
MEETING	URGENCY COMMITTEE
DATE	18 AUGUST 2006
PRESENT	COUNCILLORS STEVE GALLOWAY (CHAIR), MERRETT, POTTER, REID AND WALLER

5. DECLARATIONS OF INTEREST

Members were invited to declare at this point in the meeting any personal or prejudicial interests which they might have in the business on the agenda.

Councillor Potter declared a personal non-prejudicial interest in agenda item 5 (City of York Council Organisational Review – Stage Two: Chief Executive’s Department) in relation to the discussion about redundancy and early retirement costs for schools being met from a corporate budget, as chair of a school governing body.

6. EXCLUSION OF PRESS AND PUBLIC

RESOLVED: That the press and public be excluded from the meeting during consideration of the following:

Annex 3 to Agenda Item 5 (City of York Council Organisational Review - Stage Two: Chief Executive's Department) (minute 9 refers) on the grounds that it contained information relating to individuals. This information was classed as exempt under paragraph 1 of Schedule 12A to Section 100A of the Local Government Act 1972 (as revised by The Local Government (Access to Information) (Variation) Order 2006).

7. MINUTES

RESOLVED: That the minutes of the last meeting of the Urgency Committee, held on 17 July 2006, be approved and signed by the Chair as a correct record.

8. PUBLIC PARTICIPATION AND OTHER SPEAKERS

The Chair reported that there had been no registrations to speak at the meeting under the Council’s Public Participation Scheme.

The Chair agreed to hear representations from Ben Drake on behalf of Unison, regarding Agenda Item 5 (City of York Council Organisational Review – Stage Two: Chief Executive’s Department) (minute 9 refers). He highlighted that the report differed significantly from the proposals that were consulted on, particularly with regards to the overall chief officer

structure and in that it included an option for combining the Chief Executive's Department and Resources in a single directorate. He requested that the Committee defer consideration of the report to allow time for full consultation with Unison members and reported that initial discussions suggested that Unison members had some concerns about the proposals. He concluded by stating that if the proposals were approved by the Committee, then Unison would register a formal dispute with the Council.

9. CITY OF YORK COUNCIL ORGANISATIONAL REVIEW - STAGE TWO: CHIEF EXECUTIVE'S DEPARTMENT

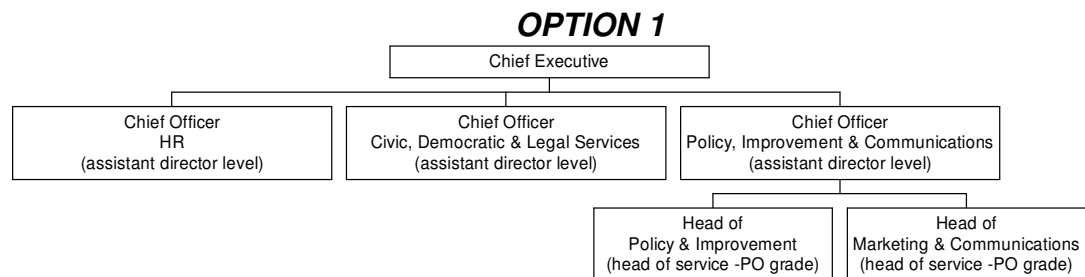
Members received a report which completed the organisational review of the Council, stage one of which was approved by the Executive in July 2005. It brought forward proposals for the restructuring of the Chief Executive's department and sought a decision on other matters left over from the 2005 review. It also made recommendations producing substantial savings, in excess of £200,000, in staff costs.

The report was being considered at an Urgency Committee because decisions on the restructuring of the Chief Executive's Department needed to be implemented without further delay, particularly given the imminent departure of two chief officers.

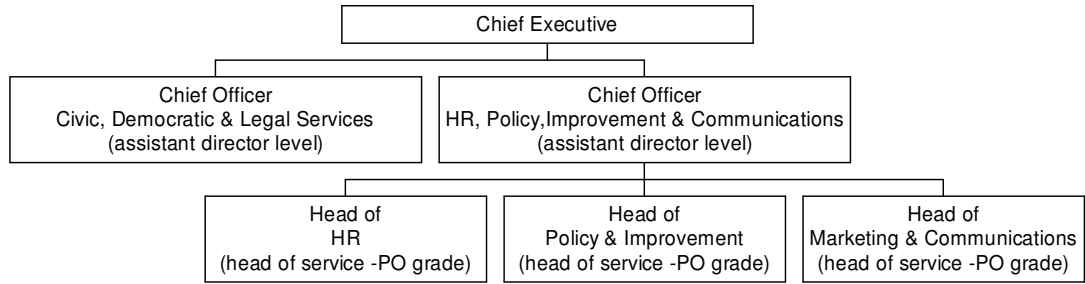
The information in the report was set out in the following nine sections:

- Section 1 – Background and introduction;
- Section 2 – Current structure and functions of the Chief Executive's Department;
- Section 3 – Combining the Chief Executive's Department and Resources;
- Section 4 – Proposals for overall chief officer structure;
- Section 5 – Transfer of functions and resources to other directorates;
- Section 6 – Portfolios and detailed staffing structure;
- Section 7 – Financial and other implications;
- Section 8 – Other issues left over from stage one of the Council organisational review;
- Section 9 – Summary of recommendations.

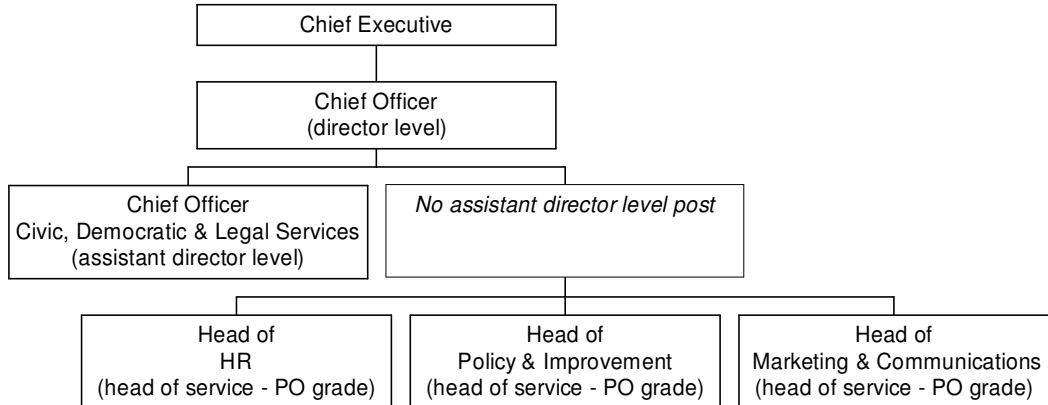
The report set out the following options for the overall chief structure:



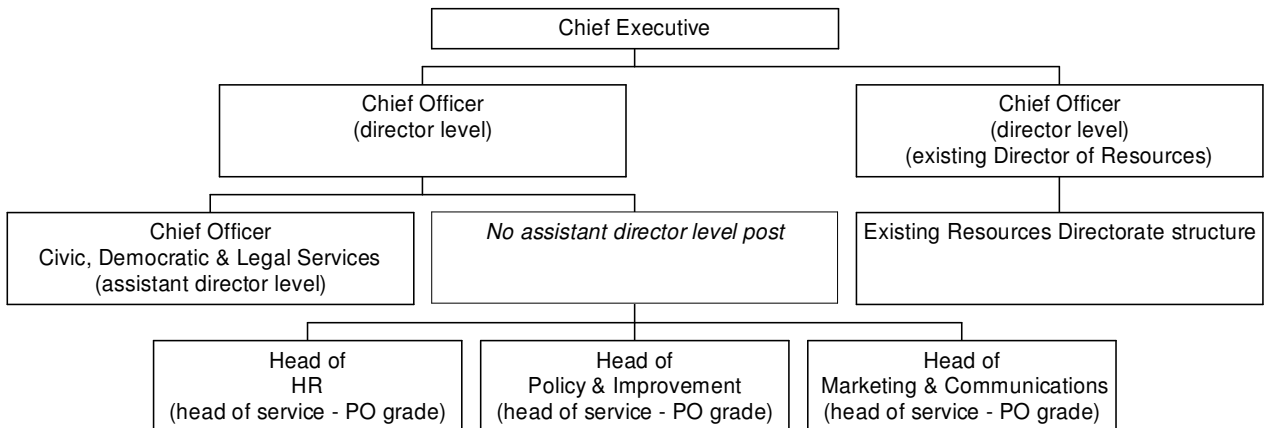
OPTION 2a



OPTION 2b



OPTION 2c



The structure set out in Option 2c was for a combined directorate comprising the Chief Executive's Department and Resources. This was the option recommended in the report.

In response to the representations made on behalf of Unison (minute 8 refers), the Chief Executive explained that the proposals brought forward in the report were not considered to be so fundamentally different from the original proposals as to constitute a brand new set of proposals, requiring a brand new consultation exercise. Members confirmed that where in principle decisions were being taken, consultation could continue and the decision be brought back for review by the Chief Executive.

With regards to paragraph 7.5 of the report, Members noted that redundancy and early retirement costs for schools were met from a corporate budget and requested that the Director of Resources provide

them with a briefing note detailing the current situation and how this might change now that the Dedicated Schools Grant had been introduced.

It was proposed that the recommendations in the report be agreed, with amendments to recommendations 9.12, 9.17 and 9.26 to defer the appointments to the new posts of Partnership Officer, Safe City Co-ordinator and Scrutiny Officer pending further consideration of the Council's in-year financial position as part of the first financial monitor in September 2006.

Councillor Merrett outlined his concerns regarding the proposal to transfer responsibility for the Local Strategic Partnership and other partnership work to City Strategy as a key part of the Chief Executive's role was providing strategic direction for the Council and the transfer could create confusion amongst external partners as to where this responsibility lay. Councillor Galloway expressed the view that the transfer of responsibility would allow the Chief Executive greater opportunity to be involved with the overall strategic direction, whilst passing the detailed management to the Director of City Strategy, who could ensure consistency between the various plans and strategies the Council produced. Other concerns expressed by Councillor Merrett included the substantial nature of the cuts and their impact on senior management and other staffing resources, the transfer of the Customer function to Resources and the lack of available staff and funding to support it, and the proposals regarding management of the Scrutiny team, in terms of the potential to diminish the independence of the Scrutiny function and the removal of the dedicated Scrutiny Manager post.

Councillor Merrett moved and Councillor Potter seconded the following amendment:

- “1. To delete recommendation 9.1 in the report, relating to the creation of a new directorate combining the Chief Executive's Department and Resources, and to delete recommendation 9.2, in as much as it refers to the same issue;*
- 2. To amend recommendation 9.3 to approve the overall chief officer structure set out in Option 2b;*
- 3. To amend recommendations 9.10-9.15 to retain the Local Strategic Partnership and other partnership work in the Chief Executive's Department but accept the internal structural changes relating to the posts;*
- 4. To amend recommendation 9.16 to implement the recommended post of Safe City Co-ordinator;*
- 5. To delete recommendation 9.19, relating to the transfer from the Chief Executive's Department to Resources of the Customer function and lead responsibility for implementation of the Council's customer focus priority, and ask the Chief Executive to provide a further report back on the resourcing of this work;*
- 6. To amend recommendations 9.25 and 9.26 to retain the post of Scrutiny Manager;*
- 7. To amend recommendation 9.31 to defer the decision on the devolution of operational HR services until the review by the new chief officer responsible for HR has taken place and been reported back to Members.”*

On being put to the vote, this amendment was lost. Councillors Merrett and Potter requested that their votes in support of the amendment be recorded.

- RESOLVED:
- (i) a) That the creation of a new directorate combining the Chief Executive's Department and Resources be approved in principle, subject to the Chief Executive holding further consultation discussions with Unison [resolutions (i) b) and (ii) a) should be interpreted accordingly];
 - b) That the Chief Executive be authorised, in consultation with Leader, to establish the new directorate, taking account of the Committee's decisions on the restructuring of the Chief Executive's Department and in a way that permits an evolutionary approach to integration as opportunities present themselves;
 - (ii) a) That an overall chief officer structure for a combined Chief Executive's Department and Resources Directorate as set out in option 2c be approved;
 - b) That the existing posts of Deputy Chief Executive and part time Personal Assistant (and associated budgets), Head of Performance Improvement and Head of Human Resources be deleted;
 - c) That a new post be created at director level with overall responsibility for Civic, Democratic and Legal Services, Human Resources, Policy & Improvement and Marketing & Communications;
 - d) That the Chief Executive be authorised to proceed immediately with recruitment to the new director level post and, in consultation with the Appointments Committee, to engage the services of a recruitment consultant;
 - e) That the establishment of an Appointments Committee consisting of three members (two from the majority party and one from the main opposition party) be approved, and Councillors Steve Galloway and Reid be appointed as the Liberal Democrat Members and Councillor Merrett as the Labour Member (with Councillor Potter as substitute);
 - f) That expenditure of up to £20,000 on a recruitment consultant be approved, to be met from one off underspends on chief officer salaries in the Chief

Executive's Department or, to the extent that they are insufficient, from the Council's contingency;

- g) That the designation of the Director of Resources as Deputy Chief Executive, to assist the Chief Executive and act in his absence or unavailability, be approved;
- (iii) a) That the Executive's decision in July 2005 to transfer responsibility for the Local Strategic Partnership to City Strategy be confirmed;
- b) That the transfer to City Strategy of responsibility, currently within the remit of the Chief Executive's Department, for York's Local Area Agreement, corporate voluntary sector work and partnership development and oversight work, as described in section 5.2 of the report, be approved, subject to the Chief Executive being authorised to implement the transfer when City Strategy is best able to accommodate its new responsibilities;
- c) That the establishment of the following posts in City Strategy be approved in principle, subject to the approval of job descriptions and grades by the Director of City Strategy in consultation with the Leader, or by the Leader through the meeting of the Executive Members for City Strategy and Advisory Panel:
- A new post at PO17-20 to manage the Local Strategic Partnership and associated work set out in section 5.2 of the report and in paragraph 5.3.3;
 - A partnership officer post to carry out the partnership development and oversight work described in paragraph 5.2.2;
- d) That appointment to the post of partnership officer at PO1-4 be deferred pending further consideration of the Council's in-year financial position as part of the first financial monitor in September 2006;
- e) That the transfer from the Chief Executive's Department to City Strategy of funding for the posts mentioned above (of an amount sufficient to meet the cost of posts up to a grade of PO17-20 for the manager post and PO1-4 for the partnership post) be approved, subject to the creation of the posts and the appointment of post holders;
- f) That the transfer to City Strategy of two posts of Senior Partnership Support Officer (PO3-6) in the Chief Executive's Department with their post

holders and staffing budgets be approved, subject to the Chief Executive being authorised to implement the transfer when City Strategy is ready to accommodate the posts;

- g) That the deletion of the vacant post of Partnership & Improvement Officer (PO1-4) in the Chief Executive's Department be approved;
- h) That the transfer from the Chief Executive's Department to Neighbourhood Services of operational responsibility, and to City Strategy of strategic planning responsibility, for Safe City, as described in section 5.3 of the report, be approved;
- i) That the establishment of a new post of Safe City Co-ordinator at PO1-4 in Neighbourhood Services be approved in principle, subject to subsequent formal Member approval of the post's role, grade and location on consideration of a report to be brought forward by the Director of Neighbourhood Services on proposals for restructuring Neighbourhood Services;
- j) That appointment to the post of Safe City Co-ordinator be deferred pending further consideration of the Council's in-year financial position as part of the first financial monitor in September 2006;
- k) That the transfer from the Chief Executive's Department to Neighbourhood Services of funding for the Safe City Co-ordinator post (of an amount sufficient to meet the cost of a post up to a grade of PO1-4) be approved, subject to the creation of the post and the appointment of a post holder;
- l) That the transfer from the Chief Executive's Department to Resources of the Customer function currently vested in the Chief Executive's Department and lead responsibility for the implementation of the Council's customer focus priority be approved, subject to consideration by the relevant Executive Member and Advisory Panel of resources which could be made available for this work and the scope of the work which could be achieved within such resources;
- m) That the transfer from the Chief Executive's Department to Resources of the responsibility currently vested in the Chief Executive's Department for managing the Council's relationship with the Audit Commission on inspections and best value work be approved;

- n) That the transfer from the Chief Executive's Department to Resources of the posts of Web Manager and Web Assistant with their post holders and staff budgets be approved, subject to the Chief Executive being authorised to implement the transfer when the Director of Resources is ready to accommodate these posts and appropriate arrangements have been put in place to ensure accountability to the Head of Marketing & Communications for compliance with the Council's communications policy;
 - o) That the transfer from the Chief Executive's Department to City Strategy of responsibility for the Chief Executive's Department's business support functions, together with the existing post of Business and Performance Manager, its post holder and staff budget be approved, subject to the transfer not being implemented until City Strategy has created a structure for its business support functions (to include business support for Resources) which accommodates the transferred post;
- (iv)
- a) That the deletion of the vacant post of half time Administrative Assistant in Civic, Democratic & Legal Services be approved;
 - b) That a permanent reduction in a post of Democracy Officer from full time to 0.6 be approved, subject to the Democracy and Member Support Manager being authorised to implement this decision;
 - c) That the deletion of the post of Scrutiny Manager and absorption of its responsibilities within the post of Democracy and Member Support Manager be approved;
 - d) That the creation of a new post of Scrutiny Officer at SO1/2 be approved but appointment to it be deferred pending further consideration of the Council's in-year financial position as part of the first financial monitor in September 2006;
 - e) That the allocation of funding of £18,000 to the approved establishment post of Clerical Assistant in Electoral Services be approved;
 - f) That the deletion of the following posts in Performance Improvement be approved:
 - Service Improvement Manager (PO17-20);

- An unfunded and vacant manager post (PO17-20);
 - A vacant post of 0.5 fte Administrator (Scale 2);
 - A post of Service Improvement Officer (PO14-17);
 - Two vacant posts of Improvement Officers (PO6-9);
- g) That the permanent regrading of an Improvement Assistant (Scale 5) in the Equalities team to SO1 be approved;
- h) That the establishment of a combined Policy & Improvement team out of the current Policy Development and Performance Improvement teams be approved, consisting of:
- Two Service Improvement Officers (PO14-17);
 - Two Improvement Officers (PO12-15);
 - One Improvement Assistant (Scale 5);
 - One Local Public Services Agreement Support Officer (3 year fixed term post) (PO1-4);
 - The current Policy Development team;
 - The current Equalities team (as amended above);
- i) That the devolution of operational HR services be approved in principle, subject to review by the new chief officer responsible for HR and the approval of the Leader at a meeting of the Executive Members for City Strategy and Advisory Panel of clear proposals for the operation of a devolved service which safeguard compliance with the Council's HR policies and procedures;
- (v) a) That no further changes be approved to the organisational structure of the Council at this stage.

REASON:

- (i) To achieve efficiency savings over time and to make the best use of complementary functions;
- (ii) To create and recruit to a structure which combines the best mix of savings and management capacity most suited to lead a restructured Chief Executive's Department;
- (iii) The transfer of functions and resources are recommended to implement the decisions of the Executive at stage one of the Council organisational review, and to achieve consistency with current service arrangements;

- (iv) The recommendations seek to strike the best balance between the need to identify significant savings and the need to protect important work of the Council and direct resources to the Council's recently approved corporate priorities;
- (v) The Council's current service arrangements are broadly consistent with the principles of the organisational review and the risks of disruption caused by further significant change could outweigh the intended benefits.

[Note: Councillors Merrett and Potter requested that their votes against this motion be recorded.]

10. STATEMENT OF ACCOUNTS 2005/06

Members received a report which set out the changes that had been made to the Statement of Accounts approved at Council on 2 June 2006 and the reasons for these changes, and sought approval for the revised Statement of Accounts.

The report was being considered at an Urgency Committee because there was a statutory requirement for Members to approve the accounts prior to the District Auditor giving his opinion on them and there was not a Council meeting scheduled prior to the statutory deadline for the completion of this audit on 30 September 2006.

The report explained that in July 2005 the Office of the Deputy Prime Minister (ODPM) had issued a notification that the proportion of total value of the housing stock that must be included within fixed assets in the Accounts as the 'social housing' value should be reduced from 55% to 47% of the gross value, with effect from April 2005. Since the Accounts were approved it had been confirmed that this adjustment should have been made retrospectively to the full Housing Revenue Account (HRA) re-valuation exercise that had taken place between January and April 2005 using the then approved rate of 55%. The implications of making this adjustment were to reduce the value of the assets in the balance sheet by £61m, with consequential amendments to the Fixed Asset Restatement Account and the Capital Financing Account in the Total Equity on the Balance Sheet, as well as alterations to the Consolidated Revenue Account, the Housing Revenue Account, the Statement of Movement on Reserves and the Foreword. Paragraph 8 of the report detailed a failsafe procedure which had been put in place to prevent a repeat of this incident occurring.

Paragraphs 9-11 of the report outlined a number of other more minor changes to the Accounts and a full list of amendments was attached as Annex 1. Full copies of the draft revised Accounts had been circulated to Members.

RESOLVED: (i) That the amendments set out in Annex 1 of the report be agreed and the revised Statement of Accounts for the financial year 2005/06 be approved;

(ii) That the Chair of the Committee be authorised to sign and date page five of the Accounts as a formal record that Members have approved them.

REASON: (i) The revised Accounts have to be formally approved by members before the District Auditor can give his opinion on them;

(ii) The Accounts must be signed and dated at their formal approval by the Chair of the meeting.

11. APPOINTMENTS COMMITTEE FOR THE HEAD OF CORPORATE SERVICES

Members received a report which sought approval for the membership of an Appointments Committee for the post of Head of Corporate Services in the Directorate of Housing and Adult Social Services.

The report was being considered at an Urgency Committee because of the need to proceed with the appointment to enable the new directorate to operate effectively and to avoid any further delay by having to wait until October Council to get the Appointments Committee in place.

RESOLVED: That an Appointments Committee be created for the post of Head of Corporate Services in the Directorate of Housing and Adult Social Services, with the following membership:

Liberal Democrat – Councillor Steve Galloway
Councillor Sue Galloway

Substitute: Councillor Sunderland

Labour – Councillor Fraser

Substitute: Councillor Horton

REASON: To proceed with the appointment to enable the new directorate to operate effectively and to avoid any further delay by having to wait until October Council to get the Appointments Committee in place.

COUNCILLOR S F GALLOWAY

Chair

The meeting started at 12.15 pm and finished at 1.10 pm.