

Report of:	Leader of the Council
Contact Officer:	Tony McGovern
Telephone No:	01543 464553
Portfolio Leader:	Leader of the Council
Key Decision:	No
Report Track:	Council: 08/02/17

COUNCIL
8 FEBRUARY 2017
PROPOSAL TO CHANGE THE SENIOR MANAGEMENT
STRUCTURE OF THE COUNCIL

1 Purpose of Report

- 1.1 To present for Members consideration and determination a proposal to change the management structure of the Council as part of the overall response to the Financial Recovery Plan and the recommended General Fund Budget 2017/18 to 2019/20.

2 Recommendations

- 2.1 That Council approve the deletion of the posts set out in Part 1 of the Confidential Appendix 1 from 31 March 2017.
- 2.2. That Council approve the deletion of the post set out in Part 2 of the Confidential Appendix 1 on the retirement of the current post-holder during 2017.
- 2.3. That subject to the above that Council notes that the full year budget savings of £158,070 arising from the proposed change to the Senior Management Restructure will form part of the overall Budget to be recommended to Council at the same meeting on 8 February 2017 as part of the 2017/18 to 2019/20 General Fund Revenue Budget report.
- 2.4. That the Head of Human Resources finalise all contractual matters linked to the redundancy of two officers.
- 2.5. That on implementation of the proposal, the revised Management Structure Chart attached as Appendix 2 be added to the Council's Constitution to replace the existing chart.

3 Key Issues and Reasons for Recommendation

- 3.1 Cabinet had previously at its meeting on 1 February 2016 made its recommendations to Council in relation to the 2016-17 Budget, and set a balanced budget for 2016-17 and 2017-18 having identified a material deficit in 2018-19.
- 3.2 The announcement of the premature closure of Rugeley Power Station (RPS) necessitated a revised Budget being approved by Council with working balances being used to offset the £700,000 reduction in Business Rates income in 2016-17 with the Power Station ceasing production on 8 June 2016. The ongoing full year loss of Business Rates for the Council amounts to over £1 million per annum which represents a loss of 25% of income from retained business rates.
- 3.3 The lack of any Transitional Funding Support from Government means that the Council has to address an immediate deficit of £0.700 million in the current 2016/17 year, a projected deficit that peaks at £2.15 million in 2018-19 with an ongoing deficit of £1.6 million from 2019-20 onwards (subject to the proposed Mill Green Retail Outlet Centre being opened on time).
- 3.4 As part of the Council's Financial Recovery Plan process, consultation has been undertaken on proposals to change the senior management structure of the Council to deliver savings and group services in a more coherent manner.
- 3.5 The effectiveness of the proposed new management structure is dependent on other Member decisions in relation to the number of Scrutiny Committees and certain Cabinet Portfolio changes so that each remaining Head of Service would support a maximum of one Scrutiny Committee and two Cabinet Members.

4 Relationship to Corporate Priorities

- 4.1 Financial recovery is a priority that the Council needs to address in order to comply with its statutory financial duties. The proposal supports the Financial Recovery Plan agreed at Cabinet in September 2016 for public, stakeholder and employee consultation.

5 Report Detail

- 5.1 In light of the financial deficit faced by the Council from 2017/18 onwards, the Managing Director has reviewed the Council's management structure to identify where potential savings can be made and to improve the synergies between key priority areas of the Council by grouping services in a different way.

5.2 The core areas of statutory responsibility, budget spend and Council priorities are as follows:

- Billing Authority (revenues collection of £43m Council Tax and £36.4m Business Rates) and management of the Council's resources.
- Environment (£4.5m spend)
- Culture and Related (£3.8m spend)
- Housing Authority (incl homelessness) c£20m
- Local Planning Authority / Business / Regulatory (c£1m)
- Corporate (£2.1m)

5.3 The revised management structure proposes five Heads of Service (instead of six) with the deletion of a Head of Service post identified in Part 1 of the Confidential Appendix; proposes to bring together all Environment / Public Realm functions under one Head of Service; proposes to bring together the management responsibility for Community Safety, CCTV and Protection of Vulnerable Adults and Children; and to have a corporate group of services under one Head of Service. At the current time, some functions are distributed across the Council in a way that sometimes hinders a coherent approach.

5.4 The proposed portfolio of responsibilities for each Head of Service is set out below: **(underlined and bold text denoted proposed additional responsibilities from 1 April 2017)**

Head of Financial Management (no change)

- Local Taxation and Benefits
- Management of Financial Resources
- S151 and S114 role
- Investment Strategy and Delivery
- Financial Planning
- Capital Strategy
- Accounting
- Debtors and Creditors
- Delivery of Shared Service
- Deputy MD

Head of Economic Development

- Planning – Development Control & Planning Policy / Conservation etc.
- Economic Development
- Property / Asset Management
- Building Control Shared Service
- **Environmental Health – Food Safety, Licensing, Health & Safety (external)**

Head of Environment and Healthy Lifestyles

- Parks and Open Spaces
- **Waste Collection**
- Grounds Maintenance
- **Street Cleansing; Street Furniture**
- **Environmental Protection incl. Private Sector Housing**
- Bereavement Services
- War Memorials
- Contract with WLCT (Client)

Head of Governance and Corporate Services

- Internal Audit
- Insurance & Risk Management
- Civil Contingencies (Incl. BCM)
- Health & Safety (internal)
- Procurement
- Corporate Governance
- Democratic Services including Elections
- Policy & Performance
- **PR & Communications (including Data Protection & FOI)**
- **Customer Services and Social Alarms**
- **Land Charges**
- **Support Services**
- **Caretaking & Cleaning of Civic Centre**
- Shared Services Client Lead Officer
- Scrutiny Lead Officer

Head of Housing and Partnerships

- To manage all aspects of the Council's Housing Revenue Account, Housing Strategy and Homelessness
- Housing Strategy and Tenancy Services
- Property Management
- Property Maintenance
- Capital Programmes
- Overall responsibility for Depot (Health & Safety etc.)
- **Community Safety**
- **CCTV**
- **Vulnerable Adults / Child Protection Lead**
- **Partnerships / LSP**

5.5 To ensure the effectiveness of the proposed management structure, it is important that the Scrutiny Committee structure is streamlined and that changes to existing Cabinet Portfolios are made so that each Head of Service supports a maximum of two Cabinet Members. These issues will be considered at the Council's AGM in May 2017. A copy of the proposed changes to Cabinet Portfolio's is attached for information only as Appendix 3.

- 5.6 In relation to the deletion of the post in Financial Management identified in the Confidential Appendix 1, the Head of Finance has determined that the post is not required in its current format.
- 5.7 In relation to the deletion of the Property Assets Manager post, this has been vacant for many years as it has proven difficult to recruit a property professional despite numerous attempts. A restructure within Property Services and reallocation of some responsibilities allows this post to be deleted from the structure.
- 5.8 In relation to the post in Risk and Resilience identified in the Confidential Appendix 1, the current post-holder has signalled an intention to retire in 2017. It is proposed that the post is deleted and consultation takes place on the re-allocation of certain duties to existing staff.
- 5.9 As the post in Risk and Resilience and the post in Financial Management are both in Shared Services, the savings will be shared 50/50 with Stafford Borough Council.
- 5.10 Subject to Council approval of these proposals, there will be a transition period in advance of April 2017 so that new responsibilities can be transferred properly and Heads of Service can also consult on any remaining issues to ensure the new structure can be effective from 1 April 2017.

6 Implications

6.1 Financial

Provision exists within the recommendations from Cabinet, as included elsewhere on the Agenda in relation to the General Fund Budget 2017-18 to 2019-20 for the savings and severance costs for the proposed changes to the Senior Management Structure (The Changes are referenced c1/c3 and c4 within the Corporate Improvement Portfolio and c2 in the Environment Portfolio). All changes to the Heads of Service job descriptions are to be accommodated within the current pay and grading structures.

6.2 Legal

Under the Constitution the approval of the Council's senior management structure is reserved to the Council. The approval of the payment of actuarial strain to allow immediate access to pension entitlement for an employee made redundant or retiring early is reserved to the Cabinet unless approved as part of the formal budget process..

6.3 Human Resources

Appropriate consultation on the proposed senior management restructure took place in line with the Council's Financial Recovery timetable between 23 September 2016 and 23 October 2016 inclusive with all affected officers being consulted on the proposals.

Subject to agreement of the management restructure as proposed; further consultation is anticipated to begin in the coming weeks in order to discuss proposed structural changes resulting from this initial period of consultation. It should be noted that this further consultation will not result in any further staffing reductions than those noted above.

The Public Sector Exit Payment Regulations 2016 would impose a maximum cap on all termination payments (including redundancy and actuarial strain). At the present time the implementation date of these regulations is not specified. The regulations are unlikely to affect this process but if they do a further report may need to be submitted to agree the relevant protocol in respect of the Head Service Post whose redundancy payment (including actuarial strain) would be affected by the implementation of these regulations.

6.4 Section 17 (Crime Prevention)

None.

6.5 Human Rights Act

None.

6.6 Data Protection

None.

6.7 Risk Management

This proposal does reduce senior management capacity in the organisation in order to create financial savings. Over the past four years, the Council has reduced the number of management posts substantially in order to deliver financial savings. There is an increased risk that there is not sufficient management capacity to address unforeseen events and that the delivery of Council priorities will be slower with less management capacity overall. Further reductions in management in the future are unlikely unless the Council takes decisions to cease activities, services or both.

6.8 Equality & Diversity

None.

6.9 Best Value

None.

7 Appendices to the Report

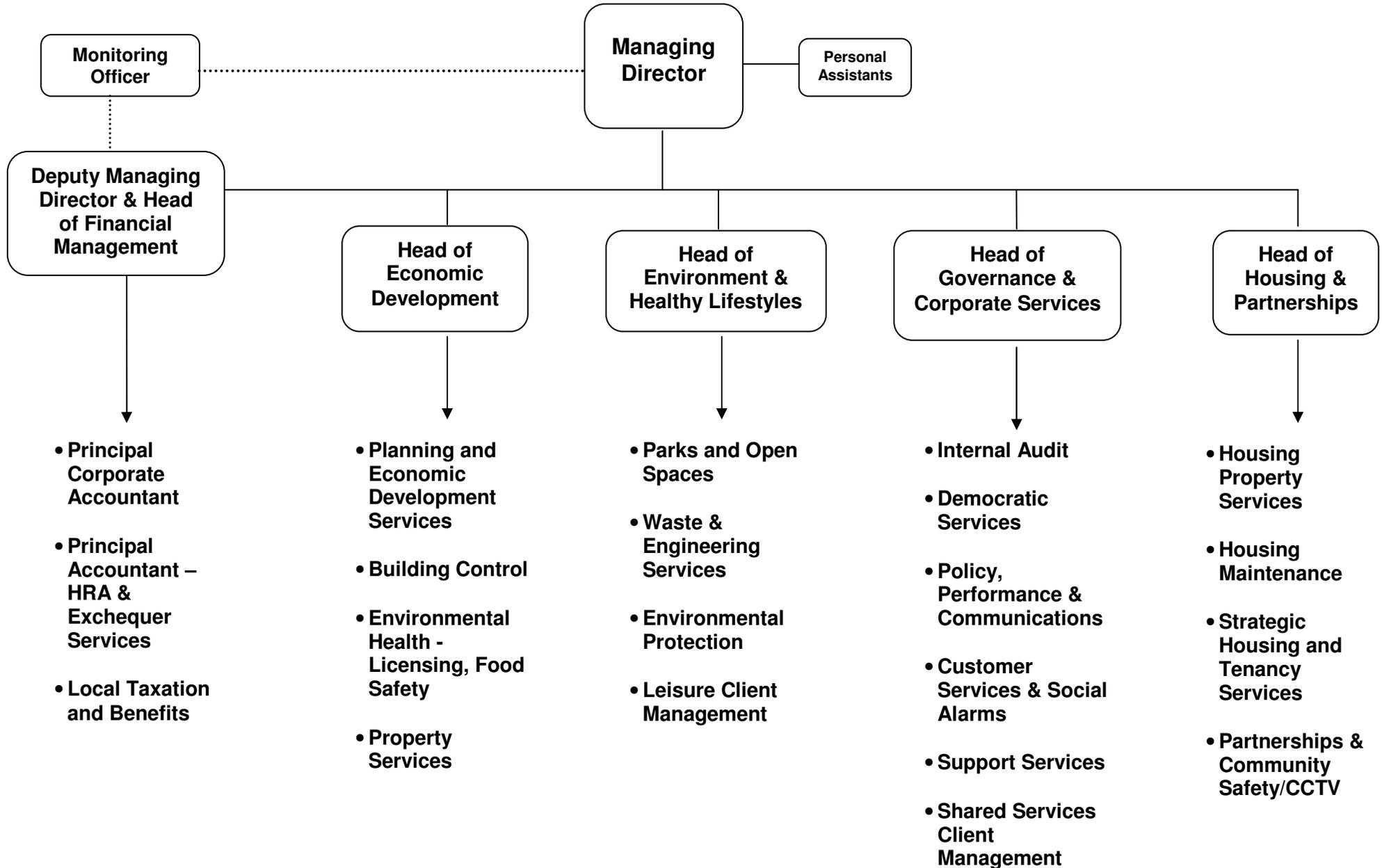
Appendix 1	CONFIDENTIAL – List of Affected Posts
Appendix 2	Management Structure Chart (from 1 April 2017)
Appendix 3	Proposed Portfolio Changes (for information)

Previous Consideration

Background Papers

Consultation materials and correspondence.

Proposed Management Structure from 1 April 2017



Section 15

Allocation of Portfolio Responsibilities to Cabinet Members

PROPOSED CHANGES TO PORTFOLIO'S LINKED TO PROPOSED CHANGES TO MANAGEMENT STRUCTURE OF THE COUNCIL FROM APRIL 2017:

Each HOS to support a maximum of 2 Cabinet Members:

15.1 COLLECTIVE RESPONSIBILITY OF THE CABINET

Cabinet will exercise collective responsibility in exercising its functions including the following:-

- The consideration of proposals involving any growth or service development and the making of recommendations to Council for approval if those proposals are contrary to the Policy Framework or not in accordance with the Budget.
- The consideration and submission of proposals to Council for approval in respect of the allocation of resources including consideration of the Council's Budget and the Council Tax to be set.
- The consideration and submission of policies to Council for approval in respect of plans and strategies identified in Section 4 of Part 2 of the Constitution as forming part of the Council's Policy Framework.
- The consideration and determination of plans and strategies which do not form part of the Council's Policy Framework.
- The appointment of representatives to other bodies and attendance at annual conferences where these relate to executive functions.
- The consideration of the implications of new or proposed legislation.
- The implementation of the Policy Framework and the Budget as approved by Council.
- Overall responsibility for good governance and value for money.
- The implementation of Council functions except those which are specifically stated not to be the responsibility of the Cabinet.

15.2 LEADER OF THE COUNCIL

The Leader is responsible for speaking at Council, Cabinet, Committees and other meetings on any matter which falls within the Collective Responsibility of Cabinet as detailed above and in particular:

- Member related matters including chairmanship of Cabinet, Civic Regalia, hospitality accounts, the Official Car, Members' allowances and functions relating to the conduct of Committee meetings.
- Development of the Council's budget strategy.
- Corporate finance, financial management
- All statutory and non-statutory plans and policy documents prepared by the Council (insofar as they are not the responsibility of any other Committee, Member or Officer of the Council) including (but not limited to) the Corporate Plan, the Sustainable Community Strategy and Asset Management Plan.
- General grants, bequests and donations to the Council.

The Leader also retains discretion to speak on any matter which falls within the remit of a specific Portfolio Leader; although he/she may delegate the responsibility for speaking on such matters to the Portfolio Leaders in the manner described in paragraphs 15.4 to 15.11.

15.3 DEPUTY LEADER

The Deputy Leader will substitute for the Leader when necessary, and be allocated one of the Portfolios referred to in paragraphs 15.4 to 15.11 as so desired by the Leader.

15.4 PORTFOLIO LEADER FOR CORPORATE IMPROVEMENT

The Portfolio Leader will be responsible for speaking at Council, Cabinet, Committees and other meetings on the following:-

- Financial, human and other resources to assist the Council in delivering its policies and objectives, including:
 - human resources (including payroll and training) and conditions of service for employees;
 - ~~corporate finance, financial management and local taxation services;~~
 - audit, insurance, risk management, corporate health & safety, civil contingencies and procurement;
 - technology; and
 - legal
- Corporate publicity and communications;
- Information Governance

- Community engagement and consultation, policy planning and review, equality and diversity;
- Customer Services & social alarms systems.
- Ombudsman and MP liaison;
- ~~Management of the Council's land and property holdings (excluding Housing Revenue Account property).~~
- All statutory and non-statutory plans and policy documents prepared by the Council relating to the above mentioned services and facilities including (but not limited to) the Equality and Diversity Policy.

15.5 PORTFOLIO LEADER FOR CRIME AND PARTNERSHIPS

The Portfolio Leader will be responsible for speaking at Council, Cabinet, Committees and other meetings on the following:-

- Community safety arrangements (insofar as they are not the responsibility of the Managing Director) including crime prevention and crime reduction programmes;
- Representing the Council on the Staffordshire Police and Crime Panel and other associated bodies;
- CCTV
- Developing partnerships.

15.6 PORTFOLIO LEADER FOR CULTURE AND SPORT

The Portfolio Leader will be responsible for speaking at Council, Cabinet, Committees and other meetings on the following:-

- Leisure, sports, cultural, recreation and entertainment services and facilities, entertainment venues, arts, theatres, leisure centres and museums;
- Parks and open spaces;
- Cemeteries and burial grounds;
- All statutory and non-statutory plans and policy documents prepared by the Council relating to the above mentioned services and facilities including (but not limited to) the Play Strategy.

15.7 PORTFOLIO LEADER FOR ECONOMIC DEVELOPMENT AND PLANNING REGULATORY SERVICES

The Portfolio Leader will be responsible for speaking at Council, Cabinet, Committees and other meetings on the following:-

- Promotion of the economic well-being of the District including measures to alleviate unemployment and create new employment opportunities;
- Liaison with various bodies and agencies to further the economic well-being of the District;
- Services and facilities to assist tourism, other regeneration schemes (excluding town centres), derelict land and other economic initiatives, and industrial estate management and relevant externally funded projects;
- Town and country planning and transportation services and facilities including planning policy development at regional, county and local plan levels; ~~street lighting including Christmas lighting, public transportation policies including hackney carriage and private hire vehicles, public rights of way and travel concessions;~~
- Local Land Charges;
- Building Control services;
- Management of the Council's land and property holdings (excluding Housing Revenue Account property).
- Licensing services in accordance with the policies determined for service portfolios for various activities including; hackney carriage and private hire vehicles, public entertainment, street trading, street collection, liquor licensing etc. Except where it involves determining any application, taking direct regulation or enforcement action;
- Environmental Health services, including; food hygiene and safety, disease control, health & safety, health promotion and mortuary. Except where it involves determining any application, taking direct regulation or enforcement action.
- All statutory and non-statutory plans and policy documents prepared by the Council relating to the above mentioned service areas and facilities including (but not limited to); the Economic Regeneration Strategy, Local Development Framework and the Tourism Strategy.

15.8 PORTFOLIO LEADER FOR ENVIRONMENT

The Portfolio Leader will be responsible for speaking at Council, Cabinet, Committees and other meetings on the following:-

- Issues relating to itinerants;
- Management of the Area of Outstanding Natural Beauty (AONB) Landscape and countryside management services including wildlife issues,

tree preservation and the Ranger service. Except where it involves determining any application, taking direct regulation or enforcement action;

- Land drainage and watercourses, engineering services and public clocks;
- Environmental Protection services including; public nuisances, stray dog services, pest control and contaminated land. Except where it involves determining any application, taking direct regulation or enforcement action;
- Allotments;
- Refuse collection, waste management and recycling;
- Street cleansing, grounds maintenance, graffiti, abandoned vehicles and fly-tipping. Except where it involves determining any application, taking direct regulation or enforcement action;
- ~~Licensing services in accordance with the policies determined for service portfolios for various activities including; hackney carriage and private hire vehicles, public entertainment, street trading, street collection, liquor licensing etc. Except where it involves determining any application, taking direct regulation or enforcement action;~~
- Public car and lorry parks; Highways liaison-

15.9 PORTFOLIO LEADER FOR HEALTH AND WELLBEING

The Portfolio Leader will be responsible for speaking at Council, Cabinet, Committees and other meetings on the following:-

- Liaison with various bodies and agencies to tackle health inequalities across the District;
- ~~Environmental Health services, including; food hygiene and safety, disease control, health & safety, health promotion and mortuary. Except where it involves determining any application, taking direct regulation or enforcement action.~~
- ~~Management and maintenance of the Council's community alarms and CCTV systems.~~
- The administration of Housing and Council Tax Benefits, except where it involves determining any application, taking direct regulation or enforcement action.
- All statutory and non-statutory plans and policy documents prepared by the Council relating to the above mentioned services and facilities including (but not limited to) the Food Law Enforcement Service Plan.

15.10 PORTFOLIO LEADER FOR HOUSING

The Portfolio Leader will be responsible for speaking at Council, Cabinet, Committees and other meetings on the following:-

- The Housing Revenue Account (HRA) and HRA Capital Programme.
- The management and maintenance (including; rent collection, the Respect Agenda for housing management, and sheltered housing) of the Council's housing stock and other HRA assets associated with housing use, except where it involves taking enforcement action.
- Administration of the housing register, the allocation of Council dwellings and homelessness services, except where it involves determining any application.
- Private sector housing services including; disabled facilities grants, renovation grants and home security grants, except where it involves determining any grant or housing enforcement action.
- The provision of additional social housing.
- All statutory and non-statutory plans and policy documents prepared by the Council relating to the above mentioned services and facilities including (but not limited to) the Housing Strategy.

15.11 PORTFOLIO LEADER FOR TOWN CENTRE REGENERATION

The Portfolio Leader will be responsible for speaking at Council, Cabinet, Committees and other meetings on the following:-

- Town centre regeneration schemes and town centres management.
- Liaison with various bodies and agencies involved with the economic well-being and management of town centres.

<u>HEAD OF SERVICE (5)</u>	<u>PORTFOLIO LEADERS (9)</u>
<u>Head of Financial Management</u>	<ol style="list-style-type: none"> <u>1. Leader (Budget / Financial)</u> <u>2. Health and Wellbeing (Local Taxation services)</u>
<u>Head of Environment & Healthy Lifestyles</u>	<ol style="list-style-type: none"> <u>1. Environment</u> <u>2. Culture & Sport</u>
<u>Head of Housing & Partnerships</u>	<ol style="list-style-type: none"> <u>1. Housing</u> <u>2. Crime & Partnerships</u>
<u>Head of Economic Development</u>	<ol style="list-style-type: none"> <u>1. Economic Development & Planning Regulatory Services</u> <u>2. Town Centres</u>
<u>Head of Governance & Corporate Services</u>	<ol style="list-style-type: none"> <u>1. Corporate Improvement</u> <u>2. The Leader (Members Services Matters eg allowances, conduct of meetings as listed under the Leader)</u>