

Report subject	Corporate Leadership Structure
Meeting date	21 February 2023
Status	Public Report
Executive summary	<p>A review of the leadership structure has been undertaken to reduce the cost of the senior leadership of the Council and to reduce the number of direct reports to the Chief Executive.</p> <p>Approval to the relevant exit payments to facilitate the implementation of the final structure are sought.</p>
Recommendations	<p>It is RECOMMENDED that Council:</p> <ol style="list-style-type: none"> 1 Note the new leadership structure and the recruitment arrangements proposed. 2 Note the contractual redundancy costs being incurred 3 Agree the appointment of the Director of Adult Social Care Operations, Betty Butlin as the interim DASS
Reason for recommendations	<p>To note the newly confirmed leadership structure and to enable it to be implemented on a phased basis with interim appointments being made to key posts and permanent recruitment being made from June 2023.</p> <p>To note contractual exit payments for the Director of Adult Social Care as a result of the restructure.</p>
Portfolio Holder(s):	Councillor Drew Mellor, Leader and Portfolio Holder for Finance & Transformation
Corporate Director	Graham Farrant, Chief Executive
Report Author	Graham Farrant, Chief Executive
Wards	Council-wide
Classification	For Decision

1. Background

CMB and Cabinet have been working over the last few months to set the budget framework for 2023/4 onward and work towards financial sustainability. A review of the leadership structure has been carried out alongside these arrangements to ascertain what options there can be for consolidating the leadership structure and reducing the number of direct reports to the Chief Executive, and also reducing the cost of the senior leadership of the Council. One of the budget savings proposed to be approved at the Council meeting is a reduction in the costs of the senior leadership of the council, which this report sets out.

Following consultation with the Directors Strategy Group, a new structure for the leadership team is being proposed. As an outcome of that consultation a number of changes have been made to the proposal which respond to individual points raised.

The final structure has a reduced number of senior executive posts reporting directly to the Chief Executive, down to 4 from 10, and a consolidated Corporate Management Board with clarity that the Corporate Management Board will continue to include the wider corporate director-level posts.

2. Savings

The final structure includes the deletion of 6 posts and the creation of 4 new posts, plus the downgrading of some roles. The current costs of this staff group, with oncosts, currently amount to £3.792m and the future proposed staffing structure will achieve a saving of £244k, bringing a total cost of £3.548m for the new leadership team.

3. The proposed Leadership structure

The chart below shows the proposed leadership structure for the Council and identifies which posts will form part of the Corporate Management Board, and which will be added to the CMB to form the Director's Strategy Group. Although such designations and the arrangements for these meetings are within the Chief Executive's delegations, it may be helpful for the Council to be aware of these internal arrangements.

The Chief Officers of the Council, designated under the Council's Constitution and therefore subject to councillors' appointments for permanent recruitment, will be the 4 Corporate Directors together with the Director of Finance (Section 151 Officer) and the Director of Law and Governance (Monitoring Officer). However, the Corporate Management Board will also include the wider voices of People and Culture, IT & Programmes and Comms & Policy to ensure that they can contribute to the corporate discussions directly.

The remaining service directors, together with the Corporate Management Board, will form the Directors Strategy Group as follows:

Leadership Structure - CMB



Key:
 CMB
 DSG

New Wellbeing directorate:

The structure includes the creation of a new post of Corporate Director for Wellbeing which will take overall responsibility for the following portfolio:

- Adult Social Care
- Commissioning & Procurement
- Public Health (to remain a joint provision with Dorset County Council)
- The new amalgamation of the Housing and Communities Directorates

The creation of this Corporate Director post will mean a reduction of 2 Director posts within this portfolio:

Director of Adult Social Care

Responsibilities for Adult Social Care are currently split between the Corporate Director who acts in the role as DASS and a service director who has operational responsibility for Adult Social Care services. These arrangements were put in place following the departure of the previous Corporate Director for Adult Social Care.

In the future proposals, there is only 1 post of Director of Adult Social Care proposed alongside the creation of the new Corporate Director for Wellbeing role and so expressions of interest in voluntary redundancy have been sought during the recent consultation period. The remaining postholder will pick up the statutory DASS responsibilities required of this role.

An expression of interest in voluntary redundancy has been received during consultation and Council are advised of the associated contractual exit costs in the

confidential appendix: No voluntary payments are being made outside of the contractual requirements for redundancy.

Director of Housing

This role has recently been vacated by the permanent post holder as a result of voluntary resignation and an employee has been acting up to cover these responsibilities until this restructure is finalised. This role will be amalgamated with the existing role of Director of Communities so that a saving can be achieved and the current postholder will return to their substantive role as Head of Service when the roles are combined.

Other Vacancies

Other vacancies that have been created through natural turnover have provided further opportunities for consolidation and savings plus there is the amalgamation of the Planning and Economic Development portfolios within Operations that will allow the cessation of the agency worker who has been temporarily covering the post of Director of Planning following recruitment to the permanent position.

Some other director level posts are affected but I am confident that we will be able to redeploy those individuals, rather than incurring further redundancy costs.

There is also likely to be further redundancy savings as a result of the consolidation of the Marketing, Comms and Policy functions and the movement of the climate change policy team into the central Policy team. This will be subject to a subsequent internal staff consultation process with those directly affected.

4. Implementation arrangements

4.1 Occupied roles

There are 4 Directors currently affected by significant changes to the structure who will undertake a selection process to confirm suitability for the role in the coming weeks.

4.2 New or Vacant roles

Corporate Director of Wellbeing – recruit on a 6-month interim basis with immediate effect, engaging with internal candidates and local partners, plus interim agencies then permanent external recruitment from June 2023. A councillors panel will be convened to advise on the interim appointment by the Chief Executive.

Corporate Director for Resources - recruit on a 6-month interim basis with immediate effect, engaging with internal candidates and local partners plus interim agencies, then permanent external recruitment from June 2023. A councillors panel will be convened to advise on the interim appointment by the Chief Executive.

Director of Adult Social Care – redundancy arrangements to be confirmed for the current Director and assign the formal DASS responsibility to the Director of Adult Social Care Operations on an interim basis. The location of the formal DASS responsibility will be reviewed when the permanent Corporate Director for Wellbeing is appointed.

Director of People and Culture – internal recruitment on an interim basis, for 12 months, then permanent recruitment from December 2023.

Director of Commercial Operations – temporary cover arrangements have recently been confirmed following the departure of the previous postholder. Permanent recruitment will take place from June 2023

Director of Planning & Destination – Permanent recruitment to be commenced with immediate effect.

Recruitment of all interim appointments will be the decision of the Chief Executive, advised by the Head of HR&OD, with councillor advisory panels being established to assist in the processes. The formal Councillor Appointments Panel will be convened for the permanent appointments of corporate director level posts as appropriate from June 2023. These panels are not required to be politically balanced, but attempts will be made to spread the representation equally between the administration and the opposition within the new Council following the local elections in May 2023.

Independent Observers will be invited to attend all recruitment panels and to oversee the recruitment processes for the new or vacant roles.

5. Summary of Financial Implications

The proposals as set out in this report deliver the £244k annual savings included as a List One saving (Ref.No.126) within the 2023/24 proposed budget.

The redundancy cost associated with the Director of Adult Social Care post, as set out within the confidential appendix is within the 24 months payback period used as a Value for Money benchmark taking the total £244k saving from this proposal into account. This calculation assumes that any other affected individuals will be redeployed.

6. Summary of Legal Implications

The relevant employment law requirements have been followed to ensure a fair process in keeping with the Council's Redundancy and Managing Change procedures.

7. Summary of Human Resources Implications

As above. The relevant employment law requirements have been followed to ensure a fair process in keeping with the Council's Redundancy and Managing Change procedures. All affected colleagues have been consulted and trade union colleagues have been informed at all stages.

8. Summary of Sustainability Impact

No direct impact however the changes will facilitate the creation of a single central policy team. This team will amalgamate the sustainability policy team with the corporate policy team and will ensure that sustainability is covered in all aspects of significant policy.

9. Summary of Equality Implications

The proposals do not directly impact on service users but the creation of new leadership posts does provide the opportunity to increase the diversity of our senior leadership team. One of the aspirations of the Equality Footprint adopted by the Council in July 2021 is for the Leadership structure to be more representative of the communities it serves.

Recruitment for the newly created posts will be subject to the Independent Observers process as all posts are at the requisite level or grade and will provide an opportunity for targeted recruitment.

As 75% of the current posts are occupied by females the proposals are likely to impact more on women. Once the proposal has been agreed a more accurate equality profile of the people impacted by the decision will need to be provided. This will also need to consider the aggregate financial impact of downgrading posts.

Whilst the specific implications of the proposal are currently unknown some mitigating actions are already in place to minimise the impact on individuals. These included offering expressions of interest against three different posts in the original proposal through the consultation process and voluntary redundancy.

10. Appendices

Appendix 1 – Redundancy cost associated with the Director of Adult Social Care (Exempt Information – Categories 1 (Information relating to an individual) and 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information))).