

Bournemouth Borough Council



Notice of Extraordinary Full Council Meeting

Friday 31 March 2017

5pm

**Council Chamber
Town Hall
Bourne Avenue
Bournemouth BH2 6DY**

All Members of the Council are summoned to attend this meeting to consider the business set out on the agenda below.

The public and press are welcome to attend.

If you would like any further information on the business to be considered at the meeting please contact Mrs. Karen Tompkins, Head of Democracy.

Telephone: 01202 – 451255

Email: karen.tompkins@bournemouth.gov.uk

Press enquiries should be directed to Georgia Turner, Corporate Communications Manager.

Telephone: 01202 – 451039

Email: georgia.turner@bournemouth.gov.uk

This Notice of Meeting and all the papers mentioned within it are available on the Council's website at www.bournemouth.gov.uk

A loop system for hearing impairment is provided. There is disabled access to the building.

Councillors and visitors with particular needs should inform the Council before arriving at the meeting.

Public Involvement

The Council welcomes contributions from members of the public which includes in the form of deputations. The subject matter must relate to the issue before this Council meeting.

Request to speak – ‘Deputation’:

Up to 3 persons may address the meeting. The total time for the deputation will not be more than 5 minutes. This may be extended at the Mayor’s discretion where it will assist the decision making process. The request must be sent in writing or email to Karen Tompkins at the address shown above. **The deadline for receiving deputation requests is 5pm on 30 March 2017.**

Agenda

Part 1

Items to be considered while the meeting is open to the public

1. Emergency Evacuation Procedure

The Mayor will draw attention to the emergency evacuation procedure which is set out on the visitor notice, a copy of which has been circulated around the public gallery.

2. Apologies

To receive apologies for non-attendance from Councillors.

3. Declarations of Interest

The Monitoring Officer will read out the declarations that have been received from Councillors in relation to:

- A Disclosable Pecuniary Interests on the matter before the meeting.
- B Any memberships of outside bodies where such membership involves a position of control or significant influence on the organisation concerned.

Public Issues

4. Deputations

To receive any deputation requests submitted by the notice deadline.

Council Issues

5. Senior Leadership Team Re-Structure

To consider the report attached to the agenda.

Note: the report can also be viewed by using the following link:

<http://www.bournemouth.gov.uk/councildemocratic/CouncilMeetings/CommitteesPanels/Council.aspx>

Part 2

Items during consideration of which it is recommended that the public should be asked to leave the meeting because of the likelihood that exempt information would be disclosed.

None

Council

Report Subject	Senior Leadership team re-structure
Meeting date	31 March 2017
Cabinet Portfolio	Councillor Anne Filer, Corporate Efficiency
Corporate Lead	Julian Osgathorpe, Executive Director, Corporate Services
Service Director	Julian Osgathorpe Executive Director, Corporate Services
Status	Public
Classification	For decision
Key Decision	Yes
Impacts on Key Policy Framework	No
Report author	Julian Osgathorpe Executive Director, Corporate Services  01202 451093  julian.osgathorpe@bournemouth.gov.uk
Executive summary	<p>This report seeks Council approval for a proposed re-structure to the senior leadership team of the Council on the grounds of efficiency. The specific proposal contained within this report is that the number of officers at an executive level would be reduced and the post of Chief Executive of the Council will be made redundant. Tony Williams would leave the Council's employment by mutual agreement.</p> <p>The proposal is that the statutory role of Head of Paid Service would be designated to one of the other members of the executive team. It is recommended in this report that the Executive Director for Adults and Children be designated as the Head of Paid Service.</p> <p>The proposal is consistent with and aligned to the further proposals relating to further joint working with the Borough of Poole and the work relating to local government re-organisation.</p>

<p>Recommendations</p>	<p>Council is recommended to:</p> <ol style="list-style-type: none"> 1. Approve the new structure of the senior leadership team as set out in this report. 2. Designate Jane Portman, Executive Director for Adults & Children as Head of Paid Service pursuant to Section 4 of the Local Government and Housing Act 1989. 3. Appoint Jane Portman, Executive Director, Adults & Children, as Returning Officer pursuant to Section 35 of the Representation of People Act 1983 and as Registration Officer pursuant to Section 8 of the Representation of People Act 1983. 4. Approve the arrangements whereby duties held currently by the Chief Executive are held on an interim basis by the Executive Director, Adults & Children. 5. Delegate authority to the Monitoring Officer, in consultation with the Section 151 Officer, Head of Human Resources and Portfolio Holder for Efficiency, to take the necessary legal and constitutional steps to implement these decisions.
<p>Reasons for recommendations</p>	<p>To generate savings and efficiencies and continue the work with Borough of Poole to create streamlined senior management structures and to support the work necessary to change organisational structures for LGR.</p>

Background detail

1. The Council is aware that proposals are being progressed to reorganise local government across Dorset. This reorganisation could see a reduction from nine Councils to two new unitary authorities. The anticipated commencement date for these new authorities is April 2019.
2. The Business Case prepared by Local Partnerships in support of this reorganisation process assumes the generation of savings from, amongst other things, a reduction in senior posts across the County.
3. The Council is also aware that Bournemouth Borough Council (BBC) has been developing shared working arrangements with the Borough of Poole (BoP). While a full report on the joint working was received by Cabinet on 22nd March 2017, it is worth noting that a range of senior posts have already been agreed and implemented including
 - a. Executive Director, Corporate Services
 - b. Chief Finance Officer/Section 151
 - c. Head of Adult Social Care

4. BBC and BoP are now moving to the next stage of shared working and consolidation of senior officer structures. This is in anticipation of the reorganisation of local government in Dorset but also to deliver the Medium Term Financial Plans (MTFPs) of both authorities.
5. For BBC, the MTFP requirement for 2018-19 and 2019-20 is for an additional £11.5m in further savings, efficiencies and additional resources. This means that the projected cost base for 2019/20 has to be £11.5m per annum lower than that already assumed as part of the MTFP.

The Proposal

6. BBC has the opportunity to pursue a number of changes to its senior leadership team in order to both reduce the cost of the senior officer structure but also align itself with the likely changes that may be required for local government reorganisation.
7. These proposals are as follows;
 - a. The post of Chief Executive will be made redundant. The current Chief Executive will leave the Council by mutual consent.
 - b. The responsibility of Head of Paid Service and all other responsibilities and authorities held by the current Chief Executive will be transferred to Jane Portman, the current Executive Director, Adults & Children and Deputy Chief Executive.
 - c. This will be an interim arrangement pending further decisions regarding the joint working between BBC and BoP or the creation of the new unitary authorities under the proposals for local government reorganisation in Dorset.
 - d. The development of a joint management team for Corporate Services with the BoP encompassing the existing roles of Executive Director for Corporate Services and Chief Finance Officer/S151 and including
 - i. A shared Head of Legal, Democratic & Elections
 - ii. A shared Head of Information, Communications & Technology
 - iii. A shared Head of Human Resources & Organisational Development
 - e. The selection and related processes, in both Councils, for these shared roles are expected to be concluded shortly.

Summary of finance and resourcing implications

8. The direct costs related to the proposal of 7(a) total £394k and is made up as follows:
 - a. Statutory Redundancy Pay £63k
 - b. Contractual six months' notice pay with associated costs of £85k

c. Statutory early release of pension (capitalised costs) of £246k

9. The total one off cost of all these proposals to BBC is £477k generating annual savings of £309k. In addition, provision has been made of £56k per annum for additional capacity to take into account the backfilling of some current responsibilities.
10. The full MTFP effect for BBC of the proposals is a net annual additional saving of £253k per annum yielding a payback period of 23 months. Full details of the financial analysis business case are contained in Appendix 1.
11. The Council has to designate one of its senior officers as Head of Paid Service pursuant to the Local Government and Housing Act 1989 Section 4.
12. It is not required as a matter of law to have a post of Chief Executive.
13. The Council is required to designate an individual officer as Electoral Registration Officer and Returning Officer pursuant to Section 35 of the Representation of the People Act 1983 and as Registration Officer pursuant to Section 8 of the Registration of the People Act 1983.
14. The proposals within this report are compliant with the relevant local government legislation and employment law.

Summary of human resources implications

15. The process by which these proposals are before Council for consideration has been undertaken in accordance with the Council's HR procedures, and the Head of HR has been engaged.
16. There will be a reduction in the number of individuals within the Executive Team, and there will need to be some delegation of work from the Head of Adults & Children's Services to ensure capacity exists to undertake the roles now proposed, and this is provided for within the business case.

Bournemouth Council

Restructure of the Executive and Service Director Team

Financial Analysis

	£000s	£000s	£000s
One Off Costs			
Statutory severance costs for the redundancy of the Chief Executive post on the grounds of efficiency			
Statutory redundancy pay		63	
Contractual six months notice pay and associated costs		85	
Statutory early release of pension - capitalised costs		246	
		394	
50% contribution to Anticipated Redundancy Costs for Shared Head of Human Resources		71	
		465	
<i>Oncosts (National Insurance)</i>		12	
		477	
	Total one-off costs		477
 Annual Savings			
Chief Executive Post Basic	(128)		
<i>Oncosts (National Insurance & Superannuation)</i>	(36)		
	(164)		
	Total saving from Chief Executive post		(164)
 Shared Posts with Poole			
50% of Head of Legal and Democratic Services			
Basic	(46)		
<i>Oncosts (National Insurance & Superannuation)</i>	(13)		
50% of Head of Information Communications & Technology Services			
Basic	(32)		
<i>Oncosts (National Insurance & Superannuation)</i>	(9)		
50% of Head of Human Resources			
Basic	(35)		
<i>Oncosts (National Insurance & Superannuation)</i>	(10)		
	(145)		
	Total saving from shared posts with Poole		(145)
	Total Annual Savings		(309)
 Additional Annual Expenditure			
Provision for a current Bournemouth Executive Director who will now be redesignated in the Head of Paid Service role			
Basic	22		
<i>Oncosts (National Insurance & Superannuation)</i>	6		
	28		
50% Provision for additional capacity to support the shared posts with Poole			
Basic	22		
<i>Oncosts (National Insurance & Superannuation)</i>	6		
	28		
	Total Annual Additional Costs		56
	Total Net Annual Additional Savings		(253)

Pay Back = 23 months

Please Note:

- (a) Normally expectations are that such proposals have a payback of two years or less (twenty four months).
- (b) The one-off costs scheduled above will be funded from the Council's Corporate Reorganisation and Redundancy Reserve.
- (c) These one off costs will reduce expenditure that would have been incurred as part of the Local Government Reorganisation process.
- (d) The net annual additional savings will contribute to the Council's medium term financial planning and annual budget processes.
- (e) The analysis has excluded any further potential savings arising from the implementation of these proposals, e.g. associated support staff
- (f) The analysis also excludes any additional capacity that may be required to support the Executive Director, Adults & Children