

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting10th September 2015

1. Title of Item/Report

PLANNING FOR THE FUTURE – MANAGING TRANSITION

2. Record of the Decision

Consideration was given to a report on a managed transition toward a new senior management structure for the Council.

A report was presented to Cabinet on 16 July 2015 which updated Members on the Council's financial position and this was summarised within the report.

The July report outlined a planned approach to deliver the required savings over the next MTFP period. The approach, which builds on the planned approach adopted to date, combined a number of specific proposals, transformation and efficiency reviews, utilisation of new technology and detailed service reviews which would be reported to Cabinet.

There was a recognition in the July report that there would need to be a review of the organisational and senior management structure to release capacity to drive the transformational change necessary to meet the savings challenge. This proposed structural change would not only deliver annual savings of £800,000 but was vital to retain capacity to deliver the scale of change required over the next 3 years. The report set out a proposed approach to the senior management changes.

A twin tracked approach to organisational development was proposed. A managed transition towards a new senior managerial structure which more accurately reflected the future needs of the Council would be implemented between September 2015 and April 2018 and a temporary transformation and change team would be established immediately to drive change and development over the same period to ensure that the organisation was in the right place to operate fully under the new structure by 2018.

The proposed permanent establishment structure and Director responsibilities were attached to the report. The new structure deleted the

Corporate Director tier and would reduce the Senior Management Structure further from 31 posts in 2008 and the current level of 22 posts, to 16 posts and would save £800,000 per year.

Implementation of the new structure would be phased over the next few years, and it was expected that this would be fully operational by April 2018. However employee and union consultation on the new structure would happen as soon as is possible following Cabinet and Council approval. Appointments would be made to the new positions immediately following the consultation in order to avoid uncertainty for staff across the organisation and to free capacity for the transformation team. However the timing of transfer to new posts would be determined by the Chief Executive in consultation with the Leader / Deputy Leader taking into account such issues as progress of review implementation and also external changes such as the speed of health integration. An indicative view of the leave dates of the seven departing senior managers and directors is set out below, however these timings may be subject to change as operational needs dictated and as the work in the transformation team progresses:

Corporate Director CESC – August 2017

Corporate Director DNS – March 2018

Director Law & Democratic Services – June 2017 (following PCC elections, possible Euro elections and 'Metro Mayor')

Head of Customer Services and Taxation – March 2017

Head of Policy, Improvement and Engagement – March 2018

Head of Adult Operations – August 2017 (formalising end of EIT temporary arrangements)

Head of Housing and Community Protection – July 2017

It was felt essential to establish a small dedicated temporary team of experienced, qualified officers to drive these challenges forward to deliver savings, change and major projects. Utilising the skills, experience and knowledge of the people who would be leaving the organisation over the next three years allows the Council to manage an orderly transition to the new permanent structure and frees up capacity to deliver major change using people who understand the organisation and were more able to bring about change than external consultants. The in-house approach was also more cost efficient.

It was proposed that the Chief Executive and Deputy Chief Executive would oversee the delivery of the programme and ensure that the transition team links effectively with the proposed permanent organisation.

RECOMMENDED to Council that:-

1. The principles and proposals of the new substantive senior management structure, revisions to the Chief Officer pay and grading structure and the exit arrangements for members of the senior management team as outlined in the report be agreed.
2. Delegation be given to the Chief Executive, in consultation with Leader / Deputy Leader of the Council, implementation and any final amendments following formal employee and union consultation.
3. It be noted that the new structure will be subject to ongoing monitoring and review alongside MTFP & Council Plan reviews.
4. The establishment of a temporary transformation and change team as outlined in the report be agreed.
5. It be noted that the proposed budget saving of £800,000 to be built into the MTFP with temporary transitional arrangements to be funded from the transformation reserve.

3. Reasons for the Decision

To present a proposal for a managed transition toward a new senior management structure for the Council.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

None

6. Details of any Dispensations

N/A

7. Date and Time by which Call In must be executed

N/A

Proper Officer
14 September 2015