

Meeting:	Cabinet
Date:	10 April 2008
Subject:	Senior Management Structure
Key Decision:	Yes
Responsible Officer:	Michael Lockwood, Chief Executive
Portfolio Holder:	Cllr Chris Mote, Leader of the Council
Exempt:	No
Enclosures:	Appendix 1: Current Senior Management Structure Appendix 2: Consultation Pack including proposed Senior Management Structure Appendix 3: Feedback from consultation Appendix 4: Equality Impact Assessment

Section 1 – Summary and Recommendations

This report proposes 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.

Recommendations:

The Cabinet is requested to approve the proposed senior management structure set out at Appendix 2.

Reason:

To enable implementation of a more effective senior management structure.

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 2nd 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 3rd 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. These proposals reflect the Chief Executive's view that further changes are needed if the organisation is to reach its potential.
- 2.4 The Chief Executive commenced consultation on the proposed new structure at a meeting with chief officers and relevant senior managers on 5th March 2008. He also issued a formal Consultation Pack in which he explained his rationale for restructuring and his proposed new senior management structure and he has also taken the opportunity to meet individual members of staff when requested.
- 2.5 At its meeting on 17th March 2008, Cabinet received an information report in which the Chief Executive set out the background to his proposals to which was attached a copy of the formal Consultation Pack (Appendix 2).
- 2.6 During March the Chief Executive also held a series of four open meetings, for all staff, to talk about the proposed structure changes and the work areas he has identified. These included two open meetings in the Council chamber, one at the Teachers' Centre and one at the Depot. All meetings were very well attended and overall the proposals very well received.

Recommendation:

- 2.7 The Cabinet is requested, having reviewed all the responses received to the consultation, to approve the proposed senior management structure as set out in the Consultation Pack at Appendix 2.

Staffing/workforce

- 2.8 The proposals include the deletion of two senior management posts (Corporate Director of Strategy & Business Support and Director of People, Performance & Policy) and one PA post. Current holders of affected posts will therefore be displaced and at risk of redundancy.
- 2.9 The proposals involve creating a new Corporate Director of Place Shaping role to be charged to the capital programme; a new Assistant Chief Executive post and a new Executive Assistant post. The proposals will result in a net revenue saving from 2009-10 of approximately £135k.
- 2.10 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. In accordance with the requirements of the DDA 1995, where an employee with a disability is being considered for assimilation or redeployment to a different job, consideration will be given to any reasonable adjustments that can be made to enable the employee to successfully undertake the new duties.
- 2.11 Consultation with chief officers and relevant senior managers on the proposed structure commenced on 5th March 2008 and concluded on 2nd April 2008. Consultation has also taken place with the affected PA. Copies of written feedback received from the current senior management team are attached at Appendix 3.
- 2.12 The recognised trade unions have also been consulted on the proposals.
- 2.13 The Chief Officer Employment Panel, which is responsible for employment decisions affecting chief officer posts, has also been consulted on the proposed new job descriptions.

Equalities impact

- 2.14 An Equalities Impact Assessment (EIA) has been undertaken and is attached at Appendix 4. The proposed changes to the senior management structure will affect posts held by disabled and female employees. If those post holders are not successfully redeployed, there will be a consequent impact on the representation of women and those with a disability in senior management.
- 2.15 The EIA will be reviewed following Cabinet's decision and the implementation of a new structure. The Council will continue to monitor the representation of women, ethnic minorities and those with a disability in senior management through the relevant BV performance indicators

Legal comments

- 2.16 Legal comments are incorporated within the report.

Community safety

2.17 No specific implications arise out of this report.

Financial Implications

2.18 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 2.21 below), a new Assistant Chief Executive post, and a new Executive Assistant post.

2.19 The proposals result in a net revenue saving from 2009-10 of £135k.

2.20 In 2008-09 there will be a part year effect and there will be some redundancy costs. Those actual redundancy costs cannot be quantified at this stage but will be met from the provision in the budget for the pay award and pension contributions.

2.21 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.

Performance Issues

2.22 These proposals will contribute positively to the Key Lines of Enquiry for Corporate Assessment and the future Managing the Business component of the 2008/09 Use of Resources. In particular they will strengthen the organisation's capacity and improve the ability to deliver on the ambition and key priorities.

2.23 The future Comprehensive Area Assessment (CAA) places a strong emphasis on place shaping. These proposals will position the Council effectively to respond to this agenda. In addition the increasing focus on Asset Management will be met through this role.

2.24 Future proposals for new performance indicators around environmental sustainability and the future Managing Natural Resources component of Use of Resources will be positively impacted by a places shaping role.

2.25 The proposals will impact specific performance indicators for the representation of women, ethnic minorities and those with a disability in senior management. These indicators were ahead of target at the close of 2006/07.

Section 3 - Statutory Officer Clearance

Name: Myfanwy Barrett



Chief Financial Officer

Date: 25 March 2008

Name: Hugh Peart



Monitoring Officer

Date: 25 March 2008

Section 4 - Contact Details and Background Papers

Contact: Jon Turner, Interim Divisional Director of Human Resources & Development 020 8424 1225

Background Papers:

- Report to Cabinet on Organisational Review, 15 February 2007
- Report to Leader of the Council on Senior Management Structure, 17 May 2007
- Information Report to Cabinet on Senior Management Structure, 17 March 2008

If appropriate, does the report include the following considerations?

1.	Consultation	YES
2.	Corporate Priorities	YES