

Staffing Committee

6 November 2008

Report of the Director of Resources and of the Director of People & Improvement

DIRECTORATE REORGANISATION

Summary

1. This paper requests formal approval from Members for the transfer of functions between Resources and Chief Executive's Directorates on the basis that Resources' share of the corporate savings target will be achieved. This transfer of functions was initially put forward by the Chief Executive in a paper to the Staffing & Urgency Committee held on 9 May 2008 when Members were asked to approve the direction of travel. Another paper on this agenda relates specifically to changes between City Strategy, LCCS and Neighbourhood Services, also first put to Members in May.

Background

2. The services to be transferred include:
 - The Policy, Performance & Planning Team (10 FTE Staff) - to move from Chief Executive's to Resources Directorate Audit & Risk Management Division.
 - Property Services (49 FTE Staff) - to move from Resources to Chief Executive's.
 - Payroll (19 FTE Staff) – to move from Resources to Human Resources in Chief Executive's. The Payroll Manager to report to the Head of HR.

Members approved another change, the transfer of the Register Office from Resources to Neighbourhood Services, in May when the Assistant Director Environmental & Street Services became the Proper Officer for the Registration Service.

3. Policy, Performance & Planning Team

The rationale for moving the team is to bring together a set of key corporate services within a single managerial command. There will be a lead AD for CAA and other external audit and inspection processes. Most aspects of the new CAA regime (including Use of Resources (UoR), Value for Money (VFM),

Risk and the National Performance Indicators (NPI) Framework) will thus be coordinated effectively.

4. Property Services

This transfer aims to better balance the portfolios between Directors. As of 1st September 2008 the Head of Property Services has been reporting to the Director of People & Improvement. However, it is envisaged that it will take some further time for support processes to be aligned.

5. Payroll

The movement of Payroll from Resources into Human Resources in the Chief Executive's directorate is proposed in order to streamline business processes and to enable the development of a closer working relationship between departments, which offer similar services. HR and Payroll have been working closely together on the Pay & Grading project for some time and with the Delphi system due to be replaced in 2009, the opportunity is available to examine and reengineer HR and Payroll procedures and to remove some of the duplication between the processes, combining procedures and teams where necessary.

To ensure integrity of financial data and controls on Payroll, Inland Revenue and Pensions there will have to be appropriate interfaces with the new FMS system so the Payroll Team will still work closely with the Finance Department.

Consultation

6. Staff have been fully informed and consulted on this proposed transfer of functions between the Directorates. Staff transfers will be undertaken in line with the Council's Management of Change Procedure and any subsequent changes to posts will be reviewed and evaluated in line with the Council's Job Evaluation Scheme.

Corporate Savings

7. One of the objectives for undertaking this overall reorganisation/relocation of Council Services is the requirement to save £200k. The restructure being developed by the Director of Resources will ensure that ongoing savings of £85k identified within the previous report, being the loss of one Assistant Director in the Directorate, will be achieved. Further savings of £115k are to be found from the deletion of a further Assistant Director post and from the changes made to Highways, Parking and Grounds Maintenance. It is requested that details of the individual budget transfers be agreed by the Director of Resources and Director of People & Improvement and included in reports to Members as part of the ongoing budget monitoring process.

Constitutional Implications

8. This transfer of functions impacts on the portfolios of Executive Members. It will be necessary to amend the Council's Constitution accordingly. The report also seeks approval for the Head of Legal Services to be given delegated authority to amend the constitution in order to make changes to the Executive Member portfolios to reflect the changes in managerial responsibility.

Next Steps

9. The Director of Resources has been undertaking a comprehensive review of functions in the department; focusing on a rebalancing of the portfolios of his Assistant Directors. He plans to bring detailed proposals on this internal restructure to Members following full consultation with all staff involved and with the Unions.

10. Implications

- Financial – It is clearly understood that one of the objectives for undertaking this overall reorganisation/relocation of Council Services is the requirement to save £200k and that Resources' savings to be achieved total £85k.
- Human Resources (HR) – there is little impact from this transfer of functions on individual officers with the exception of changed reporting lines. Detailed work will be undertaken within the Directorates concerned to amend job descriptions where this is necessary. No redundancies will occur as a result of these proposals.
- Equalities – covered in the body of the report
- Legal – as noted in the body of the report it will be necessary to make some amendments to the Constitution in order to maintain alignment of operational management and Executive portfolios.
- Crime and Disorder - There are no known Crime & Disorder implications.
- Information Technology (IT) - There may well be IT&T implications related to IT support functions and accommodation issues
- Property - There are no known Property implications with the exception that the intended move to a city hall with its reduction in council buildings and receptions is one of the key drivers for this reorganisation.
- Other - There are no other known implications.
- Risk Management – the risks in transferring these functions between the 2 corporate directorates are considered slight.

Recommendations

11. Members are asked to:

- I. Formally approve the transfer of functions between Resources and Chief Executive's Directorates
- II. Agree that the Head of Civic, Democratic & Legal Services be given delegated authority to amend the constitution to ensure that the executive portfolios and any other related aspects reflect the newly constituted lines of operational management without further reference to this committee.
- III. Agree that details of individual budget transfers be agreed by the Director of Resources and Director of People & Improvement and included in reports to Members as part of the ongoing budget monitoring process.
- IV. Note that further work will be undertaken in both Directorates in relation to support services for these transferred functions.
- V. Note that a paper from the Director of Resources outlining further detailed proposals for change within the Directorate will shortly be brought to Members

Reason: To progress the Directorate Reorganisation agreed by the Staffing Matters & Urgency Committee in May 2008.

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Background Papers:

Staffing and Urgency Committee – Directorate Reorganisation – 9th May 2008

Annexes: None