

Employment Committee

Thursday, 8th September 2022

Report Title	Proposals for Revised Corporate Leadership Structure
Report Author	Rob Bridge – Chief Executive

Are there public sector equality duty implications?	☐ Yes	⊠ No
Does the report contain confidential or exempt information (whether in appendices or not)?	☐ Yes	⊠ No
Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972	N/A	

List of Appendices

- Appendix A Current Corporate Leadership Structure
- Appendix B Proposed Corporate Leadership Structure
- Appendix C Transformation Governance Process
- Appendix D Roles Evaluated and Outcome.

1. Purpose of Report

1.1. This report sets out proposals from the Chief Executive, following North Northamptonshire Council's first 17 months of operation, to further progress the delivery of the Council's ambition, transformation plan and priorities. The report seeks approval by the Employment Committee for the recommendations noted in section 3.1.

2. Executive Summary

- 2.1. In November 2020, the Chief Executive presented a report to the Shadow Executive on the proposed 'Senior Leadership Structure' for the new Council, which was approved and implemented pre vesting day.
- 2.2. During this first year, the Corporate Leadership Team (CLT), through Executive and political direction, have focused on stabilising the new organisation across all areas, bringing together processes and developing and embedding the new Council's culture. In addition, the lead and host arrangements between North and West Northamptonshire Councils have also been finalised.
- 2.3. Through 2021/22, the Council's Transformation Plan was developed and on 23rd December 2021 the Executive approved the North Northamptonshire

Transformation Strategy 2021-23 and the more detailed North Northamptonshire Transformation Plan 2022 – 2025 that underpinned this.

- 2.4. The approved Transformation Strategy references the requirement to drive and deliver sustainable service change, develop innovation, design thinking skills and capabilities; and promote the desired culture of the organisation.
- 2.5. In line with these requirements and following the approval of the Council's Corporate Plan, the 2022/23 budget and medium term financial plan, and the decision to recruit and employ a single Director of Public Health and an Executive Director of Children's Services for North Northamptonshire, the Chief Executive has undertaken a review of the current CLT structure and operating model, to ensure the Council can deliver its political and strategic ambition and objectives with clear accountability and ownership by senior leads on behalf of elected Councillors.
- 2.6. This has led to the proposals and recommendations set out in this report. Principally, this entails proposed changes to some leadership roles and reporting lines.

3. Recommendations

- 3.1. It is recommended that the Employment Committee:
 - a) Notes the content of the report and the revised proposed structure, including financial implications.
 - Approves the new Corporate Leadership Structure set out in section 4 and Appendix B
 - c) Approves the deletion and creation of posts outlined in section 4 and summarised in 4.35.
 - d) Approves the realignment of CLT responsibilities as set out in section 4.10.
 - e) Notes that within the Constitution's Officer Scheme of Delegation, the Head of Paid Service (Chief Executive) has authority to implement the new structure and to action any associated HR matters.
- 3.2. Reasons for Recommendations These recommendations support the benefits noted in paragraph 4.37 and delivery of the Council's ambitions and corporate objectives.
- 3.3. Alternative Options Considered To continue with the status quo and current delivery model and structure, or implement the changes outlined in this report.

4. Corporate Leadership Team Structure review

4.1. The current CLT structure was approved by North Northamptonshire Shadow Executive in November 2020 (Appendix A). This structure has now been operating for over 12 months and has enabled the stabilisation of the new

- Council, and the development of a transformation plan; in addition to delivering a number of key priorities within a balanced budget for 2022/23.
- 4.2. In line with best practice and to ensure the continued delivery of the Corporate and transformation plans, the Chief Executive has reviewed the current CLT structure and responsibilities, including how transformation can best be delivered across the Council moving forward.

Transformation and Corporate Leadership Team

- 4.3. During year 1, the Director of Transformation and the Transformation team have worked with the Corporate Leadership team to develop and drive forward the Council's Transformation Plan; and progress the inter-authority agreements (which set out contractual arrangements for host/lead services) with West Northamptonshire Council. The Transformation function has also played a pivotal role in developing and rolling out the necessary transformation tools to 'drive through change across the organisation' and support the achievement of key priorities.
- 4.4. Now that the detailed Transformation Plan (2022-2025) has been approved, the focus now turns to the delivery and ownership of the plan by each of the Council's directorates, as part of the Council's medium-term financial plan and improvement journey. Although it was correct that a separate transformation team was required to transition to unitary and enable the development of the Transformation Plan, the delivery of this must now be owned and led by the services and the Corporate Leadership Team.
- 4.5. Therefore, the Chief Executive proposes that the central transformation team is now realigned and incorporated into the remaining Directorates to lead, own and embed transformation across the Council services. This proposal will mean that most roles within the Transformation Directorate will be realigned to other Directorates based on the current transformation partner roles.
- 4.6. In addition, the current governance processes have also been reviewed and it is proposed that the project management office (PMO) is merged with the Capital Projects function and that the Head of Programme Management role is merged with the vacant Capital Project Manager Officer role.
- 4.7. Therefore, in order to achieve this ownership, the following changes are proposed to the Transformation team:

Deletion of Posts

- Deletion of Director of Transformation post.
- Deletion of Head of Transformation Delivery post.
- Deletion of Head of Transformation Partnerships and Design post.
- Deletion of Head of PMO Transformation post.
- Deletion of Quality and Assurance Manager

- Deletion of Senior Project Support Officer
- PMO role* (see below re. creation of new role)

Creation of New Posts

- Creation of x1 Project Support Officer post.
- Creation of x1 Business Analyst post.
- Creation of x1 Corporate Capital and Transformation lead post* it is proposed that this role will sit within the Finance Directorate and will report to the Head of Performance and Partnerships role within the Directorate.
- 4.8. Apart from the proposed deleted roles detailed above, the proposal is to realign the remaining transformation team roles to the other CLT directorates.
- 4.9. To embed the new structures and deliver the transformation plan, it is also recognised that it may be necessary to engage short term service specific expertise to work alongside the teams. This may therefore require some additional resource that is not provided within a more generalist transformation team.

Realignment of remaining functions in the Transformation Directorate

- 4.10 In making the above changes, it is also proposed that the remaining functions of the Transformation Directorate are realigned to other CLT posts; notably:
 - Chief Information Officer post and their team are moved to report to the Assistant Chief Executive post.
 - Assistant Director Customer Services and their team moves to report to the Governance and Human Resources (HR) Directorate and will report to the Director of Governance and HR (Monitoring Officer).
 - Programme Management Office is realigned to report to the Executive Director of Finance.

Performance, Partnership, Policy and Communications

- 4.11 As already stated in the report, officers have focused on stabilising the Council during the past twelve months; with each CLT area reviewing their structures, processes and ways of working.
- 4.12 Significant progress has been made on the performance reporting framework for the Council; with the Executive receiving monthly performance reports. This has ensured the Council and Executive are transparent and able to monitor the Council's performance. These reports have also been presented to the Scrutiny Commission and Finance and Resources Scrutiny Committee to ensure that there is adequate challenge on key performance measures.

- 4.13 Excellent organisations recognise the link between finance and performance in the way they operate and the interlinks between performance trends (good and bad) and the Council's financial position. This is also important to senior officers as it can help understand and address issues, or where overperforming, understand how resources can be realigned to other areas of need.
- 4.14 Therefore, moving the current performance team from the Assistant Chief Executive to the Executive Director of Finance will strengthen the link between finance and performance, providing an integrated finance and performance framework and reporting model. This will enable Members, residents and other stakeholders to have an insight into the performance of the Council, together with the associated resource requirement.
- 4.15 A review of the past year has also identified a resource need to focus on the governance and interests of the Council in regard to its partnership and commercial arrangements. There are a number of arrangements which will need be included in the Council's Significant Partnership Register to ensure effective oversight and robust governance arrangements.
- 4.16 The Register will not only hold information on companies but also significant partnerships and other corporate vehicles where the Council has an interest. The arrangements will include, for example:
 - Shared services with West Northamptonshire and other Local Authorities where relevant
 - Children's Trust
 - Wellingborough Bereavement Services
 - NSport
 - OPUS People Solutions
 - Pathfinder Legal Ltd.
- 4.17 For these arrangements, it is essential that the Council acknowledges the need for democratic accountability, assurance that objectives are being met and that there is compliance with the constitution and wider regulatory framework. The protection of public resources should be as important for the Council's external arrangements as it is with internal services and therefore the governance requirements and ongoing monitoring should have adequate senior resource allocated to it. It is therefore proposed that a new post of Head of Performance and Partnerships is created, reporting to the Executive Director of Finance. This would be a new post and would work with the finance team, as well as liaising with services, to develop the framework for partnerships and integrated finance and performance monitoring.
- 4.18 The new post would ensure that the reporting of performance monitoring is not limited to the corporate measures but also extends to the maintenance and reporting of the arrangements within the Significant Partnerships Register.

- 4.19 The Assistant Chief Executive is currently consulting on the wider team structure proposals for the policy and communication functions, which they will retain. They will work with the Executive Director of Finance regarding the realignment and movement of the performance team.
- 4.20 As part of these changes, it is also proposed that the reprographics service is moved to the Assistant Chief Executive from the Director of Governance and HR as there is a strong link between communications and reprographics and there may be efficiencies that can be made by joining these services together.
- 4.21 With these changes, it is proposed that the Director of Governance and HR role is retitled Executive Director, Customer and Governance, the Executive Director of Finance is retitled Executive Director of Finance and Performance and that these roles, along with the Assistant Chief Executive role, are reviewed and re-evaluated if required, to take into account the changes detailed above. Please see Appendix D.

Housing, Communities and Director of Public Health

- 4.22 In the leadership structure that was agreed in November 2020, services supporting Housing and Communities were grouped under the management of a single Assistant Director, within the Adults, Communities & Health (ACH) Directorate.
- 4.23 In the leadership structure that was agreed in November 2020, services supporting Housing and Communities were grouped under the management of a single Assistant Director, within the Adults, Communities and Wellbeing (ACW) Directorate.
- 4.24 This role delivers a broad range of housing, community, cultural and leisure services, including being the housing stock landlord to 8,224 Council properties.
- 4.25 Over the first year these services and structures have been stabilised and good progress has been made in all areas and on key projects. In addition, there has been added requirements for staff in both the housing and communities' teams to lead and implement the Council's responses to the Afghan resettlement scheme and our Ukrainian refugee response. The breadth of the role and additional demand has identified the need to revisit the scope of work within this portfolio to ensure we can maintain a dedicated focus on each area.
- 4.26 It is, therefore, proposed that the Housing and Communities service is split into two distinct functions, one for Housing and one for Communities. Going forward, each of these functions would be led by an Assistant Director to ensure the focus and capacity to deliver in both of these important areas.
- 4.27 The AD Housing role will continue to report to the Executive Director, Adults, Communities and Wellbeing and will lead on all housing areas for the Council, with the exception of the Private Sector Housing regulatory function, which will

move to the AD Regulatory Services. The Council is continuing to implement its corporate wide enforcement arrangements and the Regulatory Services team are key to leading this agenda and building a consistent approach. The Private Sector Housing team deals with an array of environmental health, licensing and enforcement matters and therefore, the expertise within the team led by the AD of Regulatory Services will support the corporate enforcement approach for the authority.

- 4.28 During the consultation it was also suggested that the Disabled Facilities Grant and Home Assistance are also moved to the AD Regulatory Services as they align with the Private Sector Housing team. It is therefore proposed that these changes are incorporated into the proposal and finalised between the two Executive Directors.
- 4.29 It is proposed that the AD Communities however reports into the Director of Public Health and takes on the responsibility for Adult Learning in addition to the responsibilities shown in Appendix A and will also report directly to the Chief Executive.
- 4.30 This brings together some key areas under the Director of Public Health and ensures that the lead for Adult Learning is able to report to an Assistant Director as is comparable to other roles of this level of seniority Appendix 3. Reporting to the Chief Executive also strengthens the importance of the role and focus on addressing health inequalities and will support the recruitment process for a permanent DPH.
- 4.31 Both changes will ensure the Council has the right capacity and focus to drive through the strategic and operational objectives for all service areas and harness opportunities in both housing and communities.
- 4.32 The AD Communities and AD Housing posts have been reviewed to take into account the changes detailed above and re-evaluated. Please see Appendix

Streamlining Transformation Governance

- 4.33 Along with the proposed changes to the structure of Transformation, CLT have also reviewed the current governance arrangements to ascertain if these can be streamlined; whilst still ensuring oversight and delivery of the programme, so that the right governance remains in place.
- 4.34 The Council's current arrangements are set out in Appendix C and there are several meetings and check points in operation.
- 4.35 It is important that we still have the right governance in place. This is especially relevant to the management of hosted services and the delivery of the ongoing disaggregation plan; and the management of the shared services led by the North or West, some of which will remain in place until at least 2024/25.

- 4.36 Therefore, with the changes to the Transformation team it is proposed that:
 - i. The Officer Transformation Board (OTB) is deleted.
 - ii. The business and decisions previously determined by the OTB are instead considered by the Corporate Leadership Team operational meeting (CLT) as a standing monthly item.

Summary and Benefits

4.37 The table below fully summarises the proposed changes detailed above.

Post / Team	FTE	Delete	New post Proposed	Reporting line
Director of Transformation post	1	1	0	Remaining transformation team not directly impacted by this proposal will be realigned to the other CLT directorates.
Head of Transformation Delivery	1	1	0	
Head of Transformation Partnering and Design	1	1	0	
Head of PMO*	1	1	0	*Elements of this role to be merged with vacant Capital Project Manager role
Quality and Assurance Manager	1	1		
Senior Project Support Officer	1	1		
Project Support Officer			1	Realigned to the other CLT directorates.
Business Analyst post.			1	Realigned to Finance and Performance Directorate
Corporate Capital and Transformation lead (Formed through merging elements of the former PMO role and vacant Capital Project Manager role)			1	Report into Finance and Performance Directorate
Assistant Director Housing and Communities	1	1		
Assistant Director Housing			1	Reporting to Executive Director Adults Communities and Wellbeing (proposed title Executive Director Adults and Housing)
Assistant Director Communities			1	Reporting to Director of Public Health and Wellbeing

Post / Team	FTE	Delete	New post Proposed	Reporting line
Assistant Director Customer Services	1			Change of reporting line to report to Director of Governance and HR (proposed title Executive Director Customer and Governance)
Adult Learning Team				Change of reporting line to report to the new post Assistant Director Communities
Head of Performance and Partnerships			1	Reporting to the Executive Director Finance (proposed title Executive Director Finance and Performance)
Remaining Transformation team members				Remaining transformation team not directly impacted by this proposal will be realigned to the other CLT directorates.
Chief Information Officer				Change of reporting line to report to Report into the Assistant Chief Executive
Reprographics Service				Change of reporting line to report to the Assistant Chief Executive
Private Sector Housing Regulatory function				Change of reporting line to report to the Assistant Director Regulatory Services
TOTAL	8	7	6	

- 4.38 The new proposed Corporate Leadership Structure is shown in Appendix B with realigned responsibilities and teams detailed in this report.
- 4.39 These proposals will lead to the following benefits:
 - i. Greater ownership, accountability and delivery of transformation and service improvement projects across CLT and within Directorates.
 - ii. Through joined up planning and reporting within and across Directorates more efficient governance and oversight of service improvement and change programmes through CLT and Members.
 - iii. Single corporate Programme Management Office covering both transformation related projects and the capital projects process, including the business analyst resource which will be allocated to teams for specific projects.
 - iv. Dedicated Assistant Director roles for Housing and Community & Leisure Services to enable delivery of ambition and wider strategic housing responsibilities.
 - v. Wider responsibilities for the Director of Public Health and Wellbeing and opportunity for further integration / joining up of leisure and culture activities to reduce health inequalities.
 - vi. Stronger governance and oversight of partnership and commercial arrangements

- vii. Dedicated Head of Performance and Partnerships role to provide greater focus on the development of the Council's performance management framework. Working closely with finance to strengthen integrated finance and performance reporting in support of effective decision making. The role will also ensure a robust governance and control environment for the strategic partnerships held by the Council.
- viii. A reduction in the overall cost of transformation to the organisation whilst freeing up resource to engage "expertise" as and when required.

5. Issues and Choices

- 5.1. In developing these proposals, two key options have been considered: continue with the status quo and current delivery model and structure or implement the changes outlined in this report.
- 5.2. Extensive feedback was given through the consultation period regarding the proposals with various comments, suggestions, support and alternative proposals for the Transformation team.
- 5.3. These proposals and any other issues raised have been fully considered and responded to. Each week frequently answered questions (FAQs) and responses have been shared with Trade Unions and all of the employees 'in scope' of the proposals.
- 5.4. The alternative proposals put forward for transformation by the Transformation Team set out a more centralised approach, however, this does not support the objectives of the reorganisation which are to embed transformation and the ownership and drive for service improvement within the individual services and, therefore, are not being taken forward.
- 5.5. However, it was clear that the cultural approach of the current Transformation team aligns with the Council's values and behaviours and therefore aligning the team to Directorates will enable them to assist in embedding culture change as well as delivering transformation.
- 5.6. It was also proposed that the responsibility for Disabled Facilities Grants (DFGs) and Home Assistance are also moved to the Assistant Director for Regulatory Services, which has been highlighted in paragraph 4.27 for the relevant Executive Directors to take forward.
- 5.7. The following table assesses the benefits and dis-benefits of each of these options:

As is	New proposal	
Transformation		
Programme and project management expertise Corporate Co-ordination Single view of Transformation Plan Original structure identified Senior Responsible Officers 35 posts concentrated on Transformation Good relationship with West to manage disaggregation up to March 2023. Corporate process can track benefit realisation and savings.	Benefits - Greater Directorate Ownership and accountability - Frees up resource to bring in Subject Matter Expertise (Internal and external) - Better cultural fit - Programme and project management expertise - Extra resource in directorate - Programme, project managers, Business Analysts (BA's) and Change and Engagement Managers could easily be allocated to directorates as already working in that way - Reduction in cost of transformation structure - Single directorate meetings with Trade Unions can be one conversation - Reduced staffing cost - Support and embed culture changes within directorates Over time, it will enable roles to be built into permanently funded structures and remove the reliance on time-limited reserves.	
 Disbenefits Loss of accountability and ownership and one team culture approach. Can be perceived to be similar to Local Government Reform (LGR) programme 	Disbenefits - Possible transformation fades away over time as resource becomes business as usual (BAU) - Management of disaggregation with the West up to March 2023	
 model. No identified Transformation Budget other than salaries. Directors feel "not in control of their subject matter expert (SME) areas at Officer Transformation Board and 	- External transformation, where specialist experts are brought in can feel "done to" rather than "working with".	

Member Transformation

Board

As is	New proposal
- Trade Union Consultative meetings, Directorate Consultative Forums (DCF) and DCF Enabling, for each directorate, Transformation update meeting with TU Senior Responsible Officers (SROs) do not act across directorates – only in areas of responsibility - No savings on staffing budget.	
Housing & Community	
Benefits - One team approach to housing and communities	Creates the potential for additional housing expertise, specialist housing knowledge and capacity at a senior level within the organisation. Provides clear direction and leadership to the housing team and improves accountability and responsiveness for housing maintenance functions. Additional capacity to provide greater assurance on compliance with statutory duties Senior expertise to implement a Housing Revenue Account (HRA) Business Plan for the benefit of the Council's housing stock Creates additional capacity for the Assistant Director of Communities to develop and implement a community-based model which will support the Corporate Plan
Disbenefits - Loss of one team approach to housing and communities.	Disbenefits - There are none identified as an increase in capacity will result in better assurance with regard to the Council's statutory obligations and improved outcomes for tenants.

As is	New proposal		
Performance & Partnerships			
Benefits - There are no benefits to not having resource allocated to partnership/company governance.	Benefits - Better governance of Significant Partnerships - Improved democratic accountability of external arrangements - Improved reporting of contractual performance for shared services Greater focus on development of integrated performance and finance reports and data		
Currently no resource allocated to Partnership governance and reporting Lack of performance reporting for external arrangements which does reflect best practice Lack of democratic accountability for significant partnerships and company/joint venture arrangements and whether they continue to represent best value.	Disbenefits None specifically identified. An increase in capacity will result in better governance and democratic accountability.		

6. Process Followed and Next Steps

- 6.1. A formal 45-day consultation on these proposals with impacted staff and recognised trade unions has already taken place. The recommendations made in this report incorporate the feedback and any subsequent changes that have been made as a result of this consultation process.
- 6.2. Pending approval of the recommendation in paragraph 3.1 from the Employment Committee, the revised structure and realignment of roles will be implemented in line with the Council's agreed employment policies and procedures: including the redundancy, redeployment and recruitment policies.
- 6.3. Redeployment options will be sought for those individuals whose current posts are proposed to be deleted. However, if no suitable alternative employment is identified for these employees, some redundancies may be required but, the aim is to avoid this wherever possible. Recruitment to

- vacant roles will commence in accordance with the Council's Recruitment Policy, after any ringfencing and matching has been completed.
- 6.4. In addition, Directors will agree future structures and funding as part of the future budget process.
- 6.5. Pending the revised structure and realignment of roles, a plan and timeline will be confirmed for the new governance arrangements to begin.

7. Implications (including financial implications)

7.1. Resources and Financial

7.1.1. These proposed changes will lead to a change in the funding requirements as set out in the table below:

Summary	Completed	FTE	£
Section 1 : Current Budget	Yes		624,416
Section 2 : Current Establishment	Yes	7	
Section 3 : Proposed Establishment	Yes	6	499,199
Section 4a : National Insurance Bandings	2022/23		
Section 4b : Pension %	2022/23		
Section 5 : Pay Scale	2021/22		
Section 6 : Any Additional Costs	Yes		0
Variance		(1)	(125,218)
		Decrease	Decrease

7.1.2. The proposals also lead to a reduction in the use of the Transformation reserve and an increase in costs to the general fund and Housing revenue Account (HRA). Part of this increase will be charged to the HRA for the AD Housing role and any increase over and above that will be met from within existing Council resources, which will also be the case for any changes following the re-evaluation of the roles set out in Appendix D.

7.1.3. The table below shows how this impacts the transformation reserve and general fund as not all posts are funded from the base budget.

	General Fund/HRA	Transformation Reserve
Deleted posts	£333k	£352k
New/amended posts	£477k	£82k
Additional Cost	£144k	
Saving		£270k

7.1.4. Implementation will be undertaken in line with the Council's agreed employment policies and procedures, including the redundancy and redeployment process, should this be applicable. There is the potential for redundancy costs in cases where posts are no longer required, and no redeployment opportunities are identified. It is intended that these costs will be met through the same capitalisation process as the previous review.

7.2. Legal and Governance

- 7.2.1. The Head of Paid Service has responsibility to consider the manner in which the discharge by the authority of their different functions is co-ordinated, the number and grades of staff required by the authority for the discharge of their functions, the organisation of the authority's staff, and the appointment and proper management of the authority's staff.
- 7.2.2. Council has delegated authority to the Employment Committee to consider "significant staffing and organisational reviews". Due to the strategic nature and the proposed outcomes, the report falls within this definition.
- 7.2.3. The Chief Executive has authority to effect changes to an individual's terms and conditions and associated HR matters.

7.3. Relevant Policies and Plans

7.3.1. The Council is committed to delivering its Corporate Plan 2021-2025 and Transformation Plan and these proposals will support this, including the key commitment of Modern public services by providing modern public services and efficient, effective and affordable services that make a real difference to all our local communities.

7.4. **Risk**

7.4.1. There are no significant risks arising from the proposed recommendations in this report.

7.5. Consultation and Staffing Impact

- 7.5.1. A formal consultation of 45 days with impacted staff and recognised trade unions has already taken place from 5th July 2022 22nd August 2022. The consultation was extended by 4 days to allow sufficient time for the Chief Executive to consider counter proposals and feedback received during consultation.
- 7.5.2. As such, feedback from impacted staff as part of the consultation process is incorporated into these final recommendations.

7.6. Equality Implications

- 7.6.1. All staff affected by these proposals have been consulted and engaged with in line with the Council's policies and procedures.
- 7.6.2. For the majority of employees there is no impact. For the employees whose roles are proposed to be deleted as a result of implementation, everything will be done to seek suitable redeployment opportunities.

7.7. Climate Impact

7.7.1. Not applicable.

7.8. Community Impact

- 7.8.1. These proposals will ensure the Council can deliver its objectives and duties to all communities and enables further focus and capacity in key areas.
 - 7.9. Crime and Disorder Impact
- 7.9.1. Not applicable.

8. Background Papers

8.1. Report from 26 November 2020 Shadow Executive Committee – Item 11, Development of proposals for the Senior Leadership structure