



Corporate Restructure

SUMMARY

- 1.1 This report sets out the proposed restructuring of the Council at 1st tier Officer level following the retirement of three Chief Officers in Spring and Summer 2010.
- 1.2 The report proposes a reduction in the overall number of Departments within the Council from five to four and seeks permission to start the recruitment process for three of the Strategic Director posts which will head up these new Departments.

RECOMMENDATIONS

- 2.1 Cabinet notes the content of this report and recommends that Full Council should...
 - o Agree the proposed reduction in Council Departments from five to four as outlined in paragraph 3.3.
 - o Agree that the recruitment to the posts of Strategic Director – Children and Young People and Strategic Director – Adults and Health should start immediately.
 - o Agree that the new post of Strategic Director of Neighbourhoods should be ring-fenced in the first instance to the current Corporate Director of Environmental Services.
 - o Agree the five Members to make up each of the interview panels.
 - o Agree that the current Corporate Director of Resources should be slotted into the new post of Strategic Director of Resources.
 - o Agree that the roles of Monitoring Officer, Returning Officer and Deputy Chief Executive will remain with the current postholder until he retires on 31 August 2010.
 - o Agree that a report on the 2nd and 3rd tier officer levels should be prepared following the completion of the current review of these structures.

SUPPORTING INFORMATION

3. Background

- 3.1 Earlier this month, the retirements of the Corporate Director of Corporate and Adult Services and Deputy Chief Executive, the Corporate Director of Children and Young People and the Corporate Director of Regeneration and Community were provisionally agreed and announced. This announcement has provided the Council with an opportunity to look at the structure of the organisation and in particular the Chief Officer tier. Andrew Flack and Jonathan Guest will leave their posts on 30 April 2010 and Michael Foote's current intention is to leave on 31 August 2010. Due to annual leave entitlements, Michael's last day in the office will be 2 July 2010.
- 3.2 The outcomes of the DECATS project as well as the introduction of the new transformation programme – One Derby, One Council, mean that we need to look at reshaping the structure of the organisation to enable us to tackle the challenges that we face now and in the future. The retirement of three of our existing Corporate Directors gives us the opportunity to do this.
- 3.3 Following a review of the current structure, it is proposed that in addition to the newly formed Chief Executive's Office, the current arrangement of five Departments will be replaced with four. These are...
- Children and Young People.
 - Adults and Health.
 - Resources.
 - Neighbourhoods
- 3.4 Each of the new Departments will be headed up by a Strategic Director. At this stage, work on the shape of each Department is still on-going however the services likely to be delivered by each Department are outlined in Appendix 2. It is proposed that each Strategic Director will take on the responsibilities of Deputy Chief Executive on a rota basis and as a result there will be no single Officer designated in this role.
- 3.5 It is proposed that recruitment to the posts of Strategic Director – Children and Young People and Strategic Director – Adults and Health should start immediately to enable us to recruit to these two posts so that new postholders are in place for 1 May 2010.
- 3.6 Recruitment to the new Strategic Director posts will be managed in conjunction with Gatenby Sanderson, who have been appointed following a procurement process to ensure value for money. Recruitment organisations are a very useful assistance in making appointments at this level in that many of the best candidates only apply as a result of what is called "executive search", rather than as a result of responding to an advert. They also bring a measure of expertise and external assurance to the process of testing for competence at strategic levels because these appointments are their stock in trade.

- 3.7 It is proposed that the new post of Strategic Director of Neighbourhoods should be ring-fenced in the first instance to the current Corporate Director of Environmental Services. The new post is a significant change and an increase in range of responsibility from his current role and so it is appropriate that there should be a member panel interview for the new position. He is, however, at risk as a result of the change in structure and so the new post should be ring-fenced to him in the first instance. An interview will be arranged as soon as possible following the agreement of Council.
- 3.8 The implementation date for all four Strategic Director posts will be 1 May 2010.
- 3.9 The Corporate Director of Resources will be confirmed as Strategic Director of Resources on the basis that the majority of functions in the new role will be those of the existing Resources directorate.
- 3.10 The current Corporate Director of Corporate and Adult Services will retain the roles of Monitoring Officer, Returning Officer and Deputy Chief Executive until he retires on 31 August 2010. In addition to these roles, he will carry out a number of special projects on behalf of the Chief Executive after the services within his current department transfer to the new departments from 1 May 2010.
- 3.11 Savings will be made by the deletion of the post of Corporate Director of Regeneration and Community. Salary scales for the new roles will be the same as for the current Corporate Director posts.
- 3.12 The statutory position of Section 151 officer – the officer with formal responsibility for the Council's financial affairs – will be held by the new Strategic Director of Resources, Don McLure. The statutory duties of the Returning Officer in respect of elections will be carried out by the Chief Executive following the retirement of Michael Foote. The duties of the position of Monitoring Officer, following Michael's retirement, will be allocated in due course in discussion with post-holders in the new structure.
- 3.13 The proposed structural changes from 1 May 2010 will enable the Council to start incurring savings from the reduction in 1st tier posts. A review of 2nd and 3rd tier officer posts is on-going and a report will be presented to Cabinet in due course to enable implementation of this to take place by 1 May 2010.

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Background papers: Appendix 1 – Implications
List of appendices: Appendix 2 – Organisational Structure – Options Appraisal

IMPLICATIONS

Financial

1. The part-year saving in 2010/11 of the proposed changes will be £111k. One-off retirement costs totalling £106k will be funded from this saving, leaving a net £5k corporate saving in 2010/11. The permanent annual saving from 2011/12 against the salary budget of £166k will be taken into account in the 2010/11 to 2012/13 revenue budget process.
2. The cost of the recruitment will be £36k. This will be met from corporate reserves.

Legal

3. Michael Foote will carry out the responsibilities as Monitoring Officer and Returning Officer until his retirement. For the future, the requirements in respect of Monitoring Officer will be determined in due course. Those in respect of elections will be carried out by the Chief Executive. The section 151 officer responsibilities will remain with the Strategic Director of Resources, Don McLure.

Personnel

4. The personnel implications of this restructure are set-out within this report.

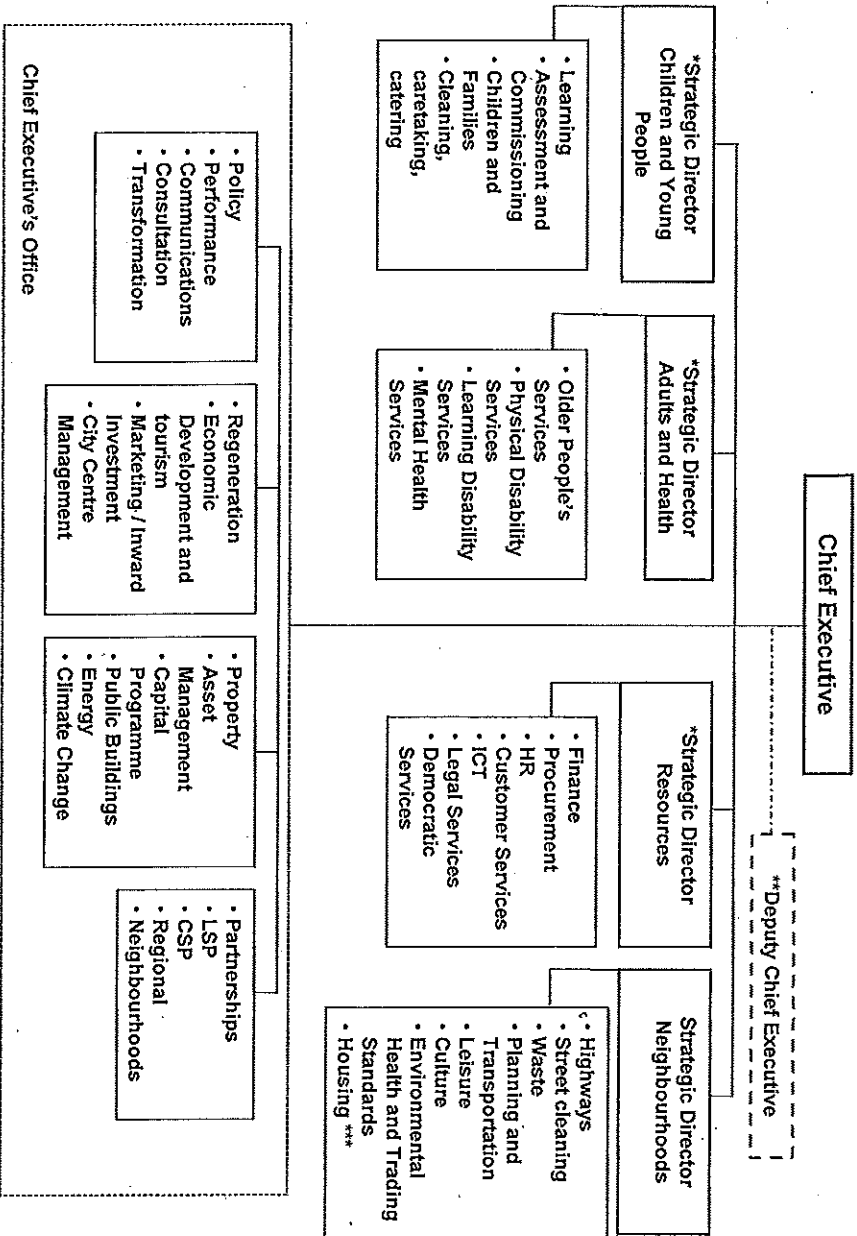
Equalities impact

5. None directly arising from the report.

Corporate priorities

6. The restructuring of the Council at a Departmental level will support the delivery of all of the Council's priorities and in particular priority six – delivering excellent services and value for money.

Derby City Council – Organisational Structure – Tier 1



* Denotes statutory role

** Post to be deleted w.e.f. August 2010

*** This may be moved under Adults and Health