

Classification	Item No.
Open	

Body:	Council
Date:	22 November 2023
Title of report:	Senior Leadership Arrangements
Report by:	Cllr. Tahir Rafiq; Cabinet Member for Corporate Affairs & HR
Decision Type:	Key Decision
Ward(s) to which report relates	All

Executive Summary:

At July Council Members gave final approval to implement a number of changes to the organisation's senior leadership structure. These proposals sought to put in place strengthened arrangements and accountabilities to deliver on the organisation's priorities whilst also securing delivery of the remaining element of a £200k savings target in relation to Chief Officer costs built into the 22/23 budget.

This report builds on the strategic approach agreed earlier in the year and proposes two further changes to leadership arrangements in response to recent developments and following consideration by the Employment Panel. Specifically:

1. The disestablishment of the current Joint (with NHS Greater Manchester) Executive Director of Finance and Section 151 Officer role and establishment of a Council only role in the context of the departure of the current post holder. - Members are asked to approve Paul McKevit's appointment to this role on a part time (3 days a week) interim basis for an initial period of 6 months following an interview by the Employment Panel.
2. The establishment of a new role of Director of Housing Operations which will be the lead officer for the Council's Social Housing responsibilities following the transfer of Six Town Housing activity to the Council in the new year .

Recommendation(s)

Council is recommended:

1. Agree the termination of the Council's joint financial leadership arrangements with NHS Greater Manchester and the disestablishment of the post of Joint Executive Director of Finance, Chief Officer Band H (£127,377 - £139,067).

2. Agree the establishment of a new role of Executive Director (Finance) evaluated at Chief Officer Band H (£127,377 - £139,067) and that this post be designated as the Council's statutory Section 151 Officer
3. Agree the recommendation from Employment Panel that Paul McKevit is appointed to the role of Interim Executive Director (Finance), Section 151 Officer with immediate effect for an initial period of six months, with the ability to agree a further six month extension delegated to the Chief Executive in consultation with the Cabinet Member for Corporate Affairs & HR and Cabinet Member for Finance and Communities.
4. Note the deletion of the role of Director of Housing Chief Officer Band F (£103,767 - £112,636).
5. Agree the establishment of the post of Director of Housing Operations evaluated at Chief Officer Band F (£103,767 - £112,636).

Key considerations

1. **Executive Leadership of the Council's Finance Department and Statutory Section 151 Officer**
 - 1.1 The current Joint Executive Director of Finance and section 151 Officer (an NHS Greater Manchester employee) has left the authority. This presents an opportunity for the Council to consider its financial leadership arrangements. Given the scale and scope of financial challenges facing the Council and the shifting landscape of the NHS both locally and nationally the proposal is to de-couple the current joint leadership arrangement and establish a new Council role of Executive Director (Finance). This role has been evaluated at Chief Officer Band H (£127,377 - £139,067), the same level as the current joint role. Given the grade and statutory designation, the establishment of this post requires approval by Council. As set out in the report on Senior Management Arrangements agreed by Cabined in April this post is 65% funded by the Council and 35% by NHS Greater Manchester. This leaves a shortfall of £64k (inclusive of on-costs) which will be met through a small surplus in available budget following the agreement and allocation of funding in relation to the 2023/24 NJC Pay Award.
 - 1.2 Given the current challenges facing Council budgets, the fact that the Deputy Section 151 Officer post is also vacant and the statutory requirement to ensure this role is fulfilled there is an urgent need to provide cover for this post. Employment Panel agreed to interview Paul McKevit to provide immediate interim leadership as Executive Director (Finance) on a part time basis (3 days a week) for, initially, a period of six months given the urgency of these circumstances, the interim nature of the appointment and the availability of a suitably skilled and experienced candidate.
 - 1.3 Paul is currently the Independent Chair of the Council's Finance Improvement Panel and has a strong track record of delivery as a Section 151 officer with over 15 years experience at this level. The proposal is that Paul would be engaged on

a consultancy basis for three days a week for an initial period of six months. The total cost would be £54,000 funded via the budget for the substantive role.

- 1.4 Following interview Paul's appointment is recommended.
- 1.5 A key initial priority for the new Section 151 Officer will be to substantively fill the Deputy Chief Finance Officer role. Beyond this, other immediate priorities will include:
 - Ensuring broader stable leadership of the Finance function and succession arrangements beyond this interim engagement
 - Developing and securing agreement to a revised MTFs and 24/25 budget
 - Driving delivery of the agreed Finance Improvement Plan
 - Overseeing the transition of Six Town Housing agreement of a 30 year HRA Business Plan
 - Putting in place strengthened leadership arrangements in relation to procurement.
- 1.6 As a statutory officer, appointment to the Section 151 Officer role is a decision for Council. The hope is that substantive arrangements to fill the Section 151 Officer role can be progressed during this period. However, it may be necessary to extend these arrangements and Council is asked to delegate authority to the Chief Executive, in consultation with the Cabinet Members for HR and Corporate Affairs and Finance and Communities, to agree a six month extension if required.
- 1.7 Subject to his appointment, Paul will be supported by additional specialist finance leadership capacity secured on a consultancy basis during this period from another former Section 151 Officer on a part time basis funded via the Council's Transformation reserve.

2. Establishment of a Chief Operating Officer for Housing

- 2.1 On 7th November Cabinet agreed to transfer the leadership and delivery of social housing arrangements in Bury in-house. The intention is that this transfer takes place in early 2024.
- 2.2 There is currently a vacant Director of Housing post on the Council establishment. This role was established on the basis of the Council's former approach to housing delivery and acted as the Council's client-side relationship lead for Six Town Housing, the responsible officer for the Council's statutory housing functions and the lead officer for Housing Development. In light of the changes noted above, this post will be disestablished. £100k of the savings generated from the disestablishment of this role will deliver against the equivalent target in the Council's 24/25 budget related to Chief Officer costs. The remaining £48k will be retained with £15k contributing to the new Director of Housing Operations role described below and the remainder being held with the BGI Department. This residual funding will provide an initial contribution to the development of the capacity needed to support housing development, with a future report on the capacity requirements here brought forward in due course.
- 2.3 As set out within the Cabinet report, following the transfer of housing activity to direct Council oversight, the operational delivery activities currently undertaken by Six Town Housing will be dispersed across the relevant Council Departments.

However, in the context of both the new regulatory framework for Social Housing and the need to ensure suitably qualified and experienced leadership of this area the proposal is to establish a new role of Director of Housing Operations. This role has been evaluated at Chief Officer Band F (£103,767 - £112,636) and will report to the Executive Director (Strategy & Transformation) within the Corporate Core. The post will have operational responsibility for the Council's housing management and homelessness functions as well as providing accountable leadership for the full range of regulatory requirements the Council will hold as a landlord. A Job description for this role is appended. The post will be 90% funded via the HRA with the remainder, related to leadership of other areas of Council business, funded as described above.

Community impact/links with Community Strategy

Ensuring suitable and stable leadership capacity across the Council is a critical enabler to delivery of the Corporate Plan and LET'S Do It! Strategy.

Equality Impact and considerations:

Equality Analysis
The proposals described above will take place in accordance with existing Council policy. There are no further equality considerations.

Assessment of Risk:

The following risks apply to the decision:

Risk / opportunity	Mitigation
The Departure of the current S151 officer negatively impacts the Council's financial improvement work and budget setting for 24/25	A proposed approach to securing high calibre interim leadership capacity is set out
The dispersal of leadership responsibility for social housing impacts the Council's ability to demonstrate compliance to the new Regulator of Social Housing	The new Director of Housing Delivery will provide a single point of contact to mitigate this risk

Consultation:

The proposals set out have been shared with relevant Cabinet Members.

Legal Implications:

Council is asked in accordance with the Localism Act 2011 to agree to the establishment of two new senior roles, this is to ensure openness and transparency when establishing roles over £100k.

The Council is required by the Local Government Act 1972 to employ suitably qualified individuals as Head of Paid Service, Section 151 Officer (Chief Financial Officer) and Monitoring Officer. The proposed appointment complies with those requirements.

Financial Implications:

The budget to fund the Executive Director of Finance & S151 post is currently funded at 65%; the remaining 35% will be funded through a surplus on the budget set aside to fund the 2023/24 pay award. This budget will be used to fund the interim arrangements.

The Director of Housing & Operations new post will be funded 90% through HRA and £15k residual of the funding from the Director of Housing post being disestablished.

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Background papers:

Report to Cabinet: April 2023 - [Review of the Council's Senior Management Structure](#)

Report to Cabinet: November 2023 - [Strategic Housing Review – Future Management and Maintenance of Council Housing](#)

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
BGI	Business Growth & Infrastructure Department
HRA	Housing Revenue Account