



## COUNCIL – 8<sup>TH</sup> APRIL 2025

**SUBJECT: ORGANISATIONAL RESTRUCTURE**

**REPORT BY: CHIEF EXECUTIVE**

### 1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to update full Council on a new Leadership Structure that has been developed and introduced for Caerphilly and the rationale behind it.
- 1.2 The Structure will be live from the 1<sup>st</sup> April 2025 and follows the first review of the Council's Senior Leadership Team structure in a number of years. The new structure is intended to better support the Council's business going forward.

### 2. SUMMARY

- 2.1 This report updates Members on a new Leadership Structure for the organisation that will provide the foundation upon which the Council can raise service standards, improve accountability and do the basics really well.
- 2.2 The structure has been developed on a number of principles:
  - Reducing senior management expenditure
  - Organising ourselves across three Directorates but aligning those Directorates to the Council's Scrutiny Committees
  - Building a strong and coordinated front line workforce, realising the benefits of Education and Social Services sitting in the same Senior Management Team (SMT) and providing a corporate centre that enables organisational development as well as community impact
  - Balancing out workloads more consistently and bringing together teams and functions where it makes sense to do so
  - Better recognising the scale and scope of the work being done and enhancing our ability to recruit and retain high quality senior staff
  - Ensuring Heads of Service had the opportunity to speak with staff that were impacted by the proposals as part of the consultation process

- 2.3 The structure has been the subject of consultation with Corporate Management Team (CMT), the Leader, Cabinet, Heads of Service, the Trade Unions and has also been shared with opposition Group Leaders. The feedback has been positive and the structure is now live, hence the need to update Council.

### **3. RECOMMENDATION**

- 3.1 That Council notes the new Leadership structure.

### **4. REASONS FOR THE RECOMMENDATION**

- 4.1 To update Members on the Council's new leadership structure and share some of the thinking and considerations behind the approach.

### **5. THE REPORT**

- 5.1 The Chief Executive has identified Leadership as one of five key priorities that need to be given due attention. The necessity to develop and embed a settled Leadership structure for the Council for the first time in many years forms a key component within this priority.

- 5.2 The structure has been under development since January 2025 and has been the subject of consultation with Corporate Management Team (CMT), the Leader, Cabinet, Heads of Service, the Trade Unions and has also been shared with opposition Group Leaders.

- 5.3 The consultation responses received were comprehensive, balanced and considered. The responses were also overwhelmingly supportive of the initial draft structure with only a small number of refinements ultimately being made in developing the final structure, which is attached at Appendix 1.

- 5.4 The structure should be considered evolutionary rather than revolutionary as implementing changes can be a considerable distraction. The number of teams changing line management within the proposed structure is minimal while the synergy that will emerge from these new configurations will provide significant benefit.

#### **5.5 The Principles**

##### **5.5.1 *Reducing senior management expenditure:***

The new structure does not have a Deputy Chief Executive post and will see the Corporate Management Team reduce from five posts to four with a corresponding reduction in administrative support.

The new structure also sees the permanent removal of the previous

Head of Regeneration and Planning Post as well as a range of other management posts enabling further reductions across the Council's Management Network tier.

Work to further reduce senior management expenditure through natural turnover and the Council's Workforce Flexibilities Policies will continue into the medium term to deliver further savings.

*5.5.2 Better recognising the scale and scope of the work being done, enhancing our ability to recruit and retain high quality senior staff, as well as balancing out workloads more consistently and bringing together teams and functions where it makes sense to do so:*

The new structure introduces a number of cosmetic changes to long standing job titles. It is important to note that the terms and conditions and salary ranges attached to the posts will not change as a result of the amendments to the titles. The title changes are nil cost.

The previous title of Corporate Director will be replaced by the title Executive Director.

The previous title of Head of Service will be replaced by the title Director.

This approach is more modern, consistent with the approaches being taken in other large public sector bodies and better recognises the scale and scope of the work being undertaken by the individuals who currently occupy these roles.

With more appropriate titles at a senior level this should also assist the likelihood of attracting high quality candidates whenever a vacancy emerges at this level.

*5.5.3 Organising across three Directorates, building a strong and coordinated frontline workforce, realising the benefits of Education and Social Services sitting in the same SMT and providing a corporate centre that enables organisational development and community impact:*

While the Council currently has three Directorates, the new structure reconfigures those three Directorates aligning them to the Council's Scrutiny Committees.

The Housing and Environment Directorate, essentially brings much of the Council's frontline workforce together in one place and under the Leadership of a single Executive Director, enabling consistent approaches to service standards and culture to be embedded.

Education and Social Services have always worked very closely and since the Education and Social Services Scrutiny Committee was formed these relationships have been strengthened further. While

some Councils have chosen to integrate particularly Education and Children's Services, this proposal simply co-locates them in the same Senior Management Team.

The Corporate and Regeneration Directorate sees a number of key changes. Regeneration, Planning and Housing Strategy, Development and Performance will come together under the Director of Customer, Economy and Regeneration Services. This will bring significant benefits. The Council's new Customer Service function will also sit within this service area as we move towards our new approaches to face to face, telephone and online based engagement.

This Directorate also sees Assets and Decarbonisation brought into the Corporate Centre.

Finally, the move to align Directorates with the Scrutiny Committees simplifies reporting with a single Executive Director per Committee and makes financial, HR and performance reporting much more straight forward for all concerned.

## 5.6 Immediate Next Steps

- 5.6.1 Human Resources have now redesignated the existing Corporate Director and Head of Service roles to the new Executive Director and Director Posts set out within the structure in Appendix 1.
- 5.6.2 The current Director for Economy and Environment has been confirmed into the role of Executive Director of Corporate and Regeneration Services.
- 5.6.3 When the Council's Deputy Chief Executive retires on April 11<sup>th</sup> 2025, the Corporate Management Team will reduce to four posts from five. Of these four posts, only the Chief Executive and the Executive Director for Corporate and Regeneration will be in permanent positions. The other two posts at CMT will be vacant. The Council is currently seeking to recruit to the posts of Executive Director for Housing and Environment and the Executive Director for Education and Social Services.
- 5.6.4 The Council's Director of Financial Services & Section 151 Officer is retiring in June 2025. The recruitment process for his replacement has commenced in order to provide a short transition period prior to his exit.
- 5.6.5 Financial Services, People Services and the Council's Performance functions are now reorganising their respective reporting arrangements in alignment with the new structure.
- 5.6.6 Between April and the point at which permanent appointments are made into the two Executive Director posts and the Director of Finance & Section 151 Officer positions, a number of interim arrangements will

need to be introduced to balance out the workloads as much as possible. This will be a time of significant challenge for the Council.

## 5.7 Conclusion

Being in a position to finally embed a new structure for the organisation is the foundation stone upon which the Council can begin to address some of the wider challenges that have been faced over recent years.

It is acknowledged that there may need to be a few more tweaks required over the coming weeks and months to get things working properly and some flexibility required as things bed in. This will, however, be a significant step forward for the organisation.

## 6. ASSUMPTIONS

6.1 None.

## 7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

7.1 This report does not require an Integrated Impact Assessment as it purely updates Council on the introduction of a new structure.

## 8. FINANCIAL IMPLICATIONS

8.1 The introduction of the new structure is within existing budgets and does not require any additional investment. In fact, the introduction of the new structure alongside the review of senior management enables significant savings to be realised. It also provides a platform for further savings at a Leadership level to come over time.

8.2 A summary of the savings that can now be accounted for are as follows:

<b>Post</b>	<b>Annual Saving *</b>
Deputy Chief Executive	£207k
Head of Service for Regeneration & Planning	£154k
Management Restructures (through Workforce Flexibilities)	£381k
Reduction in PA Support to CMT	£31k
<b>Total</b>	<b>£773k</b>

\* Note - Savings include salaries and oncosts (Employer Pension & NI Contributions)

8.3 Additional potential savings proposals totalling circa £160k are also being actively explored but remain subject to the approval of any associated business cases.

## **9. PERSONNEL IMPLICATIONS**

- 9.1 The impact of this structure from a Personnel perspective is minimal. All individuals who would have been impacted by a change of title and line management have been consulted and our Trade Union partners have also been updated and engaged in the process.
- 9.2 HR are processing the changes in accordance with established policies and procedures.

## **10. CONSULTATIONS**

- 10.1 Consultation has taken place with Corporate Management Team, Heads of Service and our Trade Union partners and are supportive of the new arrangements. The proposed structure has also been shared with the political groups.

## **11. STATUTORY POWER**

- 11.1 Local Government Act 2000

Author: Ed Edmunds, Chief Executive

Consultees:-

Dave Street, Deputy Chief Executive  
Mark S Williams, Executive Director – Corporate and Regeneration  
Gareth Jenkins, Director of Children’s Services  
Lynne Donovan, Director of People Services  
Rob Tranter, Director of Legal, Democratic Services and Monitoring Officer  
Stephen Harris, Director of Financial Services and Section 151 Officer  
Cllr Sean Morgan, Leader  
Cllr Jamie Pritchard, Deputy Leader and Cabinet Member for Prosperity, Regeneration and Climate Change  
Cllr Nigel George, Cabinet Member for Corporate Services, Property and Highways  
Cllr Phillipa Leonard, Cabinet Member for Planning and Public Protection  
Cllr Chris Morgan, Cabinet Member for Waste, Leisure and Green Spaces  
Cllr Eluned Stenner, Cabinet Member for Finance and Performance  
Cllr Carol Andrews, Cabinet Member for Education and Communities  
Cllr Shayne Cook, Cabinet Member for Housing  
Cllr Elaine Forehead, Cabinet Member for Social Care  
Cllr Nigel Dix, Leader of Independent Party  
Cllr Lindsay Whittle, Leader of Plaid Cymru  
Ben Winstanley, Director of Assets and Decarb

Sue Richards, Director of Customer, Economy and Regeneration Services  
Keri Cole, Director of Education  
Nick Taylor-Williams, Director of Housing  
Liz Lucas, Director of Transformation, Digital and Procurement  
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Appendices: Appendix 1 Caerphilly Council Structure 2025