

**Maidstone Borough Council – Proposed Senior Management
Structure**

Final Decision-Maker	Policy and Resources Committee
Lead Head of Service	Alison Broom – Chief Executive
Lead Officer and Report Author	Alison Broom – Chief Executive Contributions from the Corporate Leadership Team – Directors of Regeneration and Place, Finance and Business Improvement and Mid Kent Services.
Classification	Public
Wards affected	All

Executive Summary

The purpose of this report is to propose changes in the senior management structure of the council in response to the cumulative impact of incremental changes already made since the structure was implemented in 2016, more recent significant changes in our operating environment arising in part from the pandemic but also government policy including for Levelling Up and a variety of decisions made by the council's committees over the last 12 months which together significantly impact on the skills, experience, expertise and capacity required of the organisation in order to lead delivery of the outcomes identified.

Purpose of Report

Decision

This report makes the following recommendations to this Committee:

1. The Committee agrees the proposed senior management structure for the council presented in section 2.4 and 2.5 of the report and which is described in **Appendix 2.**

Timetable

Meeting	Date
Policy and Resources Committee	9 th February 2022

Maidstone Borough Council – Proposed Senior Management Structure

1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	<p>The four Strategic Plan objectives are:</p> <ul style="list-style-type: none"> • Embracing Growth and Enabling Infrastructure • Safe, Clean and Green • Homes and Communities • A Thriving Place <p>Accepting the recommendations will materially improve the Council's ability to achieve its strategic objectives</p>	Chief Executive
Cross Cutting Objectives	<p>The four cross-cutting objectives are:</p> <ul style="list-style-type: none"> • Heritage is Respected • Health Inequalities are Addressed and Reduced • Deprivation and Social Mobility is Improved • Biodiversity and Environmental Sustainability is respected <p>Accepting the recommendations will materially improve the Council's ability to achieve its strategic objectives including the cross-cutting objectives</p>	Chief Executive
Risk Management	Refer to section 5 of the report.	Chief Executive
Financial	Accepting the recommendations will demand net additional spending of 175k which is included as a growth item within the budget proposals for 2022/23.	Section 151 Officer & Finance Team
Staffing	The proposals in this report have significant staffing implications. Any changes agreed will be implemented by means of the Council's established organisational change procedures.	Chief Executive
Legal	Under the Local Government Act 1972 section 112 the Council may generally appoint	Interim Deputy Head

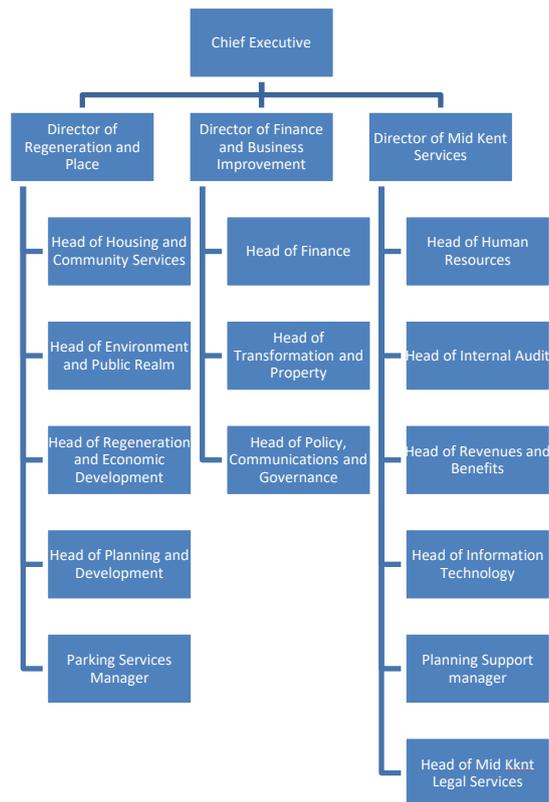
	<p>whatever officers it considers necessary for the proper discharge of its duties.</p> <p>The Chief Executive has set out in this report the proposed way the local authority's staff is organised to align with priorities on the way in which the authority's functions are discharged.</p> <p>The report proposes senior management structure change.</p> <p>The Constitution and the Council Scheme of Delegations must be amended to capture changes once approved.</p> <p>Subject to the agreement of this Committee that changes to the senior management structure be made the council's organisational change procedure includes specific provisions for formal consultation with the staff affected.</p>	of Legal Partnership
Privacy and Data Protection	No impact identified.	Chief Executive
Equalities	The recommendations do not propose a change in service therefore will not require an equalities impact assessment	Equalities And Communities Officer
Public Health	We recognise that the recommendations will not negatively impact on population health or that of individuals.	Public Health Officer
Crime and Disorder	Accepting the recommendations will not impact on Crime and Disorder or services to address this.	Head of Service or Manager
Procurement	No procurement is needed to deliver the recommendations in this report	Head of Service & Section 151 Officer
Biodiversity and Climate Change	The implications of this report on biodiversity and climate change have been considered and there are no implications for biodiversity and climate change.	Biodiversity and Climate Change Officer

2. INTRODUCTION AND BACKGROUND

2.1. The Council's ambitions are set out in our Strategic Plan 2019-2045. The way in which the vision, priorities and cross cutting objectives are achieved is regularly reviewed and developed taking into account, amongst other things, progress towards the key outcomes, changes in context and our

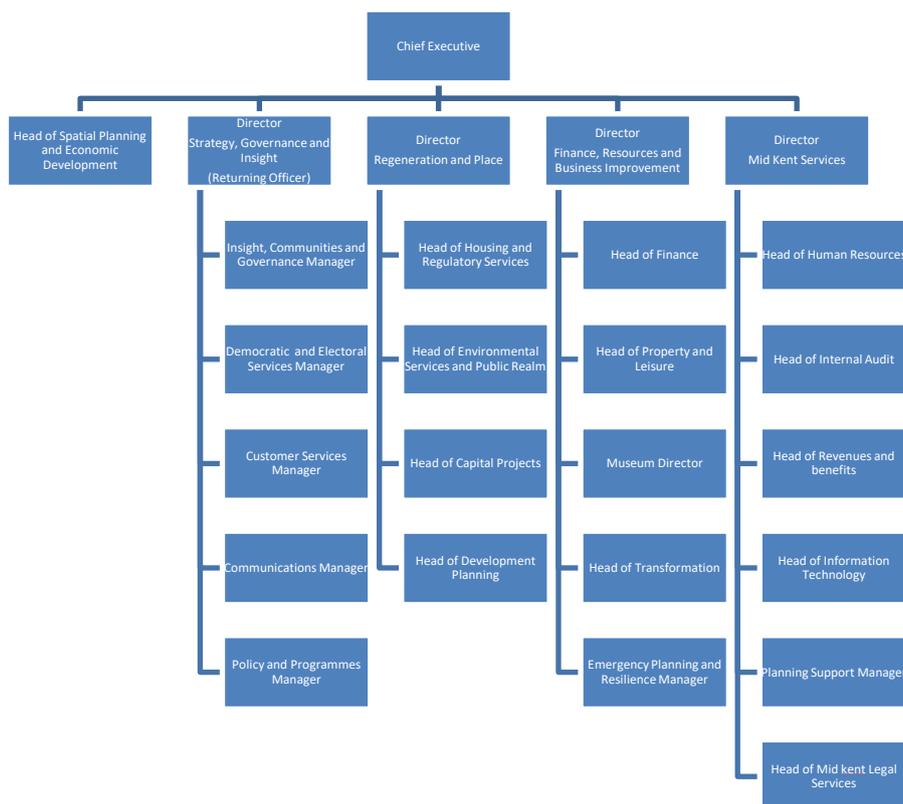
operating environment, decisions to change the way objectives are achieved and alternative choices in the use of resources. Our vision is for Maidstone to be a vibrant, prosperous, urban and rural community at the heart of Kent where everyone can realise their potential. The Council has four core priorities: Embracing Growth and Enabling Infrastructure, Safe Clean and Green, A Thriving Place and Homes and Communities. **Appendix 1** sets out a summary of the agreed position in terms of the outcomes aspired to and what the council will place importance on for the period 2021-6. These refreshed areas of focus, which take into account the impact of the pandemic, were agreed by the council in February 2021 and differ significantly in some respects from those in place pre-pandemic. New areas of focus were agreed placing fresh emphasis on delivering the refreshed Economic Development Strategy to enable recovery from the covid19 pandemic, achieving a sustainable and vibrant leisure and cultural offer for the borough and working with community groups and parish councils to develop more sustainable community resilience and to encourage pride in our borough.

- 2.2. The purpose of this report is to propose changes in the senior management structure of the council in response to the cumulative impact of incremental changes already made since the structure was implemented in 2016, more recent significant changes in our operating environment arising in part from the pandemic but also government policy including for Levelling Up and a variety of decisions made by the council's committees over the last 12 months which together significantly impact on the skills, experience, expertise and capacity required of the organisation in order to lead delivery of the outcomes identified. This report does not comprehensively cover the detail of proposed changes to the capacity of teams within the council. More detailed proposals are contained within the report on the 2022/3 budget proposals elsewhere on this agenda.
- 2.3. The current senior management organisational structure is set out below. The total cost is approximately £1.8 million, of which approximately £300K is recovered through charges to Mid Kent Services partners.



2.4 Current head of service responsibilities, key changes since this structure was introduced in 2016 and consequent proposals for future head of service roles are set out in the table in **Appendix 2** and captured in the organisational structure diagram below.

2.5 Broadly it is proposed to increase the number of senior managers by one in net terms (although the content of several of the roles changes significantly), to change the configuration of the senior leadership team by changing the reporting line management for the lead for Strategy, Insight and Governance, who takes on a range of statutory responsibilities and becomes a member of the corporate leadership team, and to introduce additional resources for development of corporate policy, capital projects, spatial planning and planning enforcement.



2.6 Since 2016 change has impacted on all the head of service current roles resulting in incremental adjustments to responsibilities through agreement with the incumbent post holders or refresh of job descriptions when staff have left; this has been achieved within resources agreed through the annual budget setting cycle. This is in accordance with the responsibilities and boundaries of flexibility for the Head of Paid Service. However, over the past 12 months decisions have been made and ambitions identified which cumulatively mean that it would be beneficial to change the senior management structure and capacity to improve our ability to deliver the council’s strategic plan in the way desired.

2.7 The most impactful decisions include those flowing from Full Council on 29th September 2021, where the Leader of the Council set out an ambition for the authority to build and own 1,000 affordable homes in the shortest possible time frame. In January 2022 the Policy and Resources Committee considered recommendations for how this could be achieved in practice and agreed a development strategy. It recognised that this would require a net capital investment of £200m over a ten-year period. The Committee also recognised that its affordable homes programme would be supplemented by both further capital spend to deliver private rented sector (PRS) housing and investment in a modest number of market sale homes. This approach will enable mixed tenure developments to achieve place making objectives and the potential for generating resources to provide some of the subsidy required to deliver affordable homes.

2.8 The Committee also agreed the council’s future capital strategy investment programme focussed on the expenditure that will occur in the next 5 years.

This included provision for investment in affordable housing of £113.6m over the period net of any grant receipts from the likes of Homes England necessary to deliver the programme. It was also agreed to invest £46.3m in private rented accommodation, £4.4m in market housing and £2m in upgrading accommodation at Granada House. Taken together this represents a very significant increase in capital investment in housing.

- 2.9 Delivery of this ambition, while exciting, is complex and challenging. It will require focus, skills, expertise and capacity. It is therefore proposed to create a role at Head of Service level to lead this work alongside the delivery of regeneration projects led by the Council, including for Maidstone East, and any other capital construction projects identified by the council from time to time where delivery will be undertaken by the authority. This post would report to the Director of Regeneration and Place who will also continue to have the lead role in terms of MBC's contribution to the delivery of the Heathlands Garden Community.
- 2.10 In addition, for governance reasons it has been necessary to separate the responsibility for Spatial Strategy including the Local Plan Review from responsibility for the public sector led garden community at Heathlands. This has been achieved through the appointment of an Interim Director for the Local Plan who reports to the Chief Executive. This arrangement will continue for as long as necessary with line management being resumed by the Director for Regeneration and Place only when circumstances change to make this acceptable in governance terms. With what we know now the earliest that this could occur is 2023. For reasons set out in Appendix B, it is proposed to plan for future in-house expertise and capacity for spatial planning at Head of Service level to succeed our interim director. To increase capacity for land use planning overall it is proposed to establish two roles – one to lead on spatial aspects (with the addition of economic development) and one on development management. There will be consequential changes in organisational structure and resources within these functions. This will result in a net increase of base budget resources for spatial planning and the addition of a programme manager to support both the Local Plan Review and Town Centre Strategy work streams. Subject to other 2022/23 budget decisions concerning the allocation of New Homes Bonus it is proposed to supplement this service with investment of around £1m in 2022/23 – in addition to funding already agreed to be provided from reserves (for a Design and Sustainability DPD) and the recovery and renewal fund for town centre strategy development. It will also be necessary to remodel some roles and responsibilities within development management amongst other things this will create resources for a principal planning officer to lead planning enforcement; the 2022/3 budget report elsewhere on this agenda also considers growth in funding for front-line development management teams.
- 2.11 A new post of Policy and Programmes Manager will be created, reporting to the Director of Strategic Governance and Insight, to address the requirement for greater capacity for corporate policy development. The responsibilities of this role will complement those for spatial planning and economic development policy, which as described in the previous paragraph will now fall to the new Head of Spatial Planning and Economic Development

and enable support for other service areas where strategy and policy development is needed periodically.

2.12 With respect to Economic Development and Regeneration, in September 2021 the Economic Regeneration and Regeneration Committee agreed the council's Economic Development Strategy which sets out a vision and initial five-year action plan to enable Maidstone to achieve its economic growth potential over the period to 2030; the five priorities are open for business, a greener more productive economy, a thriving rural economy, inclusive growth and destination Maidstone Town Centre. In October 2021 the Policy and Resources Committee acknowledged the scope of work required to produce a town centre strategy and one-off resources were agreed (drawn from the council's recovery and renewal funding) for the first phase of work needed to achieve the objective of re-imagining Maidstone's town centre as a vibrant, mixed-use destination with a welcoming economy befitting a modern county town. Given the synergy with the Local Plan this work will be led by the Interim Director for the Local Plan and subsequently the proposed Head of Spatial Planning and Economic Development.

2.13 There are no changes proposed here with respect to Mid Kent Services. Two potential changes are being explored currently with oversight from the MKS Executive and Member Boards. These are for the expansion of the current two-way shared revenues and benefits service (Maidstone and Tunbridge Wells) to include Swale and scoping of the potential for a shared transformation and digital service between Maidstone and Swale. Decision making reports will be brought forward in a timely way if required. A post of 'Head of Transformation' is shown provisionally in the structure chart at paragraph 1.5 pending a decision on these developments.

2.14 In terms of the financial impacts of these proposed changes a number of posts will be deleted – these are

- Head of Policy, Communications and Governance
- Head of Planning and Development
- Head of Transformation and Property
- Head of Regeneration and Economic Development
- Development Manager

A number of posts will be created – these are

- Director of Strategy, Governance and Insight
- Head of Spatial Planning and Economic Development
- Head of Development Planning
- Head of Property and Leisure
- Head of Capital Projects
- Policy and Programmes Manager
- Housing and Development Project Managers x 2
- Programme Manager
- Planning Enforcement (Principal Planning Officer)

2.15 It is proposed to fund the housing and development project manager costs substantially through capitalisation (80%) and fund the programme manager post (which will primarily support the spatial planning and

economic development team's work on the local plan and town centre strategy) substantially from New Homes Bonus (80%). There will be some minor adjustments to the spatial planning staff base budget; in net terms investment in staffing this service will increase through extra capacity at head of service level and programme management resources. The net financial impact is to increase the revenue cost of the organisation by £175,000.

- 2.16 The estimates of cost for new roles are based on an informed assessment of existing and likely grades although a formal process has yet to be conducted. Resources available for 2022/3 are sufficient to accommodate this increase in cost as set out in the report on budget proposals elsewhere on your agenda.
- 2.17 In addition to the proposals set out in this report a pay and grading benchmarking piece of work has been commissioned for the whole authority. The purpose is to inform consideration of where to position the council in terms of pay and reward to remain competitive in the market and to address any issues arising from anomalies in the grading structure and equal pay analysis. This will inform the precise detail of grades and reward for our Head of Service roles. The majority will need to be formally evaluated before any organisational change process can commence. Provision for any consequential modest additional costs has been made in the proposed contingency budget for 2022/23 (considered elsewhere on the agenda).

3. AVAILABLE OPTIONS

- 3.1 Option 1 Do Nothing
- 3.2 Option 2 Agree the proposed senior management structure set out in this report.
- 3.3 Option 3 The Committee could identify alternative changes the current structure
- 3.4 Option 4 The Committee could identify amendments to the proposed senior management structure

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 Option 2 is the preferred option as it will allow the council to implement more effective arrangements than those currently in place for the delivery of key priorities for the reasons set out in the body of the report and **Appendix 2**.
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5. RISK

- 5.1 The risks associated with this proposal, including the risks if the Council does not act as recommended, have been considered in line with the Council's Risk Management Framework.
- 5.2 Making organisational change of this scale i.e., multiple concurrent changes in roles and responsibilities for Heads of Service, who are key leaders and managers in the delivery of the council's ambitions, carries substantial risk. It is possible that the proposed change will impact on morale and potentially result in decisions to leave the authority. There is potential to mitigate for this through careful planning, preparation and engagement. Nevertheless, there will remain unavoidable short-term risks arising from the consumption of time and energy in planning for and making the changes proposed and from any challenges in recruitment and internal changes in staffing arrangements. Application of the council's organisational change procedure will mitigate for any administrative/procedural risk. For the longer term the risks of making the proposed changes are within the council's risk appetite parameters.
- 5.3 The risk of maintaining the status quo is significant in terms of being less effective with respect to having the right people, in the right place with the right skills.

6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 6.1 The proposals set out in this report respond to decisions of council committees concerning the Strategic Plan areas of focus for 2021-26 and specific initiatives to achieve the council's priorities. Informal discussion has been undertaken by the Corporate Leadership Team with the Heads of Service most significantly impacted by these proposals. Informal discussion has been undertaken by the Chief Executive with the Leader of the Council and Chairs and Vice Chairs of the council's service committees. This has provided valuable insight and the proposals have in some cases been refined to reflect this informal feedback
- 6.2 Subject to the agreement of this Committee that changes to the senior management structure be made the council's organisational change procedure includes specific provisions for formal consultation with the staff affected.

7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 7.1 Communication with staff affected will take place in accordance with the council's organisational change procedure. Communication with the wider organisation will take place through our established channels including the managers' Forum and our regular news bulletin "Inside MBC".
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8. REPORT APPENDICES

Appendix 1: Strategic Plan – Core Priorities

Appendix 2: Summary of current and proposed Head of Service roles

9. BACKGROUND PAPERS

None