

Report to the Council

Consultation Document
Statutory Report of the Head of Paid Service

Date: 26 September 2013

DIRECTORATE RESTRUCTURING

Recommendations:

(1) That the proposed Directorate Structure for the Authority and the associated services and other responsibilities for each new Directorate be approved as set out in the report of the Head of Paid Service for implementation with effect from 1 April 2014;

(2) That, with effect from 1 April 2014, the following existing posts be deleted from the establishment:

- Deputy Chief Executive
- Director of Corporate Support Services
- Director of Environment & Street Scene
- Director of Finance & ICT
- Director of Housing
- Director of Planning & Economic Development
- Assistant to the Chief Executive;

(3) That, with effect from 1 April 2014, the following 4 new posts of director are added to the establishment in substitution for those listed in recommendation (2) above, namely:

- Director of Communities
- Director of Governance and Law
- Director of Place
- Director of Resources;

(4) That, for the purposes of recruiting to the 4 new positions set out in recommendation (3) above, appointments be made from within a “ring fence” comprising the current post holders in respect of the present posts listed in recommendation (2) above;

(5) That, as recommended by the Directorate Restructuring Panel, Council agree to terminate the employment of TBA, on the grounds of voluntary redundancy/early retirement, the costs of which are set out in table TBA;

(6) That a further report be submitted by the Directorate Restructuring Panel on the termination of employment and voluntary redundancy/retirement in respect of any existing Chief Officer who is not successful in being appointed to a post as a result of the “ring fenced” recruitment process;

(7) That the salary ranges applicable to the new Director positions be approved on the basis of market salary comparison provided by Messrs GatenbySanderson and considered and supported by the Directorate Restructuring Panel;

(8) That the detailed job descriptions and person specifications etc for the new Director posts approved by the Directorate Restructuring Panel in accordance with its terms of reference be noted;

(9) That the following statutory designations be allocated by the Head of Paid Service to a suitably-qualified post holder after appointments have been made and in accordance with statutory requirements governing those roles, namely:

- **Chief Finance Officer under section 151 of the Local Government Act 1972**
- **Monitoring Officer under section 5 of the Local Government Act 1989**

and that supplementary job descriptions for those roles be prepared by the Head of Paid Service based on the Constitution of the Council;

(10) That the designation of Deputy Chief Executive be allocated by the Head of Paid Service to the most suitable post-holder among the 4 new Directors after the appointments have been made;

(11) The allowance applicable to the statutory and Deputy Chief Executive designations be approved on the basis of the information provided by Messrs GatenbySanderson and considered and supported by the Directorate Restructuring Panel;

(12) That after 1 April 2014 appointments be made to the positions of Deputy Chief Financial Officer, Deputy Monitoring Officer with supplementary job descriptions based on the Council's constitution to reflect the duties of those roles and, in accordance with Sections 40 and 41 of the Local Government Act 1972, a Returning Officer;

Assistant Director Posts

(13) That the following existing Assistant Director posts be deleted from the establishment:

- Assistant Director, Democratic;**
- Assistant Director, Community and Culture;**
- Assistant Director, Human Resources;**
- Assistant Director, Facilities Management & Emergency Planning;**
- Assistant Director, Legal Services & Licensing;**
- Assistant Director, Benefits;**
- Assistant Director, Revenues;**
- Assistant Director, Accountancy;**
- Assistant Director, ICT;**
- Assistant Director, Development Control;**
- Assistant Director, Forward Planning, Conservation & Policy;**
- Assistant Director, Building Control;**
- Assistant Director, Housing Property;**
- Assistant Director, Housing Operations;**

Assistant Director, Private Sector & Resources;
Assistant Director, Neighbourhoods;
Assistant Director, Technical Services;
Assistant Director, Performance and Operations; and
Chief Internal Auditor

(14) That with effect from 1 April 2014, the following 15 new or amended Assistant Director posts be created, plus the Chief Internal Auditor:

Assistant Director, Human Resources;
Assistant Director, Benefits;
Assistant Director, Revenues;
Assistant Director, Accountancy;
Assistant Director ICT & Facilities Management;
Assistant Director, Democratic Services;
Assistant Director, Legal Services;
Assistant Director, Development Management;
Assistant Director, Neighbourhoods;
Assistant Director, Technical Services;
Assistant Director, Forward Planning & Economic Development;
Assistant Director, Housing Property;
Assistant Director, Housing Operations;
Assistant Director, Private Sector & Resources;
Assistant Director, Community Services; and
Chief Internal Auditor.

(15) That post holders for the present Assistant Director positions be assimilated without interviews to the new Assistant Director posts set out in recommendation (14) above with effect from 1 April 2014 as follows:

Present Post	Assimilated to
Assistant Director, Human Resources	Assistant Director, Human Resources
Assistant Director, Benefits	Assistant Director, Benefits
Assistant Director, Revenues	Assistant Director, Revenues
Assistant Director, Accountancy	Assistant Director, Accountancy
Assistant Director, Democratic Services	Assistant Director, Democratic Services
Assistant Director, Legal Services & Licensing	Assistant Director, Legal Services
Assistant Director, Development Control	Assistant Director Development Management
Assistant Director, Environmental and Neighbourhoods	Assistant Director, Neighbourhoods
Assistant Director, Technical Services	Assistant Director, Technical Services
Assistant Director, Forward Planning, Conservation & Policy	Assistant Director, Forward Planning & Economic Development
Assistant Director, Housing Property	Assistant Director, Housing Property
Assistant Director, Housing Operations	Assistant Director, Housing Operations
Assistant Director, Private Sector & Resources	Assistant Director, Private Sector & Resources
Assistant Director, Community and Culture	Assistant Director, Community Services

Chief Internal Auditor	Chief Internal Auditor
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(16) That, for the purposes of recruiting suitable persons to the following new Assistant Director, appointments be made from within a ring fence comprising the post holders for the following posts:

Ring Fence Post	New Post
Assistant Director, Facilities Management & Emergency Planning; Assistant Director, ICT	Assistant Director ICT & Facilities Management

(17) That the job descriptions, person specifications etc for the new Assistant Director positions be delegated to the relevant Director once appointed.

(18) That the salaries applicable to the 15 new Assistant Director positions be approved in accordance with the Council's internal job evaluation scheme and assimilated to the appropriate salary range operated by the Council as set out below: and

Post	Salary Range
Assistant Director, Human Resources	
Assistant Director, Benefits	
Assistant Director, Revenues	
Assistant Director, Accountancy	
Assistant Director, Democratic Services	
Assistant Director, Legal Services	
Assistant Director Development Management	
Assistant Director, Neighbourhoods	
Assistant Director, Technical Services	
Assistant Director, Forward Planning & Economic Development	
Assistant Director, Housing Property	
Assistant Director, Housing Operations	
Assistant Director, Private Sector & Resources	
Assistant Director, Community Services	
Chief Internal Auditor	

Financial Appraisal

(19) That the financial appraisal in the Head of Paid Service's report showing net DDF, General Fund and HRA (TBA) expenditure arising from the implementation on 1 April 2014 (including consultants' fees (TBA) of the new Directorate Structure be approved and appropriate provision made in the 2014/15 budget and subsequent years.

Further comments to be included by the Director of Finance and ICT.

Introduction

1. The restructuring is part of a transformation programme aimed at changing the culture of the Council. Whilst the new structure will generate savings its prime purpose is not to maximise day one savings. Rather the new structure seeks to align the departmental hierarchy with the delivery of the Council's key strategic objectives. The reduction from 7 to 4 groupings will help reduce the number of silos, effectively minimising the potential for service failures at the interface between Directorates. The structure will also provide sufficient senior management capacity to drive cultural transformation of the Council.

2. The proposed structure will group services as follows;

Resources Directorate:

3. Focussed on management of internal resources to optimise the efficiency of support services and the financing arrangements of the Council. Notable changes from the existing structure includes:

- a) the combination of facilities management and ICT functions to facilitate a fundamental review of the Council's work spaces;
- b) the inclusion of Human Resources/Payroll/Health and Safety/Training, Business Administration/Processes and Reprographics

Law & Governance Directorate

4. Focussed on legal, democratic and a number of regulatory services of the Council and management of independent audit. Notable changes from the existing structure include:

- a) the provision of internal audit, performance management, FOI and democratic services;
- b) the management of development control, building control and planning enforcement.

Place Directorate

5. Focussed on the delivery of front line services in the neighbourhood and developing policies for economic growth and place shaping. Notable changes from the existing structure include:

- a) licensing functions combined in one structure;
- b) leisure management and public health and wellbeing managed by one Assistant Director;
- c) Countrycare, fleet operations and depots managed by the Assistant Director responsible for the bulk of the Council's fleet and waste services;
- d) amalgamation of disparate strands of economic activity into an Economic Development function to be managed in the interim by Chief Executive. (Interim arrangements will be in place until the position of the Assistant Director, Forward Planning and Economic Development is clarified).

Communities Directorate

6. Focussed on community development and safeguarding and the provision of

decent homes for our communities. Notable changes from the existing structures include:

- a) safer communities, arts and sports development brought under the Director responsible for Housing;
- b) PR and communications resource consolidated in one corporate function.

7. A copy of the details of the proposed structure can be found at appendix 1.

8. Appointment of Statutory Officer roles (Section 151 and Monitoring Officer) and the Deputy Chief Executive functions will be made once the Director appointments have been made. Depending on the qualifications of the successful candidates the statutory officer roles may need to be fulfilled by the next tier of suitably qualified professionals.

Values & Behaviours

9. Re-stacking the organisation to reduce the number of silos and collect similar functions under a leaner management structure is unlikely to drive cultural change in the organisation in and of itself. Consequently a parallel project has been undertaken to identify key corporate values and associated behaviours which provide a clear vision of the service delivery standards that our organisation aspires to. This project has involved over 120 staff from all levels and departments within the Council. A full copy the proposed corporate values and associated behaviours is included at appendix 2

10. In short we have identified five value themes:

- One Council
- Trust
- Performance
- Customer
- Innovation

11. The general thrust of the values will focus staff on delivering on our promises, designing services that customers' value, dealing openly and honestly with people from the point of contact and actively seeking new ways of doing things.

Directorate Restructuring Panel

12. The Panel consists of cross party members and the Head of Paid Service. Members of the Panel have reviewed the draft proposals and have been invited to feed back their views to assist the Head of Paid Service in preparing the final report. The Panel will take an active role in the recruitment of the Chief Officer posts.

Timeline

13. If the proposed structure is agreed, it is proposed that the recruitment process for Directors will take place in October/November. If possible the appointment and redundancy recommendations of the Directorate Restructuring Panel will be submitted to Council on 4 November, if this is not possible they will be submitted on 16 December. The Director appointments will take effect from 1 April 2014.

14. The advantage of agreeing the appointments ahead of the implementation date means the Directors can be involved in appointment process for Assistant Directors

where necessary. In addition it will give them time to discuss any issues regarding changes to reporting lines, including reviewing team objectives, managing handover of work, reviewing administrative support, and directorate processes. It is proposed to agree appointments to the Assistant Director roles in January 2014, which will also take effect from 1 April 2014.

Service Directors

15. Within the Council's current structure there are 5 Directorates and 2 'Offices' (for the Chief Executive and Deputy Chief Executive). As set out in the introduction of the report it is proposed to assemble the Council's functions under one of 4 Directorates;

Directorate for Resources;
Directorate for Governance and Law;
Directorate of Place; and
Directorate of Communities.

16. Each will be headed by a Director and service functions will be managed by Assistant Directors.

Recruitment Process

17. The Director posts have changed significantly as the Council's functions are now grouped under 4 Directorates rather than 7 (albeit 2 service areas were not considered directorates under the previous structure) and as a result there are no reasonable matches for assimilation purposes. It is for this reason that assimilation will not apply and it is proposed that a recruitment process is undertaken whereby the Directors/Chief Officers apply for the Director role(s) they are interested in.

18. As Council will be aware the Directorate Restructuring Panel has been delegated, in its terms of reference, to participate in the recruitment process to the Director roles. It is proposed to carry out the recruitment process in October 2013 and in accordance with the Council's Constitution, the Panel will make its appointment recommendations to Council at its meeting on TBA.

19. Any redundancies that are required as a result of the recruitment process, the Panel will also make the required recommendations to the same Council meeting, as set out in the Constitution.

Voluntary Redundancies/Early Retirements

20. Directors/Chief Officers were formally asked to express their interest in exploring the possibility of voluntary redundancy/early retirement, on a without prejudice basis. The Panel in accordance with the Council's Constitution considered the requests and make the following recommendations to Council:

Name	Job Title	Costs
xxxxx		

21. It is proposed that the redundancies are implemented on the 31 March 2014.

Job Description

22. Directors were consulted on the 4 job descriptions and person specifications. The Panel also considered the job descriptions at its meeting on xxx. They agreed

that the Directors should continue to provide a wide corporate and strategic role, which will become more important as the management team works with me to deliver on a wide ranging change programme to improve performance and customer service.

23. In addition to the corporate and strategic role of Directors they will have responsibilities for the overarching management of service and customer delivery. These responsibilities have also been reflected in the job descriptions.

24. Council is asked to agree the Director job descriptions.

Salary

25. As the Director posts sit at the second tier of the Council's structure, the Panel agreed that there was no advantage to be gained by carrying out an expensive external evaluation process. With agreement of the Panel the Council commissioned GatenbySanderson to undertake a salary benchmark exercise for the Director posts. They considered current market rates rather than historical salaries and provided TBA

26. The Panel recommend TBA. The salary will be inclusive of inner fringe allowance and Evening Committee Allowance as is the case with the Chief Executive salary arrangements.

27. In addition to salary information, GatenbySanderson were asked to consider allowances for the statutory and Deputy Chief Executive roles. The Panel recommended TBA which is also inclusive of Evening Committee Allowance.

Statutory Delegations/Deputy Chief Executive Roles

28. To ensure fairness and flexibility in the structure it is proposed that the statutory roles of the Chief Financial Officer and Monitoring Officer are not assigned to specific posts. This will allow officers to separately apply for these roles as part of this process. If future vacancies occur at this level it could be decided that the statutory role is undertaken at Assistant Director level.

29. It is also proposed that the Deputy Chief Executive function will not be assigned to a specific post, allowing the officers, in the ringfence the opportunity to be considered for this role. For practical reasons this particular role will remain at Director level only.

Assistant Directors

30. Within the Council's current structure there are 18 Assistant Directors (excluding the Chief Internal Auditor) across the 5 Directorates and 2 'Offices' (for the Chief Executive and Deputy Chief Executive). As set out in the introduction of the report it is proposed to assemble the Council's functions under one of 4 Directorates reducing the number of Assistant Directors to 15 (excludes the Chief Internal Auditor).

31. If the proposed structure is agreed the following posts will be redundant;

- Assistant Director, Building Control (Planning and Economic Development);
- Assistant Director, Performance and Operations (Environment and Street Scene);
- Assistant Director, ICT; and
- Assistant Director, Facilities Management and Emergency Planning)

32. The Assistant Directors Building Control and Performance and Operations are vacant and therefore there are no associated redundancy costs regarding these posts.

Recruitment Process

33. Under the Council's existing Human Resources policies and practices there is a requirement to consider the assimilation or ring fencing/redeployment of existing staff as a priority in restructuring situations. There are a large number of Assistant Directors which are closely aligned to the new Assistant Director roles and there is a reasonable expectation of assimilations into the new positions.

34. The Council is therefore asked to note the principle that the assimilation of postholders will take place wherever there is a similarity of existing and new roles, or where this is not the case that appropriate ring fenced arrangements are drawn up in consultation with the trade unions and in accordance with Council policy. The adoption of this approach leads to the following direct assimilations;

- (a) Assistant Director, Human Resources – existing Assistant Director, Human Resources, Paula Maginnis;
- (b) Assistant Director, Benefits – existing Assistant Director, Benefits, Janet Twinn;
- (c) Assistant Director, Revenues – existing Assistant Director, Revenues, Rob Pavey;
- (d) Assistant Director, Accountancy – existing Assistant Director, Accountancy, Peter Maddock;
- (e) Assistant Director, Democratic Services – existing Assistant Director, Democratic Services, Graham Lunnun;
- (f) Assistant Director, Legal Services – existing Assistant Director, Legal Services, Alison Mitchell;
- (g) Assistant Director Development Management – existing Assistant Director, Development Control, Nigel Richardson;
- (h) Assistant Director, Neighbourhoods – existing Assistant Director Environmental and Neighbourhoods, Jim Nolan;
- (i) Assistant Director, Technical Services – existing Assistant Director Technical, Qasim Durrani;
- (j) Assistant Director, Forward Planning & Economic Development – existing Assistant Director Kassandra Polyzoides;
- (k) Assistant Director, Housing Property – existing Assistant Director, Housing property, Paul Pledger;
- (l) Assistant Director, Housing Operations – existing Assistant Director, Housing Operations, Roger Wilson;
- (m) Assistant Director, Private Sector & Resources – existing Assistant Director, Private Sector & Resources, Lyndsay Swan;
- (n) Assistant Director, Community Services – existing Assistant Director, Community Services, Julie Chandler; and
- (o) Chief Internal Auditor – existing Chief Internal Auditor, Brian Bassington.

35. Council is asked to note the overall approach, the assimilations described above and to note that where an Assistant Director post is not filled by direct assimilation other arrangements (such as ring fencing or voluntary redundancy/early retirement) may apply depending on the position of the individual post holders.

36. It is proposed that the assimilation/ring fenced arrangements for Assistant Directors will commence in January 2014 once the Director appointments have been agreed by Council on TBA.

Job Descriptions

37. Job Descriptions for the Assistant Directors will be subject to job evaluation under the NJC Scheme which has been implemented by the Council. It is proposed to use the same format as the current Job Descriptions whereby that in addition to service and functional responsibilities, all Assistant Director posts will contain a common element which reflects amongst other matters the Council's commitment to improving performance and corporate working.

38. The internal job evaluation process will determine whether Assistant Director roles are graded at either 11 or 12.

Further comments maybe required if it is necessary to amend the Council's payline.

Salary

39. As with the Director roles, the Council commissioned GatenbySanderson to undertake a salary benchmark exercise for the Assistant Director posts.

Further information to be included here depending on out come of benchmark exercise.

Other roles

40. Following the appointment of Directors and assimilation of the Assistant Directors, they will be asked to apply for the following roles:

- (a) Deputy Chief Financial Officer;
- (b) Deputy Monitoring Officer; and
- (c) Returning Officer.

41. The Panel will consider the appointments to the roles in (a) and (b) and the Head of Paid Service will appoint role (c).

Consider an allowance for the deputy roles.

42. The Returning Officer is subject to a fee arrangement which is not set by the Council.

Costs/savings

TBA

Consultation

All Directors and Assistant Directors were consulted with at an early stage of the formation of the proposed structure as was the Directorate Restructuring Panel and the Trade Unions. All staff received a draft copy of this report with the associated attachments and were formally consulted over a period of 45 days through August and September. Their comments were considered by the Head of Paid Service and incorporated where appropriate.

If appropriate, specific comments following the consultation process to be included here.

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