

Appendix 1

Senior Management Restructure

Phase 2

Consultation Document

1. INTRODUCTION AND BACKGROUND

1.1 The first senior management restructure was implemented on 1 November 2013 with a commitment to bring forward a second phase at an appropriate time. The purpose of the first restructure was to move the council to becoming a commissioning organisation, recognising the considerable financial challenges ahead.

1.2 The approach adopted in this restructuring was set out in paragraph 2 of the consultation document as follows:

“Salami-slicing budgets, reducing costs, greater efficiency, managing staff members down and paring down service delivery will not meet the financial challenges ahead. Nor will traditional operating models which may have served us well in the past, but will now not be robust enough to meet the scale of the challenge.

The Council’s approach now is focused on the following:

- Reducing the demand residents have for our services and enabling them to live independent and healthy lives;
- Providing services that prevent residents needing critical and more expensive services and where there is a need to provide specialist services, ensuring that those services properly target the residents’ needs or allow the residents to choose the care they want to purchase;
- Building a strong and healthy economy which provides jobs for our residents thereby removing dependency on welfare benefits;
- Focusing on educational attainment in schools and developing University provision to give our young people and residents the skills to take up the new job opportunities;
- Bringing in new investment to the city through joint ventures with the private sector, enabling the Council to benefit financially from profit share arrangements with joint venture partners and reinvesting this to support the needs of our residents;
- Income generating in new ways through, for example, its renewables project, to make the Council less dependent on taxing its residents and on government funding and making the Council independent to supports its residents and their needs.”

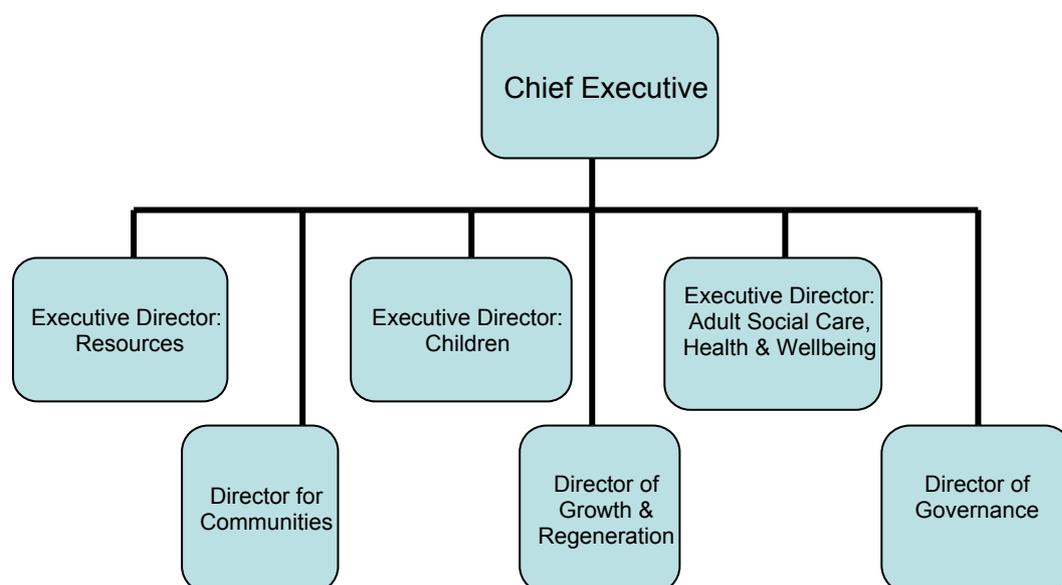
1.3 Since the implementation of the restructure progress has been made as follows:

- Commissioning for adult social care, communities, public health and children has been brought together with a financial saving of £1m;
- A joint venture company has been set up to begin the regeneration of the South Bank;
- Ofsted have inspected the Council’s school improvement services which were found to be effective;
- Child sexual exploitation is being tackled robustly and further improvements are in progress in children’s safeguarding.

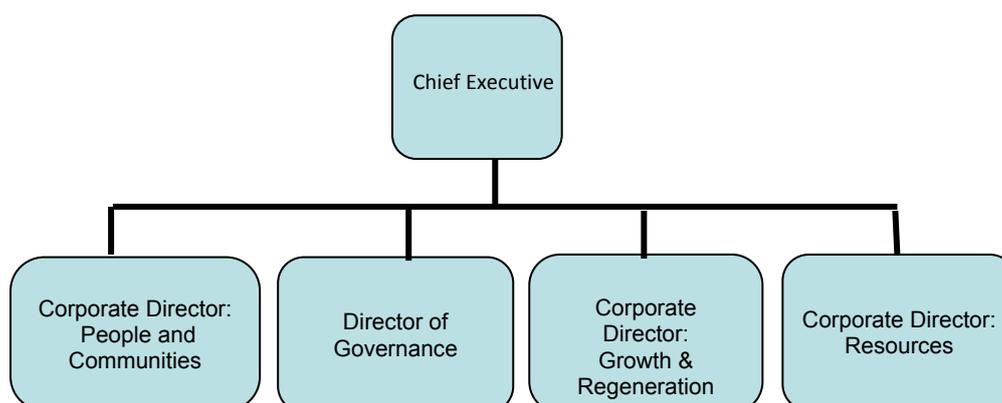
- Significant progress is being made in transforming adult social care services since their transfer back from the primary care trust.
- 1.4 The progress made allows the second phase of restructuring to commence safely which will reduce the number of senior managers further, thereby offering the council financial savings as well as embedding further the councils approach to commissioning. It should also be noted that the Executive Director: Children is due to retire in December 2014.
- 1.5 A key feature of these proposals are to clarify the organisational tiers and create unified job titles. It is proposed to call the tier 1 posts “Corporate Director” This is very much in line with titles used across the Local Government sector but furthermore, it also signifies the intent that these directors will work corporately across the Council in addition to managing their own directorates. In order to differentiate between these roles and roles that have a strong service leadership roles, it is proposed to create a new tier of director called Service Director. These important roles will be the most senior professional in their areas and will be responsible for ensuring quality in service delivery and outcomes in their own sphere. The role of assistant director will be retained for posts that report to a service or corporate director but have a strong leadership role for their service area. Two posts will retain the title “Director” – these are the Director of Governance and the Director of Public Health. This title is to acknowledge the statutory nature of the roles which, whilst not responsible for a wide range of services, they nevertheless have a cross cutting role
- 1.6 It should be noted that, following on from the implementation of these proposals, it will be necessary to further realign and restructure tiers 2 and 3 (Assistant Director and Head of Service) within the new People and Communities Directorate. These will of course be subject to consultation and approval in the same way as these proposals.
- 1.7 It should also be noted that as a consequence of these proposals, it will be necessary to review the number of Personal Assistants to Corporate Directors to fully align with these proposals. This will be the subject of a separate paper.

2. THE PROPOSALS

2.1 The current corporate management team comprises the following Directors:



2.2 The new management team proposed is set out below:-



2.3 Corporate Director: People and Communities

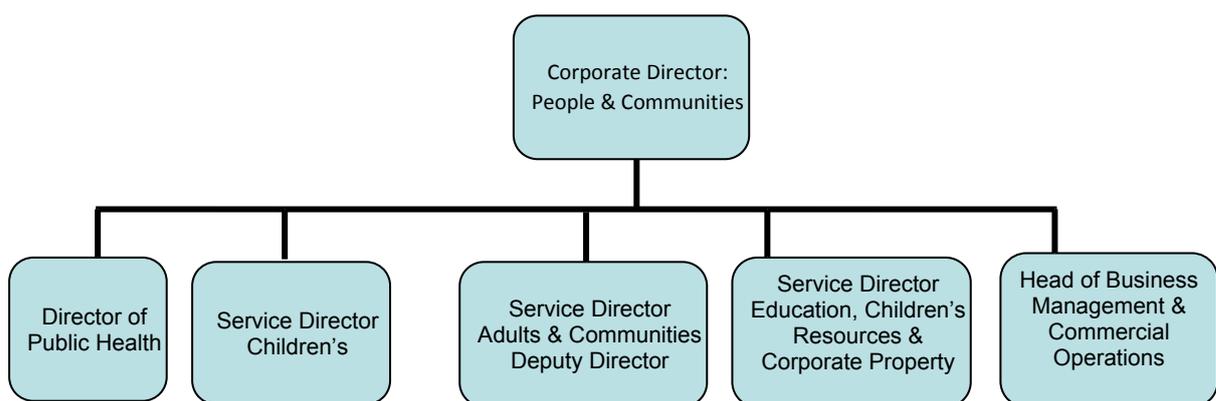
2.3.1 In the first phase of restructuring, the Council's commissioning activities for adult social care, children, public health and communities were united under the Director for Communities. The full transfer of those commissioning activities has now taken place.

2.3.2 In addition, this directorate also has under its remit, direct service provision for communities, community safety, youth offending services, youth services and services for young people who are not in education, employment or training. These services currently sit under the Assistant Director for Communities and Targeted Services.

2.3.3 The changes proposed in this restructuring are to bring together all services and functions relating to children, adult social care and public health into a "People and Communities" directorate so that all commissioning and service provision for children, young people, adults

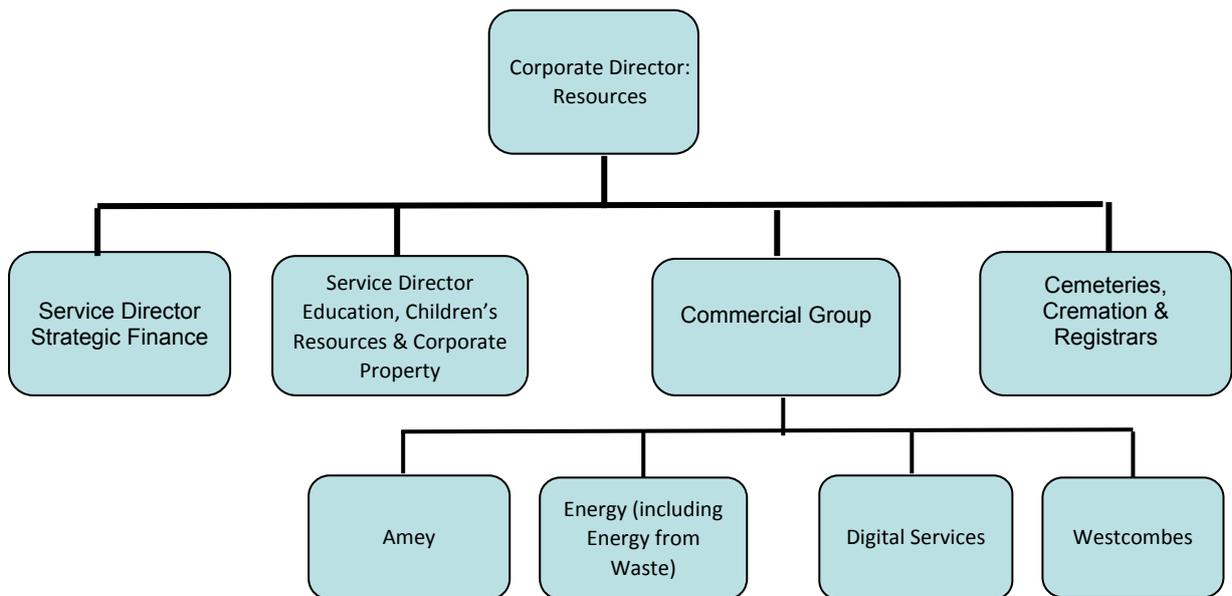
and communities sits in one directorate. Many Councils have adopted this approach, but in the first phase of restructuring it was decided to keep the directorates for Adults and Children separate as there were significant challenges being addressed in both directorates. However many of those challenges have now been addressed effectively so that the functions and services can now be united safely. It is therefore proposed to delete the posts of Executive Director: Children, Executive Director: Adult Social Care, Health and Wellbeing and Director for Communities and establish a single post of Corporate Director People and Communities. This new Corporate Director: People and Communities will assume the statutory Director roles for Adults and Children. This role will be ring fenced to the Executive Director: Adult Social Care, Health and Wellbeing and the Director for Communities.

- 2.3.4 The benefits of this significant change is that this directorate will have a complete and single view of all commissioning and service provision for children, young people, adults and communities allowing more effective and integrated commissioning and service provision to occur. Duplication of effort will be reduced and transition between services will be significantly improved. Further savings can also be realised through economies of scale and the aggregation of all these functions into one directorate.
- 2.3.5 The changes proposed will mean that this directorate has significant responsibilities as well as control of substantial resources. Robust management arrangements will be required to support the strategic role of the new Corporate Director: People and Communities. To ensure such arrangements are in place it is proposed to create two Service Directors for Children and Adults and Communities. Each Service Director will be responsible for commissioning and service provision for their service areas. These roles will be ring fenced to the Assistant Director Commissioning & the Assistant Director Communities and Targeted Services, whose posts will be deleted as part of this restructuring. The Director of Public Health will also report into the Corporate Director as too will a newly entitled post of Service Director: Education, Resources and Corporate Property for the function is this post that are within the remit of this directorate.
- 2.3.6 The new structure proposed is as follows:



2.4 Corporate Director: Resources

- 2.4.1 Whilst it is not proposed to change the function and role of this Directorate, it is proposed to change the way the Directorate operates to give it a more commercial focus in the delivery of its key objectives, around transformation of services, ICT strategy, strategic commissioning, ESCO, corporate property and finance.
- 2.4.2 As stated above the Service Director: Education, Children’s Resources and Corporate Property will report into this Directorate for the functions which sit in this Directorate.
- 2.4.3 The Council’s approach to Strategic Commissioning was to create a strong client function within the Council to performance manage our contracts. Relationship with our main strategic partners have matured to the extent where the client management function can now be devolved to appropriate officers in the council. However the overall accountability of these client arrangements will still rest with the Corporate Director: Resources to maintain a single oversight and accountability for these partnerships. In addition SERCO are now delivering much of our transformation agenda, it is proposed that the Service Director: Strategic Finance directly manages this work with SERCO. It is further proposed that the partnership arrangements for Vivacity are managed by the Service Director: Commercial Operations (see paragraph 2.6.3 below) and that the Amey contract is managed by the Executive Director: Resources. These changes mean that the Assistant Director Strategic Commissioning and Transformation role is no longer required creating a further redundancy situation.
- 2.4.4 The Cabinet has just approved an ICT strategy which is a key driver to commercialisation and improving the customer experience both of which underpins the Council’s transformation agenda. The Council is also working with City Fibre, who are making significant progress to delivering superfast broadband under the banner of “Gigabit City”. These initiatives need clear leadership and focus and so it is proposed to create a new role of Assistant Director: Digital Services to lead this work, which is situated within the Commercial Group within the Resources Directorate. As a consequence of this, the post of ICT Strategy, Infrastructure and Programmes Manager will be deleted and the postholder will be placed at risk of redundancy and subject to ring fence arrangements for the new Assistant Director role.
- 2.4.5 The new structure proposed is as follows:-

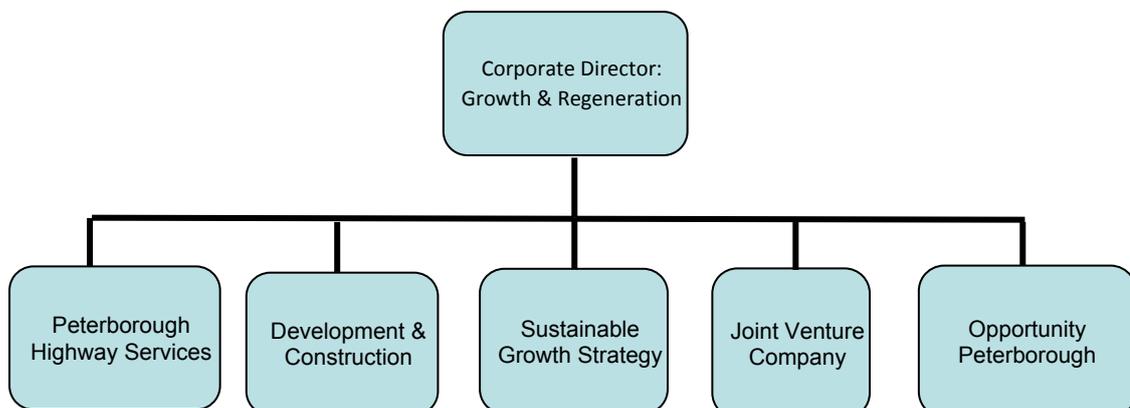


2.5 Corporate Director: Growth and Regeneration

2.5.1 The functions of this Directorate are proposed to remain the same. However, since the first restructuring paper the nature and form of the new joint venture initiative, and its staffing needs, has changed significantly.

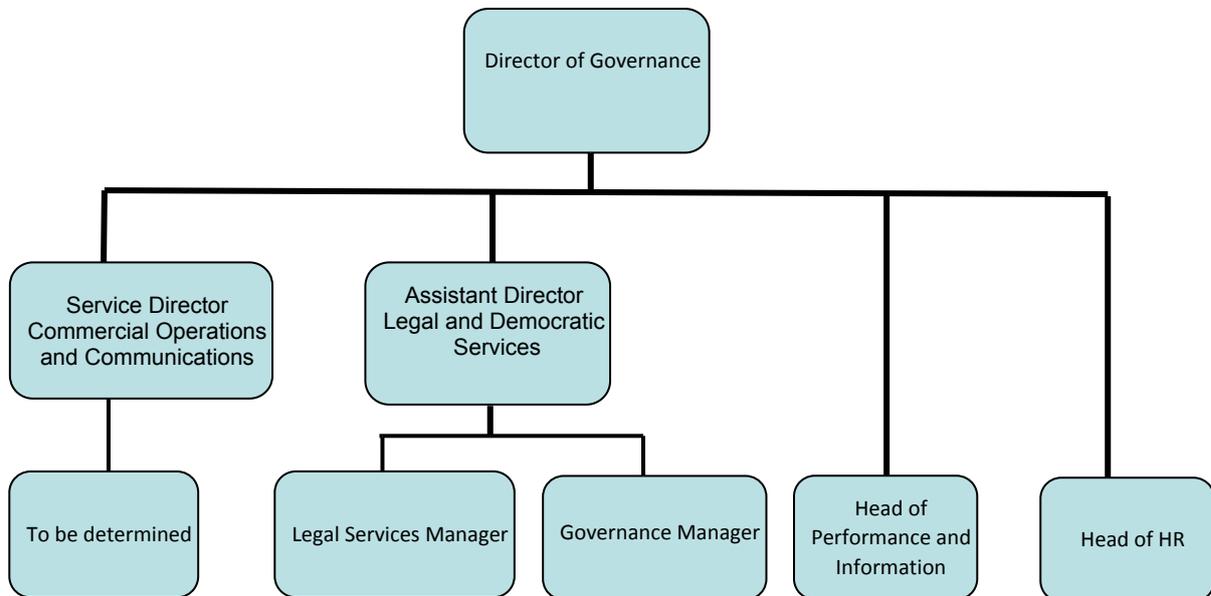
2.5.2 It was originally envisaged that a new joint venture company would require full time input from the City Council at a senior leadership level. However the management and governance arrangements for the soon to be created Limited Liability Partnership have become clearer and this is now no longer the case. Essentially the company will be supported by the Corporate Director: Growth and Regeneration for on average, one day per week and an officer from the joint venture partner Lucent will also provide part-time, strategic leadership and support to the Board of Directors. Staffing to meet day to day administration needs will be determined by the Board, but will be at a much more junior level. As a consequence, the role of Head of Growth and Regeneration will no longer be required and that post will be deleted under this restructuring.

2.5.3 The proposed structure of this Directorate will be as follows:



2.6 Director of Governance

- 2.6.1 The functions of this Directorate were recently added to by transferring the role of Assistant Director: Commercial Operations, which reported to the Chief Executive, into this directorate. Further it is proposed to merge the communications and marketing team with this role so that the vacant role of Assistant Director: Communications is no longer required. This will create a new role of Service Director Commercial Operations and Communications. It is proposed that that this role be filled on a slotting basis by the current Assistant Director: Commercial Operations.
- 2.6.2 The transfer of this role also gives an opportunity to merge further functions currently in this directorate of licencing, environmental health and trading standards with the role of Service Director: Operations and Communications. There are other functions which sit in the Growth and Regeneration Directorate which likewise would benefit from integration with the team sitting under the Service Director: Operations and Communications and they are emergency planning, resilience and health and safety. These functions will sit well with car parking, CCTV and the events functions which this Assistant Director currently leads, particularly the enforcement roles which have potential to merge to create a single enforcement function.
- 2.6.3 It is also proposed to transfer the marketing functions which sit in the travelchoice team to the new Service Director role so that all marketing activities are situated in one place in the council. Finally, as stated in paragraph 2.4.3 above, it is proposed to transfer the partnership arrangement for Vivacity to this Service Director.
- 2.6.4 The Director of Governance has also considered the other functions in her directorate and how they can be properly led. She has proposed that the legal, and governance are led by a single Assistant Director: Legal and Democratic Services.
- 2.6.5 The proposed structure of this directorate is as follows:-



3. FINANCIAL AND PERSONNEL IMPLICATIONS OF THE RESTRUCTURE

- 3.1 The changes proposed are significant both in terms of organisation change and financial savings. It is anticipated that financial savings will be made through the deletion of a number of posts even with the creation of new roles.
- 3.2 Formal consultation on this proposals will commence during the week commencing 24th November 2014, as part of the collective consultation process for a period of 30 days. Trades Unions will also be consulted in the normal way.
- 3.3 As a result of these proposals, some posts will be deleted and the post holders (where applicable) will be placed “at risk” of redundancy and where applicable some of the post holders will be ring-fenced to suitable alternative employment. A summary of the proposals and the potential impact upon the post holders is set out below.

4. SUMMARY OF PROPOSALS

4.1 Posts to be deleted

| Post | Impact upon Postholder |
|--|--|
| Executive Director Children's Services | Postholder retires 31/12/2014 |
| Director for Communities | Postholder at risk of redundancy & subject to ring fence arrangements as set out below |
| Executive Director – Adult Social Care & Public Health | Postholder at risk of redundancy & subject to ring fence arrangements as set out below |
| Head of Growth & Regeneration | Postholder at risk of redundancy |
| Assistant Director Commissioning | Postholder at risk of redundancy & subject to ring fence arrangements as set out below |
| Assistant Director Communities and Targeted Services | Postholder at risk of redundancy & subject to ring fence arrangements as set out below |
| Head of Strategic Commissioning/Transformation | Postholder at risk of redundancy |
| Assistant Director: Communications | Vacant Post to be deleted |
| ICT Strategy, Infrastructure and Programmes Manager | Postholder at risk of redundancy & subject to ring fence arrangements as set out below |

4.2 New Posts created

| Post | Comments |
|---|--|
| Corporate Director People & Communities | Will be ring fenced to ED Adult Social Care, Health and Wellbeing & Director for Communities |
| Service Director: Children's | Will be ring fenced to AD Commissioning and AD Communities and Targeted Services |
| Service Director: Adults & Communities | Will be ring fenced to AD Commissioning and AD Communities and Targeted Services |
| Assistant Director: Digital Services | Will be ring fenced to ICT Strategy, Infrastructure and Programmes Manager |
| Assistant Director: Legal & Democratic Services | Will be advertised externally |

4.3 Posts with significant change to job content and/or where Postholder is to be slotted into role.

| Post | Changes |
|---|--|
| Head of Corporate Property and Children's Resources | Re titled Service Director Education, Children's Resources & Corporate Property. |
| Service Director: Commercial Operations | Redesignated Service: Commercial & Communications and will report to Director of Governance. Postholder will be slotted into this role |

4.4 Posts with a change of reporting line

| Post | Changes |
|---------------------------|--|
| Director of Public Health | Will report to Corporate Director: People & Communities |
| Head of Resilience | Will report to Assistant Director: Commercial & Communications |

4.5 Timetable

| Date | Action |
|--------------------------------|--|
| 21 st November 2014 | Formal Consultation Commences |
| 5 th January 2015 | End of Formal Consultation |
| 22 nd January 2015 | Employment Committee considers proposals |
| 27 th January 2015 | Employment Committee considers job descriptions |
| 28 rd January 2015 | Ring fenced roles advertised |
| 4 th February 2015 | Closing date for expressions of interest for ring fenced roles |
| 11 th February 2015 | Employment Committee meeting to interview for ring fenced roles and to approve slotting and redundancies |
| 16 th February 2015 | Appointments and redundancies confirmed (subject to Council approval if salary or severance is more than £100,000) |
| 4 th March 2015 | Council formally approves any appointments or severance packages of more than £100,000 |