
Meeting: Executive
Date: 8 December 2009
Subject: Management Review
Report of: Cllr Tricia Turner, MBE - Leader of the Council
Summary: The report proposes revised senior management arrangements, taking account of the need to reduce the Council's costs and to deliver customer-focussed services.

Advising Officer: Richard Carr, Chief Executive
Contact Officer: Richard Carr, Chief Executive
Public/Exempt: Public
Wards Affected: N/A
Function of: Executive
Key Decision Yes
**Reason for urgency/
exemption from call-in
(if appropriate)** To help the Council secure its financial future, focus on its objectives and respond to residents concern that we deliver value for money.

CORPORATE IMPLICATIONS

Council Priorities:

The proposals enable a greater focus on the delivery of our strategic objectives.

Financial:

The costs of implementing the new Director level arrangements are associated with the loss of one post holder (i.e. redundancy costs). This cannot be calculated in advance of the appointment of a Director of Customer Shared Services but ultimately will be offset by the savings from removing a post from the establishment.

Legal:

The Council will ensure that any arrangements put in place comply with the legal duties of the Council.

Risk Management:

The proposals will help the Council to secure its financial future, focus on its objectives and respond to residents concern that we deliver value for money.

Staffing (including Trades Unions): Arrangements are being made to discuss the proposals with Trade Union representatives.

Equalities/Human Rights:

Equality issues will be picked up as part of implementing the proposals.

Community Safety:

None specifically.

Sustainability:

None specifically.

Summary of Overview and Scrutiny Comments:

This item has not been the subject of a report to Overview & Scrutiny.

RECOMMENDATION(S):

The Executive is recommended to endorse the proposals for moving to a four directorate model and to authorise the Chief Executive to implement the necessary arrangements, including a review of Assistant Director and Head of Service level posts, with a view to reducing the costs to this Council over time by 20%.

Reason for Recommendation(s): To help the Council secure its financial future, focus on its objectives and respond to residents concern that we deliver value for money.

Executive Summary

See Appendix A

1.0 Purpose

- 1.1 To propose revised senior management arrangements, taking account of the need to reduce the Council's costs and to deliver customer-focussed services.

2.0 Background

- 2.1 The current senior management arrangements based on a team of five directors were introduced by the Shadow Authority on a transitional basis, recognising the amount of set up and consolidation work that needed to be carried out in the early stages of the new Authority's life. Although the Council will remain in transition for some time to come, it is appropriate to plan for the next stage in Central Bedfordshire's evolution, particularly taking account of the financial pressures facing local government both now and in the future.

3.0 Principles

3.1 Any revision of the Council's management arrangements needs to:-

***take account of the Council's strategic objectives**, particularly those programmes which are critical to meeting our aspirations for Central Bedfordshire. These include the transformation of learning in our schools, the effective management of the growth agenda (including delivery of economic growth and sustainable communities); adult social services which support independent living, and, generally, services to the public which are convenient, accessible and efficient. These form the key planks of our transformation agenda;

***help us respond to the financial pressures facing all councils** both now and in the foreseeable future.

3.2 Revised management arrangements need to be accompanied by appropriate strategies to deliver the type of organisational culture that will assist us in meeting our objectives.

3.3 A key conclusion from the recent evaluation of senior management posts across the Council (focussed on Assistant Director and Head of Service level) is that Central Bedfordshire has a larger number of posts than our comparators, with jobs that in many cases are more narrowly defined. In part, this is a reflection of the transitional stage in the Council's development. Although we will remain in transition for some time to come, and, more generally, there are some efficiencies that will be difficult to unlock until current ICT and accommodation programmes are further advanced, nevertheless we must plan to address this issue, now.

4.0 Opportunities for Rationalisation

4.1 The principal opportunity to rationalise our current senior management arrangements stems from the "corporatisation" of support services. In other words, important support services such as Financial Services, Property, Human Resources and others should be delivered within a single directorate, rather than replicated across directorates. This should enable rationalisation and the removal of duplication.

4.2 However, for this to work:-

- support services need to understand, and be focussed on, supporting the major programmes across the Council, designed to secure our strategic objectives;
- managers across the Council need to become more self-reliant, and fully equipped to manage the staff, budgets and other resources under their direction;
- will need to operate in practice as 'one Council'.

- 4.3 In addition, there is the opportunity to channel public access to a greater range of services through the Council's contact centre. Currently, only approximately a quarter of the calls and service requests for former County services are received into the organisation via our customer contact services. This impacts on both our efficiency and our scope to provide services which are focussed on the needs of residents.
- 4.4 Creating the correct culture within the directorate hosting the Council's support services and customer contact capability will be especially important. Both areas require a high commitment to building effective and supportive working relationships with other parts of the Council and to delivering services which are responsive to the needs of customers, be they members of the public or 'internal customers'. In other words, the same culture of putting the interests of the customers first needs to prevail in both areas of a directorate based on a combination of support services and customer contact.
- 4.5 In addition to the deletion of a Director post, taking account of the management arrangements in comparable authorities and of the financial pressures facing local government generally, it is suggested we should aim for a reduction in senior management overheads (this includes Assistant Director and Head of Service posts) by 20%.

5.0 Proposed Model

- 5.1 Taking these factors into account would suggest a revised management model based on four directorates (in place of the existing five), as outlined in Appendix A.

6.0 Implementation

- 6.1 The proposition is that we should have the four new directorates in place as quickly as possible, following the recruitment to the new post of Director of Customer and Shared Services.
- 6.2 In parallel, the Corporate Management Team will develop revised Assistant Director/Head of Service arrangements, based on the model in paragraph 5.1 and with the intention of reducing management overheads by 20%. The process should be completed as quickly as possible and by no later than the conclusion of the current financial year.
- 6.3 Following appropriate consultation, the intention is to convene the Appointments Sub-Committee in order to appoint to the new post of Director of Customer and Shared Services, with the Director of Corporate Resources and the Director of Business Transformation being ring-fenced for the role, and entitled to apply.
- 6.4 We should seek to appoint to the new Director post as quickly as possible, taking account of the need for a period of formal consultation. We will also need to consult staff and trade unions as proposals for wider restructuring of senior management arrangements in directorates are developed.

Appendices:

Appendix A – (Proposed Model)

Background papers:

None