



| Report of: | Meeting | Date |
|---|----------------|----------------|
| Councillor David Henderson Leader of the Council and Garry Payne, Chief Executive | Council | 3 October 2019 |

Corporate Management Team Restructure

1. Purpose of report

- 1.1** To seek Council's approval to a revised Corporate Management Team structure.

2. Outcomes

- 2.1** An effective consolidated Corporate Management Team structure with a capacity and skill set ensuring delivery of the Council's Business Plan and stability of the organisation through effective succession planning.
- 2.2** High performing services with good customer satisfaction levels.
- 2.3** Effective leadership and management of Council services.

3. Recommendations

- 3.1** That from the 1 December 2019, under the existing post of Chief Executive, a revised Corporate Management Team structure be implemented to include three Corporate Directors.
- 3.2** That the following Corporate Director salary levels be approved:
£62,000 – 72,000 (£62,000/67,000/72,000).
- 3.3** That the three existing Service Directors and Head of Finance/Section 151 Officer be ring-fenced for a role as a Corporate Director and be interviewed by the Senior Officer Appointments Committee. Once interviews have been completed the Senior Officer Appointments Committee will make a recommendation to full Council.

- 3.4** The unsuccessful applicant will either take up a role or continue in the role of Head of Service. If the unsuccessful applicant is a current Service Director salary protection would apply for 18 months in accordance with our adopted Policy. As a result of this restructure there will be no compulsory redundancies. However, should any unsuccessful candidate request voluntary redundancy that would only be agreed if the request met our Redundancy Policy, including a two year payback.
- 3.5** That in the event of an internal appointment/s not being made a further report will be brought back before full Council identifying options.

4. Background

- 4.1** The Council currently has a Corporate Management Team comprising a Chief Executive, three Service Directors and the Head of Finance/Section 151 Officer.
- 4.2** The current Senior Officer structure and Service Director remuneration package was approved by full Council in June 2015 (current Service Director salary levels, taking into account recent pay award, is £61,026 to £64,740) and the structure was partially implemented in April 2016 and then fully implemented in July 2016.
- 4.3** Since July 2016 the Service Directors and Head of Finance/Section 151 Officer have undertaken a series of staffing and operational reviews which has resulted in significant savings. At the same time new arrangements have been developed to strengthen teams and support Heads of Service and third tier managers in their management, supervisory, operational and delivery roles. Development of leadership skills and collaborative working across and outside of the council is now well embedded.
- 4.4** Over the past three years a number of significant milestones have been achieved including adoption of a new Local Plan, securing Enterprise Zone Status for the Hillhouse International Business Park; a revised and strengthened Business Plan; we have adopted and embedded a vision that focuses on commercial opportunities and promoted and embedded a business like collaborative culture; made significant investment into our digital transformation of service provision and we have developed and will continue to develop strong and effective relationships with other public sector service providers to ensure we have a strong foundation so that we can continue to deliver exceptional services to our residents, businesses and visitors.
- 4.5** In November 2017, under powers delegated to the Chief Executive and following a benchmarking exercise the special responsibility allowance for the role of Section 151 Officer was increased to £5,500 which is also subject to any agreed annual pay award. The total salary of the Head of Finance/Section 151 Officer (including special responsibility allowance) is currently £56,938.

- 4.6** The Head of Finance does, however, undertake an active and formal role in strategic meetings including Corporate Management Team and Management Board meetings, adding value to the process. This aligns with the Chartered Institute of Public Finance and Accountancy's Statement on the Role of the Chief Financial Officer in Local Government. It is thus only right and proper that the Head of Finance/Section 151 be afforded the opportunity to be considered for a role as a Corporate Director.
- 4.7** Following the last Corporate Management Team re-structure in 2016 collaboration has been championed and embedded within the organisation by the Chief Executive, three Service Directors and Head of Finance/Section 151 Officer and as a result positive benefits have arisen, including cementing a 'can do attitude and collaborative culture', increased external funding for a number of projects and services has been secured including the Better Care Fund, major projects including parks and open spaces, increased rental income, increased satisfaction levels, transformation of services, increased customer and community engagement and improvements in the health and wellbeing of our residents and businesses. Collaboration at a strategic level requires significant commitment and resources including time which results in increased pressure. As we move forward as an organisation continuing and increasing collaborative working, managing our finances, generating income and continuing to secure external funding will be critical, particularly at a strategic level.
- 4.8** On 7 March 2019 full Council approved a new Business Plan and the Budget and therefore Members will be aware that we are in a strong and stable financial position and have a deliverable Business Plan.
- 4.9** The proposed restructure to form a consolidated Corporate Management Team, with a greater emphasis on strategic working, will ensure that we are best placed and have the capacity and skill set to maximise the opportunities of collaborative working particularly at a strategic level. The proposed revised Corporate Management Team structure will ensure we continue to deliver our corporate priorities and in particular the significant projects and opportunities in the Business Plan but remuneration levels need to be at a level that is reflective of revised roles and responsibilities.
- 4.10** In order to ensure the organisation retains stability and a 'can do culture' should Members agree to the revised Corporate Management Team the Chief Executive will develop and implement a detailed succession plan, including a structured mentoring and training programme for the Corporate Directors. Effective, proactive succession planning will ensure we are well prepared to deal with change, provide employees with opportunities and successful succession planning will build strength in the organisation.

- 4.11** Analysis of other Lancashire District Council Senior Officer (Corporate Director/Director) salary levels (as at April 2019) has revealed a wide salary range for example Fylde £67,408; Preston £77,292; Ribble Valley £85,349 (plus 7.5% contribution to lease car); South Ribble £86,700 (plus £1,239 essential car user allowance) and Lancaster £89,760.
- 4.12** The number of Senior Officers (including the Chief Executive) that make up the Senior Management Team in other Lancashire District Councils varies but taking into account the remuneration levels and responsibilities of Senior Officers in other Lancashire District Councils and the varied Senior Management Team Structures the remuneration levels and Senior Management Team Structure proposed in this report are considered the most appropriate for Wyre.
- 4.13** The proposed Corporate Management Team re-structure has been devised with the support and advice of North West Employers (NWE) and should Members approve this report NWE will continue to play a role providing independent advice and support until the process is completed.

5. Key issues and proposals

- 5.1** The Chief Executive currently manages three Service Directors, Head of Finance/Section 151 Officer and the Head of Planning Services. It is proposed that under a new consolidated Corporate Management Team structure the Chief Executive will manage three Corporate Directors and Corporate Directors will, in turn, be responsible for additional managerial responsibilities to be decided on a fair and equal basis.
- 5.2** As stated in this report four members of staff are affected by the proposed Corporate Management Team restructure and Council Policy is to undertake a 30 day consultation period. Taking into account holiday commitments the consultation period was extended and ran from 1 July to 16 August and during this time the Chief Executive met formally with all four individuals on three occasions each.
- 5.3** The consultation process gave the four affected members of staff the opportunity to discuss and comment on the proposed restructure and a deadline of 23 August was set for the four members of staff to express in writing, to the Chief Executive, an interest in a role as a Corporate Director.
- 5.4** All four members of staff affected by this proposed restructure have stated they wish to be considered for a role as a Corporate Director and subject to full Council approval the Senior Appointments Committee will be convened and interviews carried out on Monday 4 November 2019 with a recommendation to be made to the meeting of full Council on 14 November and the new structure implemented from 1 December 2019.

| Financial and legal implications | |
|---|---|
| Finance | Should the three existing Service Directors be appointed to Corporate Director posts the cost of implementing the proposed revised and strengthened Corporate Management Team structure will be nil. Other appointment permutations would, after 18 months, result in savings which will be declared after 18 months. |
| Legal | There are no legal issues arising from this report. |

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 |
| sustainability | x |
| health and safety | x |

| risks/implications | ✓ / x |
|---------------------------|--------------|
| asset management | x |
| climate change | 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.

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| report author | telephone no. | email | date |
| Garry Payne | 01253 887500 | Garry.Payne@wyre.gov.uk | 02/09/2019 |
| List of background papers: | | | |
| name of document | date | where available for inspection | |
| None | | | |

List of appendices

None