



Report of:	Meeting	Date
Councillor Michael Vincent, Leader of the Council and Rebecca Huddleston, Chief Executive	Council	25 January 2024

Senior Leadership Team Restructure

1. Purpose of report

- 1.1** To seek approval to restructure the Senior Leadership Team (SLT) to ensure that it is best able to further improve our services and deliver the Council's priorities and commitments.

2. Council priorities

- 2.1** The restructure proposals in this report aim to deliver a senior officer structure with the right capacity and skills to deliver against each of the priority areas set out in the new Council Plan.

3. Recommendations

- 3.1** To approve the proposed changes to the Council's Senior Leadership Team (SLT), as set out in this report and shown in Appendix A.
- 3.2** To authorise the Chief Executive to make any final minor amendments, in consultation with the Leader of the Council.

4. Background

- 4.1** Work has been undertaken to review the SLT to ensure the successful delivery of the Council's vision, priorities and commitments as set out in the Council Plan approved in November 2023.
- 4.2** A number of aims and objectives were clearly set out at the beginning of this piece of work. They were to:
- Ensure that the SLT structure, capacity and skills to deliver the Council's priorities over the next four years as set out in the new Council Plan;

- Strengthen the roles and responsibilities and clearly set expectations of SLT members as leaders within the organisation affecting both their corporate responsibilities as well as their service delivery responsibilities;
- Strengthen the position and responsibility of the post holding the Monitoring Officer designation, bringing this important statutory role into the SLT and Corporate Management Team (CMT);
- Create capacity to lead and drive organisational transformation and deliver against the council's new priority to be innovative and customer focused, and;
- Review and address pay levels, based on benchmarking across Lancashire to ensure pay is more in line with other authorities across Lancashire to support recruitment and retention and to mitigate the risk that the Council is not able to implement the Council Plan.

4.3 While the scope of this work was to review the SLT which is currently made up of Tier 2 (Directors) and Tier 3 (Heads of Service (HoS)) there are a small number of consequential changes to some teams and officers below SLT level.

4.4 This report presents the proposed changes and justifications for the changes for each Directorate area, followed by a number of more general changes to responsibilities, terms and conditions.

4.5 The existing structure is set out in Appendix B.

5. Proposed Changes - Environment

5.1 Currently the Environment Directorate is overseen by the Corporate Director Environment and three Heads of Service; the Head of Engineering Services, Head of Environmental Health and Community Safety and the Head of Public Realm and Environmental Sustainability.

5.2 These management arrangements are working well to deliver important front-line services and significant capital programmes and strategies.

5.3 The Directorate will be responsible for delivery of five of Council Plan projects over the next year and beyond and it is not considered that additional capacity or skills are needed at the Tier 2 or Tier 3 level at this time to support this.

5.4 Minor changes to job titles are proposed, and these can be seen in Appendix A.

6. Proposed Changes – Communities

6.1 Currently the Communities Directorate is overseen by the Corporate Director Communities and three Heads of Service; the Head of Housing and Community Services, Head of Assets and Project Development and the Head of Planning and Regeneration. In addition, a further two

managers, the Communications and Visitor Economy Manager and the Commercial Manager (Theatres) also report directly to the Director.

- 6.2** A temporary arrangement has been put in place recently whereby Building Control is reporting to the Head of Planning and Regeneration. It is proposed that this becomes a permanent arrangement.
- 6.3** It is acknowledged that there are existing capacity issues within the current Communities Directorate, particularly for the Director, with such a broad range of services to oversee together with five direct reports. It is therefore an important objective of the restructure to try and address this, to ensure the Director is able to be more effective in managing the services and delivering strategic projects both at pace and delivering high quality outcomes for the council and the borough.
- 6.4** To achieve this, it is proposed that Communications and Visitor Economy, Economic Development and Theatres are transferred from this Directorate and into the proposed Transformation and Change Directorate.
- 6.5** Each of these are considered to be a good fit with the new transformation programme for the following reasons:
- The Communications and Visitor Economy Team will be an essential part of any successful transformation and change programme.
 - Economic Development is one of the council's top priorities and there are a number of Council Plan projects proposed to deliver improved business support, revitalise our town centres and develop and deliver a tourism strategy for the borough. Moving this priority service area to a Directorate which has less responsibility for operational delivery and more capacity to support strategic planning and project delivery should help us to provide increased focus and support to what is currently quite a small team.
 - The Theatres Service is currently under review and whatever the outcome, the next steps require transformation of the service, either via supporting it to transition to a new delivery model or transforming the service from its current state to one that is both more financially sustainable and delivers an improved offer.
- 6.6** If these changes are implemented as well as easing pressure on existing service and project delivery the Directorate will have responsibility for the delivery of six Council Plan projects. If these changes are not made, then 11 projects would fall to the Communities Directorate.
- 6.7** It is also proposed to move Caretaking and Cleaning from the Housing and Communities service to the Assets and Project Development service, where it will be a better fit, bringing together teams responsible for developing, maintaining, and cleaning our council buildings (and wider assets) together.

- 6.8** Based on the changes above, minor changes are also proposed to job titles and directorate name and again these are set out in Appendix A. This includes a change to the Director's job title and the directorate name, which will change from the Corporate Director Communities and Communities Directorate to the Director of Communities and Planning and the Communities and Planning Directorate.

7. Proposed Changes – Resources

- 7.1** Currently the Resources Directorate is overseen by the Corporate Director Resources (S151 Officer) and three Heads of Service; the Head of Finance (Deputy S151), Head of Governance and Business Support and Head of Contact Centre. In addition, the ICT Services Manager reports directly to the Corporate Director.
- 7.2** As outlined above, a key objective of this restructure is to strengthen the position of the post that holds the Monitoring Officer (MO) designation. The restructure proposes to do this by creating a new Tier 3 role, "Assistant Director of Governance and Legal – Monitoring Officer". Currently the Council's Monitoring Officer is the Legal Services Manager who is a Tier 4 manager reporting into the Head of Governance and Business Support. It is unusual for such an important role to be held by an officer at this level and it has previously been the responsibility of a Tier 2 or Tier 3 post at Wyre. The Legal Services Manager will revert to their previous Deputy MO role.
- 7.3** It is also proposed that the Assistant Director of Governance and Legal post, while not a Director post will be part of the Council's Corporate Management Team, which is currently only made up of the Chief Executive and three Corporate Directors.
- 7.4** While for day-to-day management purposes the Assistant Director of Governance and Legal will report into the Resources Director, there will be a dotted reporting line to the Chief Executive who will manage the post holder in regard to their statutory responsibilities.
- 7.5** To enable this change to take place the existing Head of Governance and Business Support post will be deleted and the post holder will be assimilated into the new Assistant Director of Governance and Legal (MO) post. The new MO will receive appropriate training and support to allow them to take on their new role.
- 7.6** The new Assistant Director of Governance and Legal post will have responsibilities for all of the same service areas as the current Head of Governance and Business Support post with the exception of HR. It is proposed that HR transfers to the new Transformation and Change Directorate where the responsibilities of the service will grow to increase its focus on developing staff and supporting them through organisational transformation and change. This will also help to rebalance the capacity

of the Tier 3 post, which will have the added responsibilities of being the MO and a member of CMT.

- 7.7** It is proposed that the new Assistant Director of Governance and Legal (Monitoring Officer) receives an allowance for the additional statutory responsibilities they are taking on. It is proposed that this allowance is increased above the current MO allowance to reflect the additional expectations that will be placed on them to support evening meetings and be part of the CMT. The higher amount is also comparable to the allowance previously paid to a Tier 3 post on CMT.
- 7.8** There is an opportunity in the Resources Directorate to reduce the number of Heads of Service (T3) from three to two, by making the Head of Contact Centre post redundant and removing it from the establishment. This follows a request from the Head of Contact Centre for voluntary redundancy should there be the opportunity.
- 7.9** The Head of Contact Centre is currently responsible for four main areas:
- Revenues (Council tax, Business Rates/NNDR and Debt Recovery)
 - Benefits
 - Customer Services/Contact Centre; and the
 - Corporate Systems Team.
- 7.10** This proposed restructure will transfer the reporting lines of two posts, the Benefits Manager and the Revenues Manager to report into the Head of Finance. Bringing together the Finance, Revenues and Benefits Teams into one service area aims to improve communication and operational delivery and in doing so provide a more joined up and improved service to our customers.
- 7.11** However, it is proposed that the Corporate Systems Team, led by the Contact Centre Systems and Projects Lead initially report directly into the new Director of Transformation and Change post. The rationale for this is that the team works closely and, in some areas, work crosses over with ICT and the Communications and Events Team. This is particularly true in relation to the council's website. The capacity and skills of the team will be advantageous in supporting and delivering digital transformation both internally and in terms of the digital services we provide to our customers.
- 7.12** The third area of change proposed, is to move the reporting lines of the ICT Services Manager from the current Resources Directorate across into the new Transformation and Change Directorate. ICT was only transferred across from Communities to Resources in late 2021 and it is considered that because ICT will be a key element of the council's transformation programme, it will sit better with the new directorate. Digital transformation will be essential in transforming how we work, making our processes more efficient and delivering efficiency savings

and/or freeing up capacity that can then be redirected to other priority areas.

- 7.13** Overall, these changes will see a reduction in the service areas and teams reporting into the Resources Director post bringing it closer to the original structure approved in December 2019. This will enable the Director to focus more on their S151 responsibilities as well as improving and modernising ways of working in the remaining service areas to deliver improvements that currently there is little capacity to do.
- 7.14** The Directorate will be responsible for delivering one Council Plan project.
- 7.15** Based on the changes above, changes are proposed to job titles, and again these are set out in Appendix A. This includes a change to the Directors job title and the directorate name, which will change from the Corporate Director Resources (Section 151 Officer) and Resources Directorate to the Director of Finance and Governance (Section 151 Officer) and the Finance and Governance Directorate.

8. New Transformation and Change Directorate Proposal

- 8.1** It is proposed to create a new Directorate responsible for transformation and change, and with this a fourth Director post. This is aligned to the new Council Plan which has a new priority area:
Innovative and customer focused – *A well run, forward thinking council that puts customers first.*
- 8.2** The proposal for the new Directorate brings together all the service areas which will be key to developing and effectively delivering Transformation both internally and in terms of how we deliver services to our customers. This includes:
- Policy, Intelligence and Change
 - Communications and Visitor Economy
 - HR and Organisational Development
 - ICT
 - Contact Centre and Corporate Systems
 - Economic Development
 - Theatres
- 8.3** Investment in a senior post that is part of the CMT is essential to drive transformation and change at the scale and pace that we aspire to do in order to deliver against the priority set out above. Also, while this investment is not insignificant one of the key objectives of the transformation programme will be to deliver savings which will help the Council to reduce its budget deficit over the medium term and place less reliance on our balances and reserves. Instead balances and reserves can be better used, together with external funding to invest in the borough and in our services. Within the first 12 months it is anticipated that the new Director will develop a transformation strategy and

programme which will identify opportunities to improve services and deliver cashable efficiency savings over and above the costs of the post.

- 8.4** This proposal initially sees seven direct reports into the new Transformation and Change Director post in comparison to two or three Tier 3 posts reporting into the existing Directors. Clearly this number of direct reports is not ideal, and there are opportunities to bring some services areas together in order to reduce reporting lines as part of a future restructure. It is proposed however that this is addressed by the new Director once they are in post.
- 8.5** This new Directorate would be responsible for delivery of eight Council Plan projects.

9. Additional changes

- 9.1** This restructure proposes that existing (Tier 3) Head of Service posts are renamed to Assistant Directors and that they are moved onto Chief Officer Terms and Conditions. This will mean that they are no longer on the flexi scheme, but instead annual leave entitlement will increase from the current entitlement of 24 days rising to 29 days (after 5 years' service) to 31 days rising to 36 days (after 5 years' service).
- 9.2** This change is on the basis that senior managers in the organisation should not need to account for all their time by clocking in and out each day. They will be trusted and expected to put in the time required to fulfil their responsibilities.
- 9.3** Corporate responsibilities for Assistant Directors and Directors have been reviewed as part of this restructure process to clearly set out expectations of members of the SLT in relation to not only delivering effective services, but also wider responsibilities as leaders of the organisation.
- 9.4** Details of these can be seen in Appendix C and following approval of this restructure, job descriptions will be updated to incorporate these wider responsibilities.
- 9.5** In line with the stated objectives for the restructure, benchmarking of both Director and HoS equivalent roles across Lancashire has been completed. When averaging the maximum salaries across roles, the HoS average is £61,452 and Director average is £84,472.
- 9.6** It is therefore proposed that the Assistant Director posts are set at a spot salary of £61,000 (7.6% increase) and Directors are set at a spot salary of £82,000 (2.9% increase).
- 9.7** These are slightly lower than the average to account for our SLT team being slightly larger in number than other Lancashire Authorities. It also

aligns to the Chief Executive salary, which is also slightly below the Lancashire average.

- 9.8** The total additional costs of these pay review proposals amount to £37,563 (all costs in the report are based on the April 2023 pay scale and an oncost rate of 23.1% (NI and pension)) for the existing three Directors and existing seven Tier 3 posts and will be funded from savings on pension contributions which had been set aside.

10. Summary of changes to posts

- 10.1** The following posts will be deleted from the establishment:

Post	Recurring Savings	One off costs
Head of Governance and Business Support	£70,933	£0
Head of ICT and Digital (0.5 FTE vacant)	£31,536	£0
Head of Contact Centre	£70,933	£78,087
Total	£173,402	£78,087

- 10.2** The Head of ICT and Digital post was a shared post with Lancaster City Council and has been vacant since June 2021. As there are no immediate plans to fill this post it is proposed to delete it from the establishment and instead to use the saving as a contribution towards the cost of the new Transformation and Change Director.
- 10.3** The one-off redundancy and pension strain costs (£63,807) from the deletion of the Head of Contact Centre post will be funded from the Value for Money (VFM) reserve which has been set aside to fund up front invest to save initiatives and enable the Council to make changes such as this.
- 10.4** The following new posts are proposed:

Post	Recurring costs
Assistant Director of Governance and Legal (Monitoring Officer)	£75,091
Director of Transformation and Change	£100,942
Total	£176,033

- 10.5** The cost of these new posts will be funded predominantly through offsetting savings in the restructure, with the shortfall met from future pension contribution savings previously identified and retained.
- 10.6** It is also proposed to provide an annual allowance for statutory officers of £6,000 and deputy officers of £3,242, below Director level, as recognition of the additional responsibilities they have. Including on-costs this is an

additional cost of £11,377 and will also be funded from the pension contribution savings identified.

10.7 A summary of the financial implications can be found at Appendix E.

11. Consultation

11.1 The table below provides an overview of the comprehensive steps taken to consult with staff, Members and Trade Union representatives on the proposals for this Senior Leadership Restructure.

11.2 The consultation period for the review commenced on 7 November and ran to 6 December. Members of the SLT were briefed on the proposals and the report was made available to all employees via the intranet. In addition, Unison was briefed and invited to provide feedback. Where queries were raised that could be responded to aid clarity of understanding, this has happened throughout the consultation period.

Date	Action
20 September	CMT Catch Up – Briefing on initial thoughts and timeline for an SLT restructure.
27 September	Management Board – High level informal briefing and discussion with Cabinet Members on the SLT restructure.
02 October	Regular Union/CEX/HR meeting – High level briefing on plans to commence an SLT restructure.
10 October	SLT Meeting – High level briefing on plans to commence at SLT restructure and start of informal consultation period.
31 October	End of informal consultation period
6 November	CMT briefing prior to start of the formal consultation
7 November	<ul style="list-style-type: none"> • Start of formal consultation. • Letters sent to all directly impacted. • 1-2-1 meetings with staff directly impacted commenced. • HR briefed local and regional union representatives on the proposal.
10 November	Update on the SLT restructure and Council Plan posted on the staff intranet and paper copies available at Copse Road.
16 November	End of 1-2-1 meetings with staff directly impacted (24 meetings held overall).
6 December	Formal consultation closed.

11.3 Written feedback was received from 11 members of staff during the consultation. Broadly the feedback can be grouped into the following categories:

- Pay and terms and conditions;
- Capacity concerns;

- Job descriptions and areas of responsibility;
- Changes in the level of responsibilities of Heads of Service / Assistant Directors.
- Service specific feedback, particularly around Economic Development, Finance, Revenues and Benefits and the Contact Centre; and the
- Changes to Statutory Officer roles and designations.

11.4 There are some minor amendments to the original proposals, based on the consultation feedback received. These are:

- Changes to the following job titles:
 - Assistant Director of Property and Assets to Assistant Director of Property and Development Projects
 - Assistant Director of Finance to Assistant Director of Finance, Revenues and Benefits.
- Allowances for all statutory roles and their deputies under Director level.
- The proposal to move the Contact Centre into Finance has been updated following feedback and is now proposed to sit within the new Transformation and Change Directorate.
- Some of the feedback also made good suggestions for wider changes, and while they don't sit within the scope of this SLT restructure, they will be considered further in the future.

12. Next steps and future actions

12.1 Following the approval of the final proposals for the SLT restructure, all staff impacted by the restructure will be notified of the changes that impact them and receive a copy of this report. Meetings will be arranged where required to talk through the changes and wider communications to all staff will also be provided. In addition, the new Director post will be immediately externally advertised.

12.2 The new structure will commence from 1 April 2024. To support the development of the new SLT in understanding and meeting the increased expectations of them as senior leaders of the organisation and in strengthening their relationships as a team, a series of externally facilitated workshops will be held and individual development plans put in place.

12.3 Aligned to this the internal CMT and SLT meetings and work plans will be reviewed to look at opportunities to engage wider SLT members in early policy discussions and decision making in line with their additional corporate responsibilities.

- 12.4** Once the new structure is in place, it will then be for the Directors and Assistant Directors to consider skills and capacity to deliver against the Council Plan in their service areas, in a similar way to the consideration given in this SLT restructure. As noted in the consultation section, some of the feedback is outside the scope of this restructure and therefore can be fed into service level reviews. In some cases, this may result in restructures at a service level.
- 12.5** As noted earlier in the report one example of this will be in the new Transformation and Change Directorate. The new Director will need to quickly review the services which they are responsible for and consider how best to bring different teams together and where further additional capacity to enable change is likely to be required.
- 12.6** Alongside the SLT restructure proposal succession planning work has also commenced. As an organisation we know we have an ageing workforce, and while there are many benefits of having so many highly experienced officers it is also a risk to business continuity. It is important to be proactive in putting plans in place to start to transfer knowledge and develop other members of staff to provide a seamless continuation of services to our customers as experienced staff retire.
- 12.7** This work is relevant to staff at all levels including SLT and therefore in the coming years it should be noted that this may present both career progression opportunities but also opportunities to further review the SLT structure and reconsider how services best fit together following a period of transformation.

13. Alternative options considered and rejected

- 13.1** Various alternative options for the SLT structure have been considered throughout this process. A number of them are referenced in the consultation document (Appendix C), and further options have been considered based on the consultation feedback (Appendix D).
- 13.2** In addition, wider options have been considered and rejected. The first of these was to not undertake the restructure. This was rejected as it would not support the council in having a fit for purpose SLT structure that supports the delivery of priorities.
- 13.3** Initial options for the SLT restructure incorporated responsibility for transformation in existing Director responsibilities. However following feedback from CMT members this was rejected owing to a lack of capacity to take on this significant and additional programme of work.
- 13.4** Alternatively, a more radical approach to the restructure which would combine posts and responsibilities and deliver savings was briefly considered and rejected at this time. This is because it would put officers at risk of compulsory redundancy, not address capacity concerns raised by staff both in the consultation to this restructure and in the recent staff

survey and not provide a stable environment for the council's Transformation and Change agenda.

- 13.5** An alternative option to deliver organisation transformation with the support of external consultants is an option which has been considered and rejected. While this approach could provide short term skills and capacity to develop a transformation programme or deliver a specific project it would be at a significant cost, is more likely to be met with resistance from officers feeling that change is being done to them and at a pace in which they have no control. It would also not result in developing additional internal capacity and skills to continue to progress and embed the change once the consultants have left.

Financial, Legal and Climate Change implications	
Finance	<p>A financial summary can be found at Appendix D.</p> <p>In 2023/24, a new triennial actuarial review period commenced for our local government pension scheme contributions. The council's future service contribution rate fell from an estimated 18.3% to an estimated 13.5% for the three financial years from 2023/24 to 2025/26. The majority of this saving was retained in the Medium Term Financial Plan (MTFP) pending a review of the pay line. The SLT restructure has been progressing concurrently with this review and it was intended that any remaining saving from the prioritised pay line changes would offset any costs arising from the SLT restructure.</p> <p>Although changes to the pay line are not yet approved at the time of writing, based on the scenario recommended to Cabinet on 29 November 2023, from 1 April 2024, the shortfall of £51,571 (based on April 2023 pay scale and oncosts at 23.1%), if inflated by the MTFP pay award assumptions for 2024/25 will leave a shortfall of approximately £14,812.</p> <p>A further sum was held in the MTFP of 0.5% on future pension contributions pending the outcome of the McCloud judgment and any impact on the future service contributions. The judgment and remedy came into force on 1 October 2023 and following a briefing to Finance Directors in December 2023 by the pension fund, the impact of any changes not already factored into the contribution rate is deemed to be low. This allows the release of this sum set aside to meet the shortfall on the SLT restructure cost.</p>

	The one-off costs for redundancy and pension strain attributable to the deletion of the Head of Contact Centre post £63,807 will be met from the VFM Reserve.
Legal	The council has a wide discretion to create a senior management structure to reflect the current needs of the organisation, subject to ensuring that statutory responsibilities the council is required to allocate are provided for. Advice from HR has been sought in relation to the implications arising from the proposed restructure to ensure that correct processes are followed.
Climate Change	The proposals made do not have a direct impact on the council's carbon emissions and the wider Climate Emergency and sustainability targets of the Council.

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

risks/implications	✓ / x
community safety	x
equality and diversity	x
health and safety	x

risks/implications	✓ / x
asset management	x
ICT	x
data protection	x

Processing Personal Data

In addition to considering data protection along with the other risks/ implications, the report author will need to decide if a 'privacy impact assessment (PIA)' is also required. If the decision(s) recommended in this report will result in the collection and processing of personal data for the first time (i.e. purchase of a new system, a new working arrangement with a third party) a PIA will need to have been completed and signed off by Data Protection Officer before the decision is taken in compliance with the Data Protection Act 2018.

report author	telephone no.	email	date
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List of background papers:		
name of document	date	where available for inspection
Council Plan	November 2023	www.wyre.gov.uk/council-plan
Senior Leadership Team Consultation Briefing Note	November 2023	Via email on request

List of appendices

- A. Recommended Senior Leadership Team Structure
- B. Existing Senior Leadership Team Structure
- C. Senior Leadership Team - Additional Corporate Responsibilities
- D. Financial Implications Summary