

# Chief Officer Employment Panel

Wednesday, 2nd March, 2011  
at 3.00 pm

## **PLEASE NOTE TIME OF MEETING**

Council Chamber - Civic Centre

This meeting is open to the public

### **Members**

Councillor Moulton  
Councillor Norris  
Councillor Rayment  
Councillor Samuels  
Councillor Smith  
Councillor Vinson  
Councillor Dr R Williams

### **Contacts**

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## **PUBLIC INFORMATION**

### **Role of the Chief Officer Employment Panel**

The appointment of Chief Officers in accordance with the Council's Officer Employment Procedure Rules.

### **Public Representations**

At the discretion of the Chair, members of the public may address the meeting about any report on the agenda for the meeting in which they have a relevant interest.

**Smoking policy** – the Council operates a no-smoking policy in all civic buildings.

**Mobile Telephones** – please turn off your mobile telephone whilst in the meeting.

### **Southampton City Council's Six Priorities**

- Providing good value, high quality services
- Getting the City working
- Investing in education and training
- Keeping people safe
- Keeping the City clean and green
- Looking after people

**Fire Procedure** – in the event of a fire or other emergency a continuous alarm will sound and you will be advised by Council officers what action to take.

**Access** – access is available for the disabled. Please contact the Democratic Support Officer who will help to make any necessary arrangements.

### **Dates of Meetings: Municipal Year 2010/11**

Meetings of the Panel are convened as and when required.

## CONDUCT OF MEETING

### **Terms of Reference**

The terms of reference of the Audit Committee are contained in Article 8 and Part 3 (Schedule 2) of the Council's Constitution.

### **Business to be discussed**

Only those items listed on the attached agenda may be considered at this meeting.

### **Rules of Procedure**

The meeting is governed by the Council Procedure Rules as set out in Part 4 of the Constitution.

### **Quorum**

The minimum number of appointed Members required to be in attendance to hold the meeting is 3.

### **Disclosure of Interests**

Members are required to disclose, in accordance with the Members' Code of Conduct, **both** the existence **and** nature of any "personal" or "prejudicial" interests they may have in relation to matters for consideration on this Agenda.

### **Personal Interests**

A Member must regard himself or herself as having a personal interest in any matter

- (i) if the matter relates to an interest in the Member's register of interests; or
- (ii) if a decision upon a matter might reasonably be regarded as affecting to a greater extent than other Council Tax payers, ratepayers and inhabitants of the District, the wellbeing or financial position of himself or herself, a relative or a friend or:-
  - (a) any employment or business carried on by such person;
  - (b) any person who employs or has appointed such a person, any firm in which such a person is a partner, or any company of which such a person is a director;
  - (c) any corporate body in which such a person has a beneficial interest in a class of securities exceeding the nominal value of £5,000; or
  - (d) any body listed in Article 14(a) to (e) in which such a person holds a position of general control or management.

A Member must disclose a personal interest.

Continued/.....

## **Prejudicial Interests**

Having identified a personal interest, a Member must consider whether a member of the public with knowledge of the relevant facts would reasonably think that the interest was so significant and particular that it could prejudice that Member's judgement of the public interest. If that is the case, the interest must be regarded as "prejudicial" and the Member must disclose the interest and withdraw from the meeting room during discussion on the item.

It should be noted that a prejudicial interest may apply to part or the whole of an item.

Where there are a series of inter-related financial or resource matters, with a limited resource available, under consideration a prejudicial interest in one matter relating to that resource may lead to a member being excluded from considering the other matters relating to that same limited resource.

There are some limited exceptions.

Note: Members are encouraged to seek advice from the Monitoring Officer or his staff in Democratic Services if they have any problems or concerns in relation to the above.

## **Principles of Decision Making**

All decisions of the Council will be made in accordance with the following principles:-

- proportionality (i.e. the action must be proportionate to the desired outcome);
- due consultation and the taking of professional advice from officers;
- respect for human rights;
- a presumption in favour of openness, accountability and transparency;
- setting out what options have been considered;
- setting out reasons for the decision; and
- clarity of aims and desired outcomes.

In exercising discretion, the decision maker must:

- understand the law that regulates the decision making power and gives effect to it. The decision-maker must direct itself properly in law;
- take into account all relevant matters (those matters which the law requires the authority as a matter of legal obligation to take into account);
- leave out of account irrelevant considerations;
- act for a proper purpose, exercising its powers for the public good;
- not reach a decision which no authority acting reasonably could reach, (also known as the "rationality" or "taking leave of your senses" principle);
- comply with the rule that local government finance is to be conducted on an annual basis. Save to the extent authorised by Parliament, 'live now, pay later' and forward funding are unlawful; and
- act with procedural propriety in accordance with the rules of fairness.

## AGENDA

Agendas and papers are now available via Southampton Online at  
[www.southampton.gov.uk/council/meeting-papers](http://www.southampton.gov.uk/council/meeting-papers)

### **1 APPOINTMENT OF CHAIR**

To appoint a Chair to the Panel.

### **2 APOLOGIES AND CHANGES IN MEMBERSHIP (IF ANY)**

To receive any apologies for absence.

### **3 DISCLOSURE OF PERSONAL AND PREJUDICIAL INTERESTS**

In accordance with the Local Government Act, 2000, and the Council's Code of Conduct adopted on 16<sup>th</sup> May, 2007, Members to disclose any personal or prejudicial interests in any matter included on the agenda for this meeting.

NOTE: Members are reminded that, where applicable, they must complete the appropriate form recording details of any such interests and hand it to the Democratic Support Officer.

### **4 MINUTES**

To authorise the signing of the minutes of the meeting held on 2<sup>nd</sup> July 2010, attached.

### **5 PROPOSED SENIOR MANAGEMENT RESTRUCTURE**

Report of the Chief Executive setting out the proposed restructuring of the managerial structure of Southampton City Council, particularly with reference to Chief Officers, attached.

Tuesday, 22 February 2011

SOLICITOR TO THE COUNCIL

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CHIEF OFFICER EMPLOYMENT PANEL  
MINUTES OF THE MEETING HELD ON 2 JULY 2010

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Present: Councillors Samuels (Chairman), Moulton, Norris, Rayment, Smith, Dr R Williams and Vinson

9. **MINUTES**

RESOLVED that the minutes of the Chief Officer Employment Panel held on 23<sup>rd</sup> June 2010 be approved and signed as a correct record.

10. **EXCLUSION OF THE PRESS AND PUBLIC**

RESOLVED that in accordance with the Council's Constitution, specifically the Access to Information Procedure Rules contained within the Constitution, the press and public be excluded from the meeting in respect or any consideration of the confidential minute 11.

The report is not for publication by virtue of Categories 1, 2 and 3 (Personal Information) of paragraph 10.4 of the Council's Access to Information Procedure Rules as contained in the Council's Constitution. It is not considered to be in the public interest to disclose this information because the reports contain confidential and personal sensitive information relating to specific individuals.

11. **APPOINTMENT OF CHIEF EXECUTIVE AND HEAD OF PAID SERVICE**

The Panel considered the confidential report of the Head of Organisational Development (copy of the report circulated with the agenda and appended to the signed minutes).

RESOLVED that full Council be recommended to appoint interview candidate Alistair Neill to the position of Chief Executive and Head of Paid Service, from the short list of candidates presenting for interview.

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# Agenda Item 5

<b>DECISION-MAKER:</b>	CHIEF OFFICER EMPLOYMENT PANEL
<b>SUBJECT:</b>	PROPOSED SENIOR MANAGEMENT RESTRUCTURE
<b>DATE OF DECISION:</b>	2 MARCH 2011
<b>REPORT OF:</b>	CHIEF EXECUTIVE
<b>STATEMENT OF CONFIDENTIALITY</b>	
None	

## **BRIEF SUMMARY**

This report sets out the proposed organisational and senior management restructure of Southampton City Council, particularly with reference to Chief Officers, to enable the Panel to consider the proposals of the Chief Executive, as Head of Paid Service, and authorise him to take the necessary steps in order to implement his proposed restructure.

## **RECOMMENDATIONS:**

- (i) To endorse and approve the organisational and senior management restructure proposals set out in this report;
- (ii) To note that in the event of there needing to be a selection process for any of the new Director (i.e. Chief Officer) posts, the Panel will be called upon to undertake the selection panel activity; and
- (iii) To delegate authority to the Chief Executive to implement the revised structure and to take any further action necessary to give effect to the contents of this report.

## **REASONS FOR REPORT RECOMMENDATIONS**

1. In the context of the current challenging financial position being faced by the Council and the fundamental changes being made to the public sector, including its strategic partners, the Chief Executive has come to the conclusion that radical organisational change is essential to enable the Council to substantially reshape the way it does its business. As an integral part of this change, the Chief Executive proposes an organisational and management restructure of the Council, resulting in a reduction in the number of senior managers.

## **DETAIL (Including consultation carried out)**

2. The Chief Executive's outline proposals for restructuring the organisation will, in broad terms, provide three public facing directorates supported by a corporate centre as follows:
  - Environment Directorate
  - Families and Communities Directorate
  - Economic Development Directorate
  - Corporate Centre (Finance and Corporate Services)
  - Corporate Centre (Legal and Corporate Services)

An outline organisation of key services provided in *appendix 1* showing proposed grouping of organisational functions and accountabilities within the new Directorates. Not every service is listed and the detailed organisational structure will be subject to ongoing consultation on the management restructure.

3. As this first phase of the new structure proposes fewer directorates than within the current structure, a consequence of these proposed changes will be a realignment of responsibilities across senior management posts and a reduction of two posts at Executive Director level.
4. The full restructure will also take the opportunity to simplify and rationalise designation of management posts through replacing existing job titles with the new nomenclature of Directors, Senior Managers and Managers as appropriate.
5. In terms of the Council's processes and procedures, the Officer Employment Procedure Rules embody certain legal requirements which are particularly appropriate in terms of the selection process. Under paragraph 12 of those rules, where the Council proposes to appoint a Chief Officer and it is not proposed that the appointment be made exclusively from amongst the existing officers, the Council has to take certain steps, including the drawing up of a statement of the duties of the officers and a person specification.
6. The Council's Employment Stability Policy is also relevant. Employees are normally selected for posts in revised structures in accordance with the Council's Good Recruitment Practice principles, on merit and against consistent and fair criteria. Where a job ceases to exist as a result of reorganisation but a similar job is created utilising the same or virtually the same skills, a "natural successor" situation may arise. The criteria are contained in the Policy.
7. A person will be considered a natural successor where there is a substantial match between their substantive existing job and the new job. Posts must be looked at in the round. There is no precise mathematical calculation to determine whether or not a post is a natural successor or a new post. If a change merely involves taking on more of the same work that a post holder could reasonably expect it to do, then the post may not be new.
8. All posts within the proposed structure at Director level have been assessed on this basis. This assessment has established that the Solicitor to the Council post remains broadly unchanged (natural successor) within the new Board of Directors. The other posts within the new Board of Directors are deemed to be new posts and therefore no natural successors are identified.
9. As such, the Chief Executive considers that it would be appropriate when seeking to fill the new posts created by the reorganisation, in accordance with usual practice, to ring-fence those posts to the relevant employees being reorganised or to them plus others likely to have the appropriate skills or competencies to fill the posts in question.

10. It is, therefore, proposed that:
- i) The existing Executive Directors of: Adult Health and Social Care; Children's Services; Environment; Neighbourhoods; Corporate Policy and Economic Development, will be ring-fenced for selection to the new posts of:
    - Director of Environment
    - Director of Families and Communities
    - Director of Economic DevelopmentAll ring-fenced employees will be able to apply for any of the above new posts within the new Board of Directors.
  - ii) The existing post of Executive Director of Resources has been covered on an interim basis since the resignation of the previous substantive post holder in July 2010. The new post of Chief Financial Officer will therefore be advertised to all existing Level 1 Managers as there are no existing substantive post holders at Director level with the necessary skills, qualification and experience for this role.
  - iii) In the event that the selection process is unsuccessful, the Chief Executive will seek to fill vacant post(s) through external recruitment.
11. Applicants for all posts will be required to submit 'Expression of Interest' form(s) identifying the post(s) that they wish to be considered for within the new structure, reflecting details of leadership skills and outlining proposals for taking the new Directorate forward and implementing the change programme. Job descriptions and person specifications have been drawn up for all posts within the new Board of Directors.
12. The selection process for the new Board of Directors will be carried out by the Chief Officers Employment Panel. The selection process will require delivery of a formal presentation followed by a structured interview.
13. In accordance with the Officer Employment Procedure Rules all successful appointments will be subject to approval by the Executive. Appointments will commence on 4 April 2011.
14. If an affected employee is unsuccessful in their application for a post in the new structure, then redundancy (and access to pension where appropriate) will apply. During the notice period, alternative redeployment opportunities will be considered in accordance with the Council's Employment Stability Guidelines. Any employee under notice of redundancy will be entitled to take a reasonable amount of paid time off to look for a new job, or make arrangements for training for future employment. Redundancy pay arrangements will be in accordance with the Discretionary Severance Policy applicable at the time of the redundancy.

15. In preparing the report, early discussions have taken place between the Chief Executive and all affected employees. The Chief Executive wrote to all affected employees as well as all staff and trade unions on 19<sup>th</sup> January 2011 as part of a pre-consultation exercise, outlining his intentions. The statutory thirty days formal consultation process for this first phase of the organisational and management restructure commenced on 8<sup>th</sup> February 2011 providing a proposed timetable for the consultation and selection process (appendix 2).

## **RESOURCE IMPLICATIONS**

### **Capital/Revenue**

16. The proposed structure will generate estimated full year revenue savings of £338,000.

### **Property/Other**

17. The proposed staffing structure can be accommodated within existing Civic buildings.

## **LEGAL IMPLICATIONS**

### **Statutory Power to undertake the proposals in the report:**

18. The legal powers to implement the proposals are contained within Section 112 Local Government Act 1972 (Appointment of Staff) and Section 111 Local Government Act 1972 (Incidental Powers of Local Authorities).

### **Other Legal Implications:**

19. Any legal issues surrounding the future implementation of the proposals will be dealt with in accordance with the Council's Constitution, specifically (though not exclusively) the Officer Employment Procedure Rules and the Officer Scheme of Delegation.

## **POLICY FRAMEWORK IMPLICATIONS**

20. None.

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**SUPPORTING DOCUMENTATION**

**Non-confidential appendices are in the Members' Rooms and can be accessed on-line**

**Appendices**

1.	Outline organisation of key services
2.	Consultation and selection timetable for Board of Directors posts

**Documents In Members' Rooms**

1.	None
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**Integrated Impact Assessment**

Do the implications/subject/recommendations in the report require an Integrated Impact Assessment to be carried out.	No
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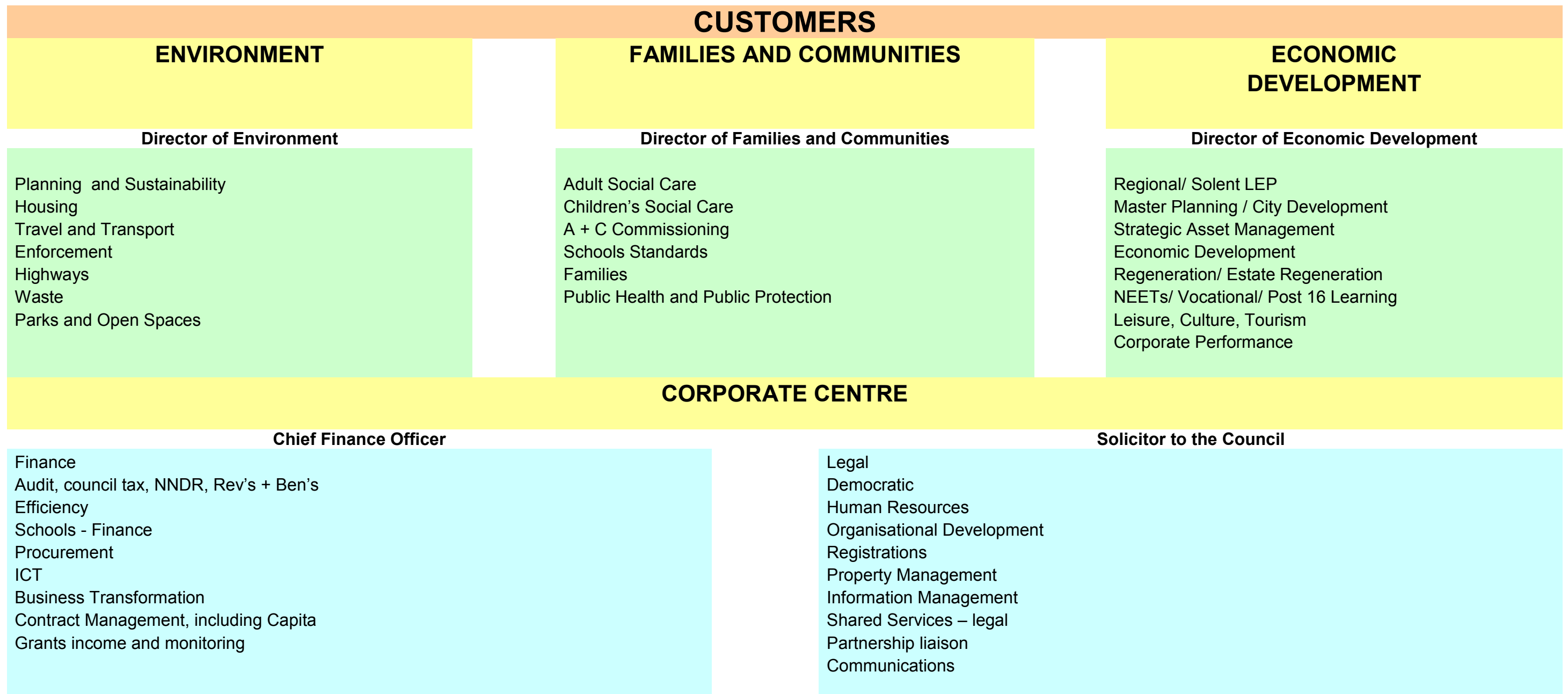
**Other Background Documents**

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	None	
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**OUTLINE ORGANISATION OF KEY SERVICES**



*Note: this Organigram shows organisational **functions** and **accountabilities** within Directorates – which do not necessarily correspond to specific roles. These functions are not in an order of more important to less so: each is a key function, hence its place within the Directorate*

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# Agenda Item 5

## CONSULTATION AND SELECTION TIMETABLE FOR BOARD OF DIRECTORS 2 POSTS

<b>Date</b>	<b>Activity</b>	<b>Responsibility</b>
17/01/2011	Informal consultation meeting with individual affected employees to notify of draft proposals	Chief Executive
04/02/2011	Assessment of Board of Directors posts to determine new /unchanged (natural successor)	Chief Executive and Head of OD
08/02/2011	Meeting with Trade Unions to discuss proposals and consultation process Commence 30 days formal consultation on restructure proposals and selection process – Phase 1	Chief Executive
08/02/2011	Formal consultation meeting with affected employees in Phase 1 (Board of Directors) Commence 30 days formal consultation document on restructure proposals and selection process Identification on proposed new, unchanged, deleted posts, natural successors and those employees in ring fenced posts	Chief Executive
08/02/2011	Outline proposals to be published on the intranet for wider staff consultation on restructure proposals	Head of OD
15/02/2011	Deadline for appeals for natural successor claims for new posts	Affected employees
w/c 15/02/2011	Appeals Hearings for natural successor claims for new posts	Chief Executive, HR Business Partner plus Trade Union Representative
02/03/2011	Proposal report to Chief Officers Employment Panel	Chief Executive
10/03/2011	Meeting to end consultation and provide feedback on consultation responses with unions and employees	Chief Executive
10/03/2011	Meeting with individual employees to confirm status - unchanged, deleted or natural successor or ring fence to remaining posts. Letter to confirm status to all affected employees, outlining recruitment process and requesting written submissions and expressions of interest for post(s) as applicable.	Chief Executive
11/03/2011	Final restructure proposals to be published on intranet	Chief Executive
16/03/2011 5pm	Deadline for return of written submissions and expressions of interest for ring fenced posts	Employees
w/c 21/03/2011	Complete ring fencing interviews and selection	COEP
w/c 21/03/2011	Notify Executive of intention to appoint (48 hour period to respond)	Head of OD
w/c 21/03/2011	Notify successful employees	Chief Executive
25/03/2011	Meet with employees who are unsuccessful in ring fenced interviews Commence redeployment for employees at risk of redundancy	Chief Executive
04/04/2011	Implementation of new Board of Directors structure	Chief Executive
w/c 11/04/2011	Dismissal hearings and formal approval of dismissals	COEP

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