

Report of	Meeting	Date
Chief Executive	Council	24 November 2015

MANAGEMENT STRUCTURE REVIEW

PURPOSE OF REPORT

- To present the scope and principles of a review of the council's management structure, prior to informal consultation with members of staff.

RECOMMENDATION(S)

- That council approves the commencement of a review of the council's management structure and agrees to the timescales set out in the report.

Confidential report Please bold as appropriate	Yes	No

CORPORATE PRIORITIES

- This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	
Clean, safe and healthy communities		An ambitious council that does more to meet the needs of residents and the local area	✓

BACKGROUND

- In beginning to implement the future governance models for the council and public services in Chorley, it is important that the council has in place a management structure that is fit for purpose and able to accommodate public service reform. The report on future governance models makes a recommendation to this end.
- The council's management structure has been in place for a number of years and it has supported the Council to continue to perform highly and to make significant achievements for the borough. For example:
 - Continuing to achieve savings targets, and not increasing council tax for a number of years
 - Being recognised in an independent peer challenge as high performing: "The Chorley Council brand is trusted – it is a 'can-do' council"
 - Undertaking innovative initiatives, such as the purchase of Market Walk
 - Investing and delivering in priority areas, such as:
 - Establishing a Credit Union in the town centre
 - Helping to deliver almost 500 new affordable homes
 - Supporting the establishment of 230 new businesses since 2013
 - 77% of residents satisfied with the council, and 84% of staff satisfied in their job

6. However, to ensure that the council remains high performing and can achieve its ambitions for the future, the senior management structure needs to be reviewed to ensure that it continues to provide a strong base. There remains continued financial pressure on local government funding, but spending on priorities and achieving corporate objectives will remain a priority.

RESHAPING THE ORGANISATION

7. As the council pursues its ambition set out the future governance models work, it is a good opportunity to review and reshape the organisation's structure to:
 - achieve savings in management costs and ensure the maximum amount is available to spend on priority services
 - ensure that public service reform and integration is more straightforward
 - align functions to fit with the future governance models and approaches to service delivery
 - target and embed resources to priority areas
8. The council's policy on restructures provides for a short period of informal consultation before a restructure is finalised and presented for formal consultation. This provides staff the opportunity to provide comments and suggestions based on broad principles around the scope and scale of a restructure. This report sets out the initial stage of the informal consultation process, as well as a timetable for the rest of the process.

SCOPE THE REVIEW

9. The scope of the review of the management structure will include the Directors, Heads of Service and posts that report directly into a Head of Service. This refers to the established structure, rather than to arrangements that are temporarily in place to resource priority areas. The review and subsequent restructures will need to align services with the new governance model for the Council, so I am anticipating this may lead to changes within the third tier management within the organisation. This for the most part is likely to be changes to job descriptions and reporting lines, but for some it may involve more fundamental changes to posts.
10. Because of the partnership arrangements that are in place, this review does not include posts that are Financial Shared Services or Shared Assurance Services. In addition, it does not include posts that are funded through temporary funding.
11. The scope of the review will affect the posts set out in the chart at appendix A, which are summary:

Post	Directors	Heads of Service	Direct Reports	Total
Number FTE	2	9	32	43

PRINCIPLES OF THE REVIEW

12. Based on work that has been undertaken previously, the functions that the council delivers can be broadly split into the following functional groupings:

Function	Characteristics
Strategic	Those processes which are central to the decision making of the organisation; <ul style="list-style-type: none"> ▪ closely linked to the decision making core; ▪ involved in long term organisational planning.
Resourcing	Those processes which provide support to the running of the organisation through support services.
Customer	Those customer driven processes which are; <ul style="list-style-type: none"> ▪ capable of being dealt with at first point of contact ▪ high volume of demand or <ul style="list-style-type: none"> ▪ cannot be dealt with at first point of contact, but can be dealt with in a short period of time and limited number of interactions with the customer
Regulatory	Those processes which may have contact with the customer, but which are driven by statutory duties or powers. <ul style="list-style-type: none"> ▪ More likely to involve case management ▪ Interaction with large number of customers or stakeholders
Early intervention and well-being	These processes may provide universal services that promote better living and community involvement. They may also be targeted at vulnerable people who are at risk of becoming more dependent if there is no intervention.
Economic development	Processes which: <ul style="list-style-type: none"> ▪ drive economic growth ▪ related to business growth ▪ related to long-term spatial planning
Community assets and infrastructure	Processes which are delivered to the benefit of the community, rather than a particular customer or customer group. Often related to land or assets

13. These functional groupings may give an opportunity to shape the organisation broadly around themes (although not necessarily specifically around the groupings identified). It may also provide an option to pursue opportunities within the overall future governance model work such as shared services or integration with other public services.
14. The review of the council's management structure will broadly seek to:
- Reduce the cost of the council's management team
 - Promote the implementation of the service delivery principles contained the final report on future governance models
 - Develop a flatter management structure, with reduced reporting lines to the Chief Executive
 - Target resources to priority areas, such as frontline service delivery and public service reform
 - Group functions with similar characteristics to promote an organisation-wide approach to service delivery.
15. To support staff in responding to the informal consultation stage, the following questions will be used to prompt discussion:

- What skills, capacity and resources might the council's management team need in the coming years to achieve the ambition and recommendations from the future governance model report?
- What potential improvements or efficiencies could be made in the current management establishment?
- What groupings of services provided by the council might promote public service reform and the achievement of the recommendations in the future governance model report?

16. All staff directly affected by the scope of the review will have the opportunity to meet with their manager or senior manager to discuss the changes and briefings will be given to all staff on the scope of the review.
17. The feedback received during the informal consultation stage will be used to inform the development of a new structure and will be included in the report to present the proposed restructure.

TIMESCALES

18. The table below sets out the indicative timescales for the review.

Stage	Starts	Finishes
Informal consultation	25 November	9 December
Consideration of responses	14 December	23 December
Report to full Council	19 January	
Formal staff consultation	22 January	22 February
Consideration of responses	22 February	4 March
Report to Executive Cabinet	18 March	
Recruitment Process	28 March	15 April

IMPLICATIONS OF REPORT

19. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	✓	Customer Services	
Human Resources	✓	Equality and Diversity	
Legal		Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

COMMENTS OF THE STATUTORY FINANCE OFFICER

20. The report sets out the principles for pre-consultation and as such, at this stage, there are no financial implications associated with the report.

COMMENTS OF THE MONITORING OFFICER

21. This report is part of the informal consultation process and is in line with the Council's agreed Restructure Policy.

COMMENTS OF THE HEAD OF HR AND OD

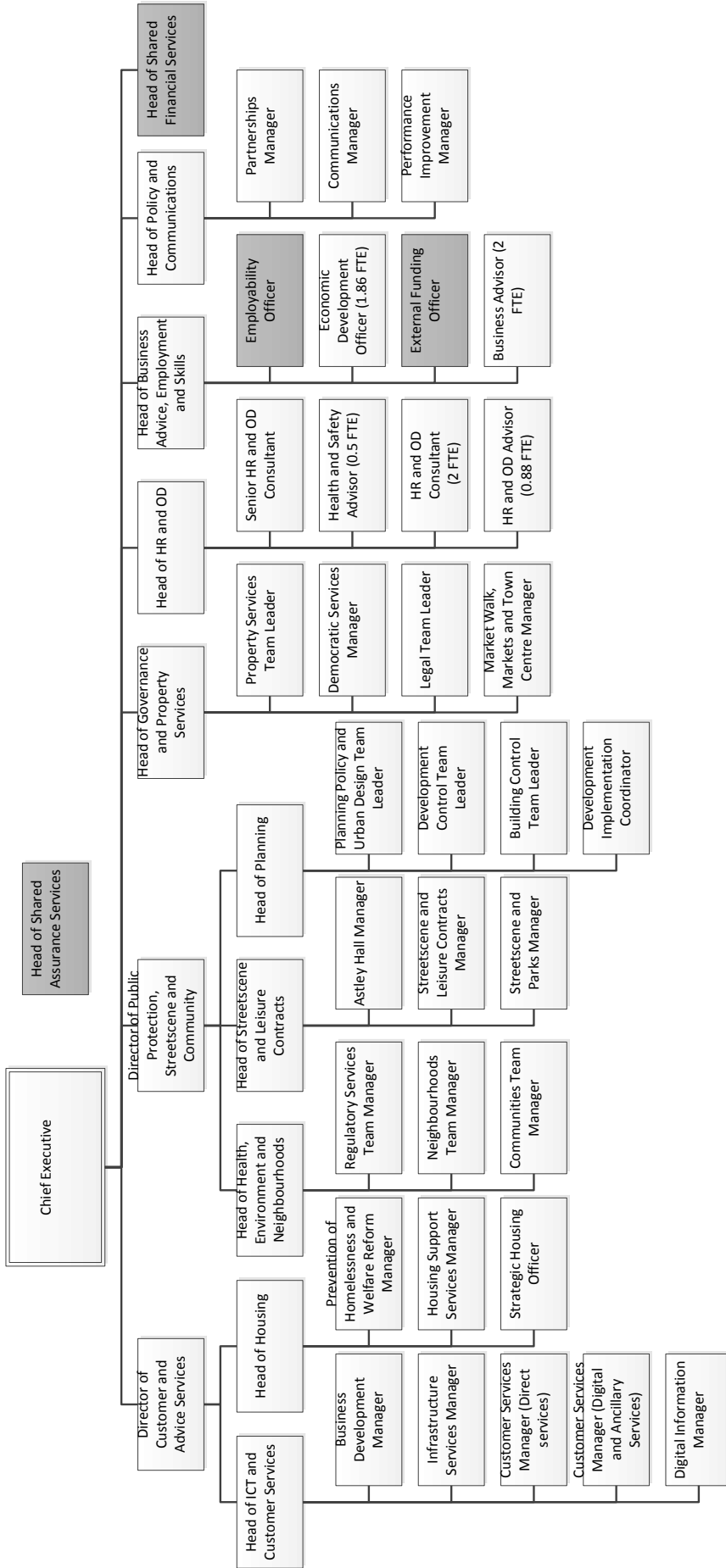
22. This report is part of the informal consultation process and is in line with the Council's agreed Restructure Policy.

GARY HALL
CHIEF EXECUTIVE

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Gary Hall	5104	13 November 2015	***

Appendix A: Structure in scope



■ Posts out of scope