

Business Change Mandate (Including Budget Mandates) Proposal Number: B11

Title: Leadership and Management Restructure

All information requested must be completed on the proposed mandate to enable the Cabinet to decide whether to proceed with the proposal.

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| Mandate Completed by | Paul Matthews |
| Date | 15.09.15 |

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| How much savings will it generate and over what period? |
| The realignment of key senior posts and roles will generate £175k in efficiency savings. |
| Directorate & Service Area responsible |
| Chief Executives' |
| Mandate lead(s) |
| Paul Matthews |

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|--|--------------|
| Final mandate approved by Cabinet | Date: |
|--|--------------|

1. Vision and Outcomes of the Mandate

Give a business context for the mandate. This must pick up on the vision and what the new / improved / reduced service will look like in the future including the anticipated experience of users. It must also consider any impact on the Council's key priorities and strategic outcomes. Similarly does it impact on service performance within the immediate service area or any impact on other services provided by the authority / any other providers. In doing so, the mandate must be tested against the equality impact assessment and sustainable development impact assessment and must consider impact in relation to the new Future Generations Bill.

What is the issue that the proposal is seeking to address?

The objective of this mandate is to build upon the already significant re-adjustments made to senior management structures within the Council aimed at flattening tiers, reducing hierarchy and driving ongoing efficiency savings. The first structural re-design carried out by the Chief Executive in 2010 alluded to the need for staffing structures to constantly adapt and adjust to a 'permanent state of transition'. This mandate aims to further advance this and to ensure that as the whole organisation works to become more efficient and effective, corresponding changes are made to systems and structures to support purpose, priorities and values-driven leadership.

What evidence have you got that this needs to be addressed?

The evidence base is:

- Indicative settlements show significantly reduced resources over the medium-term
- Prospect of further structural and policy change in the short and medium-term
- The need to ensure staff structures and alignments reflects the four key priority areas of the Council – as set out in the Continuation Agreement - and demonstrate contribution to core purpose: 'sustainable and resilient services'
- The need to ensure alignment between service changes and redesign and resultant altered staffing needs

How will this proposal address this issue

The proposal is for comprehensive re-adjustment of structures, posts, roles and functions, so that the organisations' leadership, values, alignments, processes and structures are fit for purpose as we adapt to further waves of change and instability and continued financial turbulence. Our aim ongoing, is to create a whole new cost structure for our organisation and as such we must in-build the ability of our staff teams to be nimble, fleet of foot and flexible. This is more than just re-jigging posts and structures to achieve a financial efficiency – the fundamental aim is to create organisational structures, systems, processes and behaviours that are capable of demonstrating 'council of the future' capabilities.

People are our best resource and we need to ensure they are playing to their strengths and are positioned to serve our organisation and our communities in the most effective ways. This proposal is entirely in the spirit of our People and Organisational Development Strategy and our

aim to create the whole-organisation conditions that allow people to connect to their purpose in order to deliver sustained improvements for our residents, businesses, partners and communities.

What will it look like when you have implemented the proposal

Fully implemented, the proposal will alter the role and shape of key elements of leadership and management structures to ensure we have the right people in the right places and posts to enable delivery of the priorities that communities tell us matter most – promoting excellence in education, protecting the vulnerable, supporting enterprise and maintaining local services. In the light of the changing policy, financial and social backdrop – this process has to be about much more than matching people to posts and ‘service responsibilities’ and becoming more lean and efficient - even these have to be clear objectives. These changes are about reinforcing necessary leadership competencies and promoting the ‘can do’ purpose-driven mind-sets that create the kind of culture we want to grow our people in.

Expected positive impacts

- Aligning people’s skills and competencies to delivery objectives and priorities
- Further reinforcing our ability to be nimble, adaptive and flexible
- Increased organisational efficiency and effectiveness
- Impact is in top tiers of organisation and maintain focus on preserving the front-line
- Reinforcement of principles of People and Organisational Strategy – people with purpose improve performance

Expected negative impacts

- Fewer people with a keener focus on priorities and what we can afford to do – will inevitably mean there will be some things we can no longer do and the best we can do to mitigate this, is to be clear and upfront about what these things will be.

2. Savings proposed

Show how the budget mandate will make savings against the current service budget. This must cover each year implicated. This section must also cover any other efficiency that will arise from the mandate.

| What savings and efficiencies are expected to be achieved? | | | | | | | | |
|--|------------------|-------------------------|--|-------------|-------|-------|-------|------------------------|
| Service area | Current Budget £ | Proposed Cash Savings £ | Proposed non cash efficiencies – non £ | Target year | | | | Total Savings proposed |
| | | | | 16/17 | 17/18 | 18/19 | 19/20 | |
| Chief Executives’ | | £102,000 | | 102,000 | | | | 102,000 |

| | | | | | | | | |
|---|--|---------|--|--------|--|--|--|--------|
| Operations, Enterprise, CYP & SCH | | £73,000 | | 73,000 | | | | 73,000 |
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3. Options

Prior to the mandate being written, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded. (see options appraisal guide for further information)

| Options | Reason why Option was not progressed | Decision Maker |
|---------|--|-----------------|
| N/A | Developing the most efficient and effective staffing structure and leadership and management systems – is an ongoing objective and is ingrained as part of our overall approach to improving services. | Chief Executive |
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4. Consultation

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| Leadership Team and SMT | | | Date: ongoing over period of last 12 months |
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| Has the specific budget mandate been consulted on? | | |
|--|------|------------------------------|
| Function | Date | Details of any changes made? |
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|--|--|--|
| Department Management Team | | |
| Other Service Contributing to / impacted | | |
| Senior leadership team | | |
| Select Committee | | |
| Public or other stakeholders | | |
| Cabinet (sign off to proceed) | | |

| Will any further consultation be needed? | | |
|--|--------------------------|---------------|
| Name | Organisation/ department | Date |
| Indivual teams/ JAG and Unions as relevant | People Services | Sept-Dec 2015 |

5. Actions to deliver the mandate

Describe the key activities that will be undertaken to deliver the mandates and the action holders. This includes any actions contributed to by other services. Give the timescales to complete the work. This must also factor in any business activities that will need to be done differently or cease in order to achieve the mandate.

| Action | Officer/ Service responsible | Timescale |
|--|------------------------------|------------------------------------|
| Share information on structure redesign and identify specific changes | Leadership Team | September 15 – October 15 |
| Consultation – engagement with individuals, Select, Cabinet Members and Unions as required | Leadership Team | October-November 15 |
| Approvals | Leadership Team | November 15 Cabinet |
| Implementation | | April 2016 or before if achievable |
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6. Additional resource/ business needs

Describe any additional finance, resource and capability needed in order to carry out the proposed mandate successfully. For example new funding, expertise e.g. marketing and knowledge etc..

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| Any additional investment required | Where will the investment come from | Any other resource/ business need (non- |
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| | | financial) |
| No additional investment required | | |
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7. Measuring performance on the mandate

How do you intend to measure the impact of the mandate? This could include: speed of service; quality of service; customer satisfaction; unit cost; overall cost. For advice on developing performance measures you can contact Policy and Performance Team, for advice on unit costs speak with your directorate accountant.

| Focus- Budget / Process / Staff / Customer | Indicator | Actual 2016/17 | Actual 2017/18 | Actual 2018/19 | Actual 2019/20 | Target 2016/17 | Target 2017/18 | Target 2018/19 | Target 2019/20 |
|--|----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Budget | Reduction in staffing cost | 175,000 | | | | | | | |
| Performance | KPIs and Improvement Plan | | | | | | | | |
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8. Key Risks and Issues

Are there any potential barriers and risks that will need to be managed in delivering the mandate, including any negative impacts identified in section 1 that need to be accounted for. Also, set out the steps that will be taken to mitigate these. The risks should be scored in accordance with the [council's policy](#).

| Barrier or Risk | Strategic/ Operational | Reason why identified (evidence) | Risk Assessment | | | Mitigating Actions | Post mitigation risk level |
|--|---------------------------|---|-----------------|--------|---------------|---|----------------------------|
| | | | Likelihood | Impact | Overall Level | | |
| Reduced workforce at time of significant | Strategic and operational | Becoming more efficient will result in some cases, in fewer people. Data tells us | Medium | Medium | Medium | Amount sought in terms of financial savings relatively small – opportunities to reduce staff time are being taken (as opposed to delete posts) will be taken wherever possible. Whole | High |

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|--|---------------------------|---|--------|--------|--------|--|-----|
| operational pressure and policy/ structural change and further potential impacts around loss/ reduction of experience | | demand is peaking for certain services. Policy and financial context is changing. | | | | organisation structure will be reinforced to mitigate any impact of losses so that key roles covering core priorities are covered with the relevant levels of expertise. | |
| Potential impact on customer satisfaction and perception as some non-priority activities will no longer be carried out | Strategic and operational | Demand for all services remains high | Medium | Medium | Medium | Need strong message through the engagement process that we can no longer continue to run all the services and provide all functions we have 'til this point. | Med |

9. Assumptions

Describe any assumptions made that underpin the justification for the option.

| Assumption | Reason why assumption is being made (evidence) | Decision Maker |
|---|---|-------------------------------------|
| Financial efficiencies will be one outcome of this exercise | Efficiencies can be achieved as a result of changes in workforce and proposed reaignments | Chief Executive and Leadership Team |
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10. Monitoring the budget mandate

The budget mandates must be monitored through directorate budget monitoring. This will lead into corporate budget monitoring. In addition the action plan, performance measures and the risk assessment must be transferred into the service plans for the business area in order to monitor and challenge the delivery of the budget mandate, including the savings being achieved and the level of impact.

11. Evaluation

It is important to evaluate the impact of the mandate once it has been fully delivered to know whether it has successfully achieved what it set out to do and to ensure that findings can be used to inform future work.

| Planned Evaluation Date | Who will complete the evaluation? |
|-------------------------|-----------------------------------|
| September 2016 | Senior Leadership Team |