



CABINET - 3 OCTOBER 2007

SENIOR MANAGEMENT STRUCTURE

1. INTRODUCTION

- 1.1 Given the severe financial constraints on local authorities, particularly in the South, there is a continuing need to look at all aspects of the Council's activities for efficiencies. The community leadership role of the Council requires a more flexible management structure to respond to the needs of local people.
- 1.2 At a Heads of Service Efficiency day in November 2006, the Senior Management review was highlighted as an area that needed to be reviewed. A project team headed by the CX was set up to look at the Senior Management Structure.
- 1.3 The review has been separated into two stages. The first stage of the review has concentrated on the roles and responsibilities of Directors. After consultation with all stakeholders, it is proposed that the authority will move from CX and 3 Directors (overseeing Directorates) to CX and 2 Executive Directors (overseeing Cross-cutting corporate themes). One of the Executive Directors will for the purposes of the Section 151 of the Local Government Act 1972 be responsible for the proper administration of the Council's financial affairs and determine financial practices and procedure.
- 1.4 After discussion, the Director of Community Services has agreed to accept redundancy on terms set out in the confidential paper attached as Report B.
- 1.5 The second stage of the review will consider the structures at Heads of Service level and it is envisaged that this review is completed by 31st January 2008 and implemented 1st April 2008.

2. FUTURE DIRECTION OF SENIOR MANAGEMENT

- 2.1 In reviewing the future shape and direction of the senior management of the authority, the following issues have been considered as drivers for change.
 - 1.2.1 The Senior Management Structure has evolved over a period of time and the roles of Directors and Heads of Service have changed.
 - 1.2.2 The impact of the Local Government Act. There is increased focus on localism, community leadership and engagement, as well as an emphasis on working in partnerships.
 - 1.2.3 The Council's financial and efficiency Agenda and the need to regularly review management structures to ensure they are fit for purpose to meet current and future priorities.

- 1.2.4 New term of administration and the revision of the Corporate –Plan to meet the needs of the New Forest Community over the next 4 years.
- 1.2.5 The role of Portfolio Holders and the Cabinet has evolved to increase their responsibility for executive decision making.
- 1.2.6 There is still scope to develop the Council's performance management to drive continuous improvement.
- 1.2.7 The governance environment in which the Council operates is rapidly changing and the senior management structures need to be more flexible to adapt to external challenges.

3. THE CURRENT STRUCTURE

- 3.1 The current structure has CX and 3 Directors who each has line management responsibility for a directorate. The size of these directorates vary in nature, size and complexity. The number of Assistant Directors/Heads of Service (on Band 11) in each directorate ranged from 2 to 6 (14 in total)

4. PROPOSED STRUCTURE

- 4.1 It is proposed that the new structure will include the CX and 2 Executive Directors. This team will provide corporate leadership, including leading key corporate projects and initiatives that cross service and portfolio boundaries, identifying and implementing effective 'joined-up' approaches and solutions to meet the Council's vision and values. CX and Executive Directors will work closely with and support the Leader and the Cabinet as a whole.
- 4.2 The CX and Executive Directors will coach/mentor a number of Heads of Service. The Performance Appraisal of Heads of Service will be conducted by the Portfolio Holder and CX/Executive Director on an annual basis.

5. FINANCIAL IMPLICATIONS

- 5.1 The full financial implications are set out in Report B (Private) on the redundancy of the Director of Community Services. Once the initial outlay is recovered, direct savings equate to around £124,000 per annum. The payback period of 1.55 years is in accordance with the Council's Redundancy Policy.

6. CRIME AND DISORDER AND ENVIRONMENTAL IMPLICATIONS

- 6.1 None arising directly from this report

7. EMPLOYEE SIDE COMMENTS

- 7.1 For the purposes of the grievance, disciplinary procedures and other relevant areas the Management Advice notes will need amendment. Employee side would expect to be consulted over relevant changes and when agreed these changes to be communicated to all staff affected (see para 1.3).
- 7.2 With the new structure, extra responsibility will or could be placed on the CX, Executive Directors and Heads of Service. It is presumed that job evaluations will take place to ensure grade bandings are accurate.(see para 1.4).
- 7.3 Employee Side is fully aware of the needs for cutting costs and improving efficiency. Costs can certainly be saved, however only time will tell if working with 1 Director less will be as efficient.(see para 5.1 & 1.2.3)
- 7.4 Employee Side would like to convey our best wishes for the future to the Director of Community Services.

8. RECOMMENDATIONS

- 8.1 That Cabinet approve the restructuring of the senior management of the Authority as set out in this report, subject to Council approval of recommendation 7.2;
- 8.2 That Cabinet recommends to Council the redundancy of the Director of Community Services on the terms set out in Report B (private)
- 8.3 Subject to the Council agreeing the recommendations contained in this report those delegations of the current Directors that fall within remit of the Cabinet be amended by transferring powers delegated to Chief Executive and Executive Directors.
- 8.4 That Cabinet recommends to Council that the delegations of the current Directors that are not the responsibility of the Cabinet be transferred to the Chief Executive and Executive Directors.

For Further Information Please Contact:

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Background Papers:

None