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NON-EXEMPT

# HAVANT BOROUGH COUNCIL

CABINET

13 April 2022

## SENIOR MANAGEMENT STRUCTURE

### FOR NOTING

Portfolio Holder: Cllr Alex Rennie

Key Decision: No

Report Number: HBC/039/2022

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### 1. Purpose

- 1.1 That the Council considers the proposals developed by the Acting Chief Executive (Head of Paid Service) in relation to changes to the Senior Management Structure of the Council at Appendix 1 and the role profiles at Appendix 2.
- 1.2 Adoption of these proposals will move the Council towards the standalone model agreed at its meeting in March 2022.
- 1.3 This structure is designed to meet the objectives of the Corporate Strategy 2022-2026 and will have a clear focus on our residents and businesses, economic development and strategic planning and a leaner and more agile workforce.

### 2. Recommendations

- 2.1 Cabinet RECOMMENDS that Council;
  - (i) agree the proposed senior management structure at Appendix 1;

- (ii) note that the structure shall exclude any posts at Director level and instead have five Executive Heads of Service who will be Chief Officers of the Council. Role profiles are included at Appendix 2
- (iii) agree that formal consultation will begin immediately with the existing senior managers across Havant Borough Council and East Hampshire District Council
- (iv) agree that following consultation the Head of Paid Service take all necessary steps, through the HR Committee to appoint to roles within the proposed Senior Management Structure following appropriate processes set out in the Constitution
- (v) that remuneration and terms and conditions for the Executive Head of Service roles be determined by HR Committee upon appointment to those roles

### **3. Background**

- 3.1. Members are fully aware of the requirement to implement a structural change to the Council following the decision to separate joint working arrangements with East Hampshire District Council in January 2022.
- 3.2. The existing structure operates under a shared management team with East Hampshire District Council.
- 3.3. The Acting Chief Executive and Head of Paid Service has therefore undertaken a review of the senior management structures that are currently in place and proposes a structure that will enable Havant Borough Council to meet its objectives of becoming a standalone Council and deliver on its Corporate Strategy.

### **4. Key features of new structure**

- 4.1. The key aims of these proposals are designed to provide the corporate, operational, and functional leadership necessary to ensure the Council delivers its Corporate Strategy and key services.
- 4.2. These proposals are further designed to bring greater efficiency in management and service delivery by reducing senior management tiers and cost. It places more emphasis on customer facing services with four of the five Executive Heads focused on front facing service delivery.
- 4.3. Bringing the support services into a single team is strengthened by the close alignment of the Chief Executive role to that team, in particular the corporate governance functions of the organisation. An agglomerated team will be leaner and work to a singular ethos of supporting frontline services to deliver the best possible outcomes for our residents, businesses, and community groups.
- 4.4. The proposed senior management structure will operate within 2 tiers, rather than the existing 3. The removal of the Director level marks a departure from a traditional way of structuring Councils with a Director and Head of Service level at two tiers below the Chief Executive role. This can make the span of the Directors management too wide and reduce their effectiveness.
- 4.5. Creating a level of below the Chief Executive with strategic responsibility for delivering on the Council's objectives provides greater capacity in the management team of the organisation, allows for delegation of responsibility across a wider number of officers and reduces the filter of an additional layer of management at Director level.
- 4.6. The Chief Executive and Heads of Service will make up the Management Team of the organisation, which will include the statutory roles of Chief Finance Officer (s.151 officer) and Chief Legal Officer (Monitoring Officer). All the statutory Officer roles have direct access to the Chief Executive, irrespective of line

management responsibilities, and this is guaranteed in the new senior management structure.

## **5. Consultation**

- 5.1. Agreement by Council to these proposals begins a period of consultation with the Heads of Service currently employed across Havant Borough Council and East Hampshire District Council.
- 5.2. Consultation is a key element to the success of this programme. Staff have therefore been regularly updated in informal joint briefings from the Acting Chief Executive, the Chief Executive for East Hampshire and in team meetings on the exit from the Joint Management Team agreement.
- 5.3. As part of the formal consultation process, it is expected that some current post holders may not remain in post. The Chief Executive will discuss appropriate options for redeployment or redundancy where no role directly aligns with a current role.
- 5.4. Given the emergence from the Joint Management Team arrangements, officers of East Hampshire District Council will be invited to apply for any vacant posts in the structure even if they do not hold employment contracts with Havant Borough Council. This is to ensure that staff affected by the decision to exit the Joint Management Team arrangements are given the maximum opportunity to secure employment in this restructure. Reciprocal arrangements apply for roles within East Hampshire District Council.
- 5.5. The Trade Unions will be involved throughout the formal consultation process. Initial discussions have taken place to ensure that the Trade Unions are fully aware of how the ending of the Joint Management Team arrangements are impacting upon senior staffing arrangements within the Council.

- 5.6. Senior employees will have the opportunity to submit any proposals and/or considerations to the Acting Chief Executive during the consultation process. All employees will be treated fairly in line with employment law. Where it is possible to progress alignment of new roles with existing officers of the Council, the HR Committee will be asked to consider the appointment of officers to those new roles and to determine the level of salary commensurate with that role.
- 5.7. No members of staff below the level of Head of Service are affected by these proposals at this stage and all officers will continue under the terms of their current employment contract.
- 5.8. The Acting CEO has also agreed to consult with the Budget Working Group on the proposals for the senior management structure. This will focus only on an indicative cost for the new structure and the proposed gradings for the new roles. This will enable the Budget Working Group to evaluate the proposals in light of their remit to help deliver a standalone Council within budget by October 2022.
- 5.9. After the formal consultation period closes, the Acting Chief Executive will take into consideration all proposals submitted and respond accordingly. If there are any substantial changes following the consultation period, the Acting Chief Executive will report back to Council to notify members of changes to the proposed senior management structure. This may require a further period of consultation with staff.
- 5.10. The external auditor has been provided with a copy of this report and any comments from the auditor will be raised at the meeting.
- 5.11. Options considered;

- (i) All members were made aware of alternative arrangements to the standalone Council model in the business case presented to Council in March 2022.
- (ii) Members are invited to comment on these proposals.

## 6. Resource Implications

### 6.1. Financial Implications:

#### **Section 151 Officer comments**

Date: 05 April 2022

This structure will require salaries to be benchmarked and evaluated by agreement with the HR Committee. A report on the cost of the structure will be reported to Council as part of the budget monitoring report, however costs of this structure are not expected to exceed the current staffing costs of the organisation.

### 6.2. Human Resources Implications:

This process will begin a process of formal consultation with staff.

### 6.3. Information Governance Implications:

None.

### 6.4. Legal Implications:

There are no legal implications arising from this report however the Council will need to ensure that employment procedures are followed as appropriate.

In accordance with the Local Authorities (Standing Orders) (England) Regulations 2001 (as amended), the steps that need to be taken with regards Chief Officers and Deputy Chief Officers in order to give effect to the proposals is contained within the Council's Constitution.

### **Monitoring Officer comments**

Date: 05 April 2022

In accordance with the Council's constitution, new appointments to any Chief Officer posts will need to be determined by HR Committee. This will be dealt with in accordance with the Council's normal recruitment processes as is appropriate.

The Head of Paid Service is responsible for the corporate direction and management of the council and for allocating responsibility for service groupings to strategic executives.

Under sub-section 4(3) of the Local Government & Housing Act 1989 the Head of Paid Service may make proposals in relation to the manner in which the discharge of the council's functions is co-ordinated; the number and grades of staff required by the authority for this purpose together with the organisation of the authority's staff.

Any such proposals made by the Head of Paid Service must be reported to full Council for ratification at a meeting to be held not more than three months after the preparation of the report.

The matters contained within this report are therefore within the lawful authority of the Head of Paid Service

## **7. Consultation**

7.1. Consultation to date is outlined in the report.

## **8. Communication**

8.1. None required as this is an update report

## **9. Appendices**

Appendix 1: Proposals for the senior management structure

Appendix 2: Role profiles

**10. Background papers**

10.1. None

*End of report.*