



# **ENVIRONMENT AND ECONOMY OVERVIEW AND SCRUTINY PANEL**

## ***Panel Report***

**Public**

**Date of Meeting:** 2 December 2010

**Title:** TRANSFORMATION SAVINGS UPDATE

**Report of:** ASSISTANT DIRECTOR (ECONOMIC DEVELOPMENT)

**Report reference:** ED.40/10

**Summary:**

This report updates members on the transformation savings so far delivered or proposed as part of the Transformation Programme. This includes staff structure changes.

**Questions for / input required from Scrutiny:**

This report is for information and comment.

**Recommendations:**

That members note and comment upon the transformation changes and savings made so far.

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Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

## **1. Context**

- 1.1 The City Council's Transformation Programme was originally required to deliver recurring revenue savings of approximately £3m over the three financial years 2009/10, 2010/11 and 2011/12. In addition the implications of the recently announced Comprehensive Spending Review is a further saving requirement for approximately £2.4m over 4 years. This report deals with Economic Development Directorate transformation in the light of these pressures.

## **Background**

- 1.2 In January 2010 the City Council completed the recruitment of Chief Officers to the new Senior Management Team. In all, seven appointments were made – two strategic directors and five assistant directors. Assistant directors have been initially focussing on management arrangements within their directorates. This is considered a necessary first step towards achieving transformational change within the organisation.

## **2. Economic Development Directorate - Established - Table 1**

- 2.1 As part of this process of management review and transformation, the Economic Development Directorate has undertaken the following work (as table 1 below):

- 2.2 Economic Development Staffing Review (phase 1)

In consultation with staff and trades union it has identified and established a revised management structure (see diagram appendix 1) the establishment of the Economic Development team area which was brought about by the amalgamation of Carlisle Renaissance staff and the existing City Council Economic Development team. The amalgamation of Development Control and Local Plans and Conservation teams brings together a revised Planning Team.

- 2.3 The following posts have either been deleted or are in the process of being removed from the establishment.
- Local Plans and Conservation Manager – post vacated and not recruited, post to be deleted
  - Business Development Officer – post vacated and not recruited, post to be deleted
  - Development Manager Carlisle Renaissance – post vacated
- 2.4 Posts to be vacated
- Development Control Manager
  - External Funding Officer
  - Programme Director Carlisle Renaissance
- 2.5 A new post of Economic Development Manager has been appointed. A new post of Planning Manager has been created and recruitment is underway. In the short term

to assist with the transition of the service an Interim Planning Manager has been appointed. There was no substantive change to Building Control.

2.6 The Tourism Service is also provided from staff within the Economic Development Directorate however with the establishment of the Carlisle Tourism Partnership there was also a post created of Director. This post is funded by Cumbria Tourism (with funding from NWDA) and therefore not employed by the City Council. It does however have an integral role in the operation of the tourism service and fulfils management responsibilities in the revised structure from phase 1 review.

## 2.7 Budgets revisions/income maximisation

This work has included reviewing its operational costs, expenditure and grant allocations where appropriate. There are two specific grant areas for first stage reductions which are the Environmental Grant and the Historic Buildings Grant.

*Table 1*

| <b>Established Savings</b>                       | <b>2010/11<br/>£000's</b> | <b>2011/12<br/>£000's</b> | <b>2012/13<br/>£000's</b> | <b>2013/14<br/>£000's</b> | <b>2014/15<br/>£000's</b> |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Staffing Review (Part 1)                         | -33                       | -77                       | -77                       | -77                       | -77                       |
| Reduced Environmental Grant Budget               | 0                         | -10                       | -10                       | -10                       | -10                       |
| Delete Historic Grants Budget                    | 0                         | -37                       | -37                       | -37                       | -37                       |
| Tic Savings                                      | 0                         | -4                        | -4                        | -4                        | -4                        |
| Shopmobility Income offset to<br>Equipment Costs | -1                        | -1                        | -1                        | -1                        | -1                        |

## 3. Economic Development Directorate

As part of the ongoing transformation programme, the Directorate is continuing its programme of management re-structure from phase 1 and review of revenue expenditure.

### 3.1 Economic Development Staffing Review (part 2)

Part 2 of a review of management and staffing structures is currently being considered and consultation with staff and trade unions is due to begin during December 2010

Due to the funding nature of the Director of Carlisle Tourism Partnership post, the role and function of that post and City Council tourism employees are being considered as part of the ongoing staffing review (part 2)