

**BRISTOL CITY COUNCIL**

**HUMAN RESOURCES COMMITTEE**

**- For Information -**

**Thursday 8<sup>th</sup> October 2009**

**Report of:** Service Director: Strategic HR & Workforce Strategy

**Title:** Review of 1<sup>st</sup> - 3<sup>rd</sup> Tier Management Restructure

**Ward:** Citywide

**Officer Presenting Report:** Robert Britton, Service Director: Strategic HR & Workforce Strategy

**Contact Telephone Number:** 0117 90 22669

**RECOMMENDATION**

This report is submitted to this Committee, for its information, in response to its request for a report regarding the implementation of the management restructuring of the Council.

**Summary**

This report summarises the overall situation regarding structural changes arising from the senior management restructure of the Council.

**The significant issues in the report are:**

The implementation of revised structures throughout the Council is nearing completion. The report sets out the progress on the review and the overall implications. This report confirms the situation regarding early retirements and redundancies at 1<sup>st</sup> and 2<sup>nd</sup> tier which have been submitted to, and approved by this Committee individually.

## **1. Policy**

- 1.1 HR matters which relate to 1<sup>st</sup> and 2<sup>nd</sup> tier Directors are considered and approved by this Committee. HR matters regarding 3<sup>rd</sup> tier officers are delegated to Chief Officers and the Head of Paid Service as appropriate.

## **2. Consultation**

### **2.1 Internal**

The restructuring has been the subject of consultation throughout.

### **2.2 External**

Not applicable, other than the job evaluation of 1<sup>st</sup> and 2<sup>nd</sup> tier posts, which is carried out by an external JE advisor and reported, thereafter, at this Committee.

## **3. Context**

- 3.1 The restructuring has been implemented at Tiers 1 and 2 and is nearing completion at Tier 3. The key issues arising from the re-organisation are as follows:-

### **1<sup>st</sup> Tier**

- There has been a net reduction of 1 post, discounting the Strategic Director: Transformation which is funded on a fixed term basis from reserves. Four 1<sup>st</sup> tier officers were displaced. Two have been seconded to organisations/roles for fixed term periods and two have left on the grounds of early retirement due to redundancy.

### **2<sup>nd</sup> Tier**

- There has been a reduction of 5.8 FTE posts. However, as a consequence of the selection process for new roles in the structure, five post holders have left on the grounds of early retirement due to redundancy, and two have left on the grounds of redundancy without pension release. In addition, two staff have been seconded to other

roles (one of whom has been seconded to a role outside of the Council). There are also two displaced employees currently occupying interim roles.

### **3<sup>rd</sup> Tier**

- There has been a reduction of 5.7 FTE. 26 (21 FTEs) employees are potentially displaced as they have not yet secured a substantive post. It should be noted that as the recruitment process for the 3<sup>rd</sup> tier review is not yet complete the number of displaced employees is expected to reduce. Two employees have left on grounds of early retirement on the grounds of redundancy and one other on the grounds of redundancy without pension release. The remaining staff are being considered for redeployment or undertaking project/interim management.
- There has been an increase in the pay bill of £254K per annum relating to the introduction of Bristol Grade 18 and adjustments to the points to pay between Grades 16 and 17. This change in the grading structure for 2<sup>nd</sup> and 3<sup>rd</sup> tier posts, agreed HR Committee at its meetings on 3December 2008 and 19 February 2009, reduces the net savings of the re-structure.

### **Administrative Support**

- Administrative support has been reduced through the review and has been achieved through turnover and redeployment.

## **4. Other Options Considered/Risk Assessment/Equalities Impact Assessment**

Not applicable.

## **Legal and Resource Implications**

### **Legal**

Not sought.

### **Financial -**

#### **(a) Revenue:**

"The overall costs of the new management structure generate ongoing savings of £966k pa and have been taken into account in financial plans for 2010/11 onwards, details are attached in appendix B. There will be a further reduction of 11 fixed term posts in 2012 when the first phase of the transformation programme has been completed. This equates to a further reduction in costs of £716k. This takes the overall saving from re-structuring to £1.7m pa, £1m of which relates to General Fund budgets.

Severance costs have been contained within the reserve set aside for the management re-structure for 1st and 2nd tier posts. Any 3rd tier severance costs will be contained from within Directorate budgets.

The costs of secondments are being met from existing budgets and where staff have been seconded to external organisations, the salary costs, including overheads are being met by the host organisations."

**(b) Capital:**

N/A

Advice from Peter Robinson, Service Director Finance

**Land**

Not applicable.

**Personnel**

As set out in paragraph 3.1.

**Appendices**

Appendix A - Summary of grade changes at tier 2 and 3

Appendix B - Summary of tier 1/2/3 savings

**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985  
Background Papers:**

Report to HR Committee on New Second Tier Management Structure -  
December 2008

<http://www.bcc.lan/item/committeecontent/?ref=wa&code=wa028&year=2008&month=12&day=03&hour=14&minute=00>

Report to HR Committee on Third Tier Pay and Grading Structure – February 2009.

<http://www.bcc.lan/item/committeecontent/?ref=wa&code=wa028&year=2009&month=02&day=19&hour=14&minute=00>

# Summary of Grade Changes

Appendix (8) A

Department	Tier	Grade	SCP Range	Old FTE	New FTE	Change in FTE
Children & Young People	2nd	Q	91-95	0.0	3.0	3.0
		P	85-90	6.8	0.8	-6.0
	<b>2nd Total</b>			<b>6.8</b>	<b>3.8</b>	<b>-3.0</b>
	3rd	S29	26-31-34	3.0	5.0	2.0
		S28	20-25-28	2.0	0.0	-2.0
		BG18	61-64	0.0	2.0	2.0
		BG17	57-60	1.0	10.5	9.5
BG16	53-56	14.0	3.5	-10.5		
<b>3rd Total</b>			<b>20.0</b>	<b>21.0</b>	<b>1.0</b>	
<b>Children &amp; Young People Total</b>				<b>26.8</b>	<b>24.8</b>	<b>-2.0</b>
City Development	2nd	P	85-90	0.0	3.0	3.0
		O	80-85	6.0	1.0	-5.0
	<b>2nd Total</b>			<b>6.0</b>	<b>4.0</b>	<b>-2.0</b>
	3rd	BG18	61-64	1.0	2.0	1.0
		BG17	57-60	7.0	4.0	-3.0
		BG16	53-56	19.3	15.5	-3.8
<b>3rd Total</b>			<b>27.3</b>	<b>21.5</b>	<b>-5.8</b>	
<b>City Development Total</b>				<b>33.3</b>	<b>25.5</b>	<b>-7.8</b>
CX & Deputy Chief Executive	2nd	P	85-90	1.0	1.0	0.0
		O	80-85	1.0	1.0	0.0
	<b>2nd Total</b>			<b>2.0</b>	<b>2.0</b>	<b>0.0</b>
	3rd	BG17	57-60	0.6	0.6	0.0
		BG16	53-56	2.0	4.0	2.0
<b>3rd Total</b>			<b>2.6</b>	<b>4.6</b>	<b>2.0</b>	
<b>CX &amp; Deputy Chief Executive Total</b>				<b>4.6</b>	<b>6.6</b>	<b>2.0</b>
Health & Social Care	2nd	Q	91-95	0.0	1.0	1.0
		P	85-90	4.0	3.0	-1.0
	<b>2nd Total</b>			<b>4.0</b>	<b>4.0</b>	<b>0.0</b>
	3rd	BG18	61-64	0.0	1.0	1.0
		BG17	57-60	0.0	3.0	3.0
BG16		53-56	16.2	13.0	-3.2	
<b>3rd Total</b>			<b>16.2</b>	<b>17.0</b>	<b>0.8</b>	
<b>Health &amp; Social Care Total</b>				<b>20.2</b>	<b>21.0</b>	<b>0.8</b>
Neighbourhoods	2nd	Q	91-95	0.0	2.0	2.0
		P	85-90	1.0	1.0	0.0
		O	80-85	5.2	1.4	-3.8
	<b>2nd Total</b>			<b>6.2</b>	<b>4.4</b>	<b>-1.8</b>
	3rd	BG18	61-64	0.0	2.0	2.0
		BG17	57-60	4.0	4.0	0.0
BG16		53-56	27.6	17.0	-10.6	
<b>3rd Total</b>			<b>31.6</b>	<b>23.0</b>	<b>-8.6</b>	
<b>Neighbourhoods Total</b>				<b>37.8</b>	<b>27.4</b>	<b>-10.4</b>
Resources	2nd	Q	91-95	0.0	2.0	2.0
		P	85-90	4.0	0.0	-4.0
		O	80-85	0.0	1.0	1.0
	<b>2nd Total</b>			<b>4.0</b>	<b>3.0</b>	<b>-1.0</b>
	3rd	BG18	61-64	0.0	2.0	2.0
		BG17	57-60	10.0	16.0	6.0
BG16		53-56	12.1	3.0	-9.1	
<b>3rd Total</b>			<b>22.1</b>	<b>21.0</b>	<b>-1.1</b>	
<b>Resources Total</b>				<b>26.1</b>	<b>24.0</b>	<b>-2.1</b>
Transformation	2nd	P	85-90	0.0	1.0	1.0
		O	80-85	2.0	3.0	1.0
	<b>2nd Total</b>			<b>2.0</b>	<b>4.0</b>	<b>2.0</b>
	3rd	BG17	57-60	0.0	7.0	7.0
		BG16	53-56	11.0	10.0	-1.0
<b>3rd Total</b>			<b>11.0</b>	<b>17.0</b>	<b>6.0</b>	
<b>Transformation Total</b>				<b>13.0</b>	<b>21.0</b>	<b>8.0</b>
<b>Grand Total</b>				<b>161.8</b>	<b>150.3</b>	<b>-11.5</b>

# Summary of Tier 1/2/3 savings

v8 @ 14th September 2009

APPENDIX (8) B

Department	Tier	FTE			Structure Cost		Current (Savings)/Costs		
		Old	New	Change	Old £000's	New £000's	GF	Non-GF £000's	Total
<b>Children &amp; Young People</b>	1st	1.0	1.0	0.0	166	166	0	0	0
	2nd	6.8	3.8	(3.0)	648	385	(168)	(95)	(262)
	3rd	20.0	21.0	1.0	1,287	1,454	139	28	167
	PA's	18.9	9.0	(9.9)	450	204	(231)	(15)	(246)
<b>Children &amp; Young People Total</b>		<b>46.7</b>	<b>34.8</b>	<b>(11.9)</b>	<b>2,551</b>	<b>2,209</b>	<b>(260)</b>	<b>(82)</b>	<b>(342)</b>
<b>City Development</b>	1st	2.0	1.0	(1.0)	266	142	(124)	0	(124)
	2nd	6.0	4.0	(2.0)	545	377	(168)	0	(168)
	3rd	27.3	21.5	(5.8)	1,678	1,331	(274)	(73)	(347)
	PA's	15.0	12.0	(3.0)	392	307	(85)	0	(85)
<b>City Development Total</b>		<b>50.3</b>	<b>38.5</b>	<b>(11.8)</b>	<b>2,881</b>	<b>2,157</b>	<b>(651)</b>	<b>(73)</b>	<b>(724)</b>
<b>Deputy Chief Executive</b>	1st	1.0	1.0	0.0	124	182	58	0	58
	2nd	2.0	2.0	0.0	186	186	0	0	0
	3rd	2.6	4.6	2.0	158	277	0	119	119
	ESO			0.0					0
	PA's	5.0	5.0	0.0	133	133	0	0	0
<b>Deputy Chief Executive Total</b>		<b>10.6</b>	<b>12.6</b>	<b>2.0</b>	<b>601</b>	<b>778</b>	<b>58</b>	<b>119</b>	<b>177</b>
<b>Health &amp; Social Care</b>	1st	1.0	1.0	0.0	142	142	0	0	0
	2nd	4.0	4.0	0.0	381	389	(87)	95	8
	3rd	16.2	17.0	0.8	964	1,043	109	(30)	79
	PA's	10.0	10.0	0.0	259	259	0	0	0
<b>Health &amp; Social Care Total</b>		<b>31.2</b>	<b>32.0</b>	<b>0.8</b>	<b>1,746</b>	<b>1,833</b>	<b>22</b>	<b>65</b>	<b>87</b>
<b>Neighbourhoods</b>	1st	1.0	1.0	0.0	142	142	0	0	0
	2nd	6.2	4.4	(1.8)	567	428	(84)	(55)	(139)
	3rd	31.6	23.0	(8.6)	1,903	1,421	(206)	(277)	(483)

	PA's	15.5	13.0	(2.5)	398	331	(12)	(55)	(67)
<b>Neighbourhoods Total</b>		<b>54.3</b>	<b>41.4</b>	<b>(12.9)</b>	<b>3,011</b>	<b>2,322</b>	<b>(302)</b>	<b>(387)</b>	<b>(689)</b>
<b>Resources</b>	1st	1.0	1.0	0.0	142	142	0	0	0
	2nd	4.0	3.0	(1.0)	381	297	(21)	(63)	(84)
	3rd	22.1	21.0	(1.1)	1,372	1,370	(7)	5	(2)
	PA's	10.0	9.0	(1.0)	259	232	(14)	(13)	(27)
<b>Resources Total</b>		<b>37.1</b>	<b>34.0</b>	<b>(3.1)</b>	<b>2,154</b>	<b>2,041</b>	<b>(42)</b>	<b>(71)</b>	<b>(113)</b>
<b>Transformation</b>	1st	See Note 1					0	0	0
	2nd	2.0	4.0	2.0	182	368	186	0	186
	3rd	11.0	17.0	6.0	655	1,052	397	0	397
	PA's	5.0	7.0	2.0	126	180	54	0	54
<b>Transformation Total</b>		<b>18.0</b>	<b>28.0</b>	<b>10.0</b>	<b>962</b>	<b>1,599</b>	<b>637</b>	<b>0</b>	<b>637</b>
<b>Grand Total</b>		<b>231.7</b>	<b>208.3</b>	<b>(23.4)</b>	<b>12,583</b>	<b>11,809</b>	<b>(371)</b>	<b>(403)</b>	<b>(774)</b>
<b>Total</b>	1st	7.0	6.0	(1.0)	982	916	(66)	0	(66)
	2nd	31.0	25.2	(5.8)	2,889	2,429	(342)	(118)	(460)
	3rd	130.8	125.1	(5.7)	8,018	7,949	158	(227)	(69)
	PA's	79.4	65.0	(14.4)	2,017	1,645	(288)	(84)	(372)
		<b>248.2</b>	<b>221.3</b>	<b>(26.9)</b>	<b>13,905</b>	<b>12,939</b>	<b>(538)</b>	<b>(428)</b>	<b>(966)</b>

<b>Additional savings once FTCs have ended</b>	1st			0.0			0	0	0
	2nd			(2.0)			(91)	(95)	(186)
	3rd			(8.0)			(357)	(119)	(476)
	PA's			(2.0)			(27)	(27)	(54)
				<b>(12.0)</b>			<b>(475)</b>	<b>(241)</b>	<b>(716)</b>

GF	Non-GF	Total
<b>(1,013)</b>	<b>(669)</b>	<b>(1,682)</b>