

Report to: **Cabinet**

Date of Meeting: 4 June 2014

Public Document: No

Exemption: Para 3 Schedule 12A Information relating to the finance or business affairs of any particular person.

Agenda item: 27



Subject: **Budget constraints and impact on organisational design and structure**

Purpose of report: Further work on our future financial position has clarified the need for proactive steps to be taken by the Council to pre-empt possible future problems.

The Budget Working Party has previously recommended that a management restructure should form part of a coherent response to our future financial position.

An appropriate response is to continue our process of developing a management structure which is both flatter and leaner. That is to say, individuals at a senior level are expected to take on roles which encompass larger remits than previously

This report outlines proposals to change the content and number of job roles in the senior team to produce a flatter, accountable and clearer structure.

These changes bring forward savings in the order of £150k to £170k subject to final job evaluation assessments.

Recommendation: **That the proposed management structure be agreed and that delegated authority be given to the Chief Executive in consultation with the Leader to fully implement the proposals (this delegation to include the conclusion of consultations, any minor changes and consequential revisions).**

Reason for recommendation: This proposal is designed to present a clear management structure which addresses current gaps and recognises the broader remits that staff have already taken on.

Officer: Mark Williams Chief Executive
Mwilliams@eastdevon.gov.uk

Financial implications: The savings that flow from the proposals within this report is a key element in balancing the 2015/16 budget for the Council. The savings identified of between £150k - £170k are annual savings, there will be one off costs associated with these proposals but they will equate to a pay back period of less than one year and are to be met from the Council's Transformation Reserve.

Legal implications: The proposals will need to comply with the Council's policies and have regard to the Council's statutory responsibilities.

Equalities impact: High Impact

The equality issues arising are potentially high to the group involved in relation to salaries. However, this is mitigated by applying an analytical job evaluation process which will be carried out by South West Employers.

Risk: Low Risk

Links to background information: • Please see proposal for the revised management structure.

Link to Council Plan: This restructure is fundamental to the delivery of the Council Plan

Report in full

1.1 Following preliminary discussions with affected officers and leading members, this paper outlines my proposals and the associated costs in changing the senior management structure. The structure I am proposing is functional, less complex, and is designed to increase the capacity of the organisation to respond to change and also clarify the lines of accountability.

1.2 My proposals are based on a flatter senior management structure in which **Strategic Leads** will take on larger groupings of services. Services are grouped together where there is clear synergy in terms of the customer and service delivery.

1.3 It is proposed that the Strategic Management Team (SMT) will reduce from 10 to 6 and will comprise:

- Shared Chief Executive
- Deputy Chief Executive, Development, Regeneration and Partnership
- Strategic Lead Housing and Environment
- Strategic Lead Finance (including S151 Officer)
- Strategic Lead Legal & Democratic Services (including Monitoring Officer)
- Strategic Lead Organisational Development and Transformation

1.4 Given the greater size and scope of the Strategic Lead roles, we also need to ensure sufficient capacity so this report highlights the proposed structure below the Strategic Management Team. It recognises the size and scale of some of the services by introducing **Service Lead** roles.

1.5 The roles that will report into the Strategic Leads already exist unless highlighted in ***bold italics*** below. Others exist already but will be formalised into Service Lead roles where indicated:

Reporting to the **Deputy Chief Executive**

- ***Service Lead –Planning Strategy and Development Management*** - please note this post is in addition to the existing Development Manager post
- East of Exeter Projects Director
- Regeneration and Economic Development
- ***Property and Estates Manager (new role)***

Reporting to the **Strategic Lead Housing and Environment:**

- Service Lead Streetscene
- Service Lead Countryside
- **Service Lead Housing (HRA)**
- Service Lead Environment and Car Parks

Reporting to the **Strategic Lead Finance:**

- Financial Services Manager
- Service Lead – Council Tax & Benefits
- Customer Services Manager
- Procurement
- Land charges
- Audit – via SWAP
- ICT – via the proposed new shared services company

Reporting to the **Strategic Lead Legal, Democratic Services and Monitoring Officer**

- **Service Lead – Legal and Deputy Monitoring Officer**
- Licensing Manager
- Democratic Services Manager

Reporting to the **Strategic Lead Organisational Development and Transformation**

- Communications and Public Affairs Manager
- Senior Payroll Services Officer
- Human Resources Business Partners
- Engagement and Funding Officer
- Management Information Officer
- Complaints Officer

1.6 In my proposal, all jobs will be job evaluated to ensure equalities issues are dealt with. This will be carried out by South West Employers using the Local Government Association job evaluation scheme.

1.7 There will be a revised salary structure for these senior roles that re-introduces increments for both Strategic and Service Leads to help signal to the post holders that the direction of travel is that we will expect more as time goes on. Additionally, increments will be conditional on good performance following annual appraisal.

1.8 Any post scoring 615 and above in the GLPC is a Grade 11. In the future, these posts will be evaluated by both schemes to ensure that they are placed in the right level of management.

1.9 I have assumed that Service Leads will not retain the right to flexi time as these are senior manager roles which require a greater level of flexibility.

1.10 This proposal represents a total saving of between £150k and £170k subject to final job evaluation results.