

Extract from the Minutes of Staff and Support Services

Thursday, 28th October, 2010
6.00 - 7.45 pm

Attendees	
Councillors:	Steve Jordan (Chairman), Garth Barnes, Nigel Britter, Jackie Fletcher, Rob Garnham (Vice-Chair), Les Godwin, Colin Hay, John Rawson and Duncan Smith
Also in attendance:	

Minutes

1. APOLOGIES

Councillors Wendy Flynn and Heather McLain had given their apologies.

The Chairman advised that Councillor Webster would not be attending as had he, there would have been 4 Cabinet Members on the committee.

2. DECLARATIONS OF INTEREST

The Assistant Director – Human Resources and Organisational Development declared a personal and prejudicial interest in agenda item 5, given that she directly affected by the changes proposed within the report.

3. STRATEGIC COMMISSIONING

Having declared an interest, the Assistant Director – Human Resources and Organisational Development excused herself from the meeting.

The Chief Executive introduced the report as circulated with the agenda. This committee had considered two earlier reports (Feb 2010 / May 2010) on Strategic Commissioning and as such, efforts had been made to reduce the amount of information contained within the report, but given that it would be referred onto Council, a certain level of detail had been necessary.

The initial reports had been philosophical about what Strategic Commissioning could achieve, this report set out proposals for a Strategic Commissioning Council and the supporting organisational structure.

Consultation with trade unions, the Economy and Business Improvement O&S Committee, key partners and Members through seminars and the cross-party working group, had resulted in feedback varying from “it’s just good management” to “this will fundamentally affect the way members work”.

The full year annual saving as a result of the proposed restructure of the Senior Leadership Team would be £213,000, as set out in item 4 of the Strategic Business Case (Appendix A). Additional savings could be made by applying

commissioning methodology, for example an indicative figure of 10-15% of the operational budgets could achieve an annual saving of £0.8 and £1.2 million, based on the Torbay model.

He then concentrated on the proposed restructure and reminded members that he had recommended changes to the Senior Leadership Team structure to this committee in November 2008 regarding the former Deputy Chief Executive's retirement, along with 3 others.

He was confident that this had been a success for the organisation and often wondered how 4 additional Strategic Directors had been required, though he did feel that there was still scope for further restructuring.

Appendix B set out the structure being proposed by the Chief Executive.

Subject to agreement the aim was to implement Phase 1 by April 2011, resulting in a reduction from 8.5 Assistant Directors (the Monitoring Officer was counted as half a post, given that it was shared with Tewkesbury Borough Council), to 6.5.

Phase 2 would see that further reduced by 1 Assistant Director (AD) post and was envisaged for implementation by October 2012.

The Head of Shared Services was marked as 'if required' as it very much depended on the extent and range of shared services.

The proposals identified significant changes, especially to those AD's directly affected by the changes.

Appendix C contained key points for consideration and he was very grateful to HR and Finance for their input.

The retirement of the AD Community Services would leave one redundant AD and could result in 2 having to apply for 1 post. As such, there clearly needed to be a process for involving members if there were competition for posts.

In summary the Chief Executive felt confident that this was the appropriate structure for the future, accepting it was lean, but fit for purpose and long term, would offer capacity to transform services whilst retaining community focus.

In addition to this, the Cabinet Member Corporate Services offered his opinion. The report adequately set out the structure, but he felt that members could benefit from clarity about their roles. He accepted that Strategic Commissioning could take many forms and it depended on the size and scope of the services being considered, members needed to be aware of the process and when and how they would be involved.

The following responses were given to questions from members of the committee;

- Were the proposed structure agreed, it would be flexible, so if a subsequent decision discounted Strategic Commissioning, the process could stop and the structure evolve.

At this point Councillor Garnham excused himself and left.

- Redundancy costs had not been included as they would vary dramatically from service to service and staff would be redeployed where possible, so there were too many variables to include any figures. Members were reminded that pension costs would be one of many factors in forming a decision.
- Hay Group had looked at the AD pay and grading and made certain recommendations, the suggestion was that they would not change but perhaps the Resources role would.
- There was still a lot to be done, but the structural change needed to go ahead of strategic commissioning. The structure was a sensible one for the future and would not be agreed until December at Council. In the meantime members were able to suggest changes, etc and by agreeing the recommendations this evening, were not tying their hands.
- If an AD was redeployed elsewhere in the Council at a lower grade, they would, like all employees, benefit from pay protection for 12 months only. There would also have to be a clear business case for doing this, but at the moment there was no way of knowing if this would be necessary. There was a legal obligation to offer posts to members of staff who were being displaced.

At this point Councillor Fletcher excused herself and left.

- The external cost of the process to date was £16,000 for the Eighty Twenty Insight report and £6,000 for Hay. The internal costs were not separately accounted and some projects were already in place and going forward to produce savings.

The Chairman felt that it was an evolving process. Were, the new structure being proposed solely to generate savings he would be unable to support it, but genuinely felt that strategic commissioning was the right route to take.

He felt that it was the best way for the Council to deal with the current financial climate, systematically looking at what services it delivered and how to do it better.

A process for member involvement needed to be agreed and whilst this was not the only approach available, it was as good as any and offered flexibility – nothing was set in stone and there was scope for change.

If Council agreed the recommendation to dissolve the Staff and Support Services Committee in December, items such as this would be reviewed by a working group established by Council and/or Cabinet, who would make recommendations rather than a decision, but ultimately the final decision would continue to sit with Council.

The Chairman advised that this item had been added to the forward plan for discussion by Cabinet in November.

Upon a vote it was

RESOLVED (4 For / 3 Abstentions) that;

- 1. The Chief Executive's proposals for a Strategic Commissioning Council and supporting new Council structure as set out in the report and in Appendices A and B be approved.**
- 2. The formal consultation (stages 1 and 2 as set out in Appendix C) on the proposed new structure be undertaken with affected employees and the recognised trade unions be agreed.**
- 3. The committee recommends that Council –**
 - (i) Approved the Chief Executive's proposals for a Strategic Commissioning Council and supporting new Council structure as set out in the report and in Appendices A and B.**
 - (ii) Notes that formal consultation (stage 3 as set out in Appendix C) on the proposed new structure will be undertaken with employees.**
 - (iii) Requests the newly constituted Appointments Committee or appropriate sub-committee to conduct and complete any necessary recruitment or redundancy processes at Assistant Director level (including the section 151 officer) and to agree such terms and conditions of appointment or dismissal as may be necessary in order to facilitate the new structure.**