

NORTH LINCOLNSHIRE COUNCIL

COUNCIL

FUTURE MANAGEMENT STRUCTURE OF THE COUNCIL

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To consider the executive management structure of the council and the appointments process, and to establish an Appointments and Employment Committee.
- 1.2 To consider the interim designation of key statutory roles as required, pending completion of the review.

2. BACKGROUND INFORMATION

- 2.1 As requested by Cabinet Team, with the announcement that Simon Driver is to step down, a review has started to ensure the continued leadership of the council and ensure effective resource allocation to enable the council to achieve its efficiency requirements. There are significant changes required to transform the council and the way it operates in the future in order to safeguard critical service delivery, promote healthy, resilient communities and adopt a commercial approach to its activities.
- 2.2 The management structure of the council must have the capacity at the executive level to achieve the council's aims and objectives. The focus of the approved council strategy 'Aspiring People, Inspiring Places' requires a greater emphasis on the commercial agenda and the transformation of service delivery. This will allow focus on North Lincolnshire as a place of low taxation where public services are funded by commercial activity, business rates and council tax.
- 2.3 Cabinet Team has proposed a move to a flatter management structure consisting of two Executive Directors with the redistribution of functions from the existing Chief Executive and Director roles. The posts of Chief Executive and the three Directors will be deleted. Further discussions on the content of the service areas and the senior management of the services below this executive level will need to be undertaken. This will form phase two of the review and will commence once the new executive arrangements have been approved by council.

- 2.4 Under the terms of the constitution there are certain personnel issues that are the decision of full council. It is the responsibility of council to determine the appointment process and the terms and conditions of the chief officers and deputy chief officers as defined in legislation, and associated matters.
- 2.5 Council will also be required to designate, on an interim basis, to the statutory post of Head of Paid Service and allocate responsibility for the Returning Officer role to ensure continuity of coverage during the restructure process. All other statutory functions and service responsibilities will remain unchanged until phase 2 of this review.

3. OPTIONS FOR CONSIDERATION

- 3.1 The framework of the review has proposed two Executive Director posts that will discharge the statutory requirements of the council while transforming service delivery and focussing on the commercial agenda. This will give the council the flexibility at the top of the structure to meet the challenges ahead. The other option to maintain the existing structure does not provide the flexibility to develop the council agenda.
- 3.2 Under the Officer Employment Procedures it is required that Chief Officers and Deputy Chief Officers are appointed either by Full Council, or by a Committee of Council. The latter option is the usual option.
- 3.3 It is proposed that council reconvenes the Appointments and Employment Committee to discharge on the Council's behalf (in line with the Officer Employment Procedure Rules in part D rule 8 of the Constitution that follow the requirements of the 1993 and 2001 Standing Order Regulations as amended) all relevant functions. These relate to the appointment, dismissal and associated decisions on terms and conditions, including the designation of statutory Chief Officers, arising from the restructure of the Council's senior management structure. It should be noted though that full Council alone must approve the appointment of the Council's Head of Paid Service before an offer of appointment is made.
- 3.4 The affected positions are:
- i. A statutory chief officer (as defined by section 2 (6) of the Local Government and Housing Act 1989);
 - li A non-statutory chief officer (as defined by section 2 (7) of the Local Government and Housing Act 1989); and
 - lii A deputy chief officer (as defined by section 2 (8) of the Local Government and Housing Act 1989).

In council terminology these are the new Executive Director and Director posts. All current director and assistant director postholders will be affected by Phase 1 and Phase two of the review respectively. The Council's usual assimilation process will apply to the review with a view to placing staff in the new structure.

- 3.5 The committee, as a committee of Council, must be composed on a politically proportionate basis and at least one member of the executive (cabinet) must be a member of the committee. The committee is established as a committee of five members, three conservative and two labour.
- 3.6 There is a strong case that there should be some financial recognition of the new Executive Director roles as the level of accountability and responsibility will increase following the deletion of the Chief Executive post.
- 3.7 It is proposed that the Appointment and Employment Committee meets at 9.30am on Monday 10 October to consider expression of interest from officers in the ring fence for the two Executive Director posts. As one of the posts carries with it Head of Paid Service duties, a meeting of council is proposed at 12pm that day to ratify any appointment offer if made by the committee.
- 3.8 In the interim period between 1 October and the appointment of a new Head of Paid Service following ratification by Council, it is proposed that the Director of Policy and Resources acts as interim head of paid service and returning officer for statutory compliance. Council on 10 October may be required to take other decisions on consequential statutory appointments on an interim basis.

4. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

- 4.1 Financial - The costs of the new executive structure will realise savings from the reduction of two posts of £212k in a full year - £848k over the financial plan period. The financial implications in detail will be worked through once the full management structure has been agreed, taking into account any one off costs related to staffing reductions if redeployment is not available. Provision exists in contingency to meet one off redundancy costs.
- 4.2 Staffing – The staffing implications are outlined in this report. Council personnel procedures will be followed in the appointment process. The Appointments and Employment Committee will determine Phase 2 of the review to allow timely implementation to provide certainty in management and leadership.

5. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 - CRIME AND DISORDER, RISK AND OTHER)

- 5.1 Statutory implications. The proposals in this report are in line with the statutory Officer Employment Rules and the requirements of the Local Government and Housing Act 1989.
- 5.2 Environmental, Diversity and Section 17 implications - There are no direct implications.

6. OUTCOMES OF CONSULTATION

- 6.1 Staff and trade unions have been consulted in accordance with the Council's Review Protocol on the structure. Feedback has been taken into consideration which included the need for details on the next phase of the review to be made available for consultation and information as soon as possible.

7. RECOMMENDATIONS

- 7.1 That council approves the executive management structure.
- 7.2 That council nominates members to sit on the Appointments and Employment Committee.
- 7.3 That the Director of Policy and Resources be designated as the council's interim Head of Paid Service and Returning Officer pending completion of phase one of the review.
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- 7.4 That the Appointments and Employment Committee be given full delegated decision-making powers in relation to the matters detailed in the report and any incidental issues arising from this process.
- 7.5 That the Monitoring Officer be authorised to make all necessary amendments to the council's Constitution, including the scheme of Officer delegations arising from this process.

CHIEF EXECUTIVE

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Background Papers used in the preparation of this report: None