



CITY OF WESTMINSTER

MINUTES

Cabinet

MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Cabinet** Committee held on **Monday 21st July, 2014**, Rooms 5, 6 & 7 - 17th Floor, City Hall.

Members Present: Councillors Philippa Roe (Chairman), Heather Acton, Nickie Aiken, Ed Argar, Daniel Astaire, Melvyn Caplan, Robert Davis, Rachael Robathan, Steve Summers and Tim Mitchell

Apologies for Absence: Councillor Danny Chalkley

1 WELCOME

1.1 Councillor Philippa Roe, the Leader of the Council, welcomed those present.

2 DECLARATIONS OF INTEREST

1.1 There were no Declarations of Interest.

3 MINUTES

3.1 **RESOLVED:** That the minutes of the meeting held on Monday 7 July 2014 were approved as a correct record and signed by the Chairman accordingly.

4 BETTER CITY, BETTER LIVES - FURTHER REFORM OF LOCAL GOVERNMENT SERVICES IN WESTMINSTER

4.1 Charlie Parker (Chief Executive), introduced the report which set out a range of measures to establish a new operating model which would place Westminster City Council on a more robust footing to address funding reductions and meet the growth in demand for services. Over the past three years, the City Council had reduced its annual expenditure by £100M, through a combination of initiatives which included sharing services through Tri-borough working; driving out inefficiencies; and focussing on back office savings. The Cabinet noted that reductions in central government grant funding meant that the City Council would have to find a further £100M of savings over the next three year period from 2015 to 2018, and it was

anticipated that the trend of funding reductions would continue into the next decade.

- 4.2 Over the coming years the City Council would need to find innovative ways of raising further capital and revenue funding, and prioritise resources so that they were aligned towards supporting the delivery of Westminster's *Better City, Better Lives* vision, and address the future budget reductions and demographic pressures. In order to deliver these objectives and meet this range of challenges, the City Council's organisational structure needed to change, and it was proposed that the new structure focussed on public sector reform, driving growth, and creating better connected communities.
- 4.3 To create the new structure, it was proposed that a Tri-borough Corporate Services function be established subject to a detailed business plan being signed off by all three local authorities and a new Growth Housing & Planning Department be created from the existing Built Environment and Housing, Regeneration & Property Directorates. Other changes included realigning the City Management Directorate as a City Management & Communities Directorate; and establishing an integrated City & Corporate Policy function. In order to ensure the City Council had the right senior leadership team in place to move the organisation forward, it was also recommended that a new Executive Management Team (EMT) be created, to drive forward departmental and cross-cutting initiatives in a sustainable way. The Cabinet noted that the structure which had been outlined in the report still needed to be finalised, particularly at the level below SEB Director.
- 4.4 The changes outlined in the report would be accompanied by a revised internal change initiative '*Better Together – the Westminster Way*', which was currently being developed by the Chief of Staff. The employee programme would be launched in the autumn, and would seek to establish a strong and shared approach to delivering services, and provide better support for staff to deliver the savings in what would be a critical period for the City Council.
- 4.5 The prioritisation of resources would support the delivery of the *Better City, Better Lives* plan, which sought to reform public services; support economic growth; and achieve connected communities.
- 4.6 Councillor Paul Dimoldenberg (Leader of the Opposition Group) commented on the proposals for growth, and highlighted the need for residents to be involved in determining place shaping and the services they received. Councillor Dimoldenberg commended the work that had been undertaken by Westminster's Planning Department, and expressed concern over its proposed merger. He also commented on the cost of redundancy payments; and on the possible disruption to staff during the process, which could result in increased poor motivation and morale.
- 4.7 Councillor Philippa Roe (Leader of the Council) acknowledged that the proposed restructure would take time and be the subject of further reports, and emphasised that residents and their needs would be fully taken into account when considering any growth proposals. Further work on the Council's definition of growth would also be undertaken over the autumn.

Councillor Roe also commended the excellent work that was being done by the Planning Department, which she was convinced would continue under the new structure.

- 4.8 Councillor Melvyn Caplan (Cabinet Member for Finance, Resources & Customer Services) agreed that it was best to agree a restructure at senior level with an indicative view of what the lower layers would look like, and with staffing structures then being established following a detailed process. Councillor Caplan also supported the proposal to establish Tri-borough Corporate Services, subject to individual business Cases being approved by each Council.
- 4.9 Councillor Robert Davis (Deputy Leader of the Council and Cabinet Member for the Built Environment) also wished to commend the work of the Planning Department, who delivered excellent services in a balanced and fair way, and highlighted the need to ensure that the strength of the departments that were being merged continued to improve. Councillor Davis also suggested that consideration be given to the proposal to separate the transportation and highways infrastructure, and to bringing together the people who worked in connection with special events.
- 4.10 The Cabinet welcomed the proposals and the regeneration for residents, and acknowledged the need to create an organisation that was fit for purpose. Cabinet Members highlighted the need for effective working between departments across the organisation; and acknowledged the need for sensitive and sustainable growth..
- 4.11 **Resolved:** That
- 1) The Chief Executive be authorised to implement the restructure shown in the report, in consultation with the relevant Cabinet Members;
 - 2) A Tri-borough Corporate Services function be established, subject to both the approval of the business cases at a future meeting of the Cabinet and approval by each of the other two Tri-borough Authorities;
 - 3) The existing Built Environment and Housing, Regeneration & Property Directorates be disestablished, and replaced by the creation of a new Growth, Planning and Housing Department;
 - 4) The existing City Management Directorate be revised as a City Management & Communities Directorate in recognition of its wider remit;
 - 5) An integrated City & Corporate Policy function be established, reporting to the Director of Communications, Policy Performance, subject to a further report detailing the proposed operational arrangements.
 - 6) A further report be submitted outlining the required support for the delivery of the West End Partnership programme.

- 7) The Director of Human Resources be given authority to undertake the necessary consultation and ring fencing arrangements to deliver the proposed new structure shown in the report; and ,
- 8) The Chief Executive, Head of Legal Services, City Treasurer and Director of Human Resources be authorised to propose consequential changes to the Constitution and Financial Regulations, including the revised allocation of existing Officer delegations which arise from the implementation of the new operating model, subject to the approval of the full Council via the General Purposes Committee when appropriate.

Reason for Decision

The proposed new strategic framework and changes in the organisational structure will enable Westminster City Council to drive forward the public service reform agenda, facilitate greater economic growth, and achieve more connected and resilient communities. The changes will also contribute to the City Council's savings targets.

5 ANY OTHER BUSINESS WHICH THE CHAIRMAN CONSIDERS URGENT

6 CLOSE OF MEETING

The Meeting ended at 6.02 pm

CHAIRMAN: _____

DATE _____