

Report of	Meeting	Date
Chief Executive (Introduced by Leader of the Council and Cabinet Member (Strategy and Reform))	Council	Wednesday, 17 May 2023

Changes to director structure

Is this report confidential?	No
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Is this decision key?	Not applicable
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Purpose of the Report

- To present proposals for changes to the director structure to ensure it remains fit for purpose.

Recommendations to Council

- To approve the proposed changes to the director structure for consultation in line with the council's Change Policy.

Reasons for recommendations

- The changes proposed will ensure that the director structure remains fit for purpose.

Other options considered and rejected

- To leave the director structure unchanged, which would not reflect the increased capacity at Head of Service tier nor provide a more streamlined director structure.

Corporate priorities

- The report relates to the following corporate priorities:

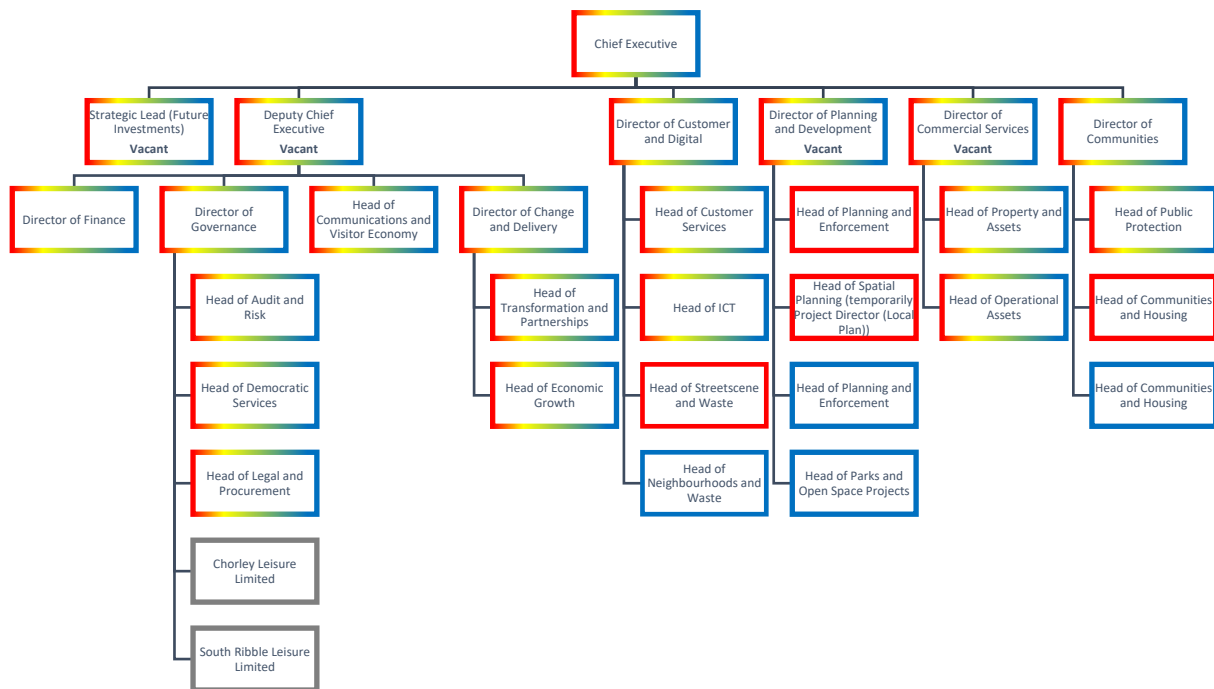
An exemplary council	Thriving communities
A fair local economy that works for everyone	Good homes, green spaces, healthy places

Background to the report

- A review of management capacity was undertaken last year. That review focused on ensuring there was consistent structure of Heads of Service that supports the delivery

of the council's priorities and services. The posts created in that structure have now been filled and new postholders have commenced in post over recent months.

7. The director structure has vacancies, with temporary arrangements in place to manage services including the use of interim posts. It is an appropriate time to review those vacant posts and consider how they should be replaced or filled.
8. The current Leadership Team is set out below.



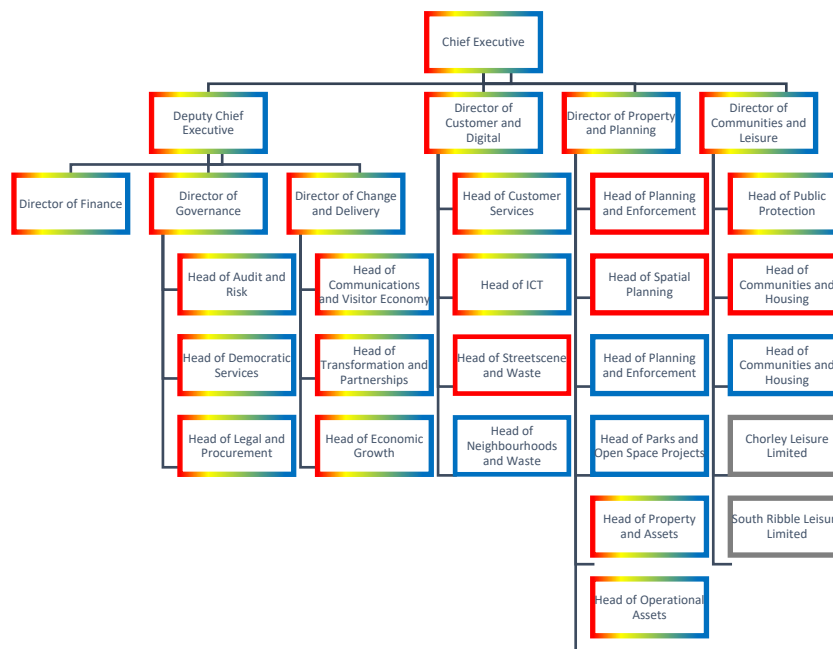
9. Including vacant posts, there are:
 - 1 x Chief Executive (shared)
 - 1 x Deputy Chief Executive (shared)
 - 1 x Strategic Lead (shared)
 - 7 x Directors (Shared)
 - 19 x Heads of Service (11 x shared, 4 x Chorley, 4 x South Ribble)
10. The following posts are vacant:
 - Deputy Chief Executive
 - Strategic Lead (Future Investments)
 - Director (Commercial Services)
 - Director (Planning and Development)

Proposed changes

11. In considering potential changes to the director management structure, the following considerations have been made:
 - As most of the Leadership Team is shared, the two councils have invested in increasing management capacity over the past year, particularly with the creation of additional heads of service.
 - The council is projecting a budget gap within the Medium Term Financial Strategy and so should consider the potential to secure savings, while also ensuring there is sufficient capacity to manage the organisation and deliver the council's priorities

- There has been significant change in the officer management structure in the last year, with a change of Chief Executive and a number of senior managers leaving, and so options should consider a balance between gaining stability and benefits of change

12. The proposed structure is set out below:



13. The following posts would be deleted:

- Director of Planning and Development (post vacant)
- Director of Commercial Services (post vacant)
- Strategic Lead (Future Investments) (post vacant)

14. The following posts will be created:

- Director of Property and Planning

15. There would also be some changes to the service responsibilities for some of the existing director posts. The Director of Change and Delivery would take up responsibility for Communications and Visitor Economy and the Director of Communities would be redesignated as the Director of Communities and Leisure and take up responsibility for the wholly-owned leisure company.

16. The Deputy Chief Executive position is currently vacant. To secure additional senior capacity as quickly as possible while the new director post is filled and the new heads of service become embedded, that post will be filled on an interim basis.

Considerations

Salaries

17. The current salaries of the directors are inconsistent. The salary of the Director posts will be £83,275 with two exceptions where there are market supplements in place. The total salary (including market supplement) for the Director of Finance is £85,050 and £93,275 for the Director of Customer and Digital.

Wholly Owned Leisure Company

18. The Director of Communities and Leisure will be the Managing Director for the wholly owned leisure company. On a day to day basis, this change should better align the services that work towards improvement health and wellbeing of residents. However, consideration needs to be given around the separation of roles between the council and the leisure company in managing the leisure company. To ensure this is clear, the Head of Communities and Housing will continue as the client-side officer, supported as needed by the Deputy Chief Executive.

Capacity for major projects

19. Last year, the council established a new post of Strategic Lead for Future Investments. That post became vacant at the beginning of 2023. Since then, arrangements have been made to provide capacity and skills in managing major projects. This is provided through the two new Head of Service posts in Commercial Services, and in a six month contract with a third party supplier to provide support for current and developing major projects. This contract will be reviewed to assess its impact over the coming months with longer term arrangements then put in place.

Budgetary impact

20. Based on the budgeted salary, which include assumptions around pay awards, the saving for the council is £105k.
21. The posts are shared on a 50:50 basis, which will remain unchanged.

Consultation

22. As the posts that are deleted are vacant, there are no redundancies expected as part of the proposed changes. However, as the proposals do make changes to posts and the management structure, the council's Change Policy will be followed.
23. If the proposals in this report are approved, there will be a period of consultation. The feedback received will inform any changes that may be required to the proposed structure. Following consultation, the final structure will be agreed by the Leader.

Climate change and air quality

24. The work noted in this report has an overall neutral impact on the Council's Carbon emissions and the wider Climate Emergency and sustainability targets of the Council.

Equality and diversity

25. An impact assessment has been undertaken on the proposals and no potential adverse impact has been identified. The council's change policy and recruitment policies will be followed through the process.

Risk

26. The risks and considerations associated with making changes to the council's director structure have been set out through the report.

Comments of the Statutory Finance Officer

27. The overall financial impact of the proposed changes above is a saving of approximately £105,000.

Comments of the Monitoring Officer

28. There are no concerns with the report from a legal point of view. The council's Change Policy will be followed and appropriate consultation will take place.

Background documents

There are no background papers to this report.

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