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**Urgency Committee**

**18 August 2006**

Report of the Chief Executive

**City of York Council organisational review – stage two  
Chief Executive’s department**

**Reasons for urgency**

This report has been brought to an Urgency Committee in order that decisions on the restructuring of the Chief Executive’s department can be implemented without further delay, particularly given the imminent departure of two chief officers.

**Summary**

This report completes the organisational review of the Council, stage one of which was approved by the Executive in July 2005. The report brings forward proposals for the restructuring of the Chief Executive’s department and seeks a decision on other matters left over from the 2005 review. The report makes recommendations producing substantial savings, in excess of £200,000, in staff costs.

**Structure of the report**

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.

## SECTION 1 – Background and introduction

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- 1.1 In July 2005 the Executive, as part of stage one of an organisational review of the Council, approved proposals for a Council wide restructuring. The objectives were to align Council directorates with the Council's principal purposes and customers (within the context of a need to promote a cultural change in corporate working) and to take account of the statutory duties to appoint a Director of Children's Services and a Director of Adult Social Services.
- 1.2 The Council wide restructuring was to be accomplished in two stages:
- Stage one approved the creation of, and recruitment of directors to, new directorates now called Housing and Adult Social Services; City Strategy; Learning, Culture and Children's Services; and Neighbourhood Services;
  - Stage two provided for consideration to be given to the future configuration of corporate and central services and for other matters held over from stage one to be dealt with, such as the location of 'Safe City' and the long term future of the group of services comprising Arts and Culture, Libraries and Heritage, Parks and Open Spaces and Sport and Active Leisure.
- 1.3 The new directorates approved as part of the organisational review are up and running and the directors are in post, subject to:
- proposals for the removal of unnecessary client/contractor splits which will be brought forward to members in a report from the Director of Resources in the Autumn;
  - proposals which will be brought forward to members for restructuring the directorate of Neighbourhood Services;
  - those outstanding matters left over from stage one of the review which are dealt with in this report.
- 1.4 At the time of its decision in July 2005 the Executive made it clear that it expected to see a significant cultural improvement in corporate working. There has been much improvement at the level of the Corporate Management Team and of the Corporate Leadership Group (all chief officers), particularly in collectively developing a corporate strategy and tackling some of the significant issues facing the Council. There is also a commitment to eradicating unnecessary directorate divisions which get in the way of effective customer service. In particular the directorates of City Strategy and Neighbourhood Services will be looking to improve collective working below directorate management team level. Corporate working should be significantly enhanced by the approach taken to implementing the 13 Council priorities contained within the corporate strategy recently

approved by the Executive, and implementation of the priority on the Council's internal leadership will explicitly promote a more corporate culture.

### **Restructuring the Chief Executive's department**

- 1.5 The Executive decided at stage one of the Council wide review that consideration should be given to opportunities for creating a single directorate comprising corporate and central services, merging Resources and the Chief Executive's department.
- 1.6 The Executive did not decide on a restructuring of the Chief Executive's department at stage one. However, since the Executive's decision on stage one, the Deputy Chief Executive has departed and the Head of Human Resources and the Head of Performance Improvement have recently given notice of their resignations. Further the Council decided, as part of its budget for the current year, to make savings of £150,000 from a restructuring of the Chief Executive's department with the prospect of further savings to be identified for 2007/08. For these reasons proposals for restructuring the Chief Executive's department have been developed.
- 1.7 The proposals in particular take account of an Organisational Effectiveness Programme which has been developed by the Corporate Management Team and was approved by the Executive on 25 July. This Programme is intended to implement the four internal Council priorities recently approved by the Executive as part of the Council's corporate strategy, which cover city leadership, internal leadership within the Council, customer focus and efficiency. It is important to ensure that decisions on the future of corporate and central services provide the structure and capacity best suited to implementing the Organisational Effectiveness Programme, while ensuring that equally important work (concerned with the maintenance of the Council's infrastructure and operations) is carried out.
- 1.8 In addition the proposals in this report seek to:
  - 1.8.1 keep reporting lines to the Chief Executive to a minimum and enable him to carry out his role in implementing the Council's priorities and its Organisational Effectiveness Programme, exercising ultimate accountability for Council performance and major projects and playing his part in discharging the Council's city leadership and partnership role and its role in the sub region and wider region;
  - 1.8.2 keep together Corporate HR, Performance Improvement and Policy staff in view of their role in implementing the Organisational Effectiveness Programme, and ensure that they are able to concentrate on this work;
  - 1.8.3 cause minimal disruption and provide an evolutionary approach towards restructuring;
  - 1.8.4 achieve budget savings for the coming year and facilitate budget savings for the future;

1.8.5 preserve consistency with the Executive's decisions on stage one of the organisational review.

### **Consultation**

- 1.9 A consultation paper setting out the Chief Executive's original options for restructuring the Chief Executive's department and the transfer of functions to other directorates was issued to all staff in the Chief Executive's department, Corporate Management Team, party group leaders and secretaries, external partners potentially affected by the proposals and trade unions. In addition the Chief Executive has held a number of formal and informal meetings with staff and others, including meetings organised by UNISON.
- 1.10 The consultation period lasted for four weeks and thirty five teams or individuals responded. A summary of the consultation responses, with some preliminary feedback, was prepared and circulated widely. The summary document is available on request from the Chief Executive's office.
- 1.11 This report differs significantly from the proposals that were consulted on in that it includes an option for reducing the number of chief officers from four (excluding the Chief Executive) to two and an option for combining the Chief Executive's department and Resources in a single directorate (subject to greater integration of the two as opportunities present themselves). These options are a response to the very recent notices of resignation of two chief officers in the Chief Executive's department. There has therefore been no formal consultation on these two options below chief officer level. The rest of the report does not differ significantly from the proposals that were consulted on.

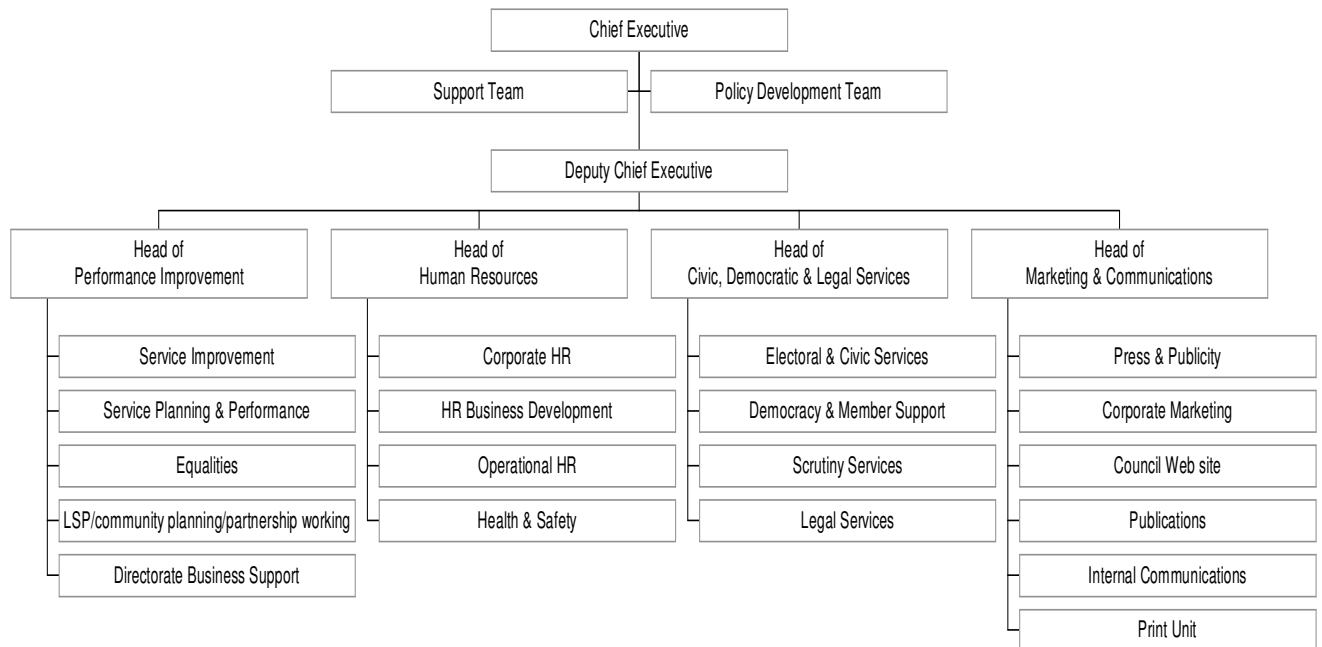
### **Options and analysis**

- 1.12 Options and analysis are presented under each section of the report as appropriate.

## SECTION 2 – Current structure and functions of the Chief Executive’s department

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2.1 The current structure of the Chief Executive’s department is set out below:



Note: The posts of Deputy Chief Executive, Head of Performance Improvement, Head of Human Resources and Head of Civic, Democratic & Legal Services comprise the four chief officer posts (excluding the Chief Executive) in the current Chief Executive’s department. The Head of Marketing & Communications is not a chief officer post.

2.2. Information about the services provided by the Chief Executive’s department is available in the 2006/07 service plans submitted to the Executive Leader & Advisory Panel on 17 January. The current staffing structures and a summary of the functions of each team, extracted from the service plans, are available at Annex 1.

## Section 3 - Combining the Chief Executive's department and Resources

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- 3.1 There is a case for merging the Chief Executive's department and Resources. They complement each other in that they are both providers of corporate and central services (although Resources also has a large public services function) and they both have a strong role in leading and supporting the implementation of the Organisational Effectiveness Programme. It is critical that they both work collaboratively to maximise their effectiveness in moving the Council forward.
- 3.2 There is also an efficiency case for a merger, allowing the Chief Executive's department and Resources to share administrative support and processes and, over time, make savings by combining managerial responsibilities.
- 3.3 An immediate, full integration of the functions currently within the Chief Executive's department and Resources is not recommended because:
- 3.3.1 it would create too much disruption which would divert resources from, and impair, current mainstream service delivery as well as implementation of the Organisational Effectiveness Programme;
- 3.3.2 the Chief Executive's department and Resources are at full stretch and would struggle to accommodate the scale and nature of the change involved.
- 3.4 Instead the Urgency Committee, if it approves a merger, is recommended to approve a structure which combines the current management structure of Resources with a restructured Chief Executive's department, engendering an expectation that opportunities for greater integration will be implemented as they present themselves.
- 3.5 There is a case for not combining the Chief Executive's department and Resources in that a small Chief Executive's department would be able to concentrate on defined and restricted core work without the distraction of other responsibilities better discharged elsewhere. The case for this alternative option is not considered to outweigh the benefits capable of being realised over time of a new integrated directorate.
- 3.6 The Chief Executive recommends a combining of the Chief Executive's department and Resources based on this evolutionary approach to a full merger, given the complementary nature of the functions of the Chief Executive's department and Resources and the long term opportunities for efficiency savings.

### **Recommendations**

- 3.7 The Committee is recommended:

- 3.7.1 To approve the creation of a new directorate combining the Chief Executive's department and Resources directorate;
- 3.7.2 To authorise the Chief Executive, in consultation with the 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.

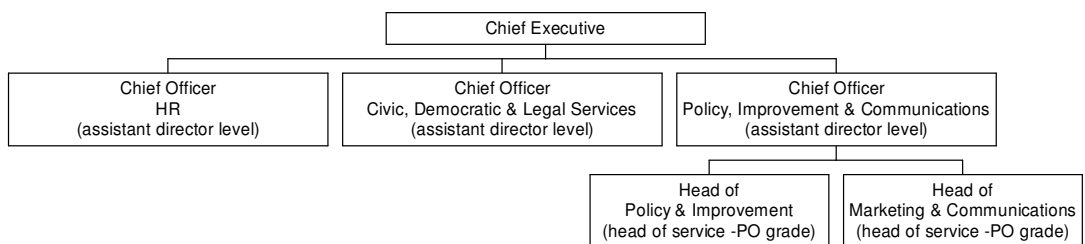
Reasons: To achieve efficiency savings over time and to make the best use of complementary functions.

## Section 4 - Proposals for overall chief officer structure

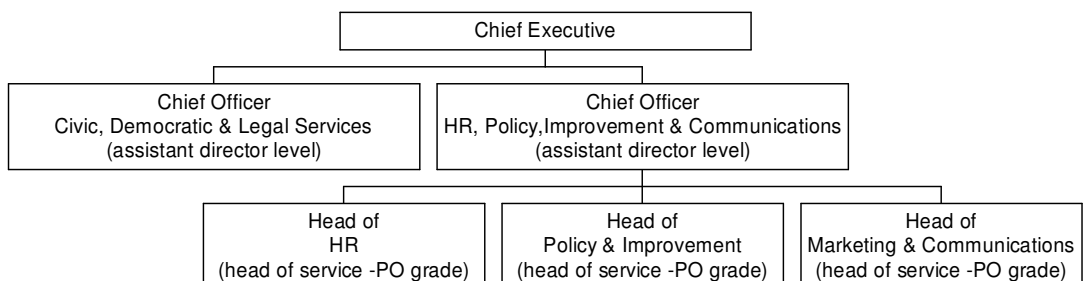
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- 4.1 A decision is needed on the most appropriate chief officer structure, which would either work for the Chief Executive's department alone or could readily be incorporated into a combined Chief Executive's department and Resources, depending on which option is approved by the Committee.
- 4.2 The current structure of the Chief Executive's department comprises four chief officers (excluding the Chief Executive):
- Deputy Chief Executive (vacant);
  - Head of Human Resources (shortly to become vacant);
  - Head of Performance Improvement (shortly to become vacant);
  - Head of Civic, Democratic & Legal Services.
- 4.3 Significant savings could be achieved by reducing the number of chief officers from four to either three or two. If the chief officers were to be reduced to three the simplest approach would be to delete the current, vacant Deputy Chief Executive post (see option 1 below). If they were to be reduced to two the remaining two chief officers could either both be at assistant director level (see option 2a below) or one at director and one at assistant director level (see option 2b below):

### OPTION 1

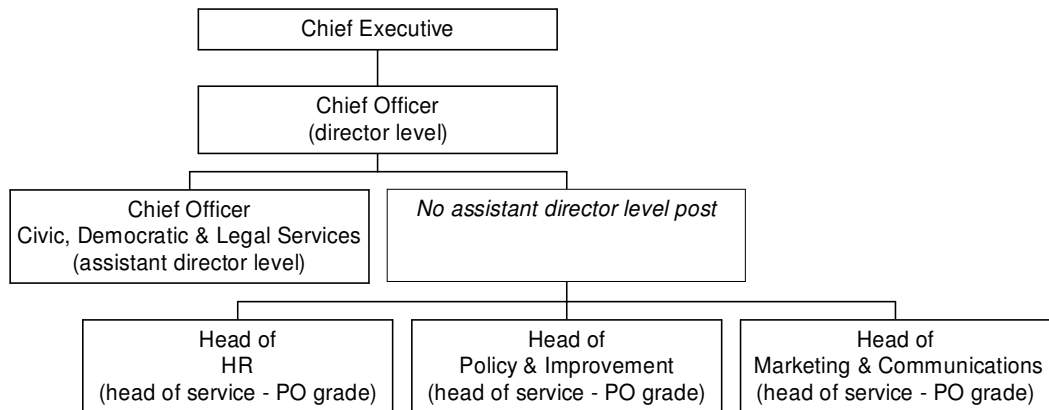


### OPTION 2a





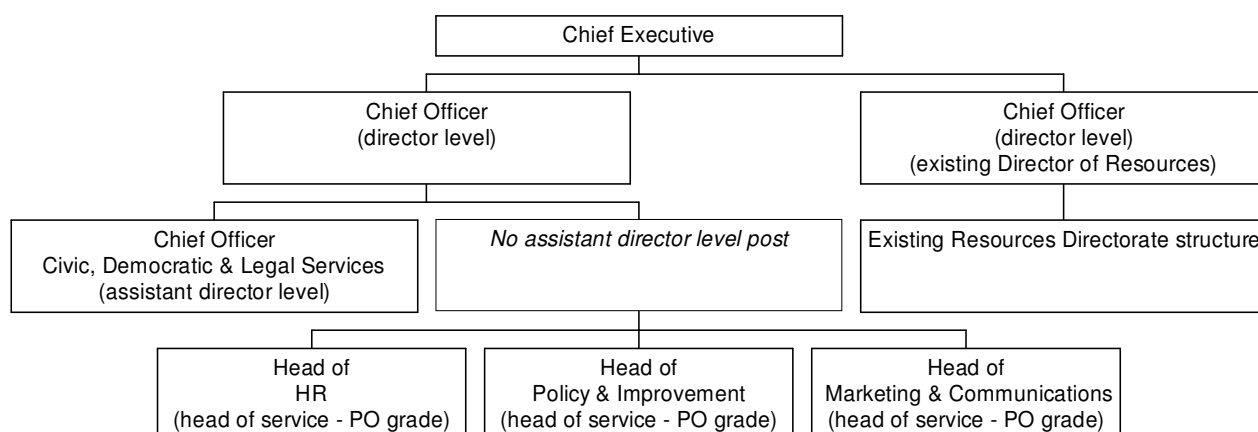
## OPTION 2b



- 4.4 Option 1 deletes the current Deputy Chief Executive post, combines the Policy Development team with the Performance Improvement team (for reasons explained in paragraph 6.3.3) and co-locates a combined Policy & Improvement team with Marketing & Communications under a new chief officer post. The new chief officer post replaces the current Head of Performance Improvement. The current chief officer post of Head of Civic, Democratic & Legal Services is left unchanged.
- 4.5 The loss of the Deputy Chief Executive post represents a significant reduction in strategic and corporate management capacity, but is the least disruptive way of making a sizeable contribution to budget savings of £150,000 in the current year and continuing into subsequent years. It leaves a viable structure but, together with other proposals in this report, produces overall savings of £171,000, which would almost certainly leave the Chief Executive's department having to find further significant staff savings as part of next year's budget process. It would be best to make staff savings decisions in one go, in so far as they can be predicted for 2007/08. If option 1 were to be approved it would be recommended that an additional post of full time Administrator at Scale 2 be created to provide support to the chief officers. The cost of this would be £18,000 and this is reflected in the costings.
- 4.6 Option 2 reduces the four chief officers to two. Option 2a is option 1 taken a stage further, by combining the two chief officer posts in option 1 responsible for Human Resources and Policy, Improvement & Communications into a single new chief officer post at assistant director level. The current chief officer post of Head of Civic, Democratic & Legal Services remains unchanged. The savings total of £171,000 under option 1 would rise to £262,100 under this option, reflecting the deletion of the chief officer post and removal of the need to create additional administrative support. It is of concern that the new structure would be extremely stretched and this option puts a premium on the need to recruit a high calibre individual to the new assistant director level chief officer post.

- 4.7 To meet this concern option 2b replaces this new chief officer post at assistant director level with a director level post, which would be responsible for the Head of Civic, Democratic and Legal Services and would manage directly service heads for HR, a combined Policy & Improvement team and Marketing & Communications. It is not proposed that the post be restricted to a qualified HR professional. If the postholder were not an HR professional the Head of HR post immediately below it would have professional responsibility for the HR service across the whole Council. Option 2b is preferred to option 2a because of its potential to attract a high calibre applicant, but it would reduce the £262,100 savings to £226,700.
- 4.8 If the Committee decides to approve a combined directorate comprising the Chief Executive's department and Resources it is proposed that, in keeping with the evolutionary approach proposed in section 3, the Resources directorate be co-located alongside a restructured Chief Executive's department under the Chief Executive. Options 1, 2a or 2b could be used as a building block for a combined directorate. Option 2c below shows how a combined directorate would look based on option 2b:

### OPTION 2c



- 4.9 All of the above options delete the post of Deputy Chief Executive, the related post of part time Personal Assistant and all budgets associated with the two posts. Both of these posts are currently vacant.
- 4.10 The post of Deputy Chief Executive was originally created to boost senior management capacity within the Chief Executive's department. The responsibilities of the post were to manage the department as a whole, to assist the Chief Executive in his city partnering role, discharge the role of the Chief Executive in his absence and assume direct responsibility for dealing with some of the principal corporate priorities of the Council. The Deputy Chief Executive would also have had significant responsibility for leading the implementation of the Organisational Effectiveness Programme.
- 4.11 In order to retain, so far as practicable, the advantages of the Deputy Chief Executive's post it is proposed that the Director of Resources be designated Deputy Chief Executive to assist the Chief Executive and act in his absence

or unavailability. This is recommended whether or not the Committee approves a combining of the Chief Executive's department and Resources.

## **Recommendations**

4.12 The Committee is recommended:

4.12.1 to approve an overall chief officer structure for a combined Chief Executive's department and Resources directorate as set out in option 2c;

4.12.2 to delete the existing posts of Deputy Chief Executive and part time Personal Assistant (and associated budgets), Head of Performance Improvement and Head of Human Resources;

4.12.3 to create a new post at director level with overall responsibility for Civic, Democratic and Legal Services, Human Resources, Policy & Improvement and Marketing & Communications;

4.12.4 to authorise the Chief Executive 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;

4.12.5 to approve the establishment of, and appoint members to, an Appointments Committee consisting of three members (two from the majority party and one from the main opposition party);

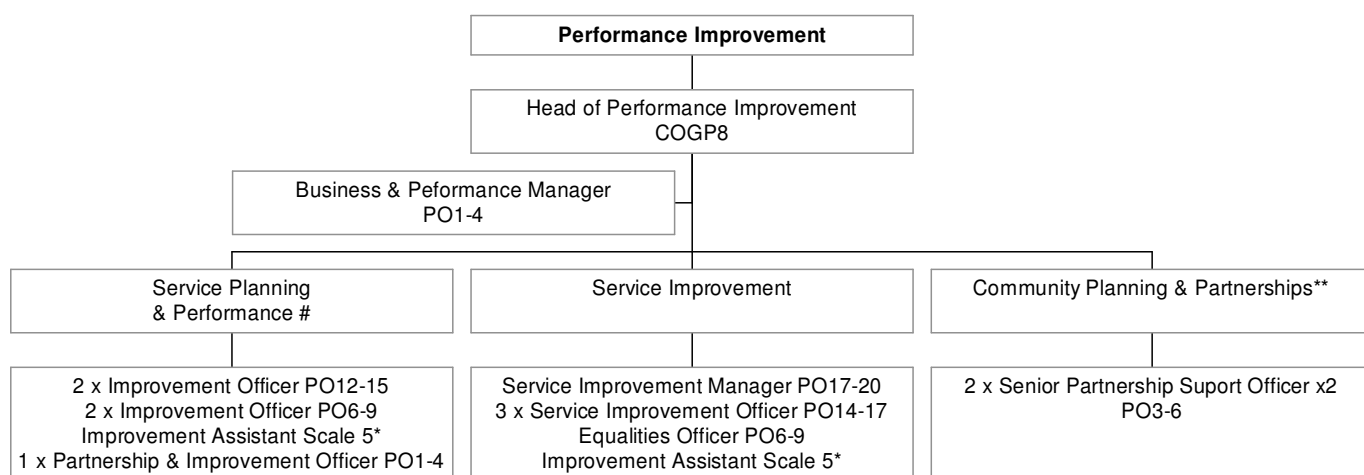
4.12.6 to approve expenditure of up to £20,000 on a recruitment consultant, to be met from one off underspends on chief officer salaries in the Chief Executive's department or, to the extent that they are insufficient, from the Council's contingency;

4.12.7 to approve the designation of the Director of Resources as Deputy Chief Executive to assist the Chief Executive and act in his absence or unavailability.

Reasons: 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.

## Section 5 – Transfer of functions and resources to other directorates

5.1 It is proposed that some work currently the responsibility of the Performance Improvement team is transferred to other directorates. The current structure of the Performance Improvement team is:



# *The approved establishment contains an unfunded manager post at PO17-20 which has never been filled, the funding for which has been used to support the rest of the structure.*

\* *Currently acting into more senior posts.*

\*\* *The Community Planning & Partnerships team (which after the transfer of functions to City Strategy would no longer exist) has in its establishment a post of 0.5 fte Administrator at Scale 2. This post is vacant and it is proposed that it be deleted as part of this restructure.*

### 5.2 Local Strategic Partnership and associated work

5.2.1 The Council's corporate strategy recently approved by the Executive a priority to "Improve the way the Council and its partners work together to deliver better services for the people who live in York."

5.2.2 This priority covers the Local Strategic Partnership (LSP), development of a Local Area Agreement (LAA) for York and the development of successful partnership working (including oversight of partnership governance, performance and efficiency). Actions to implement the priority are set out in the Organisational Effectiveness Programme. The Chief Executive considers that responsibility for the Council's LAA and for partnership working should be located with responsibility for the LSP.

5.2.3 Views were expressed in response to the consultation on the restructuring proposals that responsibility for the LSP should remain within the Chief Executive's department as one of the key functions for which the Chief

Executive had overall responsibility to members. Arguments for and against this were explored as part of stage one of the Council wide organisational review last year. The conclusion was that the LSP should be located in a directorate with responsibility for the strategic development of the city, but providing for the Chief Executive and the Corporate Management Team to assume corporate responsibility for ensuring that the Council worked collectively in discharging the Council's role in implementing the Community Strategy. The Executive therefore decided, as part of stage one of the organisational review, that responsibility for the LSP should pass to the directorate of City Strategy. The Chief Executive is not recommending reconsideration of this decision.

- 5.2.4 It is therefore proposed that LAA work, which is closely linked to the role of the LSP, be located with the LSP in City Strategy. However the development of the LAA is currently being carried out within the Chief Executive's department and it would be too disruptive to transfer this development work at this stage. It is therefore proposed that full responsibility for York's LAA is assumed by City Strategy after submission of the final draft LAA to the Government at the beginning of December.
- 5.2.5 There is a vacant Partnership Support Officer post (PO1-4) dedicated to promoting the development and oversight of the Council's partnership working as a whole. This function must continue if the Council's priority is to be implemented and, to facilitate its implementation, it is recommended that the post be deleted and a similar post established in City Strategy.
- 5.2.6 The Chief Executive's department is also responsible for providing corporate support for, and partnership working with, the voluntary sector, support for the Inclusive York Forum and administration of grants for voluntary organisations within the remit of the department. A post of Senior Partnership Support Officer (PO3-6) is dedicated full time to this work. The response to consultation from a principal external partner proposed that support for the voluntary sector should remain within the Chief Executive's department. However the Council's partnership working with the voluntary sector is integral to the LAA and to the implementation of the Council's priority and it is recommended that the Senior Partnership Support Officer post responsible for the voluntary sector (with its post holder and staff budget) transfer to City Strategy.
- 5.2.7 The Chief Executive's department also has a Senior Partnership Support Officer (PO3-6) dedicated to LSP work, with considerable senior management support. Taking account of the existing posts and support provided to this area of work it is proposed that the following posts be established in principle in City Strategy:
- LSP & Partnerships Manager (PO17-20) - *new post*;
  - Partnership Officer (PO1-4) – *new post*;

and that the two posts of Senior Partnership Support Officer (PO3-6) in the Chief Executive's department be transferred with their post holders and staffing budgets to City Strategy.

- 5.2.8 The Executive is recommended to approve the establishment of the manager and partnership officer posts in principle, subject to job descriptions identifying the precise work which the post holders will carry out, with properly evaluated grades, being approved by the Director of City Strategy in consultation with the Leader, or by the Leader through a City Strategy Executive Member and Advisory Panel (EMAP). Funding for these posts will be made available from savings arising from the restructuring proposals in this report and will be transferred to City Strategy when the posts have been established and the post holders appointed.

### **5.3 Safe City**

- 5.3.1 The Council's recently approved corporate strategy includes a Safe City priority "To reduce the actual and perceived impact of violent, aggressive and nuisance behaviour on people in York".
- 5.3.2 The response to consultation on the restructuring proposals suggested that responsibility for Safe City should be shared between City Strategy (for a strategic lead) and Neighbourhood Services (for operational delivery), favouring day to day responsibility for Safe City work being placed with Neighbourhood Services to enable it to benefit from co-location with neighbourhood and street level services. There was recognition however of a need for City Strategy and Neighbourhood Services to work closely and collaboratively to ensure that City Strategy could draw on support needed to set out a clear, long term direction for the future operational working of Safe City as part of the Council's strategic thinking for the future wellbeing of the City.
- 5.3.3 It is proposed that responsibility for implementing the Council's Safe City priority is transferred to Neighbourhood Services. It is also proposed that Neighbourhood Services take on responsibility for providing management support to the Director of the Safer York Partnership and discharge the Council's responsibility, together with other members of the Partnership, to ensure the effective working of the Safer York Partnership and its staff. It is further proposed that City Strategy take on responsibility for the Council's contribution to Safe City strategic planning (such as three year Crime and Disorder Reduction plans), including the role of the LSP in approving such plans and allocating resources for their implementation. To carry out this role City Strategy would have a right to commission support from Neighbourhood Services, including support which is available from the Safer York Partnership. It is proposed that this work is expressly identified in the job description for the LSP & Partnerships Manager post proposed for City Strategy.
- 5.3.4 At present there is no dedicated support for Safe City, which places at risk successful implementation of the Council's priority. Although Neighbourhood

Services will be expected to work flexibly in support of Safe City it is proposed that arrangements are strengthened with the creation of a new post of Safe City Co-ordinator at PO1-4. This post would be placed in Neighbourhood Services and funded by savings in the Chief Executive's department. The Director of Neighbourhood Services will be bringing forward to Members proposals for restructuring Neighbourhood Services. The Director of Neighbourhood Services will include proposals for the creation of a Safe City Unit based on the proposed Safe City Co-ordinator post, and taking account of other Safe City functions in the Council (such as alley gating) which could be comprised within the Unit. The restructuring proposals will set out a clear job description for the Co-ordinator with a properly evaluated grade.

#### **5.4 Customers Standards**

- 5.4.1 The Council's corporate strategy includes a priority to "Improve our focus on the needs of customers and residents in designing and providing services."
- 5.4.2 Current responsibility for the establishment, promotion and maintenance of corporate customer standards is vested within the Performance Improvement Team in the Chief Executive's department, which would have assumed responsibility for the implementation of the Council's priority, set out in the Organisational Effectiveness Programme.
- 5.4.3 It is proposed that the Customer responsibilities of the Performance Improvement team transfer to Resources so that they can be managed alongside Public Services and the [easy@york](mailto:easy@york) project with the Head of Public Services assuming the mantle of 'Corporate Customer Champion'.
- 5.4.4 Resources is willing to take on this responsibility but has advised that it could not discharge any work additional to that currently included in the [easy@york](mailto:easy@york) programme without the transfer of resources from the Chief Executive's department. This would lead to very little progress being made on the implementation of the Council's priority. Resources could only be provided from the Chief Executive's department by reducing the resources available to support the other priorities in the Organisational Effectiveness Programme, or by reducing resources allocated to other priorities such as Safe City.
- 5.4.5 Subject to the decisions of the Committee on the proposals in this report the savings arising will meet the Chief Executive's department's savings target of £150,000 in the current year and provide savings for next year of £76,700 if the recommendations in this report are accepted, but in a range of £21,000 to £112,100. Some of the savings for next year could be made available to Resources for implementation of the Council's customer focus priority, preferably with the help of a contribution from Resources, but would present the Chief Executive's department with an even more difficult task in meeting its likely savings for next year. It is recommended that responsibility for Customer work be transferred to Resources and that the Director of Resources and Chief Executive produce a report to the appropriate EMAP setting out what work is needed properly to implement the Council's priority

and how it might be funded. In the meantime savings arising from the proposals in this report will be held available for possible allocation to this priority.

### **Client function for Audit Commission**

5.4.6 The current client function for the Audit Commission rests with Resources but the Deputy Chief Executive exercised a role in managing the relationship with the Audit Commission on inspections and best value. It is proposed that in future all client functions relating to the Audit Commission should rest with Resources, on the understanding that there would be consultation with the Policy & Improvement team on key aspects affecting the team's work. There would be no transfer of resources to the Resources directorate for taking on this role.

### **5.5 Web team**

5.5.1 The current Web team comprises:

- Web Manager (PO1-4);
- Web Assistant (Scale 4/5).

5.5.2 It is proposed that this team transfer to Resources under the management of the Head of Public Services. This recognises the increasingly transactional nature of the web, where previously it was viewed primarily as a communications tool. The proposed transfer of staff reflects current working practice and is supported by the affected staff, their manager and Resources. It is however vital that the communications aspect of the web is not overlooked and that a clear line of accountability be established from the Web team to the Head of Marketing & Communications so that management and development of the web is consistent with the Council's communications policy.

### **5.6 Business support**

5.6.1 Business support to the Chief Executive's department is currently provided by a Business and Performance Manager within the existing Performance Improvement team. The directorates of City Strategy and Resources are putting arrangements in place for shared business support, to be managed by an assistant director based in City Strategy. It is proposed that these arrangements be approved by the Executive as extended to include the Chief Executive's department and that the Business and Performance Manager transfer to the larger business support team in City Strategy once arrangements for establishment of the business support team have been made.



## 5.7 Recommendations

The Committee is recommended to confirm the Executive's decision in July 2005 to transfer responsibility for the Local Strategic Partnership to City Strategy and to approve:

5.7.1 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, subject to the Chief Executive being authorised to implement the transfer when City Strategy is best able to accommodate its new responsibilities;

5.7.2 the establishment in principle of the following posts in City Strategy:

- a new post at PO17-20 to manage LSP and associated work set out in section 5.2 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;

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 City Strategy EMAP;

5.7.3 the transfer from the Chief Executive's department to City Strategy of funding for the posts mentioned in paragraph 5.7.2 above (of an amount sufficient to meet the costs of posts up to a grade of PO17-20 for the manager post and PO1-4 for the partnership post), subject to the creation of the posts and the appointment of post holders;

5.7.4 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, subject to the Chief Executive being authorised to implement the transfer when City Strategy is ready to accommodate the posts;

5.7.5 the deletion of the vacant post of Partnership & Improvement Officer (PO1-4) in the Chief Executive's department;

5.7.6 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;

5.7.7 the establishment in principle of a new post of Safe City Co-ordinator at PO1-4 in Neighbourhood Services, 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;

- 5.7.8 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), subject to the creation of the post and appointment of a post holder;
- 5.7.9 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, subject to consideration by the relevant EMAP of resources which could be made available for this work and the scope of the work which could be achieved within such resources;
- 5.7.10 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 beat value work;
- 5.7.11 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, 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;
- 5.7.12 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, 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.

Reasons: 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.

## Section 6 - Portfolios and detailed staffing structure

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6.1 Whether option 1 or a version of option 2 (as set out in section 4) is decided upon, the Committee needs to consider the future of the four portfolios which provide the building blocks for the chosen option:

- Civic, Democratic & Legal Services (section 6.2);
- Policy & Improvement (section 6.3);
- Marketing & Communications (section 6.4);
- Human Resources (section 6.5).

### **Civic, Democratic & Legal Services**

6.2.1 It is proposed to leave this portfolio under its existing chief officer. Although the portfolio could transfer to Resources it might diminish the attractiveness of the new director level post to a potential high calibre candidate if the Committee decided upon options 2b or 2c. In any event a transfer to Resources would strain the management capacity of Resources in the absence of some compensating management arrangements being made.

6.2.2 Civic Services (including Electoral Services) and Democratic Services are currently grouped with Legal Services under the management of the Head of Civic, Democratic and Legal Services.

6.2.3 These functions were grouped at the time of the last restructure in order to strengthen the procedural and constitutional function of Democratic Services and to make the most effective use of management resources. This arrangement has proved successful and consultation responses were, in the majority of cases, supportive of the combined service being retained as a unit in the Chief Executive's department, in order to maintain close, direct links between the Chief Executive, members and the democratic process.

6.2.4 The consultation proposals suggested the deletion of one Democracy Officer post in anticipation of a reduced workload arising from the changes to the Council's constitution. The response to consultation expressed concern about the effect this reduction in capacity would have on the ability of the team to manage the demands placed upon it, both in terms of maintaining existing tasks and development work associated with introducing and supporting procedural and constitutional changes. Democratic Services, with the support of their chief officer, have identified alternative efficiencies to achieve an equivalent savings target. In keeping with this it is proposed that:

- the post of half time Administrative Assistant (currently vacant) be deleted (which can be accommodated because of improved working practices arising from introduction of the Committee Management System);
- one Democracy Officer post be reduced from full time to 0.6 fte at the request of the post holder (capable of being absorbed by Democratic Services given the changes expected to arise from the new constitution).

## Scrutiny Service

- 6.2.5 The current Scrutiny team comprises a manager post at PO9-12 (currently vacant), two officer posts at SO1/2 and a half time administrator. It is proposed that the post of Scrutiny Manager be deleted and that responsibility for the management of the service be transferred to the Democracy and Member Support Manager. This would save £41,000.
- 6.2.6 Two main concerns were raised in response to this proposal as a result of consultation on the restructure. First it was emphasised that, in addition to discharging a management role, the Scrutiny Manager also performed the role of a Scrutiny Officer. The deletion of the Scrutiny Manager post would therefore reduce the operational capacity of the team. To meet this concern an additional Scrutiny Officer post could be created at SO1/2, at a cost of £34,000, reducing the net saving to £7,000.
- 6.2.7 The second main concern was that management of the Scrutiny and Democratic functions by the same officer might create a conflict of interest and compromise the independence of the Scrutiny function and weaken the function by diminishing its management capacity. The proposal to merge the management has been discussed with the Democracy and Member Support Manager and the Head of Civic, Democratic and Legal Services and both are satisfied that management of the two teams by one officer is possible and efficient. The Chief Executive is satisfied that the Democracy and Member Support Manager would be able to manage Scrutiny and Democratic functions without compromising the independence of the former. Provided the additional Scrutiny Officer post is created, both the Democracy & Member Support Manager and the Head of Civic, Democratic & Legal Services believe that there will be no detrimental effect on the management of the Scrutiny function caused by the proposed restructuring.
- 6.2.8 The Chief Executive is therefore satisfied that the Council would have a viable and properly managed Scrutiny Service by merging the management and creating the extra SO1/2 post. Members however have the option of preserving the existing structure, in which case no savings would be found from Scrutiny Services. There is an option to absorb the Scrutiny Manager post into the Democracy and Member Support Manager post without the creation of an additional Scrutiny Officer post. This would save the full £41,000 referred to above, but radically reduce the Scrutiny Service as currently provided to a bare minimum.

## Electoral Services

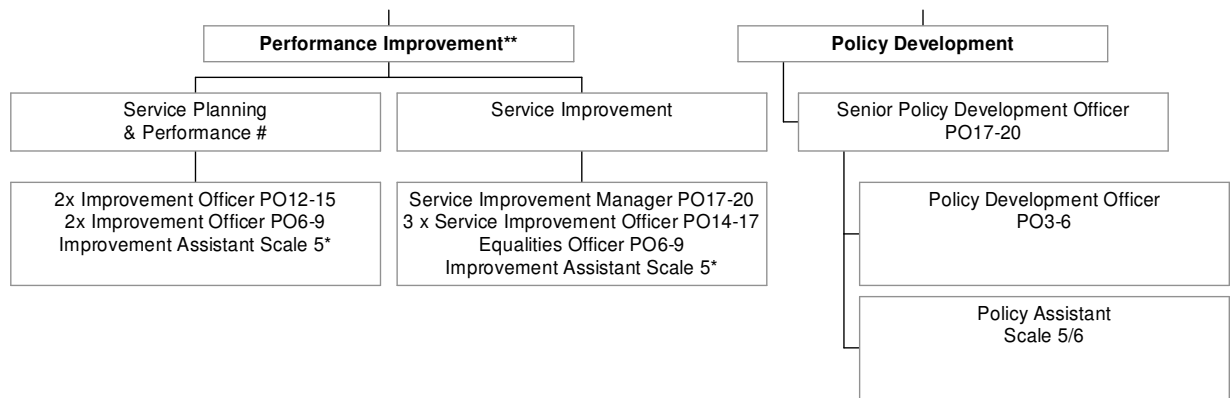
- 6.2.9 No changes are proposed to the existing staffing structure of the Electoral Services team. Within the team there is, however, an approved establishment post of Clerical Assistant. This post is occupied by a substantive post holder but is currently unfunded. The post is essential to the running of the elections service, but the cost cannot be met from within existing team budgets. It is therefore proposed that this post be fully funded at Scale 2, at a cost of £18,000, from other savings arising from the

restructure. Members have recently approved an additional £40,000 from government funding for Electoral Services to meet the cost of implementing the prospective Electoral Reform Act. The Chief Executive does not consider that the Scale 2 post can be dispensed with and is therefore proposing that it is funded out of savings arising from the restructuring proposals.

## Policy & Improvement

6.3.1 This portfolio would be created from combining the current Performance Improvement and Policy Development teams.

6.3.2 If the Committee approves the transfer of staff proposed in section 5 of this report the remaining, present Policy Development and Performance Improvement teams below chief officer level comprise the following:



# *The approved establishment contains an unfunded manager post at PO17-20 which has never been filled, the funding for which has been used to support the rest of the structure.*

\* *Currently acting into more senior posts.*

\*\* *The Community Planning & Partnerships team (which after the transfer of functions to City Strategy would no longer exist) has in its establishment a post of 0.5 fte Administrator at Scale 2. This post is vacant and it is proposed that it be deleted as part of this restructure.*

6.3.3 The proposal to combine the Policy Development and Performance Improvement teams into a single Policy & Improvement team responsible to a chief officer is intended to produce efficiency savings by making the most of management capacity, by enabling the resources of one team to be put at the disposition of the other to meet fluctuations in work demands and by reducing reporting lines to the chief officer.

## Policy Development

6.3.4 However the important work of the Policy Development team should not be lost. It is essential that the Council keeps abreast of thinking and policy initiatives affecting local government and is able to respond to policy initiatives which have no natural home in the Council (such as local government reorganisation, including the emerging city region agenda, and the forthcoming Lyons report) or which require some initial dedicated attention before they become part of the mainstream work of the relevant service directorate. The Policy Development team consists of three staff as shown in the structure chart above. It is proposed that the present staffing of Policy Development should remain unchanged but be combined with Performance Improvement to provide additional support to Performance Improvement work, subject to the integrity of Policy development work being preserved.

## Equalities

6.3.5 The current Equalities team is contained within the Performance Improvement team and comprises two staff, one Principal Officer at PO6-9 and an Improvement Assistant (Scale 5) who has taken on additional responsibilities equivalent to those of an officer graded at SO1 and is acting up at that level. It is the view of the Equalities team and their chief officer, expressed as part of their consultation response, that continuation of the SO1 activities carried out by the Improvement Assistant is necessary to the successful achievement of the Council's Equalities objectives.

6.3.6 A proposal to regrade the Improvement Assistant from Scale 5 to SO1 has previously been assessed and is supported by HR. The cost could be absorbed within the team's existing budget and, subject to any views of the Committee, the regrading will be put on a permanent footing.

## Performance Improvement

6.3.7 Assuming the transfer of functions to other directorates as proposed in section 5 the remaining work of the Performance Improvement team must be concentrated on taking forward actions in the Organisational Effectiveness Programme for which the team has responsibility, generally supporting implementation of the Programme and the Council's recently approved corporate strategy and carrying out cyclical work associated with the Council's annual business planning and monitoring (such as the Council Plan, annual service planning and corporate performance monitoring).

6.3.8 This is broadly the current work of the Performance Improvement team which is set out in Annex 2a, showing details of work currently carried out by the team and work within the remit of the team which is not being carried out at present largely because of the pending restructuring proposals or redirection of resources as shown in the Annex. Annex 2b shows which of the current work will be retained by the team and which will be transferred if the Committee approves the recommendations in section 5. The importance of

the Performance Improvement team's work to the future success of the Council is critical.

6.3.9 The work that the Chief Executive proposes that the Performance Improvement team should continue to carry out is set out in Annex 2c with an indication, as supplied to the Chief Executive, of the staffing needed to support it. Annex 2c also shows work which the Chief Executive proposes will not be carried out.

6.3.10 Annex 2c estimates that the proposed continuing work of the Performance Improvement team requires at least seven full time equivalent operational staff. However this estimation does not take account of additional support which could be realised by drawing on the resources of the Policy Development team and Equalities team and the potential which a high calibre chief officer at director level could bring to the management of the work of the new Policy & Improvement team.

6.3.11 The Chief Executive therefore proposes that the continuing improvement work of the current Performance Improvement team could effectively be carried out by a team of improvement officers in the new Policy & Improvement team consisting of:

- 2 x Service Improvement Officers (PO14-17);
- 2 x Improvement Officers (PO12-15);
- 1 x Local Public Service Agreement (LPSA) Support Officer (PO1-4) - 3 year fixed term;
- 1 x Improvement Assistant (Scale 5);

and drawing on the support of the five existing Equalities and Policy Development staff to the tune of one extra full time equivalent available for performance improvement work.

6.3.12 This would entail the deletion of the following existing posts:

- 1 x vacant and unfunded manager post (PO17-20);
- 1 x Service Improvement Officer post (PO14-17);
- 2 x vacant Improvement Officer posts (PO6-9);
- 1 x 0.5 vacant Administrator post (Scale 2);
- Head of Performance Improvement (COGP8) – to be subsumed within the creation of a director level post under the recommended Option 2c (see section 4);
- Service Improvement Manager (PO17-20) – the savings from this post would be used to fund the creation of a PO17-20 post in City Strategy

(see paragraphs 5.2.7 and 5.7.2) with the potential for the postholder to be redeployed into the new post, subject to the Council's policies.

The Policy Development team and Equalities team as currently constituted would be incorporated in the new Policy & Improvement team.

6.3.13 All of the posts proposed for deletion in 6.3.12 are or will become vacant with the exception of:

- the Service Improvement Manager;
- the Service Improvement Officer;

whose postholders would be at risk of redundancy in the absence of redeployment.

6.4.14 There are three posts of Service Improvement Officer, all filled. Subject to redeployment one of the post holders is willing to volunteer for redundancy and early retirement.

6.3.15 Selection of the Service Improvement Officer to be put at risk of redundancy will be undertaken in accordance with the Council's policy.

6.3.16 The potential cost to the Council of redundancies is dealt with in section 7 under 'Financial implications'.

6.3.17 It would be for the new chief officer to propose a structure for the new Policy & Improvement team and the precise management arrangements to lead the team, and to make the best use of the Policy Development and Equalities staff for supporting the improvement work of the team while preserving the integrity of the Council's Policy Development and Equalities work.

## **Marketing & Communications**

6.4. Apart from the change in the location of Marketing & Communications within the overall chief officer structure (see section 4) the only change proposed in the existing Marketing & Communications team is the transfer of the Web team to Resources – see section 5.5.

## **Human Resources (HR)**

6.5.1 The role of Corporate HR is closely tied to the proposed work of the new Policy & Improvement team and the Chief Executive proposes that Corporate HR be co-located with that team, reporting to a new chief officer post.

6.5.2 The consultation on the restructure proposed the devolution of operational HR services to directorates with Corporate HR, HR Business Development and Health & Safety being retained in the Chief Executive's department under the management of the Head of HR.



6.5.3 Responses to consultation accepted that this model could be made to work but the balance of opinion was that:

- the HR service had been restructured in 2005, staff were supportive of the model that had been established and would wish to see it settle down before undergoing further change;
- the level of resources made it beneficial to retain the flexibility of the existing structure, so that directorate and Corporate HR staff worked closely together to a common agenda ensuring consistency in application of the Council's HR policies and procedures and mutual support in implementing the HR development agenda;
- there was a commitment in the HR restructuring proposals gradually to explore opportunities for devolution of the service to directorates as the service matured.

6.5.4. The Corporate Management Team favours devolution, which works successfully for Finance. Devolution remains an aim of the Head of HR. Devolution makes it more difficult to achieve efficiency savings than with a centralised support service, but devolved support services tend as a rule to be more flexible in meeting client needs and are preferred by clients. On balance the Chief Executive favours devolution, particularly as it frees up the Head of HR to play a greater role in implementing the Organisational Effectiveness Programme and to provide greater management capacity in the Chief Executive's department. The Head of HR would still have professional responsibility for all of the Council's HR services under a devolved model.

6.5.5 The Health & Safety team would remain unchanged under the management of the Head of HR, who would assume the role of 'Health & Safety Champion'. This does not seek to dilute the legal responsibility for health and safety that rests with the Chief Executive, but confers on the Head of HR responsibility for leading improvement in health and safety across the Council.

6.5.6 Given the resignation of the Head of HR and the recruitment of a new chief officer who would have responsibility for the Council's HR function it is recommended that the Committee approve devolution of operational HR services in principle, subject to the new chief officer reviewing the case for devolution and producing clear proposals for the operation of a devolved service which safeguard compliance with HR policies and procedures throughout the Council.

## **Recommendations**

6.7 The Committee is recommended to approve:

- 6.7.1 the deletion of the vacant post of half time Administrative Assistant in Civic, Democratic & Legal Services;

- 6.7.2 a permanent reduction in a post of Democracy Officer from full time to 0.6, subject to the Democracy and Member Support Manager being authorised to implement this decision;
- 6.7.3 the deletion of the post of Scrutiny Manager and absorption of its responsibilities within the post of Democracy and Member Support Manager;
- 6.7.4 the creation of a new post of Scrutiny Officer at SO1/2;
- 6.7.5 the allocation of funding of £18,000 to the approved establishment post of Clerical Assistant in Electoral Services;
- 6.7.6 the deletion of the following posts in Performance Improvement:
- 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).
- 6.7.7 the permanent regrading of an Improvement Assistant (Scale 5) in the Equalities team to SO1;
- 6.7.8 the establishment of a combined Policy & Improvement team out of the current Policy Development and Performance Improvement teams 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 by paragraph 6.7.7 above).
- 6.7.9 The devolution of operational HR services in principle, subject to review by the new chief officer responsible for HR and the approval by the Leader at a City Strategy EMAP of clear proposals for the operation of a devolved service which safeguard compliance with the Council's HR policies and procedures.

Reasons: 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.

## Section 7 - Financial and other implications

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### Corporate priorities

7.1. The report identifies how the restructuring proposals will help the Council implement the priorities contained within its recently approved corporate strategy, particularly those four internal priorities which make up the Organisational Effectiveness Programme which was approved by the Executive on 25<sup>th</sup> July.

### Financial implications

7.2 The detailed financial implications of each of the options in this paper is shown in confidential Annex 3. A summary of the options are shown below:

	Chief Executives £'000	Resources £'000	City Strategy £'000	N'brhood Services £'000	Net Savings £'000
Option 1	-460.0	+57.1	+196.9	+35.0	-171.0
Option 2a	-551.1	+57.1	+196.9	+35.0	-262.1
Option 2b/c	-515.7	+57.1	+196.9	+35.0	-226.7

7.3 If fully implemented as recommended, these proposals would give rise to the required saving of £150,000 recurring from 2006/07 and an additional recurring annual saving of £76,700 which may be contribute to the Chief Executive's department's savings target for 2007/08.

7.4 The above costings are based on a full year effect. Whilst the restructure will not be in place for a large part of 2006/07 there have been a number of vacancies within the current financial year held subject to the outcome of this review to ensure that the required budget saving of £150,000 can be achieved.

7.5 The above costings show employee related expenditure. For functions transferred to other directorates there will be associated non-employee budgets. The details of these budgets are to be agreed between the respective Directors.

7.4 The staffing implications give rise to one likely redundancy from a pool of three Service Improvement Officers. The range of redundancy costs are estimated at between £18,400 - £109,000.

- 7.5 The normal treatment for redundancy and early retirement costs is that they are met in full from a corporate budget in the year that they are incurred. The 2006/07 corporate budget for redundancy and early retirement costs is £1,213,000 but as a result of savings taken in the 2006/07 Budget, and changing demands within schools, this budget is already fully committed for the year. Therefore any additional costs in 2006/07 will create an overspend which will be reported in the 1<sup>st</sup> Monitor. This overspend would need to be addressed either by the use of contingency funds or via savings made elsewhere.
- 7.6 If there is a redundancy at the high end of the range mentioned above it is possible to spread the cost of the early retirement across up to 5 years, but this would result in a 16% uplift in the total cost and simply create liabilities for future years. This would increase the cost of the early retirement from £90,000 to £104,400 but reduce the first year cost to the Council to £39,700, with a further £20, 900 for the following 4 years.
- 7.7 Although these costs are met centrally it is important to take them into account when looking at the departmental savings in order to fully understand the overall net position.

## HR implications

- 7.8 The options in this report affect overall post numbers as follows:

	Option 1	Option 2a	Option 2b & 2c
Posts created <sup>1</sup>	7	5	6
Posts deleted <sup>2</sup>	11	11	12

<sup>1</sup> One of these posts is for a fixed term of three years.

<sup>2</sup> Of these posts all but two are currently vacant or resigned.

- 7.9 All options place two substantive staff members at risk of redundancy. Staff changes arising from the restructure would be managed in accordance with the Council's change management policy. Staff placed at risk would be eligible for redeployment under this policy and there is the potential for at least one to be redeployed. One provisional offer of voluntary redundancy has been received which, if achieved, should obviate the need for any compulsory redundancies.
- 7.10 Employees within the Chief Executive's department have already been offered the opportunity to be considered as redeployees and, as the proposals contained within this report are implemented it will be possible more closely to identify the individuals whose jobs will be "at risk" of redundancy and work will be undertaken with these individuals in order to seek suitable alternative employment elsewhere within the Council wherever possible.

7.11 New posts created through these proposals will also, in some cases, provide suitable alternative employment for some of the staff affected and a process to match skills, experience and knowledge to new posts will ensure that the principles contained within the Council's change management procedures are applied.

### **Equalities implications**

7.12 The proposals in this report provide a modest enhancement of the Equalities team, subject to the extent to which the team provides additional support to the rest of the Policy & Improvement team, and continue the location where it can best influence the Council's Equalities work.

7.13 The proposals will be implemented in accordance with the Council's policies and procedures on Equalities.

### **Legal implications**

7.14 The proposals have no particular legal implications but they will be implemented in accordance with employment law.

### **Crime and disorder implications**

7.15 The proposals in this report significantly boost the ability of the Council to implement its Safe City priority.

### **Information technology implications**

7.16 There are no IT implications.

### **Property implications**

7.17 There are no property implications.

### **Risk management**

7.18 The proposals in this report seek to strike the best balance between the need to achieve significant savings in anticipation of future financial constraints and the need to preserve the Council's capacity to implement its developmental work (particularly as set out in the Organisational Effectiveness Programme) and maintain operational service delivery central to the good governance of the Council. The proposals seeks to provide resilience in the face of the need for further savings and avoid the risk of unnecessarily disruptive structural change.

## Section 8 - Other issues left over from stage one of the Council organisational review

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8.1 Much of the organisational review approved by the Executive in July 2005 has been implemented. The new directorates are up and running, directors are appointed and the new Corporate Management Team is working well, both corporately and as a team. Consequential restructuring in directorates below director level is either taking place or, in the case of Neighbourhood Services, will be reported to members shortly. Preceding sections of this report deal with those outstanding matters relating to the Chief Executive's department, particularly consideration of a single corporate and central services directorate and the future location of Safe City. Other outstanding issues (excluding the future of the Council's Youth Service) and a proposed way forward for them are set out below.

### Joint appointment of Director of Adult Social Services with the Primary Care Trust (PCT)

8.2 In view of the proposals for the restructuring of the PCT the Executive subsequently decided not to delay the filling of the post of Housing and Adult Social Services pending the outcome of discussions with the PCT.

### Integration of services with PCT

8.3 The Director of Housing and Adult Social Services will be holding discussions with the PCT on opportunities for integrating and sharing services as proposals are developed for the creation of new PCT structures.

### Housing Services

8.4 The Executive was of the view that Housing Services should remain with Adult Social Services until opportunities for the joint discharge of the PCT's and Council's public health functions had been determined. The creation of the new PCT will allow opportunities for the joint discharge of public health functions to be considered, and in the meantime it is recommended that Housing Services stay within the current Directorate of Housing and Adult Social Services.

### Future location of Arts, Culture, Libraries and Heritage, Parks and Open Spaces and Sport and Active Leisure

8.5 The Executive was of the view that the future location of these services should be reviewed at stage two of the organisational review. This report contains no proposals for changing the current arrangements.

### Parking Services

8.6 The Executive decided that a final decision on the location of Parking Services should be deferred until stage two. It is proposed that Parking

Services remain with City Strategy, but that opportunities for close working with Neighbourhood Services be kept under review.

#### Location of waste management services

- 8.7 It is proposed that Neighbourhood Services have full responsibility for operational service delivery (eliminating unnecessary client contractor splits) and that proposals to achieve this are included within forthcoming reports from the Director of Neighbourhood Services on a new structure for Neighbourhood Services and from the Director of Resources on client/contractor splits. The Council's strategic approach to the long term future of waste production and treatment (including the development of the private finance initiative project with North Yorkshire County Council) should remain with City Strategy.

#### **Recommendations**

- 8.8 The Committee is not recommended to approve any further changes in the organisational structure of the Council at this stage.

Reasons: 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.



## Section 9 – Summary of recommendations

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### From section 3: Combining the Chief Executive's department and Resources

- 9.1 To approve the creation of a new directorate combining the Chief Executive's department and Resources directorate;
- 9.2 To authorise the Chief Executive, in consultation with the 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.

**Reasons:** To achieve efficiency savings over time and to make the best use of complementary functions.

### From section 4: Proposals for overall chief officer structure

- 9.3 To approve an overall chief officer structure for a combined Chief Executive's department and Resources directorate as set out in option 2c;
- 9.4 To delete the existing posts of Deputy Chief Executive and part time Personal Assistant (and associated budgets), Head of Performance Improvement and Head of Human Resources;
- 9.5 To create a new post at director level with overall responsibility for Civic, Democratic and Legal Services, Human Resources, Policy & Improvement and Marketing & Communications;
- 9.6 To authorise the Chief Executive 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;
- 9.7 To approve the establishment of, and appoint members to, an Appointments Committee consisting of three members (two from the majority party and one from the main opposition party);
- 9.8 To approve expenditure of up to £20,000 on a recruitment consultant, 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;
- 9.9 To approve the designation of the Director of Resources as Deputy Chief Executive to assist the Chief Executive and act in his absence or unavailability.

**Reasons:** 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.

From section 5: Transfer of functions and resources to other directorates

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- 9.10 To confirm the Executive's decision in July 2005 to transfer responsibility for the Local Strategic Partnership to City Strategy;
- 9.11 To approve 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, subject to the Chief Executive being authorised to implement the transfer when City Strategy is best able to accommodate its new responsibilities;
- 9.12 To approve the establishment in principle of the following posts in City Strategy:
- a new post at PO17-20 to manage LSP and associated work set out in section 5.2 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;
- 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 City Strategy EMAP;
- 9.13 To approve 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 costs of posts up to a grade of PO17-20 for the manager post and PO1-4 for the partnership post), subject to the creation of the posts and the appointment of post holders;
- 9.14 To approve 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, subject to the Chief Executive being authorised to implement the transfer when City Strategy is ready to accommodate the posts;
- 9.15 To approve the deletion of the vacant post of Partnership & Improvement Officer (PO1-4) in the Chief Executive's department;
- 9.16 To approve 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;
- 9.17 To approve the establishment in principle of a new post of Safe City Co-ordinator at PO1-4 in Neighbourhood Services, 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;

- 9.18 To approve 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), subject to the creation of the post and appointment of a post holder;
- 9.19 To approve 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, subject to consideration by the relevant EMAP of resources which could be made available for this work and the scope of the work which could be achieved within such resources;
- 9.20 To approve 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 beat value work;
- 9.21 To approve 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, 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;
- 9.22 To approve 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, 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.

**Reasons:** 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.

From section 6: Portfolios and detailed staffing structure

- 9.23 To approve the deletion of the vacant post of half time Administrative Assistant in Civic, Democratic & Legal Services;
- 9.24 To approve a permanent reduction in a post of Democracy Officer from full time to 0.6, subject to the Democracy and Member Support Manager being authorised to implement this decision;
- 9.25 To approve the deletion of the post of Scrutiny Manager and absorption of its responsibilities within the post of Democracy and Member Support Manager;
- 9.26 To approve the creation of a new post of Scrutiny Officer at SO1/2;

- 9.27 To approve the allocation of funding of £18,000 to the approved establishment post of Clerical Assistant in Electoral Services;
- 9.28 To approve the deletion of the following posts in Performance Improvement:
- 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).
- 9.29 To approve the permanent regrading of an Improvement Assistant (Scale 5) in the Equalities team to SO1;
- 9.30 To approve the establishment of a combined Policy & Improvement team out of the current Policy Development and Performance Improvement teams 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).
- 9.31 To approve the devolution of operational HR services in principle, subject to review by the new chief officer responsible for HR and the approval by the Leader at a City Strategy EMAP of clear proposals for the operation of a devolved service which safeguard compliance with the Council's HR policies and procedures.

**Reasons:** 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.

From section 8: Other issues left over from stage one of the Council organisational review

- 9.32 The Committee is not recommended to approve any further changes in the organisational structure of the Council at this stage.

**Reasons:** 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.

### Contact Details

**Author:**

Author:  
David Atkinson  
Chief Executive  
Contact: 01904 551000

**Chief Officer Responsible for the report:**

David Atkinson  
Chief Executive

**Report  
Approved**

**Date**

14 August 2006

### Specialist Implications Officer(s)

**Financial**

*Name: Patrick Looker  
Title Finance Manager, City Strategy  
Tel No. 551633*

**Human Resources**

*Name: Ken Green  
Title Head of HR  
Tel No. 551701*

**Wards Affected:** *List wards or tick box to indicate all*

**All**

**For further information please contact the author of the report**

**Annexes:**

- Annex 1: Summary of current team functions and staffing structures within the Chief Executive's department (extracted from 2006/07 service plans)
- Annex 2: Analysis of work Improvement activity
- Annex 3: Confidential – cost implications of staffing changes

**Background Papers:**

Organisational review – report to the executive 12 July 2005