
Staffing Matters and Urgency Committee

3 December 2008

Report of the Director of Resources

RESOURCES RESTRUCTURE

Background

1. As a result of the deletion of an Assistant Director (AD) post in Public Services, and the approved transfers in respect of Property Services, and Policy and Performance, it already was necessary to restructure the Resources Directorate. In addition however, in the first few months since arriving the new Director, in consultation with Senior Management within the Directorate, has taken the opportunity to review a number of things, and look at how the structure needs to be amended to reflect priority areas.
2. In looking at the structure there are some overarching principles that have guided the review as follows: -
 - to group activity in a logical manner
 - to ensure that Core Statutory functions are properly resourced – e.g. accounts, budget monitoring, financial strategy
 - to ensure we are focused on the transformation /efficiency agenda
 - to ensure that specific major projects can be supported, but not at the expense of core statutory responsibilities
 - to ensure balance between the respective ADs
3. The structure of the Directorate needs to reflect upon best practice principles of Financial Management, and Use of Resources Assessment. In that respect, priority for core financial activity, supported by transformational/efficiency work is key. The structure seeks to ensure there is a senior manager tasked with each of the key priority areas of the Directorate.

Context

4. Within the 2008/09 revenue budget there was an assumption of a £200,000 saving from restructuring. Within this a figure of £85,000 was allocated to the Resources Directorate. It is planned that this will be met primarily by the deletion of the Head of Public Services.
5. This paper sets out a number of consequential changes arising from this post being deleted, and also identifies other proposals for savings, together with some minor investment of savings. In summary the following main changes are considered in this paper.
 - deletion of Head of Public Services

- deletion of the PA for Public Services
 - deletion of Head of Revenue and Benefits
 - deletion of the Corporate Planning and Policy Manager
 - creation of a new post of Head of Efficiency and Procurement
 - creation of a new post of Head of Policy and Performance
 - regradings arising from reallocation of activity, primarily in relation to the Head of Public Services post being deleted
 - Use of £17,000 of the “efficiency” funding toward the Head of Efficiency and Procurement
 - Create a Deputy IT Business and Customer Services Manager post
 - Delete the current post of IT Customer Support Team Leader
 - Delete the vacant post of Resources Systems Support and Development Manager
6. The overall impact of the proposals is to achieve the required £85,000 saving, and within existing resources to create extra capacity to drive forward the transformation/efficiency agenda and the policy/performance process.
7. Further changes below the chief officer level will be required, but these will be dealt with through delegated powers, operating within budget constraints.

ASSISTANT DIRECTOR LEVEL – ALLOCATION OF RESPONSIBILITIES

8. Each of the revised Assistant Director Posts are set out below, with a brief description of the Manager posts that will report to the ADs

ASSISTANT DIRECTOR OF RESOURCES – CORPORATE FINANCE

9. The proposals seek to ensure that the focus on this area will be the Core Statutory activities of financial planning, accounting and monitoring. The “efficiency” programme has been taken out of this area (though there will still be natural links), and within the section it is intended that any major ad hoc/project work will be shared around, including potential use of wider financial resources within departments to develop skills across the Council. This AD post will develop enhanced linkages and working with the ADs & Finance Managers in the service directorates to ensure streamlined and focussed financial support for the council. The FMS Project team will also report directly to this AD post.
10. It is proposed to separate out the planning, monitoring, and accounting roles, to ensure a senior manager is tasked as their primary responsibility to lead on one of these three areas. The AD – Corporate Finance will ensure coordination. This will also allow for a sharper focus to these crucial areas. There will be three senior managers reporting to this post, plus there is a direct relationship with the four service Finance Managers also.

- **HEAD OF TECHNICAL FINANCE** – responsibility for the Statement of Accounts, Treasury Management, Capital Budget and Capital budget monitoring. Financial systems development team support.
- **HEAD OF ACCOUNTING SYSTEMS** – responsibility for Revenue Budget Monitoring, Financial Systems maintenance, VAT, Collection Fund

- **HEAD OF FINANCIAL PLANNING** – similar to now, but the post will have primary responsibility for developing the financial strategy. This will play a key role in ensuring the planning of the revenue budget, and in dealing with assessing local government finance issues.

ASSISTANT DIRECTOR OF RESOURCES – CUSTOMER SERVICE & GOVERNANCE

11. This is the current Head of Audit and Risk Management, but is now expanded to include the YCC and Policy/Performance teams. The Managers that would report to this post are as follows: -

- **HEAD OF INTERNAL AUDIT** – to manage the shared Internal Audit partnership (including Information Governance) and support the Assistant Director on Governance matters for the Council.
- **HEAD OF PERFORMANCE AND BUSINESS ASSURANCE** – this “replaces” the vacant Policy Manager post, and brings together both the Policy and Performance teams into one unit, which is felt more appropriate in terms of both line management. The post will however undertake a Business Assurance role, with particular reference to data quality and the development and monitoring of the York Business Model. Key tasks would include
 - To ensure Business Assurance operates effectively and appropriately, within internal guidelines.
 - Ensure appropriate processes and procedures are in place and are regularly reviewed in order to achieve the above. It is envisaged the post would work closely with Internal Audit in ensuring compliance, and also in the development of the Business Model.
- **HEAD OF FINANCIAL PROCEDURES** - this is a new post but will be filled by the existing Head of Procurement and Risk. This section will focus on compliance, advice and training around Financial Regulations, delivery of a new single income collection service, which will incorporate Debtors, cashiers and other recovery teams across the Directorate, and implementing the new Income Policy. It will also include delivery of the risk management, and insurance services. A number of these issues have been identified as weaknesses in previous External Audit reports, and bringing them together will serve to give focus on this key aspect of financial control.
- **HEAD OF YCC** – this is an enhanced role, which brings in the entire Benefits and Council Tax services. This also includes the Revenues and Benefits Business Management Team, which will support YCC and the Head of Financial Procedures on monitoring income/debt collection.

12. As part of this change it is possible to delete the Head of Revenues and Benefits post. The Creditors section will move into Procurement, and the Procurement team is transferred to another AD post.

ASSISTANT DIRECTOR OF RESOURCES – TRANSFORMATION AND EFFICIENCY

13. This brings together the existing Easy@york Programme, ICT and the Efficiency and procurement agenda. This proposals seeks to align a range of transformational initiatives,

- Easy@york transformation programme
- The new Efficiency Programme which it is intended will be delivered through an external Performance Partner
- The delivery of the strategic procurement plan
- The delivery of the procurement and creditors service
- A range of IT transformation projects such as Electronic Document Records Management System (EDRMS) and Flexible working
- Development of IT Strategy and investment plans.

14. The posts reporting to the AD – Transformation and Efficiency are: -

- **EASY@YORK PROGRAMME MANAGER**

Ongoing delivery of phase 2 of the easy@york programme delivering customer service transformation and efficiency.

- **HEAD OF OPERATIONAL ITT**

When the Easy Programme was established, the then AD for IT was seconded to be the Programme Director for the Easy Programme whilst continuing to have responsibility for strategic IT issues. A Head of Operational IT was put in place to oversee the day to day service delivery of the IT service. This post has reported to the Director, but has maintained strong links to the Easy Programme AD, who provides the direction for Strategic IT transformation. As this has worked well it is intended to continue this arrangement. It will be necessary to review this if/when the transformation agenda changes significantly in the future.

Formerly the Resources Business Support Group and Systems support team were managed by the AD for Public Services. The proposal is for them to be assimilated into IT, necessitating further restructuring within the IT department. This will be self funding and will include: -

- Expanding the role of the IT Business and Customer Services Manager
- Establish a Deputy Business and Customer Services Manager post to free up capacity for the Business and Customer Services Manager
- The current post of IT Customer Support Team Leader to be deleted from the establishment
- Delete the vacant post of Resources Systems Support and Development Manager
- Revise the Job descriptions of the IT Systems support team and the BSG team
- Formalise the current arrangement to establish separate Internet and Intranet Manager posts.

- **HEAD OF EFFICIENCY AND PROCUREMENT**

A new post of Head of Efficiency and Procurement will be created, to ensure sufficient focus is given to the Efficiency and Procurement agenda. The procurement

section, plus creditors will move into this area, to integrate the whole procure/pay process. This potentially will create efficiency.

15. The proposals also seeks to ensure the Assistant Director is not given any large scale day to day service management responsibility, thereby ensure a sole focus on transformation/change agenda which is crucial to the Council in the future.

16. The Head of Efficiency, and Procurement will be funded from the savings on the Revenue and Benefits Manager Post, plus there was a sum of £20,000 allocated to support the efficiency process as part of the 2008/09 budget, which has not yet been allocated.

Summary

17. The resources management Team will consist therefore of

- Director of Resources
- AD – Corporate Finance
- AD – Customer Service and Governance
- AD – Transformation and Efficiency
- Head of Operational IT

18. The Portfolios will look like this.

AD Corporate Finance			
Technical Finance	Accounting Systems Management	Financial Planning	Service Accountants
<ul style="list-style-type: none"> • Final Accounts • Capital • Treasury 	<ul style="list-style-type: none"> • Budget Monitoring • Financial System Maintenance • VAT 	<ul style="list-style-type: none"> • Financial Strategy • Grant funding • Pensions 	
AD Customer Service and Governance			
Internal Audit	Performance and Business Assurance	YCC	Financial Procedures
<ul style="list-style-type: none"> • IA shared service including fraud and information governance. 	<ul style="list-style-type: none"> • Policy • Performance Improvement • Business Assurance 	<ul style="list-style-type: none"> • Customer Centre • Revenues back office (excluding recovery functions) • Benefits Service front and back office • Business Management Team (inc NNDR) 	<ul style="list-style-type: none"> • Income (including HB overpayments, Council Tax recovery, sundry debtors and cashiers) • Risk Mgt • Insurance • Compliance advice/training – financial regulations

AD – Transformation and Efficiency			
Easy Programme	Efficiency Procurement	& ITT	
	<ul style="list-style-type: none"> • Procurement • Creditors • Efficiency Programme 	<ul style="list-style-type: none"> • ITT Services • Resources Systems Support • Business Support Group 	

Timescales

19. There are inevitably some timing issues with the proposals. In particular it is important that there is a smooth transition of responsibilities, and that all areas are given time to prepare. However there are a number of interim arrangements in place following the departure of the AD for Public Services and more recently the Revenues and Benefits Manager. It is therefore proposed that the changes are implemented in stages.

November/December 2008

- Revenues and Benefits transfer to the YCC Manager
- Revenues and Benefits Business Management Team transfer to YCC Manager
- NDR transfers to Revenues and Benefits Business Management Team
- Temporary Procurement Manager recruited to take on Project Management for Procure to Pay project (and other projects as necessary) and management of creditors section. Until the substantive post is recruited to.
- Debtors, Cashiers, Council Tax Recovery, Housing Benefits Overpayment all transfer to existing Head of Risk Management and Procurement.
- Restructure of IT to accommodate Business Support Group and Systems Support Team

January 2009

- YCC transfers to AD for Customer Services & Governance
- Benefits Manager role expanded to manage Benefits Technical Manager and reduce number of direct line reports to Head of YCC.
- Procurement, Creditors and Efficiency transfers to the AD Transformation and Efficiency

Financial Implications

20. The implications have been set out in the report, and will produce an initial saving of £85,000 for 2009/10. The saving will also be made in 2008/09 through the vacancies within Public Services.

21. However, it is anticipated that further savings will accrue further down the structure, and the opportunity will be taken for a review of each individual Senior Managers area, seeking to achieve efficiency from the better alignment of activity within the Directorate.

22. The table below sets out how the savings are made up

Post	2009/10 impact
	£'000's
Delete AD Public Services	-82
Delete PA Public Services	-10
Delete Head of Revs and Bens	-55
Delete Corporate Planning and Policy Manager	-50
Delete IT Customer Support Team Leader	-39
Delete Resources Systems support and Development Manager	-44
Use of Efficiency funding	-17
Regradings	17
Create Head of Efficiency and Procurement	58
Create Head of Policy and Improvement	58
Create IT Deputy Customer Services Manager	43
Create Intranet Manager	36
TOTAL	-85

23. In order to implement this structure some job descriptions will need to be revised and the estimated impact of potential regradings is £17,000, however these are subject to formal review, and may not all be implemented, in which case costs could be lower. In the case of the AD - Customer Service and Governance (where there is a significant change), the post will need to be assessed through the Hay process.

Implications

24. The implications of this restructure are -

- **Financial** - Saving of £85k pa
- **Human Resources (HR)** - Job descriptions and grades will need to be amended to reflect new duties. All deleted posts are either vacant or the incumbent will be redeployed to a new role. There are no redundancies
- **Equalities** – No implications
- **Legal** – No implications
- **Crime and Disorder** – no implications
- **Information Technology (IT)** – No implications
- **Risk Management** – each AD will now carry a larger load following the deletion of one AD post. There is a risk that capacity is stretched but the rebalancing of portfolios seeks to mitigate this and prioritises management time to strategic areas of work. Failure to implement the urgent recommendations in November/December will leave some services with no line management (Creditors and Debtors) which would pose a serious financial risk to the Council.

Consultation

25. All posts can be easily slotted in from existing staff, other than the Head of Performance and Assurance, and Head of Efficiency and Procurement, which will both need to be advertised. The costs associated with this can be met from the Resources budget in 2008/09

26. Affected staff have been consulted, and Unions were consulted at the Resources JCC in November.

Corporate Strategy

27. The restructure will assist the Council in delivering its corporate strategy by focussing management time upon the important issues of

- Financial Management
- Transformation and Efficiency
- Performance and governance

Recommendations

28. That the Committee agrees the new Resources Directorate Structure as set out including the creation and deletion of posts as set out in para 5, and the revised Assistant Director Portfolios

Reason: To reflect the Council and the Directorate's key priorities.

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Specialist Implications Officers: None

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

All

For further information please contact the author of the report

Background Papers: None

Annexes

Annex 1 – Old Resources Structure Diagram

Annex 2 – Interim structure

Annex 3 – Proposed structure