

Agenda item:

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Decision maker:	Employment Committee
Subject:	Reductions to Senior Management Structure
Date of decision :	18 th January 2011
Report by:	David Williams
Wards affected:	None
Key decision (over £250k):	N/A

1. Purpose of report

To advise Members of changes to the senior management structure of the Council.

2. Recommendations

It is recommended that:

2.1 Members agree the further reductions in senior management posts and the confirmation of the arrangements for the Head of Asset Management and the Head of Revenues and Benefits as set out in section 3 of the report

2.2 Members approve the financial implications as set out in the exempt financial appendix, the costs of which will be funded from the MTRS.

2.3 An Appointment Committee of five members be appointed to be responsible for the appropriate recruitment to the Head of Finance post.

2.4 Members record their thanks to those senior managers taking voluntary redundancy or early retirement for their work for the council and the city.

3. Background

In July 2007 the Employment Committee received a report setting out proposed changes to the senior management structure of the Council. Since that time, the number of senior managers (Strategic Director and Head of Service equivalents) has been reduced from 33 in 2007 to 25 in 2010 in accordance with the needs of the service and to meet the requirement to reduce organisational costs.

In preparing for the budget reductions now facing the Council, the Employment Committee agreed a voluntary redundancy policy in July 2010. This policy is being applied across the council as service areas are reviewed. The policy adopts the same redundancy payments as would result from a compulsory redundancy; no enhancements or 'added years' are applied.

In the light of the reductions in central government funding, it is inevitable that further changes will take place to the managerial structure and capacity needed and affordable within the council. This will be kept under review as the governments legislative programme develops.

At this stage, three applications for voluntary redundancy were received and the following further reductions at Head of Service level are proposed to be implemented:

- Head of Environment and Public Protection – voluntary redundancy, realigning public protection services across Transport, Community Housing, Planning and Community Safety Service Units
- Head of Health Improvement and Development – voluntary redundancy, aligning services with PCT Public Health Service in advance of the transfer of the NHS Public Health functions to Local Government in 2012
- Head of Finance – early retirement on the grounds of efficiency of the service, and seek to fill that post internally in the first instance with a corresponding redundancy in the Finance senior structure.

These proposals have been discussed between the Strategic Director and the Portfolio holder, and I am satisfied by the alternative managerial arrangements proposed in each case. In addition, it is proposed that the temporary arrangements for Heads of Asset Management and Revenues and Benefits be confirmed following successful periods of acting up. These arrangements add to the managerial savings achieved.

Whilst it is considered that appropriate arrangements can be achieved for the public protection and the public health functions without the need to replace the head of service posts, this is not considered to be the case for Financial Services, where a replacement head of service is considered to be needed.

This will be a member appointment, and it will be for the member Appointment Committee to decide whether or not they are satisfied that they can recruit a suitable replacement from within the council. If they can, then consequent internal arrangements will follow, together with employment savings. If Members do not consider that a suitable candidate is available internally, then it will be for the Appointments Committee to decide whether to advertise the post externally or to ask the Chief Executive to come forward with other proposals.

Over the next three years, the council will be undertaking further organisational changes to drive down costs and seek further efficiencies. It is likely that the role of the Council will become more as a strategic commissioner of services from a range of potential suppliers, including in-house provision, private sector

and voluntary and community sectors. The pace and nature of this change will be influenced by the following:

- Reduced resources and capacity
- Outsourcing and shared services
- LA relationship with schools
- Transfer of public health responsibilities
- Changes to Adult social care
- Changes to the welfare regime
- Changes to constabulary arrangements and the role of local authorities in crime reduction partnerships

This will lead to a different shape to the organisation and further reports will be brought to the employment committee as necessary.

4. Reasons for recommendations

4.1 The proposed reductions will save the council money whilst safeguarding service delivery.

4.2 Appointment at Head of Service level and above is a Member appointment.

4.3 The staff involved have worked for the council for a cumulative total of over 100 years and have made a significant contribution to the health and wellbeing of the city and the efficiency of the council.

5. Equality impact assessment (EIA)

An Equality Impact Assessment has been undertaken.

6. Monitoring Officer comments

The proposals set out in this report comply with the Council's policy and procedure and in particular the Early Termination of Employment Payments Policy and it is therefore within the capacity of the Committee to approve the recommendations set out above.

7. S151 Officer comments

Each of these proposals is being considered on its own merits and the resultant financial implications are set out in the exempt financial appendix. All costs in respect of redundancy payments and pension strain will be funded by an equivalent transfer from the MTRS.

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Signed by:

Appendices:

Exempt financial appendix.

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location