



## **SENIOR MANAGEMENT REVIEW – PHASE 2**

### **1. INTRODUCTION**

- 1.1 In March 2011 Cabinet considered a report reviewing the senior management structure of the authority and agreed a number of changes. That report referred to the need for further consideration of the structure. This report concludes the review and proposes further change. For this purpose the definition of senior management includes the Executive Management Team (EMT), Heads of Service (HOS) and pay bands 10 and 9.

### **2. CONTEXT**

- 2.1 The present EMT/HOS structure was introduced in 2007/08. It was designed to give flexibility in a rapidly changing environment and give effective support to the evolving political structure.
- 2.2 The 2011 review was one of 5 workstreams introduced to deliver the savings required by unprecedented financial pressures. Senior management review was a prominent topic in the suggestions put forward by employees.
- 2.3 The review cannot be solely about finances. It is important to preserve the capacity of senior management to take the authority forward at a time when the need for innovation and resilience is greater than ever.

### **3. REVIEW PROCESS**

- 3.1 During February and March I have had individual discussions with both Executive Directors and all Heads of Service, and discussed emerging proposals with the Leader and Cabinet and the Employee Side before presenting findings to the Heads of Service meeting and now to Cabinet. Appropriate discussions have been and are continuing to take place with all employees affected.

### **4. GENERAL COMMENTS**

- 4.1 The consensus in 2011 was that the existing framework of EMT and HOS was working well. This is still the view.
- 4.2 Comments on the changes put into place last year were also uniformly positive. This included new approaches in the areas of performance, equalities, sustainability, complaints and communications as well as changed reporting relationships in finance and coastal.

- 4.3 The senior management team are giving good support to the revised elected member structure and in particular to the new Task and Finish Group approach which is thought to be working very well.
- 4.4 While the pressures of financial savings and external change are seen as a continuing fact of life, there is a general sense of achievement, resilience and confidence in the senior management team.

## **5. PROPOSED CHANGE**

- 5.1 One major change is proposed at HOS level which will reduce the number from 11 to 10 (from a base of 12 in 2007/8).
- 5.2 The change proposed concerns the posts of Head of Leisure and Head of Communities and Employment.
- 5.3 Both these services have been subject to review and substantial change. Leisure Services has completed a very successful restructuring of Health and Leisure Centres and the transfer of Dibden Golf Course to external management. The Communities and Employment service has implemented the recommendations of the Employment and Tourism review and, following other reviews, overseen the transfer of coastal responsibilities to other parts of the Council.
- 5.4 In the light of all these changes, it is now proposed to delete the Head of Leisure post and transfer the remaining duties of that post to a new post of Head of Leisure and Employment.
- 5.5 Whilst this is the only change proposed at HOS level, EMT have asked the Head of Housing to review his senior management structure in the light of major changes to the Housing Service. This is likely to result in some amendment at band 10 and below.

## **6. FINANCIAL IMPLICATIONS**

- 6.1 The proposed reduction of a HOS post will produce savings of around £75,000. In addition to this, the Head of Leisure and Employment will examine the scope for further savings from bringing the two services together.
- 6.2 Phase 1 of the 2011 review generated a total of £330,000 savings against a target of £250,000. Reduction of around £600,000 had already been made in the previous 6 years, bringing the total of senior management savings in the last decade to over £1 million.

## **7. THE FUTURE**

- 7.1 The senior management team is well placed to face the challenges which lie ahead. As with all activities of the Council there will be a continuing need to monitor progress and be alert for opportunities for further saving and improvement.

## **8. ENVIRONMENTAL/CRIME AND DISORDER/EQUALITY AND DIVERSITY IMPLICATIONS**

- 8.1 There are none directly arising from this report.

## **9. EMPLOYEE SIDE COMMENTS**

- 9.1 Employee side feel there is some inevitability in reductions to senior management when the organisation numbers are shrinking. Staff numbers have reduced by 100 over the last 3 years.
- 9.2 The transfer of coastal operations and outsource of Dibden Golf course mean that the proposed changes should be able to be introduced successfully.
- 9.3 It is regrettable when any jobs are lost however in the current financial climate it is to be expected.
- 9.4 The loss of senior posts does have an adverse effect within the organisation by reducing promotion and progression opportunities for staff.
- 9.5 Employee side hope that all of the recent reviews and job losses will have a positive effect in achieving the budgetary savings required and that the staff at the NFDC can look forward to job security in the future.

## **10. PORTFOLIO HOLDER COMMENTS**

- 10.1 I would like to express my thanks for the co-operation of everyone involved in this review which has brought us to this point. This proposed change is a sensible use of personnel and financial resources.

## **11. RECOMMENDATION**

- 11.1 That Cabinet supports the management restructuring proposal in this report.

### **For Further Information Please Contact:**

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### **Background Papers:**

Senior Management Review  
- Cabinet 2 March 2011