- 3.9 The position of Assistant Chief Executive is then recommended to be re-designated as Head of Corporate Services to fit within the structure and that role will also act as Deputy Head of Paid Service going forward. **Appendix 3** details the Job Description for this role. The current post holder has informed that he will be leaving the authority in early August. To maximise recruitment options it is requested that delegated authority is granted to the Head of Paid Services and the Chair of Committee to vary the job title for this role based on the recruitment strategy, which is currently under development.
- 3.10 **Appendix 1** details the existing structure with vacancies and a revised structure that is proposed.
- 3.11 If the committee approve the revised structure all positions will be finalised and the establishment updated to remove all reference to directors. This will also require finalisation of the constitution (which will be the subject of a separate report to full Council) and many employment policies.
- 3.12 Rather than bringing these policies back to committee individually I am requesting delegated approval to update the policies to the appropriate job titles in the new structure be given to the Head of Governance and Performance (formerly the Head of Corporate Services if the recommendation is approved) in consultation with the Chair of this committee.
- 3.13 A budget of around £150k pa will be available following deletion of the director roles. Following approval of the structure it is requested that this funding is ring-fenced to fund resourcing gaps identified in 3.7 as the recovery plan, service plans and delivery plan are finalised in the coming weeks. Any funding not required for these purposes is to be identified by December 2020 for reallocation in the MTFs.

Alternative Options

1. The Council could decide not to implement the structure proposed. The organisation would continue to function and all existing posts would be retained. However the current structure in operation has proved successful

and it is clear that it is resourcing at lower levels in the organisation, where the pressure exists, that should be prioritised.

2. Furthermore all staff and members consulted support the new structure.

Consultation

1. Consultation has been undertaken with leadership team and the Cabinet. Staff and all council members have been informed of the intention of this report. Formal consultation will be undertaken with all officers affected by the proposals to accept the re-designations if the recommendations are approved.
2. Residents have previously expressed their wish for less of our budgets to be spent on our management costs.

Financial Implications

1. Given the financial pressures the council faces, this opportunity should be taken to reduce the management costs of the organisation. However this needs to be balanced with the need to ensure the capacity of the organisation is adequate to deliver our strategic aims. The proposals reduce the costs of the leadership team significantly.
2. Any savings from the deletion of the vacant posts will be ring-fenced until the end of the year for reapportionment to key areas where capacity is needed.

	2020/21	2021/22	2022/23	2023/24	Total
	£	£	£	£	£
Director 1	114,860	117,160	119,500	121,890	473,410
Director 2	114,860	117,160	119,500	121,890	473,410
Total	229,720	234,320	239,000	243,780	946,820
ACE	83,510	85,180	86,880	88,620	344,190
Less MTFS	- 6,361				
	77,149	85,180	86,880	88,620	344,190
Net Saving	152,571	149,140	152,120	155,160	602,630

Contribution to the Delivery of the Strategic Plan

1. The proposed restructure will play a significant role in achieving our strategic priority of being **a good council**
2. Vitality, the revised Leadership team will be instrumental in supporting members to deliver the new Strategic Plan from 2020 to 2024 and Covid 19 recovery.

Environmental Impact

There are no environmental or climate change issues arising from the recommendations in this report.

Equality, Diversity and Human Rights Implications

The process that has been followed in the development, consultation and proposal for a restructure of leadership team has ensured all issues relating to equality, diversity and human rights have been appropriately considered.

Crime & Safety Issues

There are no implications.

GDPR/Privacy Impact Assessment

A Privacy Impact Assessment has not been undertaken as it is not relevant for this report.

	Risk Description	How We Manage It	Severity of Risk (RYG)
A	Reduction in staff morale which affects recruitment and retention	Ensuring that staff are kept advised on progress of the review and time scales for each phase of work.	Green

		Ensuring Council policy is correctly applied.	
B	Capacity of leadership team is not sufficient to achieve the aspiration of the strategic plan	The new structure has been rigorously tested over the last 6 months. Capacity has been identified as required to support the work of the team lower down in the structure.	Green
C	Ability to attract suitable candidates in future	Use executive recruitment support to assess market and facilitate search for suitable candidates as vacancies become available. Ability to update job titles to reflect the market assists this.	Green

Background documents Council papers 8th March 2016, 7th June 2016.

Relevant web links