

JOINT CABINET AND EMPLOYMENT & GENERAL COMMITTEE**Wednesday, 4th June, 2014**

Present:-

Councillor Burrows (Chair)

Councillors	Elliott	Ludlow
	Gibson	McManus
	Gilby	Simmons
	King	

Non Voting	Hill	Huckle
Members	Hollingworth	Martin Stone

*Matters dealt with under Executive Powers

**1 DECLARATION OF MEMBERS' AND OFFICERS' INTERESTS
RELATING TO ITEMS ON THE AGENDA**

No declarations of interest were received.

2 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Blank, Bradford, Brown, Fanshawe, Russell and Serjeant.

3 MINUTES**RESOLVED –**

That the Minutes of the meeting of the Joint Cabinet and Employment and General Committee of 8 April, 2014 be approved as a correct record and signed by the Chair.

4 LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF PUBLIC**RESOLVED –**

That under Regulation 21 (1)(b) of the Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2000, the

public be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in the following Paragraphs of Part 1 of Schedule 12A to the Local Government Act 1972 – Paragraphs 1, 2 and 4, on the grounds that it contained information relating to individuals and to consultations or negotiations in connection with any labour relations matter arising between the authority and employees of the authority.

5 CORPORATE MANAGEMENT RESTRUCTURE (R000 / EC000)

The Chief Executive submitted a report seeking approval of a new senior leadership team structure for the Council.

Since the corporate management structure for the Council had last been approved at the Joint Cabinet and Employment and General Committee in July 2009 (Minute No 0008 (2009/10)), a number of changes had been made, and as part of the strategy for addressing the projected deficits in the budget forecasts for 2014/15 and 2015/16, the Chief Executive had been asked to carry out a fundamental review and restructure of the Council's corporate management team.

It had been agreed with the Leader of the Council and the Deputy Leader of the Council that the objectives of the review should be to ensure:

“(a) That the Council's corporate management team concentrates on:

- (i) providing leadership not just more management;
- (ii) ensuring that the Council is optimised for strategic agility (i.e. that the organisation is able to capitalise on opportunities and dodge threats with speed and assurance);
- (iii) driving through the Council's modernisation programme (Great Place: Great Service) to ensure services are lean, efficient and effective, and provide value for money;
- (iv) achieving the Council's corporate plan aims, priorities and key projects;
- (v) putting the customer and community at the centre of everything the Council does;

(vi) having effective plans in place to enable the Council to base its future core funding on emerging incentive-based finance systems;

(vii) providing sound strategic advice and support to members to help them make informed choices;

(viii) establishing a shared view and common understanding of what the future of local government will look like in Chesterfield in 2020.

(b) That the holders of posts within any revised corporate management structure have the skills and capabilities to meet the current and future leadership needs of the organisation.

(c) That the numbers of senior managers and tiers of management are appropriate to the size of the organisation.

(d) That significant ongoing annual savings are achieved.”

In shaping the proposed new corporate management structure, the Chief Executive had also sought to take into account the challenges facing the Council both now and over the next three to five years, including the future funding of Local Government, the impact of Welfare reforms, Planning reforms, local issues and the future shape of Local Government.

Under the current arrangements the Council had achieved unprecedented levels of operational performance and public satisfaction, and it was therefore proposed to supplement the existing management structures and standard managerial processes that together form the Council's operating system with a second operating system that:

“(a) Is devoted to the design and implementation of strategy;

(b) Uses an agile, network like structure to achieve delivery of the Council's priorities and key projects;

(c) Continually assesses the business, the Council and the sector;

(d) Enables the Council to react with greater agility, speed and creativity to emerging threats and opportunities;

(e) Complements rather than overburdens the traditional hierarchy, freeing up the latter to do what it is designed for – doing today's job well."

Details of the current and proposed structures, with draft job descriptions and person specifications for the new posts were attached as Appendices to the report.

Based on research carried out by the Chief Executive of emerging management restructuring proposals at a number of district/borough councils in England, on advice received from conversations with a number of leading recruitment consultants and on salary benchmarking data, the report included proposed remuneration levels for the new posts.

Appointments to the new Senior Leadership Team would need to be made in accordance with the 'Council's Protocol on Arrangements for Employees displaced by Re-structuring', a copy of which was attached as an Appendix to the report.

The report outlined the proposed selection process for appointment to the new posts, including an Appointments Panel and the provision of support by external advisors with knowledge and experience of the current employment market at this strategic level. The specification for this external support and a summary assessment of costed proposals subsequently received were attached as Appendices to the report.

There had been consultation, both with the current holders of the Heads of Service posts and with the Unison, GMB and Unite Trades Unions, and the outcomes of the consultation process were attached as Appendices to the report.

The financial implications of the proposals were also outlined in the report, along with potential risks and proposed actions to mitigate these.

*** RESOLVED –**

(1) That the proposal to establish a new senior leadership team structure, as described in the report and set out in the organisation chart at Appendix D to the report, be approved.

- (2) That the posts of Deputy Chief Executive and Heads of Service (for Environment, Regeneration, Finance, Governance and Business Transformation), that make up the current corporate management structure alongside the post of Chief Executive, be deleted from the Council's establishment.
- (3) That 2 new posts of Executive Director and 1 new post of Chief Finance Officer be established.
- (4) That the draft job descriptions and person specifications for the 3 new posts, as set out in Appendix E to the report, be approved.
- (5) That the Executive Directors be paid an annual salary of £85,000.
- (6) That the Chief Finance Officer be paid an annual salary of £60,000.
- (7) That the holder of the existing post of Head of Finance be assimilated into the new post of Chief Finance Officer, and that this officer also be designated to the statutory role of Chief Finance Officer (in accordance with Section 151 of the Local Government Act 1972) to have responsibility for administration of the Council's financial affairs.
- (8) That the holders of the existing posts of Head of Environment, Head of Regeneration, Head of Governance and Head of Business Transformation be afforded the right of a "ring fenced" interview for the 2 new Executive Director posts.
- (9) That for the appointment of the 2 new Executive Directors, the Employment and General Committee establishes an Appointments Panel that is politically balanced and includes (by co-option) appropriate Cabinet or non-Cabinet members. And, for the Panel to be advised by Huw Bowen and Jane Dackiewicz.
- (10) That Gatenby Sanderson be engaged to run an assessment centre and to provide advice to the Appointments Panel (and also to be part of the Panel) in respect of the internal "ring fenced" appointments process. And, in the event of internal appointments not being made to one or both Executive Director posts, that Gatenby Sanderson be retained to provide executive search, recruitment and selection support and advice to the Council and the Appointments Panel.

(11) That a sum of £25,000 be set aside from the Council's Invest to Save Reserve to support the costs of engaging Gatenby Sanderson to fulfil the roles described in resolution (10).

(12) That members of the Joint Cabinet and Employment and General Committee note the ongoing annual gross savings of £110,400 that will be achieved as a result of the move to the new senior leadership team structure.

(13) That any redundancy and/or pension costs arising from the move to the new senior leadership team structure be charged to the Council's Budget Risk Reserve.

(14) That the Council's constitution be updated to reflect the changes to the corporate management structure.

(15) That the Chief Executive reviews the effectiveness of the new senior leadership team structure 12 months after its establishment.

REASONS FOR DECISION

To establish a new senior leadership team that will provide the Council with the strategic direction that it needs to deliver on its vision, priorities and key projects. And, to better enable Chesterfield Borough to operate as "one Council" meeting 'head on' the emerging challenges relating to the future shape and funding of Local Government.