

## NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

COUNCIL – 23 JANUARY 2018

Title of report	<b>CORPORATE LEADERSHIP TEAM RESTRUCTURE</b>
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Purpose of report	To propose changes to the Senior Management structure of the Council to ensure the Council has the right staffing resource to deliver the Council's priorities and objectives
Council priorities	Value for money Business and Jobs Homes and Communities Green Footprints challenge
Implications:	The financial details are contained within the report. The proposals will lead to an overall saving on the current staff establishment costs at Senior Management level.
Financial/Staff	These proposals will lead to savings overall in the salaries budget. There are staffing implications which are detailed in the report.
Link to relevant CAT	None.
Risk Management	Has been completed – available in the office of the Chief Executive
Equalities Impact Screening	Has been completed and is available in the Chief Executive's Office as confidential document.
Human Rights	None identified in the substance of the report
Transformational Government	This review is a fundamental part of service transformation, and ensuring the Council operates efficiently
Comments of Head of Paid Service	As author of the report, the Head of Service has no further comments.

Comments of external Section 151 Officer	Since the Deputy Section 151 Officer's role is affected by the restructure described, an external Section 151 Officer has reviewed this report.
Comments of Deputy Monitoring Officer	Since the Monitoring Officer's role is affected by the restructure described, the Deputy Monitoring Officer has reviewed this report. The Deputy Monitoring Officer is satisfied that there are no legal or governance issues arising from what is proposed in this report.
Consultees	All of the senior Management Team affected by the proposals.  The Council's recognised Trade Unions and all staff.
Background papers	Personal files of employees (confidential) Job descriptions Consultation responses Compatibility assessments Equality Impact Assessment
Recommendations	<ol style="list-style-type: none"> <li><b>1. THAT COUNCIL NOTE THE OBJECTIVES OF THE CORPORATE LEADERSHIP TEAM REVIEW.</b></li> <li><b>2. THAT COUNCIL APPROVES THE REVISED SENIOR MANAGEMENT STRUCTURE AS SET OUT IN APPENDIX 1.</b></li> <li><b>3. THAT COUNCIL DELEGATES TO THE APPOINTMENTS COMMITTEE THE AUTHORITY TO APPROVE THE ASSIMILATION OF:</b> <ol style="list-style-type: none"> <li><b>A. THE FINANCIAL PLANNING TEAM MANAGER (DEPUTY S151) INTO THE CAREER GRADED POST OF HEAD OF FINANCE (S151);</b></li> <li><b>B. THE FINANCIAL SERVICES TEAM MANAGER OR THE FINANCIAL PLANNING TEAM MANAGER (DEPUTY S151) INTO THE ROLE OF FINANCE TEAM MANAGER (DEPUTY S151);</b></li> <li><b>AND</b></li> <li><b>C. THE HUMAN RESOURCES TEAM MANAGER INTO THE CAREER GRADED POST OF HEAD OF HR AND ORGANISATIONAL DEVELOPMENT</b></li> </ol> <b>AS DESCRIBED IN PARAGRAPH 8.</b> </li> <li><b>4. THAT THE MONITORING OFFICER BE AUTHORISED TO MAKE ANY CONSEQUENTIAL AMENDMENTS TO THE CONSTITUTION AS A RESULT OF THIS REPORT.</b></li> </ol>

## **SENIOR MANAGEMENT RESTRUCTURING PROPOSALS**

### **1.0 Purpose of the Report**

- 1.1 This report outlines proposed changes which will help the Council to develop a more customer focussed, commercial and flexible approach to the delivery of services. The proposals relate to the Corporate Leadership Structure across the organisation and if approved, post implementation, will result in further structural change below Head of Service level to ensure the delivery of the outcomes identified within the report.
- 1.2 Key drivers for change identified by the new Chief Executive are:
- A co-ordinated focussed approach to defining and delivering a PLACE, where environmental, social and economic factors enhance and build communities.
  - A customer focused council built around the needs of customers.
  - Need to build an organisation that 'develops, values and transforms', enhancing the coaching culture and further develop the values of the organisation.
  - To be a more commercially focused Council, maximising opportunities to provide value for money.
  - Managers to be more empowered, removing bureaucracy, whilst ensuring robust performance management and accountability is enhanced.
  - An agile more responsive leadership team which encourages a One Council approach where leaders' work across the organisation in addition to their areas of responsibility. This change will come through behaviours and values of the leadership team and the role of the leadership team in developing the One Council culture of the organisation.
  - Resilience and capacity within the corporate leadership team.

### **2.0 Management Restructure Context**

- 2.1 In developing these proposals consideration has been given to the areas of work and large scale projects that need to be delivered up until 2019/2020 and the need to drive significant improvements in customer services. The structure also takes account of the need to be able to respond to changing financial pressures and to strive for self-sufficiency through a robust approach to financial analysis and a commercial approach to managing assets, contracts and identifying opportunities for increasing income. It is anticipated that there would be further changes within the remainder of the organisation as we identify our key priorities.

It has been commonly adopted practice to re-frame the senior leadership roles in Councils so that they focus on strategic and corporate goals as well as operational service delivery. Leadership within the Council does not stop at Director and Chief Executive level as indicated with the terminology. Leaders exist throughout the organisation, not just in the way teams or individuals are led but also in the way that the culture of the organisation is influenced.

Each Strategic Lead would be responsible for a range of business areas but more importantly would lead on a number of key themes that require working across service areas and adopting a one team, one council ethos to ensure effective delivery. This would increase the strategic leadership capacity in the organisation and improve organisational efficiency.

- 2.3 The overarching aims of the proposed changes are therefore

- i) to provide the leadership capacity to address the Council's overall strategic priorities and drive change
- ii) to empower managers and employees on the frontline to maintain a strong focus on service delivery. "Public services can only be more responsible to the needs of customers if employees on the front line are trusted to innovate and empowered to act with more autonomy. This requires a fundamental culture change from traditional command and control models of leadership to one where leadership is distributed across organisations" *Public sector People Managers Association*. Any change of this nature will have an impact on the way the Council works and will require changes in culture as well as structure.

2.4 A re-design of the way we organise ourselves could begin by taking a more commercial approach to the way that we operate. By freeing up services to operate in a more entrepreneurial way we could encourage efficiency, improved quality, performance and innovation. The proposed organisational structure would have a reduced resource at the Director level but increased resilience within the remaining layers of the organisation. We need to build a stronger framework of accountability and performance management where managers and team leaders are engaged and empowered to contribute to the direction of travel through a refocused, extended leadership team. It is more about the way we work than the structure or reporting lines. A considerable effort will be made to engage and work with team leaders, managers and staff at all levels of the organisation as we grow and enhance the culture of empowerment.

2.5 These changes are based on a vision for the future of the organisation which recognises that:

- The Council needs to be flexible and adaptive to changing resources to ensure we afford as much protection as possible to the delivery of frontline services.
- The role of local government in engaging and working with communities will require robust engagement and communication strategies and an ability to shift and reshape services based on customer demand and expectation.
- By encouraging innovation and enterprise we will have a greater chance of maintaining services, even if they are provided in a different form or to different standards.
- As the Council's priorities change, we will need to develop the flexibility to shift resources, attention and mechanisms of delivery. Our senior management focus needs to be on translating the Council's priorities into action and managing change across the organisation.

2.6 Delivering a structure that can support this vision will mean:

- Through culture change a less hierarchical approach to leadership to enable flexibility, pace and effective communications and engagement with staff.
- A high level of skill in relationship management.
- To further develop the skills and behaviours of leadership team to be excellent strategic thinkers, with outstanding interpersonal and communications skills.
- A commercial approach with a customer first ethos.
- A business model which allows managers of individual services flexibility in the way they manage within a strong framework of financial and performance accountability.
- An organisation which is able to thrive in an environment of continual change ambiguity and complexity.

- Organisational leadership which has the focus and skills to translate the Council's corporate objectives into delivery.
  - Organisational leadership that is able to work across the wider public sector.
- 2.7 There are many academic theories which set out the difference between leadership and management and the terminology used within an organisation can be interpreted in many ways. We need to recognise that leadership in a modern organisation is most effective when it is dispersed or distributed, leadership beyond boundaries and beyond spans of authority are more important. Leadership skills will form a major part of the new People Plan which will support staff to develop and grow. The traditional concepts of leadership such as control, charisma, power, financial skills and expertise can be overvalued whereas skills such as collaboration, humility, listening, empathy and integrity are undervalued. For leaders to operate in a diverse collaborative environment these 'undervalued' skills will be the ones that will produce the best results.
- 2.8 Within the organisation whilst at any one time individuals will be both leaders, setting and communicating a vision, building teams, inspiring and motivating others to deliver, they will also manage services, budgets and resources. In recognition of the importance of our role as leaders in effecting change and delivering in a high performing organisation the structural tiers will be:
- Strategic leadership team – Chief Executive and Directors. Working alongside members to set the strategic direction of the organisation. (meeting frequency – weekly)
  - Corporate Leadership team –comprising directors and heads of service – these meetings will be thematic to bring clarity and focus (meeting frequency – fortnightly)
  - Extended leadership team – comprising team managers
  - Aspiring Leadership team – comprising team leaders

The review of decision making and delegation to empower staff will be completed by the end of March 2018 and the Chief Executive will be working with staff across the organisation to define the roles and responsibilities of the collective leadership which will provide clarity on how and where decisions are made.

### **3.0 Strategic Leadership Team**

- 3.1 The primary responsibilities of each Strategic Leader will be to drive performance and change across the organisation, to deliver key corporate objectives, to have oversight and hold to account their internal service areas. These will range from externally facing objectives such as managing growth in the district through to internal objectives such as transforming the capacity of the Council to adopt new technologies. These cross-cutting objectives will change as the Council's overall strategic priorities are set and reviewed by members. The Strategic Leads will operate as a team to deliver the corporate objectives of the Council and support the political and democratic processes.

The roles at Strategic Leader level would each include corporate leadership of a cross-organisational responsibility. These responsibilities would include:

- A. Place** – This role will lead the Council's ambitions in facilitating sustainable growth and investment in the District. It will involve leading engagement with communities and stakeholders, working with partners and developers and coordinating the Council's input across its services and activities to deliver sustainable improvements and investment. The Strategic Lead will have oversight of the Regeneration,

Planning and Building Management, Community Safety, Waste and Recycling and environmental issues, Leisure and Cultural Services and Partnerships. The jointly funded strategic planning partnership post would be monitored by the Strategic Director of Place to ensure we are a leading voice in the wider growth and spatial planning within Leicestershire. The Director role will look to create safe and healthy communities by reducing crime and anti-social behaviour, leading plans to ensure public safety and resilience, improving health and addressing vulnerability across our communities. The post holder will also be responsible for and co-ordinate a range of frontline, operational services that impact directly on our customers. The cross-cutting theme lead role will shape and deliver a clear strategy to maximise the way in which the Council's business activities which impact on local communities can shape and benefit from growth and to respond to the Government's localism agenda developing a 'place-based' approach to the way that public spending decisions are made in North West Leicestershire. The theme lead would also work in partnership to deliver the combined authority and devolution agenda and HS2.

The potential transfer of the leisure services to a different delivery provider will necessitate an assessment of the roles and responsibilities that are needed and will remain within the council to ensure the co-ordinated and consistent delivery of sports development, client contractor management and impact on our health inequalities and wellbeing agenda.

This team will take on a wider role across the Council and County ensuring that we continue build and develop our strategies in Community Health and Prevention, working in partnership with our colleagues within health and the County Council. This work will link to the workplace health programme which will be a key responsibility within the people strategy under the Head of HR and Organisational Development.

- B. Housing, Customer Services and Resources** – This role will lead the Council's work to maintain and develop the housing stock and future housing strategy and policy. The Strategic Leader will initially have oversight of the following service areas – Customer Services, IT, Finance, Strategic Housing, Landlord Services, Housing Needs, Corporate Property Services, and Housing Policy and will continue its focus on new build. The cross-cutting theme lead role will develop the Council's customer focus agenda by ensuring that our activities are sensitive and responsive to local community needs and that local communities, and citizens can engage easily with the Council in shaping and redesigning the provision of local services. This role will lead the Council's provision of efficient and responsive customer services including transforming the quality, speed and accessibility of information and service response, adapting business processes and technologies to improve customer service, and developing the Council's insight into customer demand in order to drive changes to service provision. The development of a one council approach to customer services where the services are delivered with the customer at the heart will be a key priority. In partnership with the Chief Executive and the Strategic Director Place will ensure robust long term financial management that supports an innovative, 'risk' managed council.

The Directors and Chief Executives will continue to provide strategic support and guidance to councillors through strategy group meetings with the Leader and Deputy leader, regular meetings with group leaders across the council. The Director of Place will also support the Policy Development Group meetings ensuring wider members are engaged fully in the work of the council.

### 3.2 **Deputy Chief Executive**

It is proposed to incorporate the role of deputy chief executive within the strategic directors' responsibilities to ensure resilience. They will conduct this role on a rota basis in the absence of the chief executive.

### 3.3 **Communications**

The role of communications within the organisation is crucial both internally in terms of culture change and developing and growing our staff, and externally in terms of shaping our places and managing community engagement and consultation.

The proposal is for the Communications team leader post to be re-evaluated recognising the corporate responsibility for this key area. The post would report directly to the chief executive recognising the need for clear strategic direction and engagement across the council. Directors and Heads of Service would also be responsible for engagement and consultation with the communications team on all key projects.

## 4.0 **Corporate Leadership Team**

4.1 The corporate leadership team as set out in **Appendix A** whilst having responsibility for discrete service areas will also be expected to work across the organisation, embodying the one council ethos. Accountability for specific services could be moved from one portfolio to another from time to time. It is therefore possible that further adjustments will be made to the lines of accountability in the future. The relationships with the service areas will be about strategic leadership and accountability, not about operating as the senior professional or technical leader. Leaders would have collective oversight of the key performance data which would be supported through effective performance management. In line with the transparency agenda, the Council will develop ways to ensure that such performance information is available to members and to the public. Where a service area fails to work within its agreed performance or financial limits, there would be a need to take a more hands-on intervention approach in order to correct under-performance.

4.2 It is anticipated that the organisation structure below the Corporate Leadership team will need to be reviewed in line with the aims and principles set out for this review to ensure the structure is fit for purpose and meets the Council's future needs. Any future changes required will be substantially completed by April 2018.

4.3 Although these proposals deal with structural changes, it is clear that the development of a new way of organising the Council's business will take time to embed. The changes will also mean a change in organisational culture which will take time to evolve.

A key element of the role for the wider corporate leadership team will be in supporting members through ward member engagement and portfolio holder meetings.

## 5.0 **Customer Services**

5.1 The council must have a stronger customer focus. To achieve this focus officers and Members must look at the delivery of services from the customer's point of view. Services provided must be determined by customer need, tempered by the resources available. The delivery of a service should meet or surpass customer expectation; when this is not possible the customer must be informed of the reasons why and told what other options are available to them.

5.2 Customer service is currently provided in a disparate manner, with customer contact being managed in several areas of the council which leads to inconsistency in delivery, a lack of ownership or defined customer standards. Whilst customer complaints are managed and recorded there is a need to ensure that services learn and change as a result of the feedback from our customers. There is a need to develop and deliver a Customer First strategy which will put customers at the heart of the organisation and ensure that we are able to meet and exceed customer demand and expectations. There will be a need to invest in the technological solutions that will enable the council to provide services When, Where and How the customer needs so the close relationship with the ICT service will be essential. The key objectives of the new focus on our customers are:

- To deliver targeted services that better meet our customers' different needs.
- To improve customer satisfaction.
- To make service delivery more effective and efficient.
- To embed a culture of 'customer first' throughout the Council.
- To provide electronic access to services for customers 24/7.
- To make it easier for customers to pay for services.
- To establish a "single view" of each customer.
- To enable our staff to work more flexibly by utilising mobile working.

## **6.0 HR and Organisational Development**

6.1 The drive to transform and drive change in both people and processes will be critical to ensuring we deliver the Vision for our new way of working. It will require a concerted effort to develop an aligned organisational culture.

This will be essential to our success. Over recent years the council has done much to develop the workforce with a strong leadership and management development programme, adopting a behavioural competency framework which feeds through to our recruitment and selection practices. There is need to build and grow an Extended Leadership Team with a thematic programme of events to encourage cross council working and collaboration.

6.2 With the restructure it is proposed to build on this holistic approach to incorporate Human Resources function with organisational development (OD). OD is a planned and systematic approach to sustained organisation performance improvement. It works by promoting a whole system change and culture shift which enables the organisation to improve its effectiveness. This will complement the work of the HR team, reviewing core skills and competencies and building a council which will achieve Investors in People accreditation and exceed the Equality standard.

6.3 To do this effectively it is essential we develop a People Strategy and enhance our Workforce Development Plans to ensure we have an organisational development strategy that underpins our ambitions with the overall aim of having an appropriately skilled and experienced workforce that achieves continuous improvement, is customer focused and embodies a one council culture.

6.4 It is, therefore proposed that a new post of Head of Human Resources and Organisational Development is created. The role will be responsible for HR, Learning and Development, Payroll, Emergency Planning and Health and Safety, Workforce Health, and Equalities. In addition will include Policy and Performance support professionals able to assess and respond to new national legislative changes, support service managers with robust business process re-engineering and lean thinking methodologies and a flexible agile performance framework that enables the council to drive an agenda of continuous improvement. There will be a need to review the



resource requirements to fulfil this role and to review the existing structure and roles and responsibilities. This will be completed by April 2018. This new focus would also aim to achieve Investors in People accreditation and grow the coaching programme. The New People strategy would focus on three key areas,

- a. Developing our people,
- b. Valuing our people and
- c. Transforming the organisation.

It is recognised that organisational change is inclusive of the whole leadership team but it is incumbent on the Chief Executive to personally drive and lead the programme of change, so accordingly, the post holder will report directly to the Chief Executive.

## **7.0 Commercial Acumen**

- 7.1 Resources for public services have reduced significantly since 2010 and it is expected that this trend will continue at least until 2020. This reduction places significant pressure on the continued delivery of the Council's services requiring reductions in expenditure but also increasing income from other sources. Whilst the Council has been in a good position we need to ensure we are resilient. Our medium term financial strategy will aim to reduce our dependency on revenue support grant and over a period of time new Homes Bonus to ensure that we are resilient and able to adapt to future changes in funding.
- 7.2 There are a number of uncertainties over the continuation of new homes bonus, business rate retention and revenue support grant which require us to review our approach to longer term financial planning.
- 7.3 There have also been a number of changes to the legislation which free the previous restrictions on operating commercially and trading; there are also a number of structures which can be put in place to provide further opportunities.
- 7.4 A move towards a more commercial approach to income generation will require changes in the way service operate and the way in which employees approach the delivery of their services. The Council does already provide services on a commercial basis and there is knowledge and expertise within the current employees; however recruitment policies and practices will need to be reviewed in light of this move.
- 7.5 The proposed structure recognises the need for a more commercial approach and a review of our investments, contracts and procurement and risk appetite. The focus will enable us to:
  - Increase understanding of the commercial world – In order to operate in a more commercial environment, it is necessary to understand the culture, language, techniques and approach which exists and how opportunities can be optimised.
  - Understand potential market opportunities – legislation provides a wide set of options to enable opportunities to be optimised, however, these opportunities need to be identified and the market and competitors understood in order to put the necessary actions in place.
  - Understand regulatory framework – the opportunities available and constraints imposed need to be better understood to ensure that the Council does not exceed its powers whilst understanding the structures necessary to optimise the range of opportunities.

## **8.0 Head of Service Implications:**

Whilst Heads of Service will have service responsibility the culture moving forward will encourage working across service areas where necessary to ensure dependencies are highlighted and considered and to ensure that joint solutions are identified.

The Council's constitution requires that all appointments to Chief Officer and Deputy Chief Officer roles are approved by the Appointments Committee to provide Member scrutiny and ensure that Chief Officers are properly appointed on merit. Where the proposals set out in this paragraph involve the assimilation of existing posts into Chief Officer or deputy Chief Officer roles (see paragraphs 8.6, 8.7 and 8.9) it is appropriate that the Appointments Committee scrutinises the proposed career grading structure and takes the decision on whether those assimilations take place. This report therefore asked Council to delegate such authority to the Appointments Committee.

The proposed changes to the existing Heads of service posts are as follows:

### **8.1 Head of Legal and Support Services (MO)**

This role will report directly to the Chief executive with a title change to **Head of Legal and Commercial Services (Monitoring Officer)** and be responsible for developing the commercial framework for the council to operate in a more innovative commercial way, building on the experience of the legal service. The post holder will drive this new agenda and work across the organisation with officers with a client contractor role, ensuring we maximise the contractual relationships we have in place and developing new relationships. The post holder will build a cross organisation team to benefit from experience within our service areas and to build and develop skills across the management team, to increase our commercial acumen. The post holder will continue to hold the Monitoring officer statutory role and lead and manage corporate governance, democratic services, election management, legal services, freedom of information and will take additional responsibility for audit.

There will continue to be a strong working relationship between the Audit Manager and the Head of Finance with the relocation of the Audit function.

### **8.2 Head of Community Services**

This role will continue to focus on the front line services, but as delivery of the new leisure provision and new model of working develops there will be a need to assess the requirements for a client/ contractor resource and sports development/ health co-ordination roles.

The role would gain responsibility for Environmental Health ensuring the front line services that define and influence place and the environment are aligned. This role will continue to support the Coalville Special Expenses Committee.

### **8.3 Head of Planning and Regeneration**

This role title will change to reflect more accurately the role currently undertaken and also the need to ensure alignment with development and infrastructure. The post will be titled **Head of Planning and Infrastructure**. This post will continue to ensure the council is open for business and supports the need for the district and community to grow balanced against the need to conserve our historic and green infrastructure. This role will support the Planning committees and sub groups.

#### 8.4 Head of Economic Development

This role remains in the majority unchanged but with a minor change in the title to reflect the wider regeneration aspirations of the District as a whole with a focus on market town development within the updated job description. The revised title will be Head of Economic Regeneration. This role will continue its focus on the delivery of the Coalville project, development and delivery of cultural services, a tourism strategy and economic development strategy. However it will also widen its focus to include the development of the market towns within the District.

#### 8.5 Head of Housing

This role remains unchanged other than with the additional responsibilities of corporate property services and strategic housing. The post title would be changed to **Head of Housing and Asset Management**.

#### 8.6 Head of Finance (S151)

This post is already within the approved establishment and has the designated Section 151 responsibilities, but will have an additional responsibility for financial services within the HRA. The role will retain responsibility for procurement.

Due to the difficulties with recruitment and the desire to 'grow our own' a career graded opportunity is proposed which allows internal candidates to have the opportunity to develop through a structured training programme. This post will be a career graded position spanning the Team Manager and Head of Service grading to recognise the future development requirements. (see **Appendix B** for the linked grade structure.)

A compatibility assessment has been completed for this role and following consultation with both affected employees, the Financial Planning Team Manager (Deputy S151) has expressed an interest in the role of Head of Finance. Subject to approval by the Appointments Committee, it is proposed to assimilate the post holder into the role which will limit the likelihood of a redundancy situation and will ensure we retain the postholders skills and support them to develop further in the organisation.

Responsibility for the client contractor role monitoring Benefits and Revenues has been removed from this area of work however the Head of Service would be responsible for working with the Head of Customer Services to monitor and ensure the effectiveness of this service with regards to collection rates etc.

The relationship to audit is recognised and whilst audit will sit within the governance and commercial services area, the relationship between the statutory officers will be crucial to ensuring effective audit and governance.

#### 8.7 Finance Team Manager (Deputy S151)

This is a new role within the organisation taking on board recommendations from the recent external financial review. The proposal is to delete the two team managers posts within Finance Services to create this post. To avoid any risk of redundancy the post was ring-fenced to the current finance team managers. The Financial Services team manager and the Financial Planning Team manager have both expressed an interest in the post.

A compatibility Assessment for both posts has been completed and the two existing post holders are eligible for an assimilation into the Finance Team Manager post. The

Finance Team Manager role will be job evaluated and is anticipated to be at Band I level with a supplement payable for the Deputy S151 Officer duties.

These proposals will limit the likelihood of a redundancy situation and will ensure we retain their skills and supporting them to develop them further in the organisation.

## **8.8 Head of Customer Services**

This is a new role within the organisation and is essential in co-ordinating and leading the customer transformation programme, ensuring consistent quality customer services where we learn and shape services based on customer feedback. This role would be responsible for customer services across the organisation together with complaints and the client contractor relationship with the Head of Benefits and Revenues partnership role. The postholder would also have responsibility for ICT and customer complaints which is an integral part of achieving our customer service improvements.

It is not proposed that this role is a career graded post, recognising the business needs and specific job requirements that recognise the need for experience within a high volume customer service environment.

As a new role within the organisation it is proposed that this role will be advertised both internally and externally and will be subject to the Appointments panel process.

The structure required below the head of service would be determined on recruitment to the role. Any changes to the structure would be completed by July 2018.

## **8.9 Head of HR and Organisational Development**

The existing role of Human Resources Team Manager will be deleted so the postholder would otherwise be placed at risk. However, recognising the desire to 'grow our own', a career graded opportunity is proposed which will allow the current HR Team Manager postholder to have the opportunity to develop into the new role through a structured training programme.

A compatibility assessment has been completed together with advice from East Midlands Councils Human Resources advisor which supports the recommendation to assimilate (subject to approval by the Appointments Committee) the existing post holder on a linked grade of Band I / Head of Service Grade to recognise the internal development of the role and its importance in developing the organisation going forward.

This proposal will limit the likelihood of a redundancy situation for the current Human Resources Team Manager while retaining his skills and developing the role in the organisation.

## **9.0 Staff Implications**

- 9.1 Any changes to the structure which impact on existing staff will be dealt with in accordance with the Council's Employee Stability Policy which affects all employees of the council and will include a robust assessment of each existing role together with the new proposed roles to ensure that we maximise the opportunities for assimilation, thereby reducing the risk of redundancy. The assessment has been completed by both the Chief Executive and a representative from East Midlands Council.

- 9.2 The compatibility assessment template supports the existing policy and has been completed for each role within the management structure. Where the new proposed role is substantially similar to the existing role there will be an assimilation into the new role, unless there are more than one candidate suitable for assimilation. Where multiple candidates are suitable for assimilation there will be a competitive process involving the Appointments Committee, if the proposed structure is approved at Full Council.
- 9.3 The interim Director of Resources post and interim Head of Business Transformation posts have not been included within the future proposed structure. Both postholders have left the authority at the completion of their contracts.

## **10.0 Consultation and Feedback**

- 10.1 The Trade Unions have been briefed and informal consultation undertaken with the employees directly affected by the proposed changes. Informal consultation commenced from 21<sup>st</sup> July for a three week period, until 11<sup>th</sup> August 2017. Full consideration has been given to the comments received and individual replies have been provided prior to the commencement of formal consultation. Formal consultation commenced on 8th November until 30 November 2017. All affected employees were invited to meet separately to discuss the proposals and any concerns.

The procedures and actions comply fully with the Council's agreed Employee Stability Policy. It is this policy which is being used in the implementation of the changes. The Leader, Deputy Leader and leader of the opposition, have been briefed on the proposed changes during the process of informal and formal consultation. All job descriptions have been reviewed and amended or updated as appropriate.

- 10.2 The responses have been positive in the main from the Heads of Service and Directors but some concern exist in the areas below Head of Service level where services are being moved or changed. These concerns will be addressed as part of the Phase 2 restructure review. Appendix C summarises the consultation comments and responses for information. The following service areas will be subject to further review with an indicative timeframe for completion of April 2018;

- Customer Services
- Policy and Performance
- HRA Finance / Business Support
- Organisational Development
- Cultural services – ongoing structure changes
- Leisure – as part of wider leisure programme
- Communications
- Property Services

## **11.0 Leadership Development**

- 11.1 The updated job descriptions and person specifications for the new leadership team will take account of the core skills and competencies within the civil service 21c public servant which sets out the skills required in a modern public sector organisation where change is the only constant.
- 11.2 An initial assessment of current skills and areas for development will be completed with the support of East Midlands Council. This will feed into the Leadership Development Programme and will include:
- Management scenario testing
  - Personality profile

- Style and Behaviour assessment

In addition there will be a framework for progression where a post is a career graded post.

## **12.0 Summary**

- 12.1 Based on the report a corporate leadership structure is attached as Appendix A. The division of duties between Head of Service level is indicative at this stage and does not reflect service groupings at service manager level. It is intended that the next stage of the review that relates to service managers and staff will be completed by April 2018.
- 12.2 If the proposed structure is agreed the following will be implemented with effect from the 1<sup>st</sup> February 2018.
- Revised structure implemented
  - Assimilation of HR Manager into career graded Head of HR and Organisational Development
  - Assimilation of the Finance Services Team manager into the Finance managers (Deputy S151) post.
  - Assimilation the Financial Planning Team Manager into the Head of Finance (S151) post.
  - Recruitment for the Head of Customer Services commenced

## **13.0 Financial Implications**

- 13.1 The overall financial savings from the proposed structure are £115,550 per annum. There may be a requirement to utilise a proportion of these savings when reviewing the structure during Phase two.
- 13.2 The savings identified consist of efficiencies in salary, national insurance and pension calculations in respect to the following structural savings:
- Non renewal of interim contracts
  - Deletion of Human Resources Team Manager post
  - Deletion of Financial Services Team Manager Post
  - Creation of Finance Manager post (Deputy S151)
  - Creation of Head of Customer Services Post (career graded)
  - Creation of Head of Human Resources and Organisational Development post (career graded)
- 13.3 If members did not support the proposed assimilation there would be additional costs to the authority of £127,327 which would need to be taken from reserves in the first instance. The additional risk to the authority would be the loss of significant officer experience.

Further details of individual salary changes are available as background papers.