



Cabinet

29 July 2009

Staff and Management Restructure: Report of the Chief Executive Officer

1. Purpose of the Report

- 1.1 The Corporate Director (Community) has been promoted to the post of Chief Executive Officer for Tewkesbury Borough Council. He takes up his new post on 21 September 2009. Between now and then, recognising a significant part of this period falls into the peak Summer holiday period, he will be managing the hand-over of services and major projects for which he was responsible.
- 1.2 This promotion provides the opportunity to review the current senior management arrangements of the authority and to make some adjustments. These proposals are, effectively, a tweaking of the organisation rather than a whole-scale re-organisation and it is felt that this is the right approach, given the current position in relation to Local Government Review (LGR) and inter-area/inter-authority working.

2. Context

- 2.1 The proposals within the report are made in the context of the expectations placed upon local government and against the following background:-
 - 2.1.1 Firstly, there is a general expectation that public sector finances will be squeezed over the next 3 to 4 years and real reductions in budgets will be accompanied by more stringent efficiency targets set by central government irrespective of who is in control in Whitehall.
 - 2.1.2 Effective partnership working is expected of St Edmundsbury Borough Council, along with others in the public sector. Often, in the past, this agenda has been limited to the back office functions, such as Human Resources/Organisational Development, Finance, ICT, in the main. Increasingly, this approach is also expected for front-line services and we are beginning to see fusion of services across district/county boundaries. So, for example, there is the Waste Partnership with Forest Heath District Council, housing is looked at from a West Suffolk/Cambridgeshire view point, via Cambridge Horizons and the Greater Cambridge Partnership. Economic Development issues are dealt with in a variety of sub-regional working partnerships.

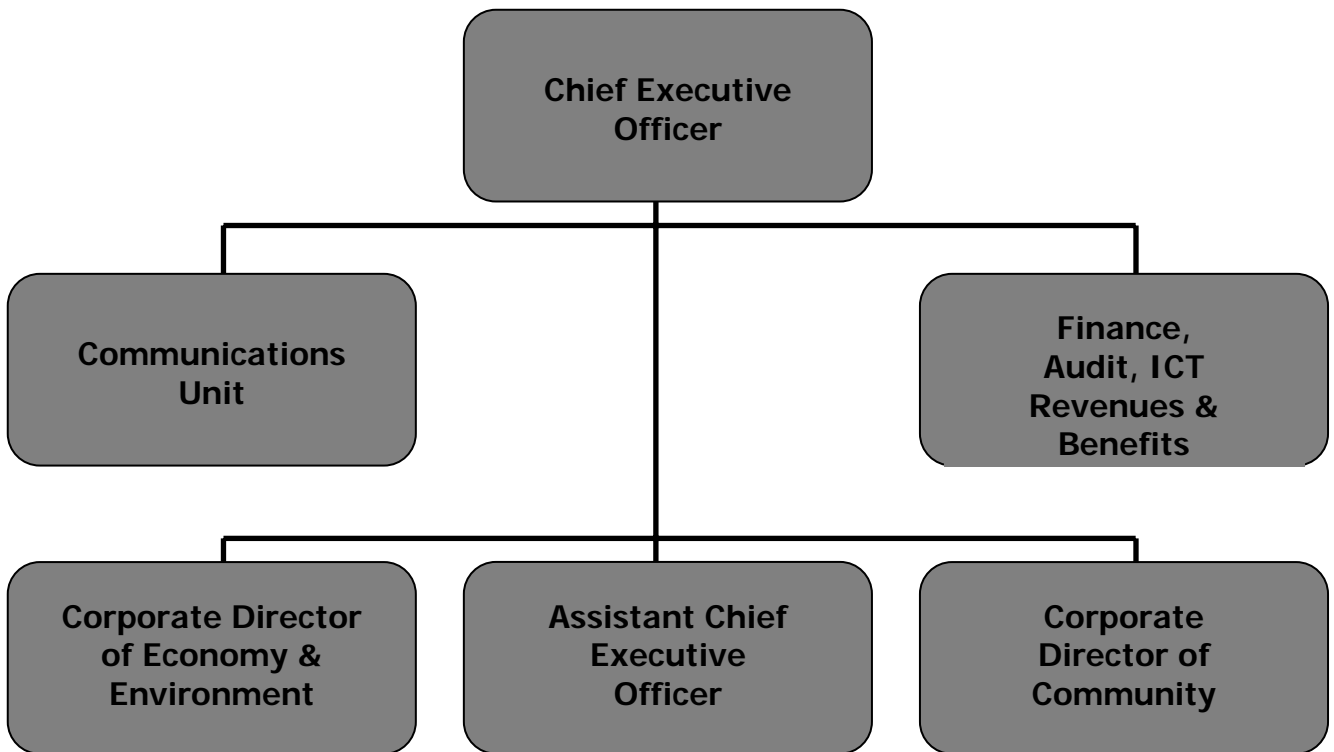
- 2.1.3 What is, possibly, emerging from this new agenda is the concept of subsidiarity which has been used on mainland Europe for some considerable time. In essence, it asks that we consider which services should be provided at what level of governance to make sense to people and hopefully increase their involvement in the decision making process that affect them. So, some services should be provided at a national level, others at a regional level and, as in the case of St Edmundsbury Borough Council, yet others at a County/District or Parish and Town Council level.
- 2.1.4. The results of the LGR process will also necessitate structural change in Suffolk and Norfolk and Devon. It is unlikely, and, I suspect, it is undesirable, to move along our own single track should there be no formally recognised change resulting from the Boundary Committee's recommendations to the Department for Communities and Local Government. The pressures on finances will necessitate alliances as suggested above. Similarly, to meet the efficiency targets we will be set there will need to be increases in the scale of operations we currently run and much wider co-operation between districts/borough councils and the County Council and others in the public sector, such as Health and Police in particular.
- 2.1.5 Nor will it stop here. Elements of the Health agenda and the Community Safety agenda, along with the Learning and Skills and wider Economic agenda, need to be delivered in a coherent framework across all service providers, what is now called the Place Agenda (see below).
- 2.1.6 Elected Members will be expected to lead this approach and develop their advocacy role for Place irrespective of the organisation formally responsible for delivering these services.
- 2.1.7 Much of the above has been expressed in the Local Area Agreement (LAA) and will be reviewed via the Comprehensive Area Agreement (CAA) process. We are moving from an organisation focus to an area one. One in which citizens will be involved, and encouraged to participate in establishing the services provided and the standards to which they operate.
- 2.1.8 A recent edition of the Local Government Chronicle has suggested that the CAA title will be replaced by the title "Oneplace" reinforcing the Audit Commission's ambition to see a greater emphasis on place rather than organisations.
- 2.1.9 One further initiative which is currently underway, and demonstrates the broad thrust outlined above, is the work which is underway on a Suffolk wide basis with PriceWaterhouseCoopers (PWC) to establish a "budget" for Suffolk. Several national pilot schemes are also underway where we are looking at the public purse across all expenditure and income headings for an area. The theory being that movement of say 1% or 2% in major expenditure headings could deliver significant improvements in other areas. A pilot scheme in the North West estimates that a 1% shift in Department of Work and Pensions (DWP) expenditure could see a £70m reinvestment elsewhere.

2.1.10 There is the neighbourhood agenda which will encourage greater involvement with local services and, indirectly, greater involvement in the democratic processes. This is also the delivery mechanism which will be used to see many of the policy initiatives mentioned above implemented.

2.1.11 In summary, the local government landscape is changing. Local government itself has to become more “extrovert” and lead its communities. This is in the context of diminishing resources, a greater emphasis on place, Value for Money (VfM) and efficiencies. It will also have to retain public support and ensure there is effective engagement in these difficult times. Many of the policy levers to assist are already in place. It is against this background that the changes in the management structure are made.

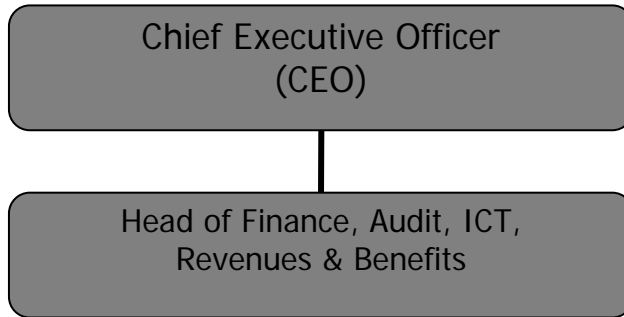
3. Current Management Structure

3.1 St Edmundsbury Borough Council is currently structured as follows:-

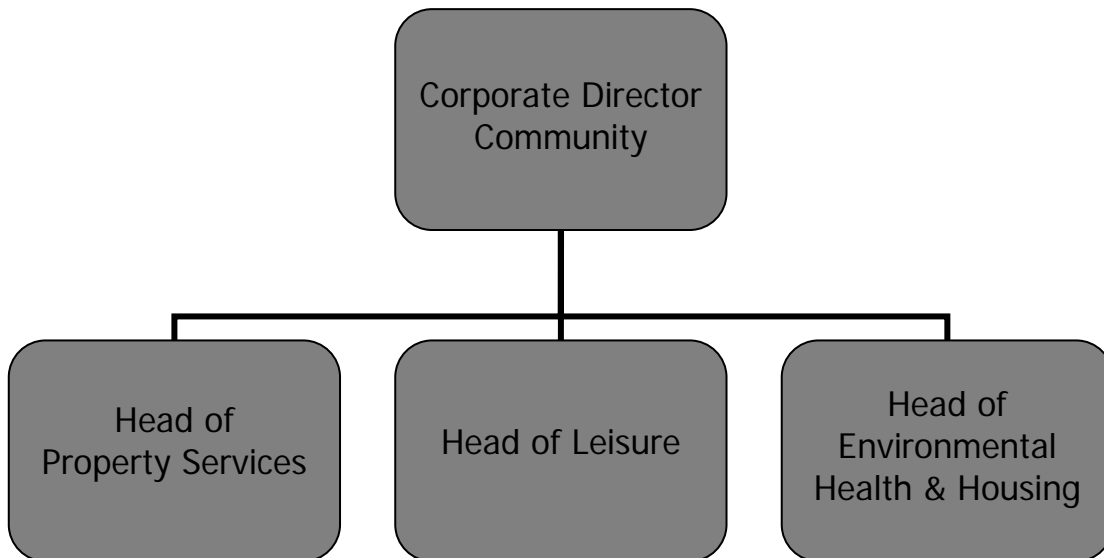


3.2 **Heads of Service**

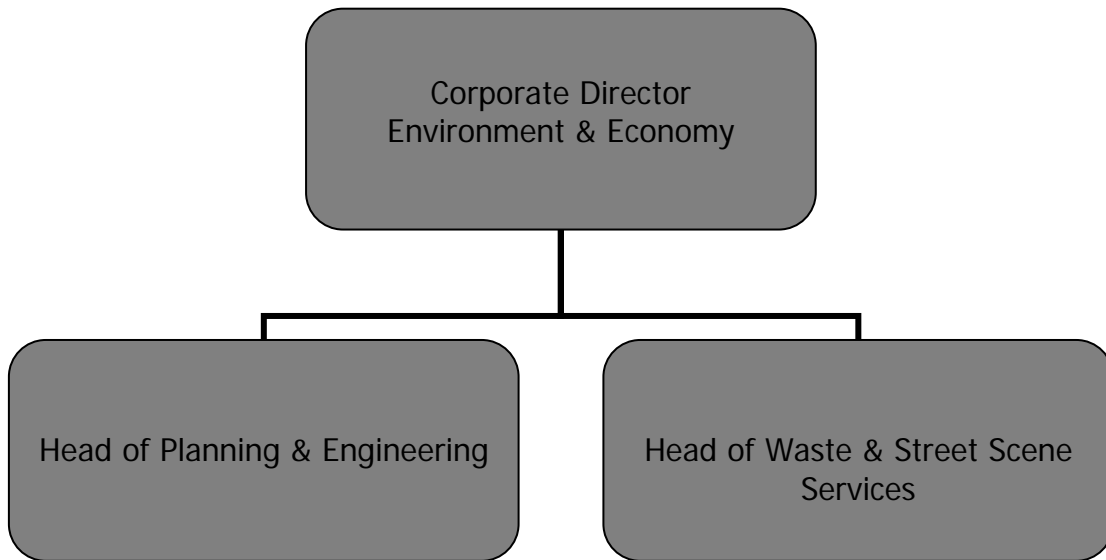
Chief Finance Officer



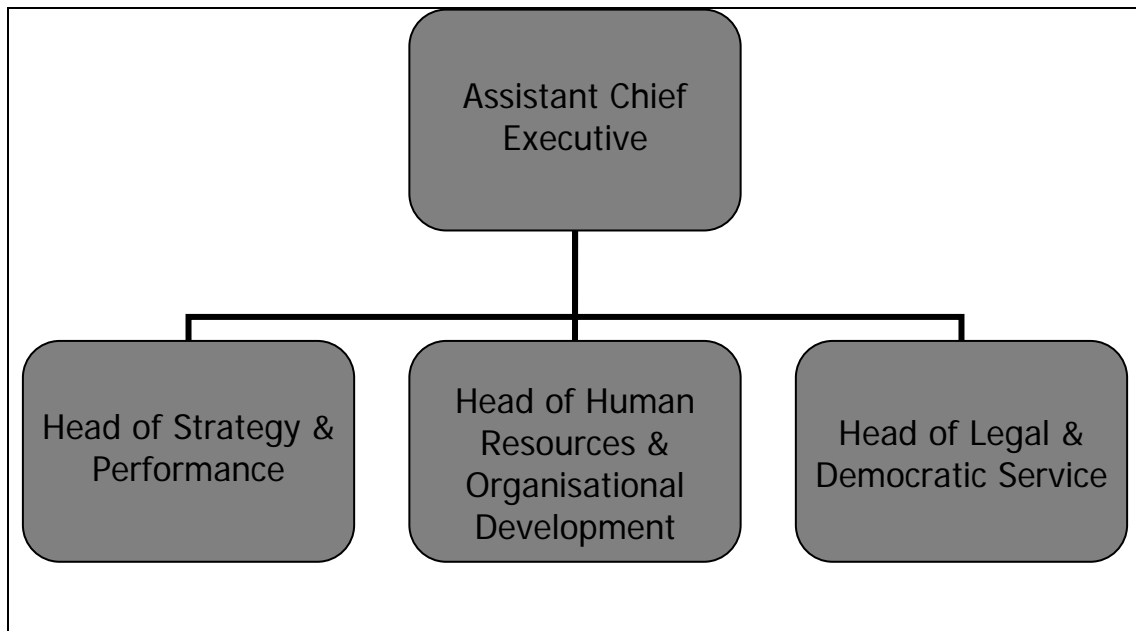
Community Services



Environmental Services



Assistant Chief Executive



3.3 Process

- 3.3.1 The Corporate Director for Community vacancy has led to a review of the Corporate Directors and Head of Services roles and structure. The proposal is to reallocate the responsibilities of the existing Corporate Director for Community post between the current Assistant Chief Executive (ACE) and the Corporate Director Economy and Environment. This will result in a significant change of duties for the current ACE, at the same level of responsibility. The post of ACE will subsequently be deleted from the establishment.
- 3.3.2 The review of the next tier in the structure, Heads of Service (HoS), has seen some re-allocation of duties amongst existing Heads of Service and a change to job title. There is no change to the number of HoS posts.
- 3.3.3 All of these changes have been discussed fully with those post-holders directly involved and the changes can be achieved through mutual agreement.

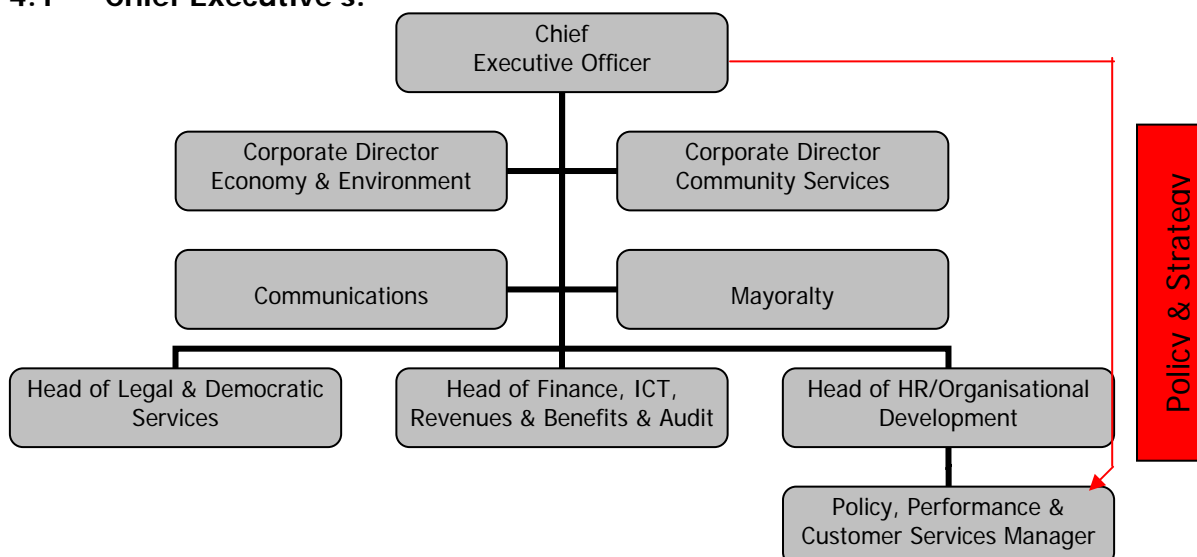
3.4 Main Proposals

- 3.4.1 It is proposed not to replace the Director of Community Services but to move the Assistant Chief Executive from his current role to become the Director of Community Services.
- 3.4.2 Further it is proposed to move the current Head of Property Services into the Environment and Economy Directorate and transfer responsibilities for Highways Agency agreement in Bury St Edmunds, Markets, Car Parking and CCTV (practical and physical dimension), Engineering and Design to him.
- 3.4.3 And, move the current Head of Strategy and Performance to the Community Services Directorate. Here, she would have responsibility for Neighbourhood Management and Development. This is a new Head of Service role. She would retain responsibility for the West Suffolk Local Strategic Partnership and absorb Crime and Disorder, Youth and Community Development from the current Head of Environmental Health and Housing. She will lead the "devolution agenda". She will take her election responsibilities with her. The Grants function would also be within this cluster of services.
- 3.4.4 The Head of Environmental Health and Housing would have the Youth and Community Development and Community Safety responsibilities transferred from her current responsibilities. Currently, she has an overly burdensome range of responsibilities, especially when the responsibilities for partnership issues are also mapped. Children's Services responsibilities placed on the Borough Council in the Children's Act 2004, would remain within the existing range of responsibilities. There would need to be a detailed examination of the Partnership Boards that this Head of Service currently represents St Edmundsbury Borough Council on.
- 3.4.5 Leisure would remain the same as would Waste and Street Scene Services.
- 3.4.6 The Head of Planning would gain responsibility for Economic Development and be formally titled Head of Planning and Economic Development.
- 3.4.7 Of the central functions, it is proposed not to change the responsibilities of the Head of Finance, ICT and Revenues and Benefits.

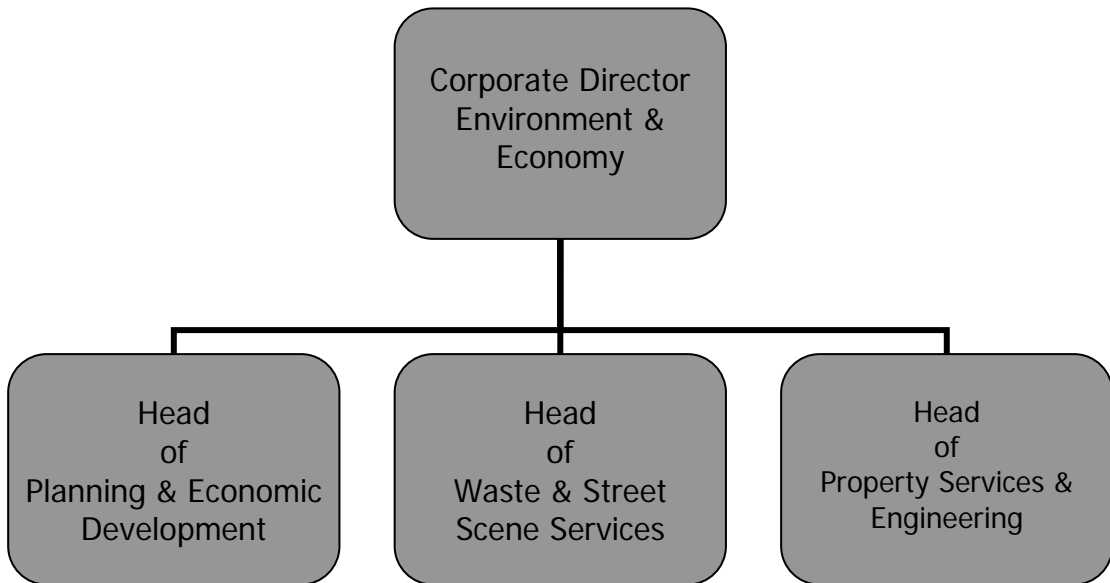
- 3.4.8 Cabinet management, which was previously picked up by the Head of Strategy and Performance, would be transferred to the Legal and Democratic Services section. Being specific it will, transfer to the Committee Services section and be the responsibility of the 'Committee Services Manager' under the direction of the Head of Legal and Democratic Services.
- 3.4.9 The above proposals significantly weakens the central core of the Council in management terms and one has to be realistic about this since it would be very difficult to remove 25% of any Council's top management team and not feel the chill. To counteract this, it is proposed to create and strengthen a new post of Policy, Performance and Customer Services Manager. This post will need to be graded, albeit it is envisaged this will not be a Head of Service role. The reporting line would be to the Chief Executive with the exception of the areas of work described in 3.4.11 below.
- 3.4.10 Further, recognising that the central strategy/policy capacity of the Council has been significantly reduced over the past few years, we will be looking to strengthen this by internal redeployments to enable us to refresh Vision 2025 and other such strategies.
- 3.4.11 In relation to the Head of Human Resources and Organisational Development, concerns have been expressed that there are insufficient links between the Organisation Development (OD) function and performance management. Likewise, between the service planning aspects of the Council, the appraisal mechanisms and the training which underpins these. Accordingly, the Head of HR/OD will be asked to head up a team of Performance Management "Champions" from each of the Directorates and to ensure that these function as a team. She will also be asked to involve the internal audit team's expertise as well.
- 3.4.12 Communications will report directly to the Chief Executive Officer. The Mayoralty Team will also report directly to the Chief Executive Officer.
- 3.4.13 Complaints would be handled by the Head of Legal and Democratic Services.

4. Proposed Structure

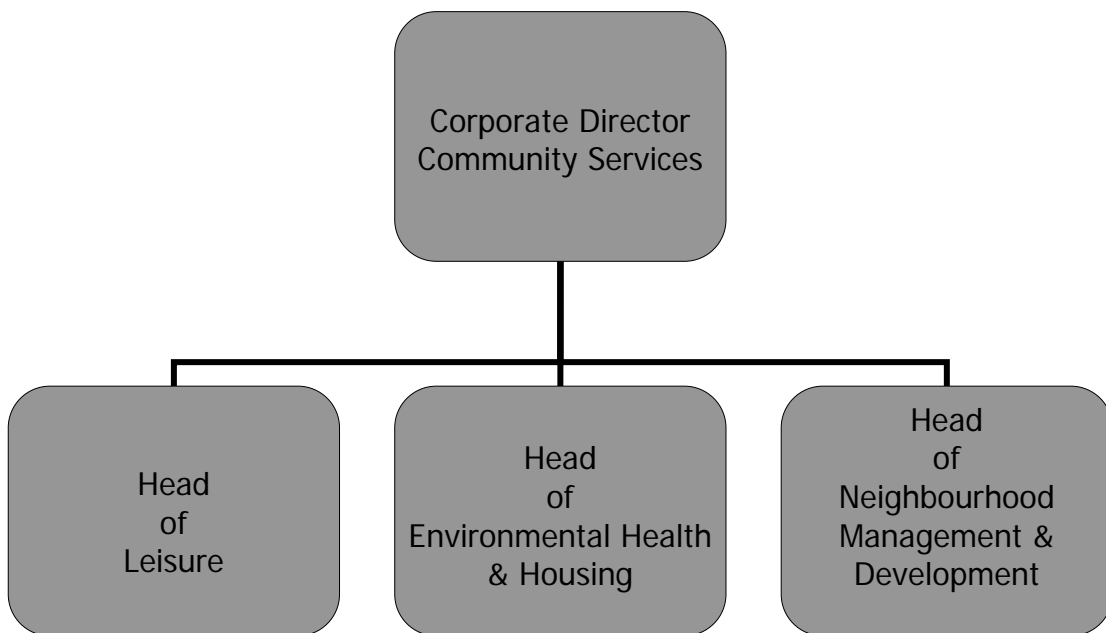
4.1 Chief Executive's:



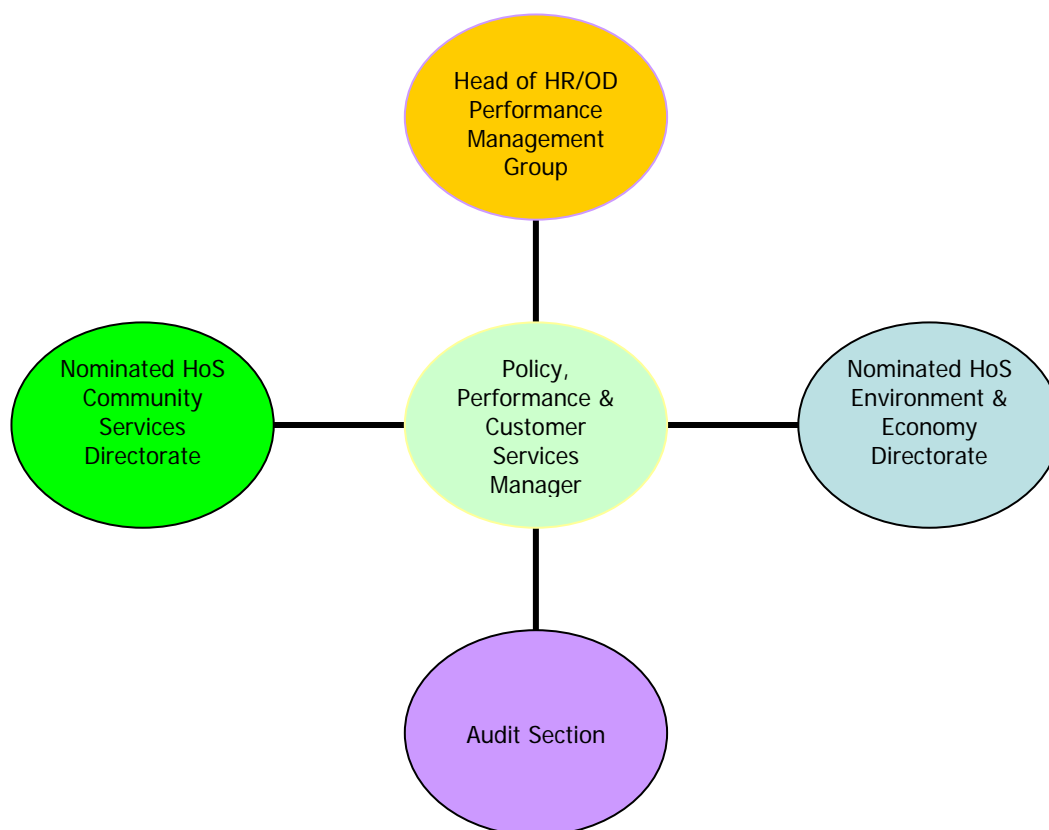
4.2 Corporate Director – Environment & Economy



4.3 Corporate Director – Community Services:



4.4 Performance Management:



4.5 The Performance Management structure will have the following primary objectives, to:-

- (a) increase the Council's overall effectiveness;
- (b) ensure the necessary links with the CAA/LAA programmes are in place;
- (c) "drive" improvement; and
- (d) ensure that there are confirmed outcomes for the residents and businesses in St Edmundsbury Borough and the West of Suffolk more generally.

4.6 This is **not** about creating a bureaucracy. It will be about hard outcomes and achievements. It will require a strong evidence based on our analysis of trends. To be fully effective, it will ensure we see transfer of resources (staff, finance, plant etc) from one area of work to another. Benchmarking will be required and comparisons between ourselves and other authorities made. All of these aspects of performance planning will be built into the annual budget setting cycle.

4.7 Training/OD will be provided via the HR service as will Member development.

4.8 Neighbourhood Management

4.8.1 There are several levels at which Neighbourhood Management can operate. Currently, we have the development of Bury St Edmunds and Haverhill operated via the respective Working Groups, with officer champions at a senior level. This will continue with the Chief Executive Officer and the two Corporate Directors responsible for Bury St Edmunds, Haverhill and the Rural areas within the

Borough. The Leader of the Council has indicated that he and his Cabinet colleagues would welcome a similar 'Committee' with equivalent status being afforded to the rural areas.

- 4.8.2 At the more local level, neighbourhood work practices will be developed via the new post of Head of Neighbourhood Management and Development which incorporates Community Safety and Youth and Community and Health Improvement working with clusters of parishes (or sometimes with individual parishes) will be vital.
- 4.8.3 The emphasis on parish planning will be heightened and the organisational links made with the delivery mechanism for Suffolk County Strategy the Local Strategic Partnership (LSP) and the Local Development Framework (LDF) will be required. Equally, and possibly more importantly, we will be exploring clear and concrete outturns from this investment.

5. Others Considerations

- 5.1 The Scrutiny function is an area of work which most probably needs to be revisited. Whilst the current arrangements and the existing work progress are fit for purpose, it is almost certain that they will need to change for the 2010/2011 year and beyond given the changes that are happening in local government generally and the changes in structure locally. It is proposed that this work is carried out over the next six months. The Scrutiny Officer will report to the Head of Legal and Democratic Services during this period.
- 5.2 The Emergency Planning function of the Council will almost certainly grow and develop in both status and volume if we are to meet the expectations placed on us via the Civil Contingency Act. It is suggested that the Chief Executive Officer takes on responsibility for this.
- 5.3 The Health and Safety Officer will continue to report to the Head of HR/OD and will be expected to continue to play a significant role in the Emergency Planning and business continuity areas. Risk management is currently the responsibility of the Head of Finance, Revenues and Benefits and ICT and this was due to be transferred to the Strategy and Policy Unit. Further consideration needs to be given to the future structural location of this responsibility.
- 5.4 Business continuity remains the responsibility of the Head of Finance, ICT, Revenues and Benefits.

6. Consultation Exercise

- 6.1 All senior staff within the Council are aware of these proposals and generally there has been a high level of understanding of all current circumstances facing local government in general and St Edmundsbury Borough Council specifically.
- 6.2 There was some disappointment expressed over the proposal to remove one director post from within the Council since this will inevitably diminish the chance of career progression in the Borough.

6.3 Staff could see the logic and rationale behind the service clustering which is being proposed and can also see the benefits of having an embryonic neighbourhood structure.

6.4 The support for the performance management arrangements was not universal and some felt that it was bordering on the cumbersome. I have reflected on this and decided to try it out. The advantages that will materialise are:-

- (a) genuine targets setting;
- (b) measurement of progress;
- (c) addressing the Value for Money and Efficiency Agenda;
- (d) uniformity of Approach across the whole Council; and
- (e) clearer links the Appraisal system.

All of this will become increasingly necessary as we move to Performance Management in a partnership setting.

6.5 Once the internal decisions have been made by St Edmundsbury Borough Council, there will be a series of communication events and briefings held to inform partners of changes.

6.6 UNISON'S views were very helpful and the issues raised have been addressed within this report.

7. Financial Modelling

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| • Salary and on costs | £100k |
| • Anticipated movement: regradings & increase in on costs | £ 30k |
| • Net savings to Council – full year | £ 70k |
| • Saving in 2009/2010 | £ 35k |

8. Summary and Conclusions

8.1 The promotion of the Corporate Director (Community) has allowed the Senior Management structure of St Edmundsbury Borough Council to be reviewed. This review proposes not to replace that post.

8.2 Instead, it is suggested that a series of moves/changes are made within the senior management structure of the organisation. These will reflect the new demands being made on local government in a time of diminishing resources. The move towards place shaping and a sense of place will be accommodated within these changes, the Neighbourhood Agenda, which is seen as the next major step for St Edmundsbury Borough Council to deal with as we move from a CPA to CAA context.

8.3 All adjustments will be completed within the existing budgets and it is predicted a saving will be made.

8.4 Detailed discussions within the Council will need to be held and, similarly, with partner organisations.

9. Corporate implications

- 9.1 The Council's menu of corporate considerations have been considered during the construction of the new structure.

10. Recommendations

- 10.1 Cabinet considers the proposals contained within this report and support the proposals to move senior staff within the organisation and assign new duties as described.
- 10.2 Structure at Appendix 1.

For further information please contact:-

Geoff Rivers, Chief Executive

Telephone: (01284) 757009 or e-mail: geoff.rivers@stedsbc.gov.uk

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Organisational structure chart

