

REPORT TO	DATE OF MEETING
Cabinet	12 February 2014

Report template revised June 2008



SUBJECT	PORTFOLIO	AUTHOR	ITEM
Senior Management Structure	Leader	Mike Nuttall	9

SUMMARY AND LINK TO CORPORATE PRIORITIES

This report proposes changes to the senior management structure that will lead to a greater focus on our corporate priorities and enable the Council to take advantage of emerging opportunities, such as those presented by the Preston, South Ribble and Lancashire City Deal (City Deal). The proposed changes will also provide a platform from which further service transformation and rationalisation can take place as we continue to improve value for money for council taxpayers and address the reductions in government grant funding.

RECOMMENDATION

That the:

1. revised senior management structure, as detailed at Appendix B to the report, be approved to take effect from 1 April 2014;
2. the Director of Governance & Business Transformation be designated as the Council's Monitoring Officer with effect from 1 April 2014
3. authority be delegated to the Chief Executive in consultation with the Leader and Chair of Governance to make any necessary changes to the Council's Constitution as a result of the new structure.

DETAILS AND REASONING

Background

It is almost four years since the Council's senior management structure was last reviewed. In this period the Council and the environment within which we operate have changed markedly. The Government's programme of austerity measures has seen core grant funding for council services reduce, on a like for like basis, by 36% (£2.3 million) over the last four years, with the Council responding by delivering recurring savings of around £3.5 million whilst still managing to maintain high service standards and residents' satisfaction over that same period. Equally there have been changes to numerous partner organisations over the last four years which mean that we have needed to work differently with them. That said, looking forward, there are some very positive opportunities for economic growth, both within the Borough and the wider central Lancashire area, that we need to ensure we are positioned to take full advantage of.

The current senior management team structure is shown at Appendix A for information and, as can be seen, there is currently one vacant position following the retirement of the Director of Planning & Housing in October last year and a subsequent unsuccessful recruitment and selection process. The Director of Corporate Governance has also recently advised that she intends to retire at the end of March. It is therefore opportune to review the structure in light of these two positions becoming vacant.

In proposing a revised senior structure it is important to ensure we are maintaining a focus on our key corporate priorities whilst positioning ourselves to take full advantage of emerging

opportunities, such as those presented by the City Deal. It is also clear that the Government's austerity measures are going to continue for the foreseeable future, with further cumulative government grant reductions of 28% (£1.4 million) anticipated for the following two years. Therefore, any organisational changes need to provide a platform from which we can deliver further service transformation and rationalisation as we continue to improve value for money for council taxpayers whilst also providing staff with development opportunities and making best use of the skills already available within the Council.

Proposal

The proposed senior management structure is set out at Appendix B. In summary, it is recommended that the positions of Director of Development & Housing (vacant) and Director of Corporate Governance (when vacant) are deleted with services then being reconfigured around the three remaining directors. This would build on the strengths of the existing arrangements which have served us well over the last four years. Subject to consideration and agreement by the Council, it is proposed that the new structure would take effect from 1 April 2014 and each director would review structures to ensure that functions/services were effectively aligned and contained the correct mix of skills to allow us to place the required emphasis and focus on our key corporate priorities.

Planned development in the Borough, as set out in the Council's Local Development Framework, forms the foundation of the City Deal recently agreed by the Government. The development of the Enterprise Zone at Samlesbury and Cuerden Strategic Investment site are just two of the other significant and exciting opportunities which we are actively engaged in. By bringing together the Planning, Housing, Economic Development and Community Engagement functions within the Council we will then be able to ensure that the teams are effectively integrated, contain the capacity and skills mix to take advantage of these opportunities by working proactively to deliver the wider aspirations of the Council for the Borough.. The future emphasis will be on bringing forward the appropriate physical development of the area, promoting what the area has to offer to those wishing to invest and developing local people and communities so that they are able to take advantage of the opportunities. Given the need to develop communities alongside the physical environment the future priorities of the My Neighbourhood Forums will need to be focused and designed in a supportive way.

It is noted that the Scrutiny Committee are also in the process of concluding a review of the Planning Service and the results emerging from that review will be taken into account as part of any future service redesign of the Planning service.

The Housing service continues to be a priority for the Council and the scale and rate of development expected over the coming years, as set out in our Local Development Framework, makes it even more important that we are able to focus on ensuring the Borough's strategic housing requirements are delivered. Therefore, the proposal in this report to transfer the homelessness function to become more closely integrated with the Housing Benefits service is designed to give more prominence to our strategic housing responsibilities. Equally, given the Government's Welfare Reform changes, this would improve the service offered to customers of the homelessness service. We would then be able to take a more joined up view of their needs as well as being able to integrate the service more fully with Gateway. The closer integration of our homelessness service with the much larger Benefits and Gateway teams would also provide greater service resilience and accessibility to customers.

Statutory Officer Appointments

The retirement of the Director of Corporate Governance [Monitoring Officer] at the end of March means that the Council will need to formally designate an officer to take over the statutory role of the Council's Monitoring Officer. The officer appointed does not have to be legally qualified, as has been the case in the Council for many years, as long as they have appropriate support. This support is primarily currently provided by the Legal and Democratic Services teams, with the Legal Services Manager fulfilling the role of Deputy Monitoring Officer. It is proposed that the Director of Governance & Business Transformation be designated the Council's Monitoring Officer with effect from 1 April 2014.

The current Chief Executive [Head of Paid Service] also, fairly uniquely in local government, fulfils the role of the Council's statutory Chief Financial Officer, with the Deputy Chief Financial Officer role fulfilled by the Head of Shared Financial Services. This arrangement has worked effectively for the last three years and no change is proposed as part of this report.

The arrangements set out above ensure that the statutory roles of Head of Paid Service, Chief Financial Officer and Monitoring Officer continue to be fulfilled by officers forming the management team of the Council.

WIDER IMPLICATIONS

In the preparation of this report, consideration has been given to the impact of its proposals in all the areas listed below, and the table shows any implications in respect of each of these. The risk assessment which has been carried out forms part of the background papers to the report.

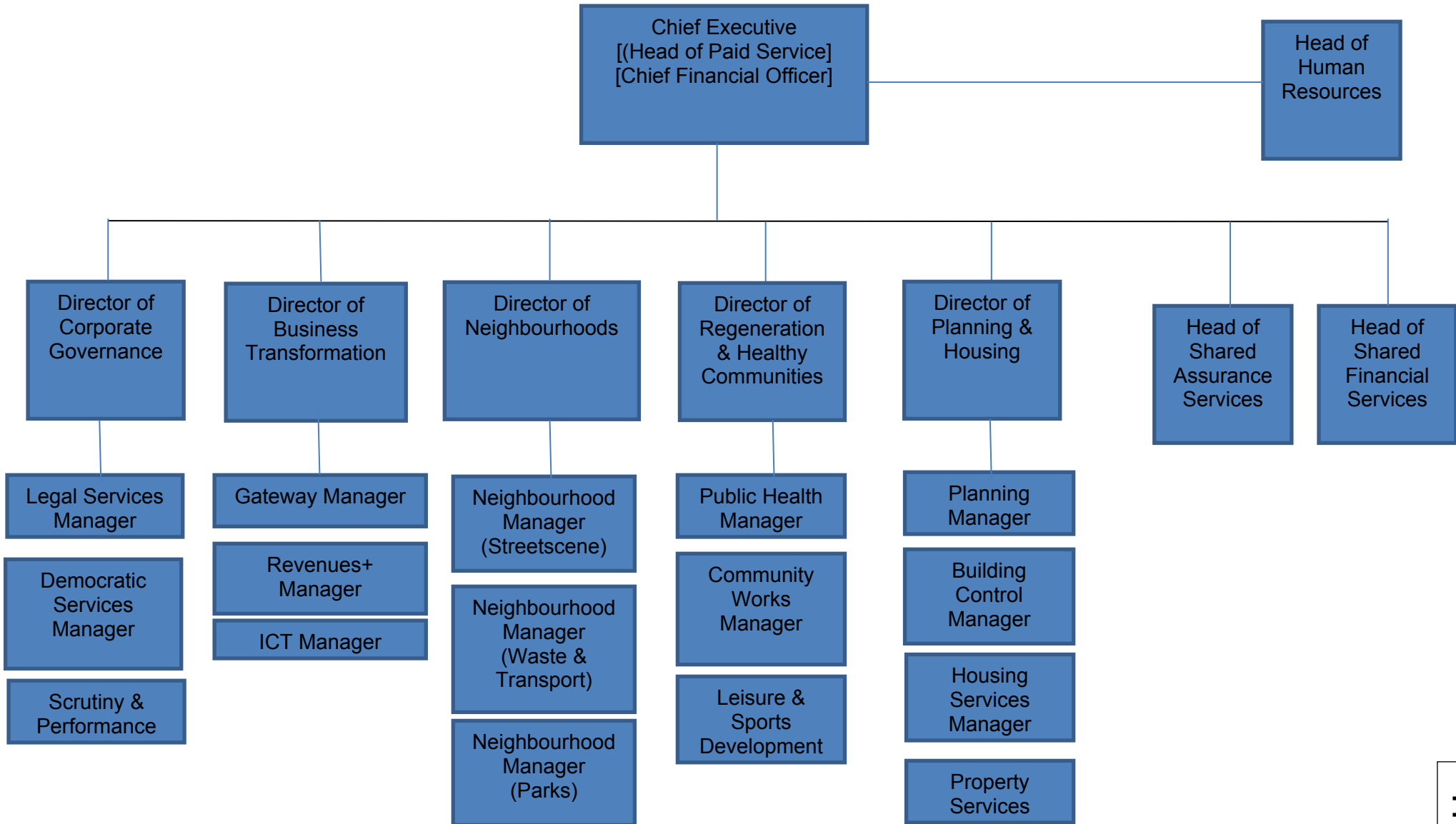
<p>FINANCIAL</p>	<p>Deleting the positions of Director of Development & Housing and Director of Corporate Governance would save the Council £160,000 p.a. This takes into account the cost of proposed changes to the grades for the three remaining directors, recognising their additional responsibilities under the restructuring proposals set out in this report.</p> <p>Whilst it is anticipated that there will be opportunities for further efficiency improvements and savings prompted by the reconfiguration and realignment of services there will also need to reinvest some of the savings to ensure we have the correct skills and capacity in place to support the future challenges and priorities facing the Council. As it is not possible to quantify the exact costs at this stage it is proposed that a contingency sum is included within the Council's overall budget proposals for the coming year.</p>
<p>LEGAL</p>	<p>The Council needs to confirm the appointment of a replacement Monitoring Officer.</p> <p>The proposals in this report, especially around the arrangements for the statutory officers, have been discussed with the External Auditor and they are satisfied with the proposals.</p>
<p>RISK</p>	
<p>THE IMPACT ON EQUALITY</p>	

STAFFING	<p>Consultations on the proposals in this report have commenced with UNISON and other employees. The feedback received will be considered as the proposals are taken forward for approval at the Council meeting on 5 March.</p> <p>The proposals in this report have been developed in line with the Council's existing HR policies and, subject to consultation and approval will be implemented in the same manner.</p> <p>The table below compares the proposed grading structure for the three director positions proposed within the revised senior management structure when compared to the grading for the five directors under the current structure which will be used to update the Council's Pay Policy.</p>						
	Current Director grades £	59,947	60,871	61,795	62,719	63,643	64,567
	Proposed grading £	65,500	66,500	67,500	68,500	69,500	

<i>Asset Management</i>	<i>Corporate Plans and Policies</i>	<i>Crime and Disorder</i>	<i>Efficiency Savings/Value for Money</i>
<i>Equality, Diversity and Community Cohesion</i>	<i>Freedom of Information/ Data Protection</i>	<i>Health and Safety</i>	<i>Health Inequalities</i>
<i>Human Rights Act 1998</i>	<i>Implementing Electronic Government</i>	<i>Staffing, Training and Development</i>	<i>Sustainability</i>

BACKGROUND DOCUMENTS

Current senior structure



A proposed senior structure

