



Leicester
City Council

CABINET

30th OCTOBER 2006

DEPARTMENTAL STRUCTURE

Report of the Chief Executive

1. Purpose of the Report

- 1.1 To propose the merger of the Adult and Community Services and Housing Departments, in the light of current and prospective opportunities and pressures affecting the delivery of a number of Council services.

2. Report

- 2.1 When the current departmental structure was being developed some 18 months ago, there was a substantial body of opinion that in principle these two Departments should merge, albeit a majority accepted that such a move would be premature at that time. A number of subsequent changes justify a further review. The resignation of the Corporate Director of Adult and Community Services means that a decision on this must be made now, to minimise any hiatus and uncertainty in the strategic management of key services. The new factors are:

- The NHS has put forward national proposals to create a number of joint Directors of Public Health who will sit on local councils' and primary care trusts' executive boards, including Leicester's Corporate Directors' Board. This means we have a unique opportunity to review and develop better links between Health, Adult and Housing services to achieve a more integrated approach to transforming those services, to neighbourhood working and to securing inclusion and independence.
- We anticipate three further Government initiatives – the local government White Paper, the Lyons report on local government funding and further announcements on future "Gershon" efficiencies. All three of these are likely to put greater pressure on local authorities to reshape services, not least across Housing, Community Care and Health, as well as delivering further efficiencies.

- 2.2 I believe that the Council should now consider a merger of the current Housing Department and Adult and Community Care Department, a step already taken by many other authorities. This will help to advance better alignment with Health and to streamline our strategic management so as to improve both

efficiency and effectiveness. This would mean the deletion of the existing Corporate Director posts of Housing and Adult and Community Services and the creation of the new Corporate Director Post. I therefore propose this decision to be taken immediately, so that the Corporate Director of the new Department can proceed with clear authority to review what consequent realignment of services is needed, consolidating that with current work to reshape services in Adult and Community Services. Proposals would be brought to Members after full consultation. I would not anticipate a reduction at this time in the number of Service Directors, given the scale of change which has to be managed on top of normal service delivery, the significant reductions recently made at this level, and the level of demand on the current management capacity.

- 2.3 All Corporate Directors have been consulted on this proposal and Joint Trade Unions have been informed.
- 2.4 If this proposal is approved by the Cabinet, I will report to the Employees Committee on the consequent personnel issues.

3. Legal & Financial Implications

- 3.1 Deleting the posts of Corporate Director of Housing and Adult and Community Services and the creation of the new Corporate Director post would achieve direct annual staffing savings of £126,592 based on the top point of the salary scale UCOS (including 25% on-costs). The consequent review could yield further savings.

Mark Noble
Chief Finance Officer
Ext: 7401

- 3.2 The Employees Committee would need to consider the Personnel consequences of the Cabinet approving these recommendations. The appointment and terms and conditions of Corporate Directors fall within their remit. Reducing the number of CDs will create a redundancy situation at that level, although 2 recent resignations mean that there still be fewer people in post, than posts available. The relevant post holders have been consulted. The Council's existing procedures will need to be applied to address this situation.
- 3.3 There is a statutory requirement that the Council has at Chief Officer level a Director of Adult Social Services (DASS). Government guidance indicates that the Council has discretion to combine the DASS function with other Council functions. The issue of relevant professional qualifications and professional leadership requirements are matters for the Employees Committee.

Anthony Cross
Head of Environment & Advocacy Law
Ext: 6362

4. Recommendations

- 4.1 That the Department of Housing and the Department of Adult and Community Services be merged into an Adult and Housing Department.
- 4.2 That there be a post of Corporate Director to replace the Corporate Director posts of the two former Departments, with those Departments' seven Service Directors reporting to that post in the first instance.
- 4.3 That the new Corporate Director in full consultation with staff and stakeholders and in accordance with the Council's procedures, review the service and undertake any necessary organisational changes needed in consequence of this decision.

5. REPORT AUTHOR

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Chief Executive

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