

TAUNTON DEANE BOROUGH COUNCIL

EXECUTIVE – 7TH FEBRUARY, 2007

REPORT OF THE CHIEF EXECUTIVE

PROPOSALS TO REFRESH THE CORPORATE MANAGEMENT OF THE COUNCIL

This matter is the responsibility of The Leader of the Council and Chief Executive

1. Executive Summary

- 1.1. This report considers the drivers for change requiring a refresh of the Council's Corporate Management. The report reflects on the current arrangements and makes proposals for the future. These include personnel changes including proposed early retirements/redundancies. A second phase further review of the entire organisation is also proposed.
- 1.2. The proposals are within existing budgets and can in large parts be effected within the Chief Executive's delegated powers. However, elements of the proposal require the support of Full Council. It is important the proposal in its entirety is supported by Members.

2. Introduction

- 2.1. Local Government continues to evolve as do public expectations. This Council punches above its weight in terms of its ambitions for the locality of Taunton Deane and in terms of service delivery and organisational quality.
- 2.2. To continue to deliver against these ambitions we must evolve as an organisation.
- 2.3. This report will examine these issues and make proposals for change by considering:
 - The external drivers for change
 - The internal drivers for change
 - Reflecting on our current position
 - Proposing changes to the Corporate Management structure
 - Proposing a further review of the whole organisational structure

3. External Drivers for Change

- 3.1. Over the last couple of years the council has sharpened its vision, ambitions and priorities. We have retained our 'excellent' status and are judged by the Audit Commission to still be continuously improving. We

remain focused on delivering our key strategic ambitions such as Project Taunton whilst maintaining high quality low cost services.

3.2. Whilst working on becoming fit for the present, I have also looked at what we need to do to ensure we are fit for the future.

3.3. This requires an analysis of what is happening around us now and what will happen in the future.

3.4. Some key themes have emerged:-

- We have a clear vision of where we want to be. The recent White Paper- Stronger and Prosperous Communities –brings new challenges around strengthening local leadership and community engagement. We need to be closer to our communities. We need to be highly visible and empower individuals and communities of place and interest.
- Aspirations and expectations will grow and grow- nationally, regionally (e.g. Taunton's role in the region) and locally (e.g. better for less). We need to ensure the delivery of efficiently integrated and co-ordinated high quality service - no matter who provides the service.
- We need to be ambitious for our community. We need to advocate for its needs and aspirations to be met. The next generation of LAA's will have a wider scope and importance. Funding will become more bid driven and area-based – with incentives to work colobaratly with partners. Taunton Deane's voice must be heard.
- To serve our myriad of customers and our community well we need to understand and plan to meet their needs and aspirations. This will require better customer intelligence, market research and consultation.
- Crucially, we must retain and improve capacity whilst not growing our costs. This can only be achieved through investment in the technology of today and tomorrow, developing new and smarter ways of working and developing our people.

3.5. This requires fundamental change and a council which is:-

- Smaller, but smarter
- Flexible, adapted and capable of change
- Ambitious and visionary
- Commissioning and enabling
- Working in partnership- to deliver our objectives
- Closer to the community- shaping our place and our neighbourhoods

- A formidable client- developing robust relationships based on trust and win:win principles
 - Retaining local democracy and local leadership
- 3.6. ISiS contributes significantly to this change. It gives us the investment and capacity to develop world-class customer access, modern support services, transformed front line services and highly improved staff development and training.
- 3.7. Other parts of the change need to be driven by the 'Core Council' - the Council that will emerge post ISiS.

4. Internal Drivers for Change

- 4.1. National government, our own ambitions and our community are driving the need to change.
- 4.2. Internally I have been looking at the organisation and the following themes have emerged:
- Continuous and multiple change is now the only predictable reality in organisational life and this will impact both on systems and people
 - We need to build the officer leadership capability and capacity
 - We need to manage the councils transition and change agenda
 - We need to retain and develop our key talent
 - We need to improve our leadership role in neighbourhoods
 - We need to succession plan
 - We need to develop further long term collaborative partnerships with private, public and voluntary sector organisations
 - We must celebrate what is good and ensure important capabilities are preserved
 - We must create the right environment for high performance – including the right working environment
 - We need to ensure partnerships are better scrutinised and are adding value
- 4.3. This requires change within the officer structure to ensure these issues are addressed. The issue identified are strategic and managerial- they are not function based requiring solutions built on specialisms.

5. Current Position

- 5.1. Currently we have 3 Directors with wholly strategic roles and Heads of Service who have responsibility for the operational management and functional specialisms of the Council. Each Council “unit” is then headed up by a Senior Manager.
- 5.2. Roles have evolved over time as CMT have responded to our rapidly changing agenda. Significant investment has been made in management and leadership development of our Senior Managers. Increasingly, this cohort of Officers has taken on a greater individual and collective responsibility for the organisation’s performance and I would expect this trend to continue.

6. Proposal for Change

- 6.1. It is important that any proposals to change CMT are a logical development of our existing arrangements – which work well – and that they can be implemented quickly.
- 6.2. They need to reflect the external and internal drivers as set out in this report.

7. Corporate Management Team

- 7.1. I believe with the developing capacity and capability of our Senior Managers that we can remove a “tier” of management at Corporate Management level.
- 7.2. I would recommend removing the Heads of Service tier to give Senior Managers room to “grow” but increasing the number of Strategic Directors from three to four to ensure we retain sufficient strategic capacity.
- 7.3. These Directors would have the following roles:-
 - Responsibility for a geographic area, in the main based on the Community Planning areas
 - Responsibility for assigned strategic partnerships, relationships and communities of interest
 - Responsibility for assigned Corporate Projects
 - Responsibility for an assigned block of Services – these will rotate on a regular basis.
- 7.4. Specially, I would expect Directors to help the Authority:-
 - Create a sustained and shared Vision for the Borough and organisation.

- Manage its change and transition agenda
- Develop its leadership capability – both leadership of the “place” and the organisation
- Ensure its resources and capabilities are properly aligned with its ambition
- Support senior managers to deliver excellent, customer focussed services.
- Create an excellent work environment for staff

7.5. In addition, I believe the Council needs 2 focused roles to ensure it manages its transition and future well. These are as follows:-

7.5.1. Project Taunton

Project Taunton is so integral to the future of the Council and the Borough that I believe there should be a focus on ‘clienting’ the project for this Council.

It is important that there is a role that focuses solely on:

- Protecting the Council’s interest in negotiations i.e. on key developments and land deals
- Procures external expertise and advice when we need it i.e. on the flooding schemes
- Enabling and facilitating the Project by ensuring the Council is supporting the broader partnership. This includes attending the myriad of Project and partnership meetings.
- Ensuring that the Council services and functions are aligned to and delivering for the Project i.e. Forward Planning, Development Control, Flooding and drainage and property.

We therefore need to retain a budget saving of around £55,000 from the proposal to ensure this role is resourced.

7.5.2. Corporate Governance Director

Whilst the Strategic Director posts are increasingly outward focussed it is important to recognise the need to retain a focus on internal governance issues. The authority needs to develop its performance in this area and the White paper and the Council’s own change agenda will also bring new challenges.

I believe these issues would be best addressed by a dedicated post. The post of Corporate Governance Director would focus on:-

- Internal Corporate governance issues
- Monitoring Officer role
- Partnership governance and accountability issues
- Member standards and ethics issues
- Area governance and accountability issues
- Supporting and further developing the role of scrutiny
- Providing general support to the Chief Executive in dealing with reactive issues such as gypsy incursions.
- Elections and induction of new Members
- The constitution, standing orders and financial regulations

8. Summary

- 8.1. The existing and proposed structure is reproduced at Appendix 1 and 2 respectively. Appendix 3 details the area dimension and Appendix 4 details the service dimension.
- 8.2. If the proposal is approved then the detail on which Director will be responsible for which area, service block and projects will be communicated to Members and partners.

9. Further Review

- 9.1. A “second phase” of this proposal will be for the Directors to review the rest of the organisation.
- 9.2. Some specific areas for review have already been identified and some initial work instigated. These include:-
 - A review of the Environment and Leisure Headship with a view to delivering a broader and more thematic approach to the ‘street scene’.
 - A review of Area working, leadership models, and scrutiny as required by the White Paper.
 - A review of the Council’s identity. The Council will look and feel different to Members, staff and the public. We need to develop a brand narrative

and an identity that is distinctive and related to, but not confused with ISiS and Project Taunton.

- A review of the Council's property requirements
- A review of the current service groupings to see if they could be better aligned into more thematic groups. The aim would be to improve corporate performance and efficiency.
- A review of the Council's requirements in terms of the ISiS client and need to manage the transition requirements related to the retained Core Council services

10. **Financial Implications**

10.1. It is proposed to make the following changes:-

<u>Existing</u>	<u>Proposed</u>
Chief Executive 3 Directors 5 Heads of Service	Chief Executive 4 Directors Corporate Governance Director
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9 Posts	6 Posts

- 10.2. The new posts will have to be job evaluated. It has been agreed as part of the Job Evaluation project that these posts be market tested. All of the financial implications are based on the current value of Heads of Service and Strategic Director posts.
- 10.3. My expectation is that the proposal will be deliverable within existing budgets subject to Job Evaluation which would have impacted the authority in any case.
- 10.4. The financial implications are effected by the method of implementation. The following method is in my opinion both effective, retaining key personnel, and avoids unnecessary compulsory redundancies.
- 10.5. Malcolm Western wishes to accept redundancy and early retirement. The post of Head of Housing will be deleted from October 2007. An eventual annual saving to the General Fund of circa £32,000 would be retained to fund this proposal. An eventual annual saving of circa £34,000 would be returned to the Housing Revenue Account to assist the savings requirement needed to secure the Decent Homes programme.
- 10.6. Peter Weaver wishes to accept redundancy and early retirement. This would deliver an annual saving of circa £67,000. It is recommended that £20,000 per annum of this is retained to fund specialist advice linked to the overall proposal.

- 10.7. Tom Noall wishes to accept early retirement. This would deliver an annual saving of circa £66,000. However, funding of £55,000 would need to be retained to support Project Taunton delivery by TDBC.
- 10.8. Jeremy Thornberry's substantive post of Strategic Director and his skills and experience are in reality substantially similar and equivalent to the post of Corporate Governance Director. He would migrate to this post. This proposal has no cost implications.
- 10.9. Kevin Toller and Brendan Cleere would slot into the two available posts of Strategic Director. Both of their substantive Heads posts and the Officers skills and experience are closely aligned to corporate and strategic working. They would both be very capable of taking on extra strategic responsibility. This proposal would have a cost implication of circa £36,000 per annum.
- 10.10. Shirlene Adam and Joy Wislade would remain in their current Strategic Director posts. This proposal has no cost implications.

This would complete the Corporate Management Team.

The overall financial impact of this report is set out below.

11. Financial Implications

- 11.1. The above proposal can be met within existing budget levels, and, after paying back the initial up-front costs, will return ongoing budget savings of approximately £61,000 per annum to the Council's General Fund. In addition, there will be ongoing savings to the Council's Housing Revenue Account which will be detailed in a future report.
- 11.2. The total cost of this proposal, as shown in Appendix 5, is £302,000. The majority of this cost falls in 2006/07, with the remainder falling in 2007/08. Savings will start to accrue immediately, and will be earmarked for paying back the up-front costs to the General Fund Reserve. This will be fully achieved by 2011/12, meaning this proposal has a payback period of 4.9 years (which is within the acceptable payback period).

The detail is set out in Appendix 5.

All of these proposals have been arrived at by consensus and through appropriate consultation.

12. Conclusion

- 12.1. This proposal will ensure that CMT remains fit for future as the Council goes through a period of unprecedented change and the local government landscape shifts to reflect the issues arising from the White Paper.

12.2. The proposal recommends some early retirements and voluntary redundancies.

12.3. The proposal in it's entirety delivers a pay back period of 5 years. This is within acceptable limits.

13. Recommendations

13.1. The Executive are recommended to:

13.1.1. Support the proposals to refresh Corporate Management Team

13.1.2. Recommend the report and the proposals to Full Council in respect of the early retirements and voluntary redundancies contained within the proposal for the post of:

- (a) Head of Housing
- (b) Head of Environment and Leisure
- (b) Head of Development

13.2. Full Council will be requested to approve a supplementary estimate of £263,000 from General Fund Reserves. This will be fully paid back to the General Fund Reserve by 2011/12 and thereafter the Council's General Fund budget will benefit by approximately £61,000 per annum.

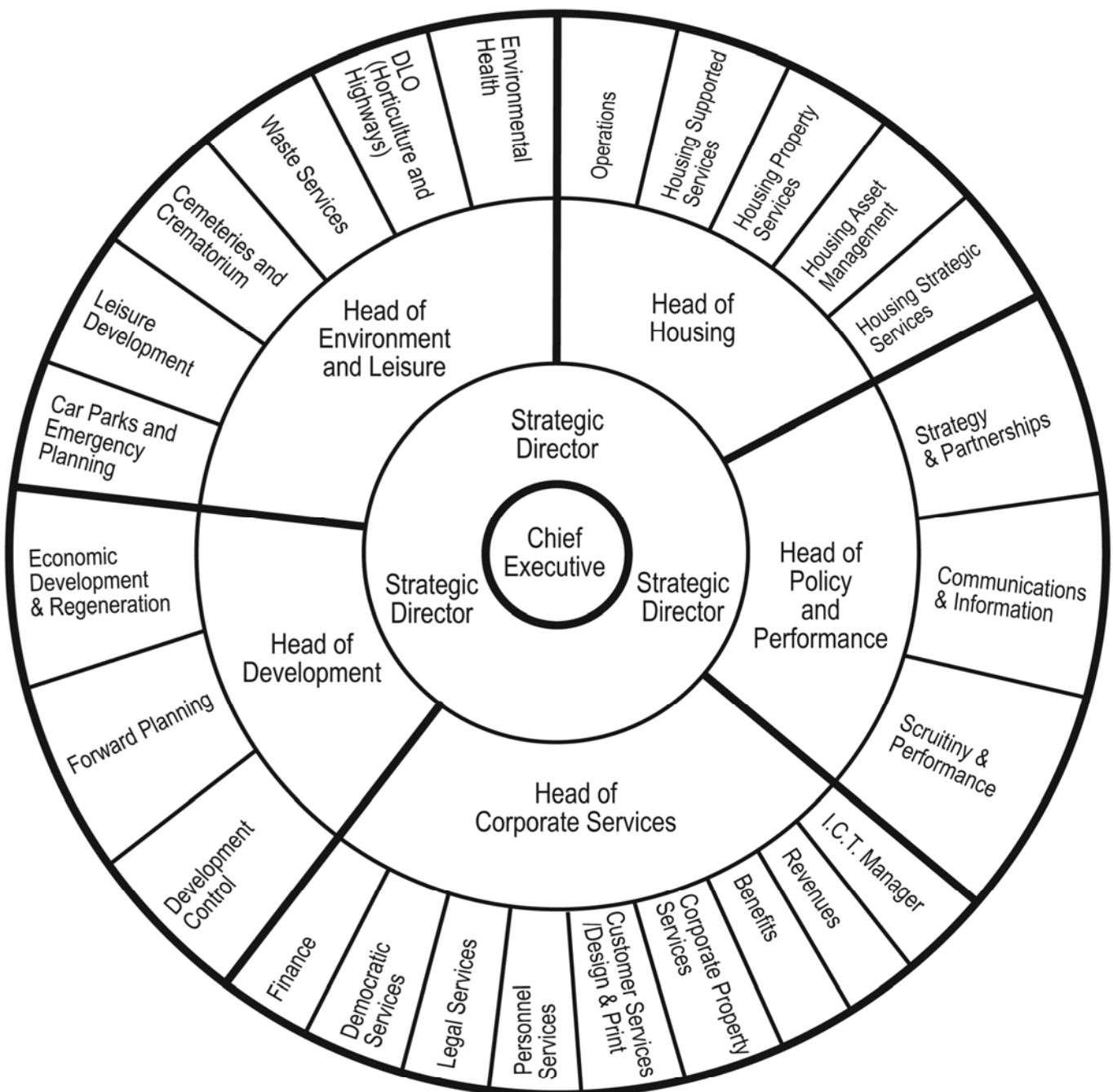
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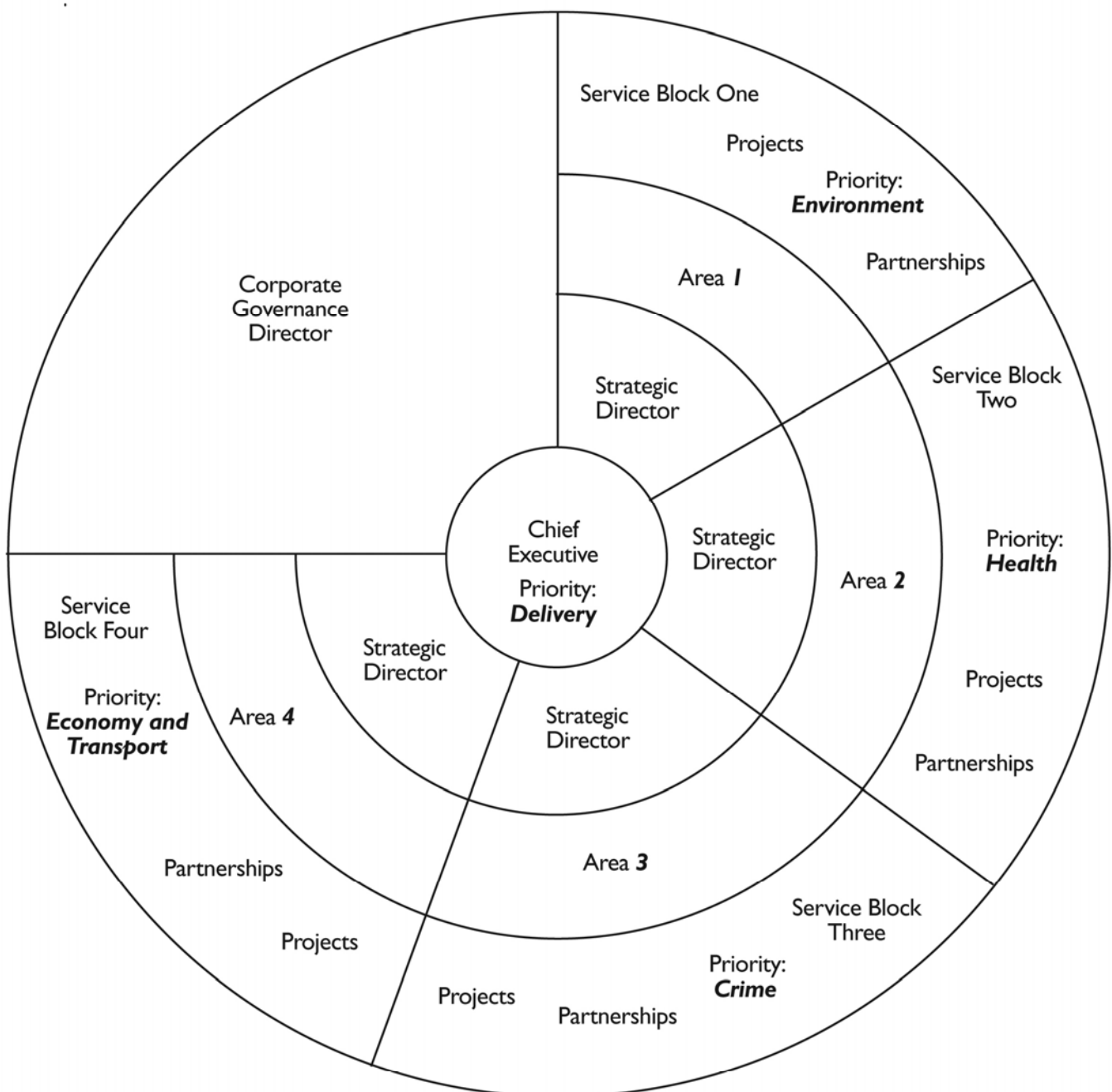
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Taunton Deane Borough Council Existing Operational Structure



Taunton Deane Borough Council Proposed Operational Structure



Appendix 3

Proposed Area Structure for Directors

Each Director will be assigned an area to be responsible for.

Initially these will be based broadly on the existing Community planning areas supplemented by arrangements for the unparished area of Taunton.

Area working is being debated through scrutiny as a consequence of the recent White Paper. The conclusion of this debate may lead to further review of the initially allocated areas for each Director.

Area One Taunton and Area

This combines the community planning areas of Taunton East and North together with Trull, Norton Fitzwarren and Staplegrove.

Area Two Wellington and Area

This is an existing community planning area.

Area Three Wiveliscombe and the Quantocks

This combines two existing community planning areas

Area Four Blackdowns and Levels

This combines two existing community planning areas

Appendix 4

Proposed Service Blocks for Directors

Service Blocks will report directly to Directors. The Service Blocks will rotate on an annual basis.

Initially these will be broadly based around the current Headships until such time as the second phase review is complete.

Service Block One

Environment & Leisure

- * Environmental Health
Car Parks
- * Emergency Planning
- * DLO (Horticulture and Highways)
- * Waste Services
- * Cemeteries and Crematorium
- * Leisure and Sport

Service Block Two

Housing

- * Housing - Operations
- * Housing – Property
- * Housing – Private Sector
- * DLO (Building)

Service Block Three

Policy & Performance Retained Corporate Services

- * Legal
- * Member Services
- * Scrutiny and Performance
- * Communications and Information
- * Strategy & Partnerships

Service Block Four

Development

- * Economic Development
and Regeneration
- * Forward Planning
- * Development Control

If ISiS does not proceed, then the in scope corporate services will form part of Block Three. Similarly, they will be part of this service block for transition purposes.

