

SCRUTINY CO-ORDINATING COMMITTEE AGENDA



Friday 18th July 2008

at 2.00 p.m.

in the Council Chamber,
Civic Centre, Hartlepool

MEMBERS: SCRUTINY CO-ORDINATING COMMITTEE:

Councillors Akers-Belcher, Atkinson, Brash, R Cook, S Cook, James, Kaiser, London, A Marshall, McKenna, Preece, Richardson, Shaw, Simmons, Wright and Young

Resident Representatives Christopher Akers-Belcher, Linda Shields and Iris Ryder

1. **APOLOGIES FOR ABSENCE**
 2. **TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS**
 3. **TO CONFIRM THE MINUTES OF THE MEETING HELD ON 4th July 2008 (*to follow*)**
 4. **RESPONSES FROM THE COUNCIL, THE EXECUTIVE OR COMMITTEES OF THE COUNCIL TO REPORTS OF THE SCRUTINY COORDINATING COMMITTEE**
- No Items
5. **CONSIDERATION OF REQUEST FOR SCRUTINY REVIEWS FROM COUNCIL, EXECUTIVE MEMBERS AND NON EXECUTIVE MEMBERS**

No Items

6. **FORWARD PLAN**

No Items

7. **CONSIDERATION OF PROGRESS REPORTS / BUDGET AND POLICY FRAMEWORK DOCUMENTS**

No Items

8. **CONSIDERATION OF FINANCIAL MONITORING / CORPORATE REPORTS**

No Items

9. **ITEMS FOR DISCUSSION**

9.1 Departmental Structures and Efficiencies Referral:-

(a) Covering Report – *Scrutiny Manager*; and

(b) Departmental Structures and Efficiencies Proposals - *Chief Executive*

10. **CALL-IN REQUESTS**

11. **ANY OTHER ITEMS WHICH THE CHAIRMAN CONSIDERS ARE URGENT**

FOR INFORMATION

Date of Next Meeting: Friday 8 August 2008 at 2.00pm in Committee Room B at the Civic Centre, Hartlepool.

SCRUTINY CO-ORDINATING COMMITTEE

MINUTES

4 July 2008

The meeting commenced at 2.00pm at the Civic Centre, Hartlepool

Present:

Councillor Marjorie James (In the Chair)

Councillors: Stephen Akers-Belcher, Jonathan Brash, Rob Cook, Shaun Cook, Ann Marshall, Arthur Preece, Jane Shaw, Chris Simmons and David Young.

Resident Representatives: Christopher Akers-Belcher and Iris Ryder.

Also Present: Councillor Pamela Hargreaves, Performance Portfolio Holder.

Officers: Dave Stubbs, Director of Neighbourhood Services
Peter Turner, Principal Strategy Development Officer
Alison Mawson, Head of Community Safety and Prevention
Antony Steinberg, Economic Development Manager
Alan Dobby, Assistant Director – Support Services
Charlotte Burnham, Scrutiny Manager
David Cosgrove, Principal Democratic Services Officer

12. Apologies for Absence

Councillors Atkinson, Kaiser, London, Richardson and Wright and Resident Representative Linda Shields

13. Declarations of interest by Members

None.

14. Minutes of the meetings held on 30 May 2008

Confirmed.

15. Responses from the Council, the Executive or Committees of the Council to Reports of the Scrutiny Co-ordinating Committee

No items.

16. Corporate Plan 2008/09 *(Assistant Chief Executive)*

The Scrutiny Coordinating Committee considered the Corporate Plan for 2008/09 at the meeting on 30 May 2008 and agreed to receive a further report with more information regarding the 2007/08 Performance Indicator outturn information and the 2008/09 targets. The proposals had also been considered by all Scrutiny Forums who had met individually to consider the Plan's Outcomes and Actions on a departmental basis, and their findings were reported back to Scrutiny Coordinating Committee on 14 March 2008.

There is a statutory requirement to publish the Best Value Performance Indicator outturn information by 30 June, and this information was published on the Council's Website on this date. The full Corporate Plan forms part of the Policy Framework, and final approval rests with full Council. Cabinet would be given a further opportunity to consider the Corporate Plan at its meeting on 21 July 2008. Comments from this Committee would be incorporated in the Cabinet Report. Final approval of the Plan would be by Council on 31 July 2008.

Members referred to the table on page 6 of Appendix A to the report "The 2008 Community Strategy themes, priority aims and links to Government Public Service Agreement (PSA) Priorities" and specifically the priority aim for the Housing Theme, which was to 'Ensure that there is access to good quality and affordable housing in sustainable neighbourhoods and communities where people want to live. Members questioned what strategy was in place to meet this aim. The Director of Neighbourhood Services commented that Cabinet was to consider a report "Affordable Rented Social Accommodation - Policy for the Disposal of Council Land" at its meeting on 7 July 2008. This report was asking Cabinet to consider a policy that would release land at less than market value to social landlords for the construction of new affordable housing. Members requested a copy of the report which was tabled in the meeting.

Members were concerned that there would be resistance in certain areas from residents for the release of land for affordable housing. This did, however, need to be weighed against the call from the general public for more affordable housing for both purchase and rent in the town.

The Committee discussed the issue on some detail and Members requested that once Cabinet had made a decision on this matter, then it would be appropriate to hold a Members Seminar to outline the proposals to all Councillors. Members requested that these seminars be held in the near future.

In relation to the Corporate Plan, Members commented that they were disappointed that representatives from all departments were not present in order to answer the detailed questions on the plan that they had. Members also requested a review of the process for the consideration of the Corporate Plan as they considered that Members were being rushed in

agreeing the plan at the latter stages without necessarily having all the information and answers to questions they would wish to have.

Recommended

1. That the Corporate Plan be noted and that the Committee's comments in relation to the decision making process on the document be noted.
2. That a Members' Seminar be arranged to inform Members of the policy approved by Cabinet for the release of land for affordable housing.

17. Referral from Cabinet – Departmental Structures and Efficiencies *(Scrutiny Manager)*

The Scrutiny Manager reported that, as outlined within the Authority's Constitution, the Scrutiny Co-ordinating Committee has a mandatory obligation to consider referrals from Council, Cabinet and individual Cabinet Members within the timescale prescribed.

At the meeting of Cabinet on 23 June 2008, the Chief Executive submitted a report proposing a review of the Authority's overall departmental structure, taking into account the need to make 3% cashable efficiency savings for each of the next three years. Cabinet subsequently agreed that the Scrutiny Co-ordinating Committee's views be sought on the content the report (a copy of which was submitted as an appendix to the report) and formally reported back to the Cabinet by the end of September 2008.

A proposed timetable of meetings was submitted to the Committee which had been discussed and agreed by the Scrutiny Chairs. There were, however, concerns expressed by several Members at the meeting that a number of the proposed meetings would be held in 'closed session' and therefore not open to the public and the resident representatives. The Chair commented that she understood the comments being made and fully supported scrutiny being carried out in an open and transparent manner. However, the proposed closed sessions would involve members questioning the Chief Executive in relation to his proposals and this was highly likely to result in the disclosure of exempt information. While understanding the wishes of all Members to hold scrutiny meetings in an open and transparent manner, this had to be balanced against the need for Members to gain the fullest information on the restructuring proposals while protecting the integrity of the Council and its officers. The final meeting in the process, where Scrutiny Coordinating Committee would be considering its recommendations, would be held in the normal open fashion.

The Resident Representatives present also commented that they were against the holding of the meetings in private and considered that doing so would reduce the value of the exercise.

Recommended

That the Scrutiny Co-ordinating Committee formally receives the referral and approves the proposed timetable for the undertaking of this referral (to be circulated to all scrutiny members), to be completed by the end of

September 2008.

18. Consideration of financial monitoring/corporate reports

No items.

19. Scrutiny Topic Referral from the Neighbourhood and Communities Portfolio Holder – Kerbside Recycling *(Scrutiny Manager)*

The Scrutiny Manager reported that as outlined within the Authority's Constitution, the Scrutiny Co-ordinating Committee has a mandatory obligation to consider referrals from Council, Cabinet and individual Cabinet Members within the timescale prescribed.

The Neighbourhoods and Communities Portfolio Holder at his meeting on 30 June 2008 (minute 2 refers), considered a report of the Head of Neighbourhood Management on the progress made on the actions to address the concerns expressed by Elected Members during a recent meeting of Full Council with regard to the current operation of the Authority's Kerbside Recycling Scheme.

At the meeting, it was subsequently agreed that the issue be referred to the Overview and Scrutiny Function with a particular request that it be undertaken by the Neighbourhood Services Scrutiny Forum, on the basis that Members are experienced in this function having carried out the original investigation and have received six monthly update reports throughout the last municipal year. A prescribed timescale for the completion of the Referral was also agreed by the Portfolio Holder of December 2008.

The proposed terms of reference for the investigation were as follows: -

- (a) The collection service - The collections are carried out by a mixture of contractor and in-house collections, the blue box and bag are a kerbside sort and are carried out by Abitibi, subcontracted to Wards Recycling Ltd. Whereas all other materials i.e. plastic and cardboard are carried out by the council in-house service team. All bins are collected in-house;
- (b) What can be done to improve the collection service and as such the recycling of household waste for those residents living in sheltered accommodation, bed sits and flats;
- (c) Containers used for kerbside collection and the recyclables collected;
- (d) Recycling of waste from council administrative buildings and schools;
- (e) Consideration of on-street recycling i.e. litter, and the provision of bring centres located throughout the town; and
- (f) What options are available to the council for working with the voluntary sector to improve the recycling and reuse of items collected from the bulky household waste collection service.

Members commented that the recycling services were of some concern to various residents around the town. The Chair commented that the forums already had full work programmes. The Chair of the Neighbourhood Services Scrutiny Forum indicated that he was happy to receive the referral and Members, Resident Representatives and the public would be welcome to attend the meetings and make their views known.

Recommended

That the referral from the Neighbourhoods and Communities Portfolio Holder be formally received and redirected to the Neighbourhood Services Scrutiny Forum for investigation.

20. The Role of the Scrutiny Coordinating Committee
(Scrutiny Manager)

The Scrutiny Manager submitted a report outlining the membership, functions and remit of the Scrutiny Coordinating Committee together with the diaried meeting dates of the Committee through to the end of October for the Committee's information.

Recommended

That the report be noted.

21. Six-Monthly Monitoring of Agreed Recommendations made by the Overview and Scrutiny Committees
(Scrutiny Manager)

The Scrutiny Manager reported that the Committee had on the 21 November 2007 approved the introduction of an electronic database to monitor the delivery of agreed scrutiny recommendations since the 2005/06 Municipal Year. Approval was also given for the introduction of a standardised six monthly cycle for the submission of progress reports to each Scrutiny Forum (June and December). The most up-to-date information from the database was circulated for Members information showing that across all the Scrutiny Forums 81% of all recommendations had been implemented. A further 9% were still awaiting consideration by Cabinet.

Members commented on the excellent information provided by the database which gave a clear indication of the effectiveness of scrutiny and how scrutiny recommendations had had an effect in the delivery of council services.

Recommended

That the report be noted.

22. **Determining the Scrutiny Coordinating Committee's Work Programme for 2008/09** *(Scrutiny Manager)*

The Scrutiny Manager reported on the need for the Committee to develop a work programme. To this end, the Deputy Mayor (Performance) and the Cabinet Member for Neighbourhoods and Communities, the Assistant Chief Executive, the Chief Financial Officer and the Chief Personnel Officer have all been the foundation sources for the report. Along with key documents such as the Local Area Agreement Reward Element Targets (also known as LPSA2); and the Corporate Plan for 2008/09 to enable this Committee to compile its Work Programme for 2008/09.

The work programme items that had been suggested were listed in the report together with the key budgetary and performance management reports that will go to Cabinet, for Members information, which will also be considered by Scrutiny thereafter. It was highlighted that the Audit Commission reports that periodically came to the Committee in the past would now form part of a single annual report.

Members considered that the issue of the use of Agency Staff within the authority was one that they had wished to investigate for some time and should form the basis of the Committee's workload for 2008/09.

Recommended

1. That the investigation into the use of Agency Staff within the authority be agreed as this Committee's 2008/09 Work Programme item.
2. That, in principle, the proposed change in practice of this Committee to receive an annual summary report of the findings arising from the Audit Commission Inspection reports, as opposed to the consideration of individual inspection reports throughout the year, subject to the necessary constitutional changes.

22. **Scrutiny Forums Draft Work Programmes 2008/09** *(Individual Scrutiny Forum Chairs)*

The five Scrutiny Forum Chairs reported on their forums deliberations on the work programme for 2008/09 and indicated the issues that were being put forward for the Coordinating Committees approval.

Adult and Community Services Scrutiny Forum

The Chair, Councillor Chris Simmons, indicated that the forum proposed to investigate Quality of the Care Homes Provision in Hartlepool and Access to Recreation Facilities for Vulnerable / Older People.

Children's Services Scrutiny Forum

The Chair, Councillor Jane Shaw, indicated that the forum proposed to investigate Foster Care. The young people co-opted to the forum had been consulted on a second investigation subject and had proposed the Provision

of Appropriate Accommodation for young people who are homeless for whatever reason.

Health Scrutiny Forum

The Chair, Councillor Jonathan Brash, indicated that the forum proposed to investigate General Practitioner (GP) Practice and GP led Health Centre Development, Momentum: Pathways to Healthcare (Phase 1), Reaching Families in Need, and Annual Health Check. Councillor Brash commented that with the high workload of the forum it was likely that investigations may extend beyond April next year. In light of this he sought the Coordinating Committee's approval to allow any such investigations to produce an interim report which would allow the investigation to be continued in the new municipal year. Members agreed that this would be an appropriate action for the forum to take.

Neighbourhood Services Scrutiny Forum

The Chair, Councillor Stephen Akers-Belcher, indicated that the forum proposed to investigate Condition of the Highways in Hartlepool and Coastal Defences and Shoreline Management in Hartlepool.

Regeneration and Planning Services Scrutiny Forum

The Chair, Councillor Shaun Cook, indicated that the forum proposed to investigate Hartlepool Borough Council's Community CCTV Provision, which was already on-going following a referral from Cabinet, and The Marketing of Hartlepool. Members referred to a previous investigation undertaken by the forum in relation to railway approaches and indicated their concerns that very little appeared to have been done by Network Rail. Members agreed that the Chair of the forum should write to Network Rail seeking a meeting, to include all the Scrutiny Chairs, to progress the issue in advance of the Tall Ships event in 2010.

Recommended

That the investigations subjects as proposed by the five scrutiny forums and as set out above be approved.

23. Member Development Programme 2008/09 – Scrutiny Training *(Scrutiny Manager)*

The Scrutiny Manager reported on the finalised Member Development Programme for 2008/09 that included specific training in the field of Overview and Scrutiny. Submitted as Appendix A to the report was the finalised Member Development Programme for 2008/09, which had recently been endorsed by Councillor Hargreaves, the Deputy Mayor with Portfolio for Performance. Councillor Hargreaves commented that the new more detailed programme had been produced in response to the concerns expressed by members in the past. Members welcomed the new programme though did request that the times and venues of the individual training events be circulated to allow members to choose those they wished to attend. The Chairs of the scrutiny forums also agreed to a proposal from the Chair of the Committee that additional media training be arranged for

chairs and vice-chairs and any other member that wished to attend.

Recommended

That the finalised Member Development Programme for 2008/09 be noted and supported and that further media training sessions should be held for Chairs and Vice Chairs of the Overview and Scrutiny Committees and any other members that wished to attend.

24. Call-In Requests

None.

meeting concluded at 4.20pm.

CHAIR

SCRUTINY CO-ORDINATING COMMITTEE

18 July 2008



Report of: Scrutiny Manager

Subject: DEPARTMENTAL STRUCTURES AND EFFICIENCIES REFERRAL

1. PURPOSE OF REPORT

- 1.1 To inform Members of the Scrutiny Co-ordinating Committee that the Chief Executive will be in attendance at today's meeting to present a report, recently considered by the Cabinet, entitled 'Departmental Structures and Efficiencies'.

2. BACKGROUND INFORMATION

- 2.1 By way of background information, the Authority's Cabinet, at its meeting on 23 June 2008, considered a report of the Chief Executive proposing a review of the Authority's overall departmental structure, taking into account the need to make 3% cashable efficiency savings for each of the next three years.
- 2.2 At this meeting, it was subsequently agreed that the Scrutiny Co-ordinating Committee's views be sought on the content the report (as submitted to the Cabinet – **Appendix A** refers) and formally reported back to the Cabinet by the end of September 2008.
- 2.3 As such arrangements have been made for the Chief Executive to be in attendance at today's meeting to present the report and answer any questions that Members may feel to be appropriate.
- 2.4 Furthermore, at the last meeting of the Scrutiny Co-ordinating Committee held on 4 July 2008, a timetable for the undertaking of the Referral was agreed as outlined at **Appendix B**.

3. RECOMMENDATION

- 3.1 It is recommended that Members consider the report entitled 'Departmental Structures and Efficiencies' to be presented by the Chief Executive during this meeting and asks any questions felt appropriate.

Contact Officer:- Charlotte Burnham – Scrutiny Manager
Chief Executive's Department - Corporate Strategy
Hartlepool Borough Council
Tel: 01429 523 087
Email: charlotte.burnham@hartlepool.gov.uk

BACKGROUND PAPERS

The following background papers were used in the preparation of this report:-

- (i) Report of the Chief Executive presented to the Cabinet on 23 June 2008 entitled 'Departmental Structures and Efficiencies'
- (ii) Decision Record of the Cabinet Meeting held on 23 June 2008.
- (iii) Report of the Scrutiny Manager presented to the Scrutiny Co-ordinating Committee on 4 July 2008 entitled 'Scrutiny Topic Referral from the Cabinet – Departmental Structures and Efficiencies'
- (iv) Minutes of the Scrutiny Co-ordinating Committee held on 4 July 2008.

CABINET 23 June 2008



Report of: CHIEF EXECUTIVE

Subject: DEPARTMENTAL STRUCTURES AND EFFICIENCIES

SUMMARY

1. PURPOSE OF REPORT

To review the Council's overall departmental structure, taking into account the need to make 3% cashable efficiency savings for each of the next three years.

2. SUMMARY OF CONTENTS

The report identifies proposals for the restructure of the departmental structure of the Council to be phased in over the next 2 years

3. RELEVANCE TO CABINET

The decision relates to the overall management structure of the Council and as such is part of the remit of Cabinet

4. TYPE OF DECISION

Non key.

5. DECISION MAKING ROUTE

Cabinet 23rd June 2008

6. DECISION(S) REQUIRED

- i) The new Departmental structure, a reduction in the number of departments from 5 to 3 as outlined in section 4 of this report be agreed and implemented, subject to it being phased in by the Summer of 2010.
- ii) That reviews of the operational and management structures in each of the newly created departments be undertaken in line with the phased timescales outlined in this report.

- iii) The new organisational structure be reviewed in three years time – 2011/12.
- iv) Rockpools now be engaged to review the role of Elected Mayor and to undertake job evaluation for the chief executive and the new director posts.

Report of: Chief Executive

Subject: DEPARTMENTAL STRUCTURES AND EFFICIENCIES

SUMMARY

1. PURPOSE OF REPORT

To review the Council’s overall departmental structure, taking into account the need to make 3% cashable efficiency savings for each of the next three years.

2. SUMMARY OF CONTENTS

This report briefly considers the Government’s new agenda for local government; the impact this will have on the overall departmental structure of the council, the means by which the required efficiency savings can be achieved and the outline timescales for further consideration of departmental structures over the next 2 years.

3. BACKGROUND

The 2006 Local Government White Paper, the 2007 Lyons Report and subsequent legislation, set out an ambitious new agenda for the delivery of local public services. This agenda requires a new set of organisational competencies:

- Councils must lead their communities and also meet rising citizen and customer expectations.
- A shift in focus from service led, pre-designed provision to flexible services provided through multi-agency partnerships and networks with voluntary, community and business partners, focused on customer needs and choice.
- Services to be managed through commissioning, market management and partnership co-ordination.

Table 1 below shows the traditional approach to organisational structures and career pathways, whilst Table 2 provides a representation of potential new structures.

Table 1

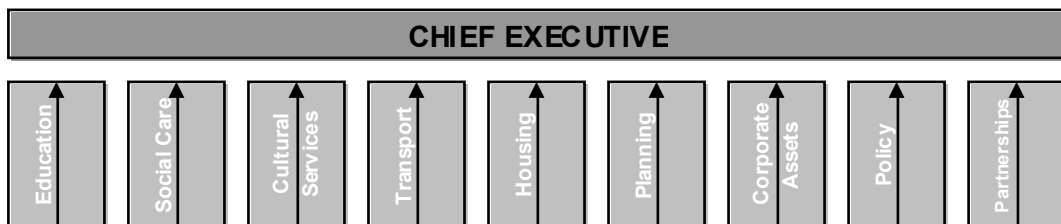
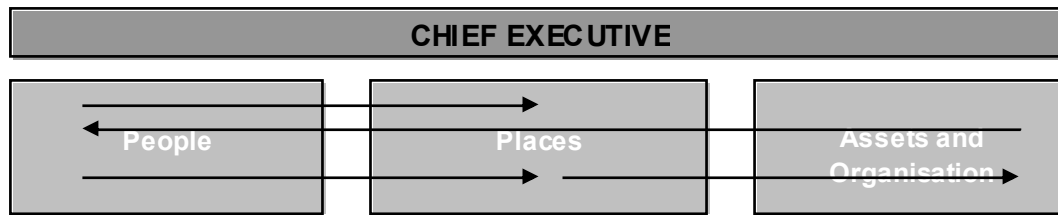


Table 2



From 2009 Government inspection will broaden out from Comprehensive Performance Assessment (CPA) of local authorities, to Comprehensive Area Assessment (CAA), which will review all public sector service provision in the area and then “extract” the local authority’s performance rating from the overall assessment. Local Area Agreements (LAA) are intended to be the performance basis from which CAA will be measured. The Council has an excellent track record of delivering high quality services and continuous improvement.

At sub-regional level, in our case the Tees Valley City Region, local authorities are required to work in partnership with one another and with other public, private and voluntary sector organisations, through Multi Area Agreements (MAA). MAAs cover such issues as strategic planning, housing, transport, regeneration, learning and skills, sustainability, environment, and tourism.

Regional structures are now being put in place, to become effective from April 2009, which will bring together Regional Spatial Strategies (RSS) and Regional Economic Strategies (RES) under the control of the Regional Development Agencies (RDA). However, the development and scrutiny of these new Integrated Regional Strategies (IRS) must involve regional local government, which for us will be the Association of North East Councils (ANEC).

From 1 April 2009, the Housing Corporation and English Partnerships will be merged to become one national body, the Homes and Communities Agency, which is intended to have a regional sub-structure. The Learning and Skills Council will be disbanded from April 2010 with some of their duties and responsibilities passing directly to local authorities (e.g. 14-19 Agenda) and others going to groups of local authorities based upon travel to learn areas.

In addition, the Government is setting up a national performance framework, and has an agreed National Improvement and Efficiency Strategy (NIES) for local government. Nine local government Regional Improvement and Efficiency Partnerships (RIEP) have been established across the country and they are required to work to the NIEP.

Section 3 of the NIEP states:

“Local authorities and their partners are responsible for driving their own improvement. They will lead the identification of local improvement priorities, the drive to secure continuous improvement across local public services and the achievement of ambitious LAA outcomes.

“This strategy will support localities to drive improvement by:

- *“placing RIEPs at the heart of delivery support arrangements; and building the capacity and capability of RIEPs to support councils and partners to take increased responsibility for a range of improvement issues:*
- *“leading locally the co-ordinated support of councils in difficulty and tackling poor performance where it persists through:*

- *tailored and co-ordinated support from RIEPs, working in partnership with Government Offices, inspectorates and other government departments where concerns arise;*
- *peer support and challenge by the Improvement and Development Agency (IDeA);*
- *political challenge by the Local Government Association (LGA) Improvement Board lead members, where councils are not utilising the support available and where it exists political blockages to improvement; and,*
- *putting in place strong accountability frameworks to ensure that improvement support is correctly targeted to the right areas and priorities.*

“In addition, Government will want ongoing reassurance that issues of poor performance are being dealt with, through close partnership between the Government Office and the RIEP.”

Our Elected Mayor, the Chief Executive, directors and Cabinet will be required to operate at a more strategic level across the region, sub-region and the whole of Hartlepool. They must therefore adapt and change to meet the rigors of the new agenda if the interests of Hartlepool are to be best represented and the benefits which have been realised to date built upon.

The Council has already gone some way to put in place an organisational structure with the creation of our Children’s Services and Adult and Community Services Departments, suitable to carry out this new agenda. We must now take this a further step forward, but bearing in mind the composition of our workforce, the national recruitment position and the need to make cashable efficiencies in conjunction with the need to ensure that the current high levels of service and achievement can be maintained.

Nationally, two thirds of local government employees are over the age of 40, and, if teachers are excluded, 31% of the workforce is over 50 (this compares with 24% in the wider economy). The proportion of those under 25 is 7% compared to 15% in the wider economy. Put simply, local government has an ageing workforce with insufficient young people working or attracted to working within it.

4. RISKS

This will be by no means easy, and will involve a number of risks. It will therefore be necessary to phase in the reduction to mitigate those risks and ensure they can be effectively managed. They include:

- Very knowledgeable and experienced staff may leave, possibly to be replaced by those with less experience;
- A loss of focus on the delivery of high quality services
- We may not be able to appoint suitable staff to the new enhanced roles;
- Insufficient strategic capacity;
- Lack of senior management capacity;
- Reduction in quality and level of service provision due to loss of “hands on” leadership;
- May require more use of external support to cover peaks in workload.

It is important to recognise that in recognising that these risks exist, but giving them due consideration as part of an overall change programme provides an

effective means for their management. Given the risks associated with this proposal, I will recommend that a review of the organisational structure be undertaken in three years time – 2011/12.

5. FINANCIAL IMPLICATIONS

The proposed structure will produce savings of £155,000 as a minimum, over the three year period 2009/10 – 2011/12. It is more probable that this saving will be around £255,000, with annual savings of £170,000 per annum for each subsequent year. In total, for the five years from 2009/10, probable savings will be in the region of £600,000. (All these figures allow for 27% oncosts and are net of redundancy and job evaluation costs.)

6. CONCLUSIONS

There is a fundamental shift underway in the manner in which local authorities are required to work. This will impact to some extent on the role of Elected Mayor, and potentially his Cabinet, but far more substantially on the Chief Executive, his directors and other chief officers. We must ensure our management structure is fit for purpose and as lean as is feasible.

In the confidential appendix to this report I identify the means by which a phased reduction in the number of departments from 5 (Children's, Neighbourhood, Regeneration and Planning, Adult and Community and Chief Executives) to 3 (People, Place and Chief Executives) can be implemented. The overall proposed structure is shown as **Appendix 1** to this report. **This items contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely information which is likely to reveal the identity of an individual.** The overall change incorporates the combining of Children's and Adult and Community Services (People) and Neighbourhood and Regeneration and Planning (Place).

In order for this to be undertaken in a manner which enables it to be effectively managed I am proposing a phased approach as follows;

- Creation of People Department by August 2009
- Creation of Place Department by August 2010

Recruitment to chief executive and the proposed new directors, if they went out to the open market, would need to be carried out on a national basis. Consequently, job evaluation of these posts will be more appropriately undertaken within a national rather than regional context. Given also the fact that Hartlepool is one of only a handful of local authorities having a directly elected mayor without allegiance to any political party, the broadening of the mayoral role and his relationships with the chief executive and directors, it seems more appropriate to use a national organisation with a degree of specialist knowledge of how the mayoral model works in practice. As one of the senior consultants with Rockpools previously held the role of deputy elected mayor with another mayoral authority, I propose that they/he be engaged to undertake a job evaluation exercise for the chief executive and the proposed new director roles, and a review of the role of Elected Mayor.

The management arrangements to underpin these structures will require further development and the overall programme for change will need to be closely aligned with the Business Transformation Programme to which Cabinet (and Council) have already agreed and which is currently being developed by KPMG

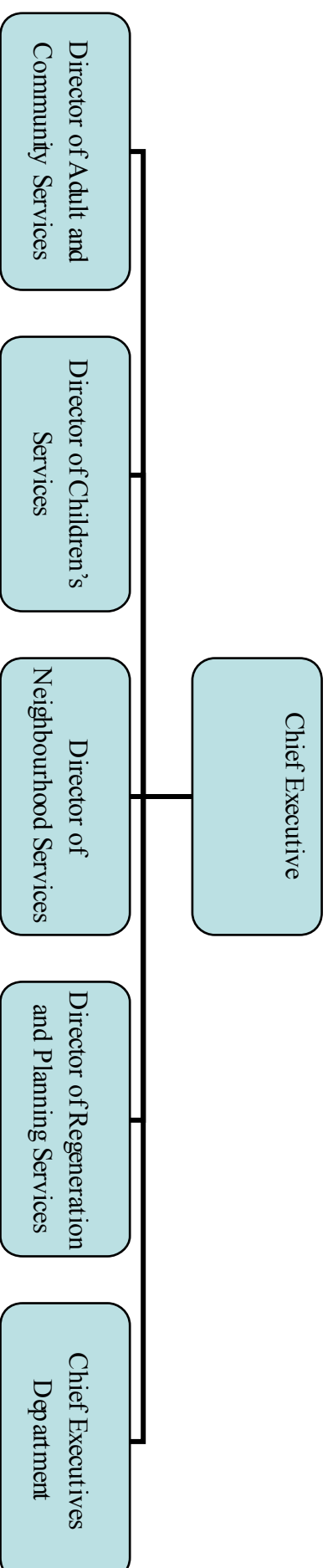
(with the Council). It is intended therefore that this proposal, and any associated requirements, form an integral part of the transformation programme which is being overseen by a Programme Board, with decision making retained by Cabinet. This approach should provide good, effective management for the overall project.

7. RECOMMENDATIONS

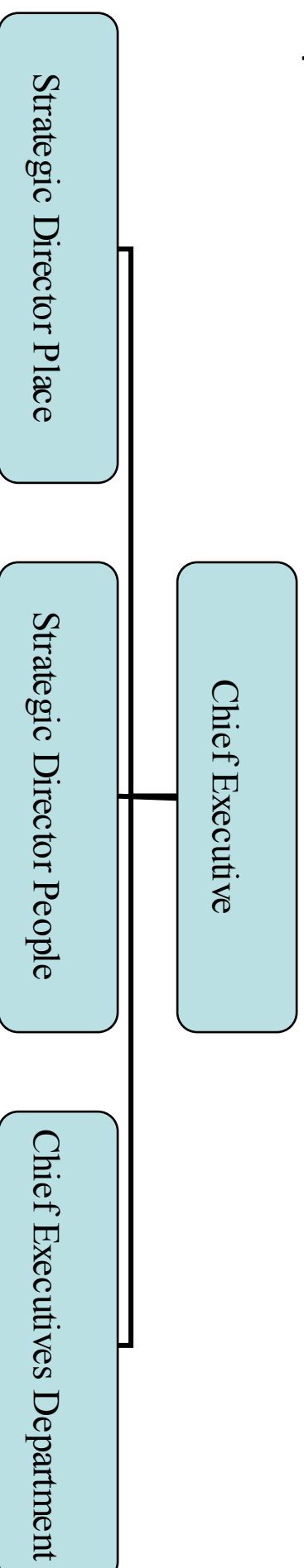
1. A reduction in the number of departments from 5 to 3 as outlined in section 4 of this report be agreed and implemented, subject to it being phased in by the Summer of 2010.
2. That reviews of the operational and management structures in each of the newly created departments be undertaken in line with the phased timescales outlined in this report.
3. The new organisational structure be reviewed in three years time – 2011/12.
4. Rockpools now be engaged to review the role of Elected Mayor and to undertake job evaluation for the chief executive and the new director posts.

DEPARTMENTAL STRUCTURES

Current



Proposed



APPENDIX B

**DEPARTMENTAL STRUCTURES AND EFFICIENCIES REFERRAL
- TIMETABLE FOR SCRUTINY'S INVOLVEMENT**

<p>18 July 2008 – 2.00 pm (Additional Meeting) (D/L for papers: 7 July 08)</p>	<p>Scrutiny Co-ordinating Cttee with invitations extended to the Scrutiny Forums (with the exception to Health)</p>	<p>To consider the Departmental Structures and Efficiencies report to be presented by the Chief Executive</p>
<p>30 July 2008 – 2.00 pm (D/L for papers: 17 Jul 08) Cllr Shaw to Chair</p> <p>11 August 2008 – 4.00 pm (D/L for papers: 30 Jul 08) Cllr Simmons to Chair</p>	<p>Joint Meeting of the Adult and Community Services / Children Services Scrutiny Forums</p> <p>*BOTH CLOSED MEETINGS* (Para 2 - Exempt info likely to reveal identity of an individual)</p>	<p>First Meeting - Question and Answer Session with the Chief Executive with regard to the restructure proposals, with particular focus on the proposed People Department</p> <p>Second Meeting – To determine the Joint Scrutiny Forums' views / mop up session if required</p>
<p>31 July 2008 – 9.30 am (D/L for papers: 18 Jul 08) Cllr Akers-Belcher to Chair</p> <p>28 August 2008 – 4.00 pm (D/L for papers: 14 Aug 08) Cllr S Cook to Chair</p> <p>NB Stephen Akers-Belcher on a/l 16/7 to 1/8 / Shaun Cook on a/l 31/7 to 26/8</p>	<p>Joint Meeting of the Neighbourhood Services / Regeneration and Planning Services Scrutiny Forums</p> <p>*BOTH CLOSED MEETINGS*</p>	<p>First Meeting - Question and Answer Session with the Chief Executive with regard to the restructure proposals, with particular focus on the proposed Places Department</p> <p>Second Meeting – To determine the Joint Scrutiny Forums' views / mop up session if required</p>
<p>5 September 2008 – 2.00 pm (D/L for papers: 22 Aug 08)</p>	<p>Scrutiny Co-ordinating Committee</p> <p>*CLOSED MEETING*</p>	<p>Question and Answer Session with the Chief Executive with regard to the restructure proposals, with particular focus on the proposed Organisation Department / To determine the Cttee's view</p>
<p>19 September 2008 – 2.00 pm (D/L for papers: 8 Sept 08)</p>	<p>Scrutiny Co-ordinating Committee</p>	<p>To receive feedback from the Scrutiny Forums and to determine the formal response of the Scrutiny Co-ordinating Committee for consideration by Cabinet</p>
<p>29 September 2008 – 9.00 am (D/L for papers: 17 Sept 08)</p> <p>NB – Holding Report required for Cabinet as paper deadline before SCC mtg of 19 Sept 08</p>	<p>Cabinet</p>	<p>To consider the formal response of the Scrutiny Co-ordinating Committee</p>