

Decision Number:

Portfolio Holder Decision

Subject: Head of Finance and HR – approval of restructure and savings proposals

Taken by: Cllr P Fleming & Cllr B Ramsay

Date of decision: 16 Jan 2012

Details of Decision:

Deletion of existing post, creation of Group Manager – Financial Services post and subsequent changes in reporting lines in order to achieve savings of between £20,000-£30,000 a year, subject to job evaluations.

Documents considered:

(Please attach the report including recommendations for action and list all others)

See attached report

Reasons for Decision:

(Please set out in full)

See attached report

Local Member(s), other Portfolio Holders and/or Directors/Heads of Service consulted.

Management Team, Heads of Service and relevant service managers (SDC)

Executive Director (Dartford Borough Council)

Signed by Portfolio Holders:

B. H. Ramsay

Record made by:

Date:

When completed a copy of this record must be sent to the Democratic Services Section by e-mail and a signed copy by internal mail

PORTFOLIO HOLDER DECISION – JANUARY 2012

HEAD OF FINANCE AND HR POST – RESTRUCTURE AND SAVINGS PROPOSALS

Report of the: Deputy Chief Executive and Director of Corporate Resources

Status: For Decision

This report supports the Key Aim of Corporate Performance Plan “Effective Management of Council Resources”

Portfolio Holder(s): Cllr. Fleming (Leader)
Cllr. Ramsay (Finance and Value for Money)

Recommendation: It be RESOLVED that the Leader and the Portfolio Holder for Finance and Value for Money approve the proposed restructure and savings proposals to replace the current Head of Finance and HR post.

Introduction

- 1 The Head of Finance and HR is due to leave the authority on 9 March 2012. This post currently manages the following services:
 - Finance
 - Human Resources
 - Revenues (joint service with DBC)
 - Benefits (joint service with DBC)
 - Customer Services
 - Audit and Fraud (joint service with DBC)
 - Property (jointly with Head of Legal and Democratic Services).
- 2 The 10-year budget assumes that from 2013/14 onwards £302,000 a year will be saved from senior management costs; therefore when any management post falls vacant consideration should be given as to whether the role can be delivered in a different way, so that a contribution can be made to this savings target.
- 3 Proposals to cover the duties of this post whilst delivering a contribution to the savings target are set out below and existing (Appendix A) and proposed (Appendix B) structures are shown in the Appendix.

Proposed new structure

- 4 The Customer Services Manager would report to the Head of ICT. This reflects the close operational links between IT, telephony and Customer Services.

- 5 The Professional Services Manager (Property) would continue to report to the Head of Legal and Democratic Services. This would recognise the existing close working relations between the Property and Legal and Democratic Services teams, where the Land Charges and Elections Team is managed by the Professional Services Manager reporting to the Head of Legal and Democratic Services.
- 6 The HR Manager would report directly to the Deputy Chief Executive and Director of Corporate Resources. It is recognised that this would be out of line with the current reporting structure, however there is already a precedent for a service manager reporting directly to a Director, and in order to achieve the required savings from senior management a more flexible approach to reporting hierarchies needs to be considered.
- 7 A Group Manager – Financial Services post (funding by savings from Head of Finance and HR) would be created to manage Finance, Revenues, Benefits, Audit and Fraud and to be deputy s151 officer. Given the major changes in these areas over the next two years, it seems prudent to create a revised post with a narrower remit than the previous Head of Finance and HR role. This will allow more time to be devoted to preparing for the changes to council tax benefit, housing benefit, business rates and council tax, as well as planning for their impact on the Council's overall financial position.
- 8 The new post would allow time to reflect on the need to fundamentally review the Council's senior management structure within the next twelve months, in order to achieve the planned saving of £302,000 from 1 April 2013.
- 9 In order to achieve efficiencies, it is suggested that this new post is filled by internal restructure. As the Finance Team is already very small, with the fewest staff of any Finance Team in Kent, it is recommended that the Finance Manager post be retained and filled through internal promotion from the current principal/service accountants and that a replacement service accountant be recruited to retain the current levels of customer support and to improve resilience.

Key Implications

Financial

- 10 It is expected that this proposal would contribute between £20,000 and £30,000 (subject to job evaluation) towards the senior management savings target and any changes will be met from the savings in the Head of Finance and HR post. Financial details to be presented at the meeting.

Community Impact and Outcomes

- 11 Increased senior management resources would be devoted to managing:
 - the transition from council tax benefit to a localised council tax discount;
 - the transition from housing benefit to universal credit;
 - the transition from national to localised business rates;

- numerous amendments to existing Council Tax discounts; and
 - the financial implications of the above,
- which will be of benefit to local residents.

Legal, Human Rights etc.

12 These proposals have no legal or human rights implications.

Resource (non-financial)

13 Any resource implications are set out above under the restructure proposals.

Value For Money

14 This proposal contributes towards the planned saving from senior management costs within the authority.

Conclusions

15 The opportunity provided by the Head of Finance and HR post falling vacant has been used to increase the senior management resources available to support the Revenues and Benefits Services through a time of fundamental change as well as deliver a contribution towards the planned senior management saving included in the budget.

Risk Assessment Statement

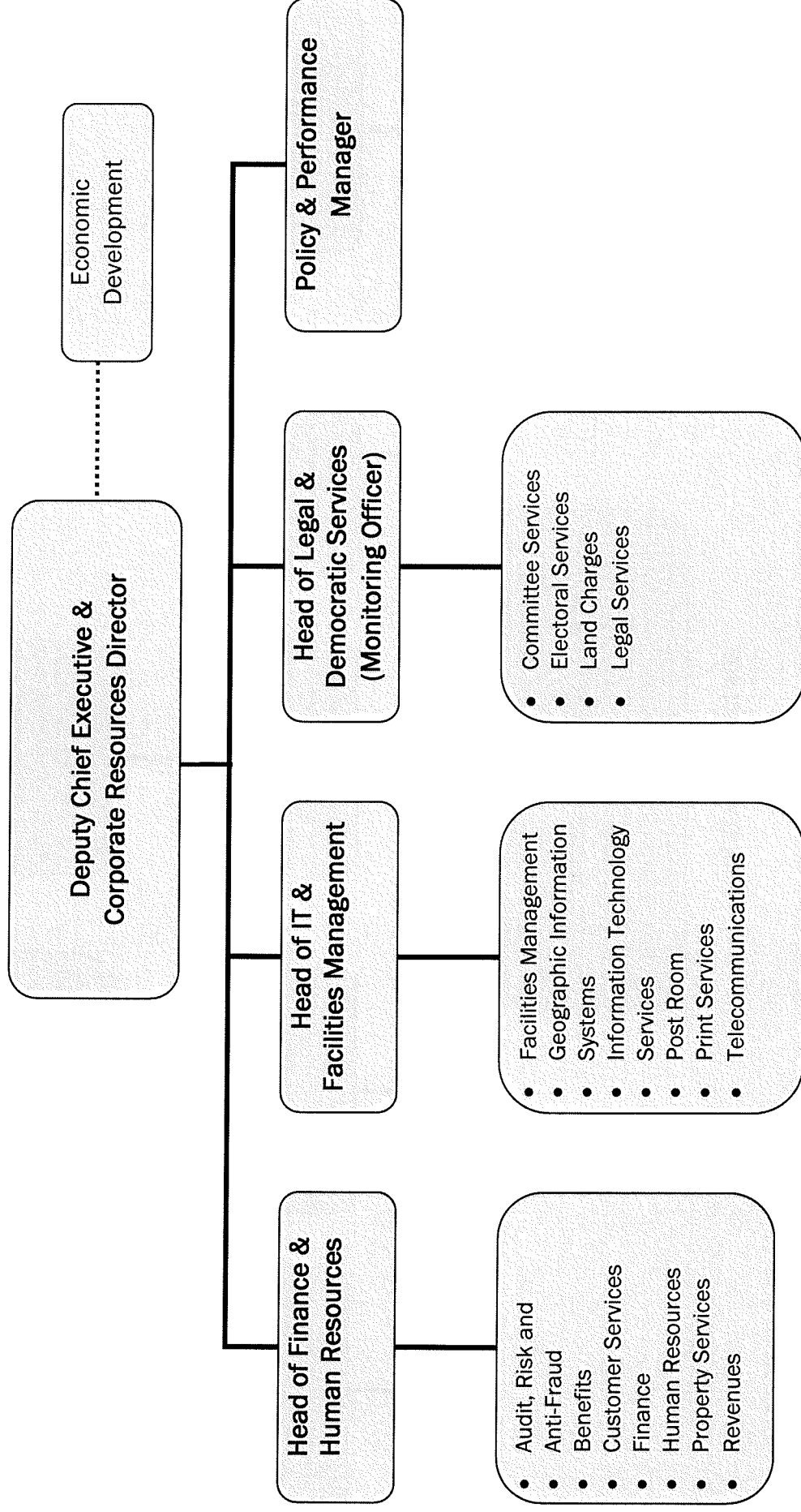
Risk identified	Risk assessment	Mitigating action (if required) and residual risk
Managers taking on new responsibilities are inexperienced or do not have the capacity to take on additional work	Low – all managers taking on new roles are experienced and willing to take on additional responsibility. In any event, the senior manager structure is to be reviewed within the next 12 months in order to deliver the planned saving of £302,000.	No action required
Recruitment to new accountant role may be unsuccessful	Medium – there is a limited pool of experienced local government accountants	If initial recruitment unsuccessful a less experienced candidate could be recruited and a training programme put in place to build their knowledge in the required areas – residual risk – Low

Sources of Information:

Contact Officer(s): Pav Ramewal. Ext 7298

Dr. Pav Ramewal
Deputy Chief Executive and Director of Corporate Resources

Existing Structure



Proposed Structure

