

Report for: **Staffing and Remuneration Committee**

Item number: 8

Title: Senior Management Temporary Arrangements and Savings Update

Report authorised by : Nick Walkley, Chief Executive

Lead Officer:

Ward(s) affected: N/A

**Report for Key/
Non Key Decision:**

1. Describe the issues under consideration

- 1.1 This report proposes interim arrangements for the discharge of the duties of the Head of Paid Service and Chief Executive pending permanent recruitment to the positions.

- 1.2 The Council's MTFS also identifies a saving of 400k from senior management reorganisation. This report sets out how that saving will be achieved. It outlines the structural implications for Committee consideration and the temporary arrangements to be put in place.

2. Cabinet Member Introduction

N/A

3. Recommendations

3.1 That the Committee:

- I. recommend to full Council that Zina Etheridge, Deputy Chief Executive, be appointed Interim Head of Paid Service with effect from 1 March 2017 until a permanent appointment to the Chief Executive post is made and the appointee takes up the post.

- II. Note the deletion of AD Communications post
- III. Note the approach to achieving the remaining saving as set out in Section 6 of the report
- IV. Note that this is a temporary arrangement
- V. Agree to receive a noting report back on finalised structure

4. Reasons for decision

- 4.1 The current Chief Executive of the Council leaves his post on 28 February 2017 and the Council is under a duty to designate one of its officers as Head of Paid Service.
- 4.2 The Council's MTFS proposals include a saving of 400k in 2017/18 and this requires reductions and changes to senior staffing and corporate arrangements.

5. Alternative options considered

N/A

6. Background information

- 6.1 *Appointment of Interim Head of Paid Service*
It is proposed to appoint an interim Head of Paid Service from 1 March 2017 until permanent appointment to the post is made and the successful applicant takes up the position.
- 6.2 Pursuant to Section 4 of the Local Government and Housing Act 1989, the Council is under a duty to designate one of its officers as Head of Paid Service. The Head of Paid Service has a number of duties prescribed by law.
- 6.3 The recommendation to the Committee is that Zina Etheridge, Deputy Chief Executive is recommended to Council for appointment as Interim Head of Paid Service from 1 March 2017 until the permanent appointment to the Chief Executive post takes up the position.
- 6.4 *Senior Management re-organisation*
As part of the development of the MTFS, consideration was given to the costs of the Senior Management and Corporate functions. Pressures on the Council's budget mean that it is important that budgets not part of direct / commissioned service delivery are subject to such scrutiny.
- 6.5 Informal consultation was conducted with the senior leadership team and with Assistant Directors to consider:
 - overlaps between functions,
 - spans of control,

- duplication of effort

This approach was adopted to ensure that any savings identified did not create demands elsewhere in the Council or create gaps in capacity for particular service areas. Having worked hard to develop a culture of partnership and whole council working it also seemed inappropriate to then impose potential reductions on this senior cohort.

6.3 The consultation identified a number of areas for further consideration. These are:

- Communications and its overlap with the policy and corporate support functions.
- Performance.
- Intelligence.

Commonly each of these functions has some capacity at the corporate level but also further capacity in certain services.

6.4 As part of the consultation the AD Communications indicated they wished to leave the authority. This departure represents a significant proportion of the saving if the role and responsibilities are combined into the responsibilities of other AD's. It is therefore proposed that the post of AD Communications be deleted from the structure.

6.5 A number of responses to the consultation noted the potential synergy between the functions of the post of AD Communications and the AD Policy and Business Management and the Head of Paid Service is recommending that such a post be created, resulting in the further deletion of the existing AD Policy and Business Management.

6.6 However given that the Head of Paid Service is shortly to depart the authority, it would seem inappropriate to complete such a reorganisation as a new post holder may wish to function in a different way and should be free to do so.

6.7 To facilitate this, temporary arrangements have been instituted with the existing Communications functions reporting to the AD Policy and Business Management.

6.8 Consultation with Assistant Directors did indicate other areas of broad consensus where there were further opportunities to streamline corporate work. In particular:

- Performance currently sits with Commissioning. As the work of the AD Commissioning grows and the AD Transformation and Resources establishes themselves as leading the corporate support function of the authority it seems rational to transfer this function to their line management.

- Business intelligence currently lacks a clear single corporate location and the AD consultation indicated support to begin a process of locating these functions under single management, most likely the AD Transformation and Resources.

6.9 Allowing for the new Chief Executive to take up post does mean that delivery of the remainder of the 400k saving could be at risk. However, there are currently 8 vacancies across the affected areas. A freeze on recruitment will therefore deliver the saving in the short term whilst allowing a new Chief Executive to make appropriate arrangements which suit their approval.

Given the temporary nature of the arrangements the Committee should expect a report back before the end of the first quarter of the new financial year.

7. Contribution to strategic outcomes

N/A

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Finance and Procurement

The proposals within this Report, if implemented, indicate a revenue budget saving of £400k. This saving was included in the Priority X proposals as presented to Cabinet in December 2016 and which has been subject to public consultation and review by the Council's Overview and Scrutiny Committee.

If this proposal is not implemented then an alternative saving would be required in order to set a balanced budget in the Council's Medium Term Financial Strategy.

Legal

The Assistant Director, Corporate Governance has been consulted in the drafting of this report and has no comments.

Equality

No Equality impact.

9. Use of Appendices

10. Local Government (Access to Information) Act 1985