

SENIOR MANAGEMENT RESTRUCTURE

Chief Executive

1 Purpose/Introduction

- 1.1 Corporate Team has undertaken a review of the Authority's senior management structure. This has been influenced by a number of factors, but principally:-
- A number of retirements/resignations of Senior Managers e.g.:-
 - The Head of Personnel (moving to another authority);
 - The Head of Property and Operational Services (retirement);
 - The Head of Finance (retirement);
 - The Head of Housing and Communities (retirement);
 - The Corporate Director (Development) (retirement).
 - Financial pressures facing the Authority over the period of the medium term financial plan necessitating an urgent need to balance the budget over the next three years, whilst at the same time ensuring the continued delivery of high quality services for customers based upon their aspirations and the priorities contained within the revised Corporate Plan.
- 1.2 These factors have provided an opportunity to look carefully at the Authority's future senior management structure. Members will, of course, recognise that further changes may result from the Pathfinder workstreams. Future changes to corporate management arrangements will be brought to Members in due course.
- 1.3 This report seeks authority to implement the changes relating to Directors/Heads of Service. Any recommendations from this Committee will require Council approval. Consequential changes resulting from the senior management review will be dealt with by the Chief Executive and Head of Personnel as appropriate under delegated authority.

2 Recommendations

- 2.1 Members are asked to recommend Council at its meeting on 26th November, 2008 to approve the changes affecting Directors/Heads of Service as shown in the organisational chart attached as Appendix 2 to this report.
- 2.2 Members are asked to note the intention of the Chief Executive and/or Head of Personnel to implement the organisational changes below Director/Heads of Service level (subject to formal approval of 2.1 above).

3 Supporting Information

Generally

- 3.1 In view of the opportunities that have presented themselves it has proved possible to redesign the senior management structure, the effects of which are:-
- to realise savings whilst maintaining front line services; and
 - to provide succession opportunities for middle managers.
- 3.2 Members will recognise that the Council is facing extreme pressure to achieve revenue budget savings each year, which necessitates a very careful examination of the need to fill every vacancy that occurs, for whatever reason.
- 3.3 The Council has agreed a set of new priorities driven by a new Corporate Plan, which has necessitated a realignment of resources to most appropriately support these objectives.
- 3.4 Whilst the Pathfinder programme will, undoubtedly give rise to the need for future reviews of the structure of the organisation, it is in the Council's best interests at this stage to await the outcome of the work currently being undertaken, before taking any further decisions about senior management requirements.
- 3.5 Some restructuring, which does not require Council approval, has already been undertaken to improve operational efficiency. For example, proposals have been implemented within the Financial Services and ICT Division. Changes have also been made within the Communities Department. Consultations with the Staff Side and Unison are currently taking place in relation to the future delivery of facilities management services.
- 3.6 The major changes referred to in this report have been the subject of consultation with the Staff Side and Unison.
- 4 Proposed Changes – Organisational charts showing the existing senior management structure and that now proposed are attached as Appendices 1 and 2 respectively. The principal change will be to move from three Directors to 2.**
- 4.1 **Communities Department** – The other changes are as follows:-
- It is proposed to change the title of Corporate Director (Communities) to Corporate Director (Services). His new department will comprise three Divisions:-
 - Communities Division (headed up by the current Head of Leisure and Cultural Services);
 - Environment Division (headed up by the current Head of Environmental and Licensing Services);
 - Planning Division (headed up by the current Head of Planning).
- 4.1.1 Housing Services will be incorporated within the new Communities Division, with the responsibilities of the former Head of Housing and Communities being shared between middle managers. The former Head of Housing and

Communities has agreed to work on a part time basis for 12 months to oversee the Choice Based Lettings Scheme and the construction of Aylesbury New Lodge.

- 4.1.2 It is proposed to create a new Community Engagement section to lead the Council's support for the corporate aim of "Thriving Communities". This new team will incorporate the functions performed by the community safety and grants teams.
- 4.1.3 The Customer Services Section will be incorporated within the new Communities Division. Responsibility for customer comments and complaints will transfer to the new Division.
- 4.1.4 Engineering Services will move to the Environmental Health Division.
- 4.1.5 The new Planning Division will incorporate:-
- Forward Plans
 - Development Control
 - Building Control
 - Design Services
 - Historic Buildings
- 4.1.6 The Corporate Director (Services) will become responsible for the Council's three major projects, namely:-
- The Waterside development
 - The new theatre
 - The Council Offices project

An interim programme manager will be employed to support the Director with these projects.

4.2 **Resources Department** – The principal changes will be as follows:-

- 4.2.1 The following sections will become the responsibility of the Corporate Director (Resources):-
- Parking Services (including Shopmobility)
 - Commercial Property (including the current Joint Venture Commercial Property Strategy)
 - Procurement and Contracts.
- 4.2.2 Performance Management will transfer from the Chief Executive to the Resources Department and will be combined with the Risk and Insurance Team (managed by the Head of Audit).
- 4.2.3 Co-ordination of the Council's assessment under the new "Use of Resources" framework will transfer to the Resources Department.
- 4.2.4 Lead responsibility for corporate policy and planning will transfer to the Assistant Chief Executive post.

- 4.3 The proposed organisational model as outlined above is used by many other local authorities. The two residual Directorates are distinguished by the division of “Resources” i.e. internal facing support functions from “Services” i.e. front facing direct service functions.
- 4.4 The capacity of the Directors has been factored into the proposals. The supporting Heads of Service and managers will need to become more involved in the Corporate/Strategic processes and be more visible to Members and the Cabinet/Committee structure. Also, the proposals recognise the availability of existing qualified and skilled staff and enables them to move into more senior positions to provide energy, momentum and new ideas.
- 4.5 As referred to previously, there is still some redesign of services required, mainly predicated upon the results of the Pathfinder activities. The current proposals deliberately avoid further rationalisation of reporting lines at this stage. However, this will occur over the next 18 months or so, when the results of the Pathfinder Support Services Workstream becomes fully known.
- 4.6 Subject to Council’s approval, it is proposed to implement the changes in phases from the end of November. The main change will occur after 2nd January, 2009 when the Corporate Director (Development) retires.

5 Consultation

- 5.1 Consultation on the proposals has been undertaken over a three week period, ending on 7th November, 2008. The general response has been positive and the rationale for the restructuring fully understood.
- 5.2 A few minor points of concern regarding the placement of functions across the two new Directorates have been raised, and as a consequence, the detailed plans have been amended to accommodate some of these concerns. For example, it has been decided not to separate Operational Property Services from Engineering Services.

6 Resource Implications

- 6.1 As previously stated, the restructuring proposals are part of a realignment of resources to support the Council’s Corporate priorities and to achieve efficiency savings.
- 6.2 The combined impact of the proposals will result in total savings of around £500,000 p.a. (after costs). The net sum takes account of the re-grading of some posts as appropriate.
- 6.3 The proposals will ensure that organisational structures and people will be better equipped for the future changing requirements of the Authority. The changes will help the Council to capitalise on the skills and strengths of existing staff, and provide those members of staff with opportunities to expand their experiences and skills sets.

7 Conclusions

- 7.1 The restructuring is a significant change to the existing organisational design of the Council. However, the staffing impact is far more modest than would normally be the case, given the coincidental natural retirement of a number of Heads of Service. Also, with the Corporate Director (Development), although

an early retirement, the postholder has served over 40 years in local government, the majority of those years with AVDC.

7.2 No compulsory redundancies are required to implement the changes, and they will result in £500,000 per annum revenue savings, after restructuring costs, recouped from next year.

7.3 This is not, however, the end of the organisational change journey. The Medium Term Financial Plan predicts the need to find over £4 million revenue savings over the next four years. The main revenue costs to the Council are its services, and hence its staff. Cabinet will be advised in due course of further options, not least in relation to Pathfinder. These will be aimed at improving services, but also, achieving efficiency savings/gains.

8 Options Considered

8.1 The redesign has resulted from the opportunities that have arisen within the senior management structure. Whilst undoubtedly there may be other possibilities, the changes proposed are considered to be the most appropriate in order to drive the Authority forward in accordance with the Corporate Plan.

9 Reasons for Recommendation

9.1 To achieve the best use of the staff skills available and to redesign the organisational structure in a manner that will enable the Authority to move forward positively in an increasingly difficult financial climate.

10 Response to Key Aims and Objectives

10.1 To facilitate the achievement of the Corporate Plan objectives in the most cost efficient manner and ensuring the continued delivery of high quality services.

Contact Officer
Background Documents

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Organisational budgets and structure arrangements and responses from Staff Side

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