

**CITY AND COUNTY OF CARDIFF
DINAS A SIR CAERDYDD****Employment Conditions Committee: 15 January 2007****Report of the Chief Executive**

SENIOR MANAGEMENT ARRANGEMENTS: UPDATE

Background

1. This report outlines the transitional arrangements following the departure of the Assistant Chief Executive including the opportunity to realise an efficiency saving. This report also advises Members on developments in relation to the Chief Officer Transport, Infrastructure and Waste post.
2. In a review of Senior Management Arrangements, considered by Employment Conditions Committee on 23 March 2005, it was agreed to rationalise the number of Corporate Directors and, as opportunities arose, to create a Corporate Centre comprising corporate services, finance and ICT.
3. In August 2006, the Corporate Director (Resources) left the Council on the grounds of voluntary severance. At this point it was agreed that the Schools portfolio would be transferred from the Assistant Chief Executive once a way forward had been found on School Organisation. This would provide the opportunity to address corporate services in the New Year. In the interim, the Chief Executive would manage the ICT and finance portfolios, with a view to addressing arrangements in 2007. It was also agreed that Schools and Lifelong Learning transfer to the Corporate Director (Opportunities) in 2007.
4. Given the recent departure of the Assistant Chief Executive, and our current financial situation, transitional arrangements are in place, which will create a saving of approximately £30,000 in 2006/07.

Transitional Arrangements

5. The transitional arrangements are set out in the chart attached at Appendix A. These involve transferring Schools and Lifelong Learning to Neelam Bhardwaja in January 2007 and creating three teams in the centre, with links to the Corporate Directors' Team through the Monitoring Officer and Section 151 Officer.
6. The transitional arrangements will allow the Chief Executive the opportunity to review the position of Corporate Directors, Chief Officers and Heads of Function between January and March 2007, within a framework of identifying a further saving of approximately £170,000 in senior management costs for future years.
7. Whilst these temporary transitional arrangements have been put in place from January 2007 a further report will need to be considered by this Committee to establish a

permanent way forward that reflects the budgetary provisions for 2007/08 and the report is therefore scheduled to be completed after the completion of the budget process.

8. In addition, the Chief Officer for Transport, Infrastructure and Waste (Phil Sherratt) has secured a position elsewhere and will be leaving the Council's employment on 25th March, 2007. In view of the importance of this role, it is critical that the post is advertised as soon as is practicable so that a replacement can be appointed.
9. It is proposed, therefore, to advertise the existing Chief Transport, Infrastructure and Waste post in the appropriate media in January with a closing date of early February. Members' long listing could take place mid February, with assessment centre to be completed by the end of the month. On this basis, a Members' Appointments Committee could be organised for early March, to make the final selection. In relation to other proposals for organisational change, these will be brought to a future meeting of this Committee.

Investment for Reform/Benefit to service user

10. The Council is under increasing financial pressures and a balance needs to be struck between the Council's ability to manage its services effectively and the cost of managing the services. The current position is that there is a need to invest in developing the capability and capacity of existing employees, but on the basis that individuals will need to take on more accountability and responsibility and thereby achieve senior management savings. The benefits to service users is that service delivery will not be compromised but the cost of managing the services delivery will be reduced which represents a real efficiency saving. The report ensures that effective transitional arrangements are put in place so that operational activities are appropriately managed in this interim period and that the objectives identified by the Executive and Council benefit service users.

Council Policies Supported

11. The proposals will establish a clear alignment between senior roles and outcomes identified in the Corporate Plan. This report has been prepared in consultation with relevant Corporate Directors and reflects their advice. It contains all the information necessary to allow Members to arrive at a reasonable view, taking into account the following advice.

Legal Implications

13. This is an information report save for the seeking of authority to advertise a Chief Officer post which is legally achievable. The Appointments Committee is delegated to appoint Chief Officers and conclude contractual matters.

Financial Implications

14. In addition to the in-year savings arising from the departure of the Corporate Director (Resources), a further £30,000 efficiency saving is also anticipated between January and 31 March 2007, as a result of the transitional arrangements outlined in this report. An ongoing saving of £170,000 is proposed from the review of senior management arrangements and will be reflected in the budget proposals.

Human Resource Implications

15. The transitional arrangements have been communicated to all senior staff. In view of the priorities and objectives in the area of Transport, Infrastructure and Waste, it is important that the post is filled as quickly as possible. There are no immediate major HR implications, although longer term implications will need to be considered in the light of any further organised changes proposed to a future meeting of this Committee.

Trade Union Comments

16. The Trade Unions noted the transitional arrangements in place. They acknowledged the impact of the departure of Phil Sherratt and the contribution he had made to the organisation. Some of the Trade Unions however had concerns over the size and scope of this portfolio and the likelihood of attracting and appointing a suitable replacement

RECOMMENDATIONS

17. It is recommended that:-
- (i) the transition arrangements outlined in this report be noted.
 - (ii) the post of Chief Transport, Infrastructure and Waste be advertised as soon as possible in relevant publications.
 - (iii) a further report on Senior Management arrangements be considered at a future meeting of this Committee.

BYRON DAVIES CHIEF EXECUTIVE

The following appendices are attached:

Appendix A – Proposed Transition Arrangements: January – March 2007

PROPOSED TRANSITION ARRANGEMENTS: JANUARY – MARCH 2007

Designation	Post Holder	Service Areas	Post Holder
Chief Executive	Byron Davies	<ul style="list-style-type: none"> ▪ Policy and Economic Development ▪ Communications ▪ Financial Services ▪ Info & Comm. Technology ▪ Legal and Democratic Services ▪ Human Resources ▪ Scrutiny, Change and Efficiency 	Paul Orders Kathryn Richards Christine Salter Crispin OConnell Kate Berry Phillip Lenz Martin Hamilton
Assistant Chief Executive	Vacant	This post will be reviewed in the light of the budgetary process for 2007/08 but will remain vacant during 2006/07 and contribute to efficiency savings.	
Corporate Director (Resources)	Deleted	This post has been deleted with effect from September 2006 and will contribute to efficiency savings in 2006/07 and 2007/08.	
Corporate Director (Opportunities)	Neelam Bhardwaja	<ul style="list-style-type: none"> ▪ Children's Services ▪ Adult Services ▪ Schools and Lifelong Learning 	Maria Michael Michael Murphy Chris Jones
Corporate Director (Projects)	Tom Morgan	<ul style="list-style-type: none"> ▪ Major Projects ▪ Projects, Design and Development 	Tony Riches
Corporate Director (Prosperous)	Steven Phillips	<ul style="list-style-type: none"> ▪ Transport , Infrastructure and Waste ▪ Culture, Leisure and Parks 	Phil Sherratt Trevor Gough
Corporate Director (Sustainable)	Emyr Evans	<ul style="list-style-type: none"> ▪ Housing and Neighbourhood Renewal ▪ Strategic Planning & Environment 	Sarah McGill Sean Hannaby

Posts that are highlighted will be part of the Corporate Management Team