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| Cabinet/Committee:   | Cabinet  |
| Date of Circulation: | 17 March 2008                                    |
| Subject:             | INFORMATION REPORT – Senior Management Structure |
| Responsible Officer: | Michael Lockwood, Chief Executive                |
| Portfolio Holder:    | Cllr Chris Mote, Leader of the Council           |
| Status:              | Part I   |

## SECTION 1 – SUMMARY

This report sets out proposals being consulted on for a revised senior management structure for the Council to better enable it to achieve its strategic objective to be recognised as one of the best London Councils by 2012.

A further report on the final senior management structure, will be submitted for Cabinet to consider at its next meeting on 10 April 2008, following the end of the consultation process.

The report to Cabinet in April will be a Key Decision and the forward plan will be updated to reflect this.

### FOR INFORMATION

## **SECTION 2 - REPORT**

### **Background**

- 2.1 The current senior management structure was established as part of a wider organisational review, which also aimed to achieve the savings required by the Revenue Budget 2007-08 to 2009-10. A copy of the current structure is attached at Appendix 1.
- 2.2 In February 2007, Cabinet agreed the 2<sup>nd</sup> tier senior management structure and delegated to the Leader of the Council authority to approve the incoming Chief Executive's (Michael Lockwood's) recommendations in respect of 3<sup>rd</sup> tier posts, which were agreed in May 2007.
- 2.3 Although he was not in post in February, when Cabinet considered the proposed new senior management structure, the incoming Chief Executive had been consulted on the proposals and he supported them as being an improvement on the previous structure. However, he indicated that he would wish to review the arrangements and potentially propose further changes at a future date. This report reflects his desire to do that.
- 2.4 On 5<sup>th</sup> March 2008, the Chief Executive commenced consultation with Chief officers and senior managers on proposals for a revised senior management structure. These proposals reflect his views that further changes are needed if the organisation is to reach its potential. The rationale for the proposed restructuring and the new senior management structure is set out in the Consultation Pack at Appendix 2
- 2.5 Although not part of the proposed restructure, the Chief Executive has also highlighted a number of work areas which he believes the authority needs to take forward and he will be addressing with the new senior management team.

### **Staffing/workforce**

- 2.6 The proposals include the deletion of two senior management posts and one PA post. Current holders of affected posts are therefore potentially displaced.
- 2.7 The implementation of the proposed structure will be by means of the Council's Protocol for Managing Organisational Change. The Protocol includes the formal consultative processes to be followed, the appointment process, redeployment and the arrangements for redundancies.
- 2.8 Consultation with Chief officers and relevant senior managers will conclude on 2 April 2008. As part of the consultation process the Chief Executive met with Chief Officers and senior managers on 5 March 2008 and issued the Consultation Pack - Appendix 2, in which he explains his rationale for restructuring and his proposed new senior management structure. Consultation is also taking place with the affected PA

- 2.9 The views and comments of Chief officers and senior managers expressed through the consultation process will be included in a further report to Cabinet on the final senior management structure in April.
- 2.10 The recognised trade unions have also been consulted on the proposals and their comments will also be reported to Cabinet.
- 2.11 The Chief Officer Employment Panel will be consulted on the processes and is responsible for new appointments to Chief Officer posts in the proposed structure.

### **Equalities impact**

- 2.12 An Equalities Impact assessment will be undertaken to ensure the Council is aware of and acts to minimise the potential for any disproportionate impact as a result of any employee's gender, ethnicity, age, or disability.

### **Legal comments**

- 2.13 The report to Cabinet in April will be a Key Decision and the forward plan will be updated to reflect this. There are no other legal implications arising from this report

### **Community safety**

- 2.14 No specific implications arise out of this report.

### **Financial Implications**

- 2.15 The proposals involve deleting one Corporate Director post plus PA, and one Director post. They also involve creating a new Corporate Director for Place Shaping, to be charged to the Capital Programme (see 2.18 below), a new Assistant Chief Executive post, and a new Executive Assistant post.
- 2.16 The proposals result in a net revenue saving from 2009-10 of £135k.
- 2.17 In 2008-09 there will be a part year effect and there may be some redundancy costs. Any net cost in 2008-09 would need to be met from the provision in the budget for the pay award and pension contributions and will be set out in the report on the final senior management structure.
- 2.18 The Corporate Director for Place Shaping, will be working exclusively on major capital projects and therefore the cost will be met from the capital programme, which already includes a provision for programme management costs.

### **SECTION 3 – FURTHER INFORMATION**

A further report, on the final senior management structure, will be submitted to Cabinet in April 2008.

### **SECTION 4 - CONTACT DETAILS AND BACKGROUND PAPERS**

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Background Papers:

- Report to Cabinet on Organisational Review, 15 February 2007
- Report to Leader of the Council on Senior Management Structure, 17 May 2007