

CABINET

1 FEBRUARY 2024

ORGANISATIONAL REDESIGN PROGRAMME – SENIOR MANAGEMENT REVIEW

Relevant Cabinet Members

Mr S E Geraghty

Relevant Officer

Chief Executive

Recommendations

1. **The Leader recommends that Cabinet:**
 - a) **agrees to recommend that Council:**
 - (i) **approves in principle, subject to consultation, the Chief Executive's proposed revised Directorate structure and functional areas of responsibility;**
 - (ii) **supports his proposals, in principle subject to consultation, for the Chief Officer structure for Tiers 2 and 3 as set out in the report;**
 - (iii) **authorises the Chief Executive to carry out all necessary staff consultations in relation to the proposed changes;**
 - (iv) **authorises the Chief Executive, in consultation with the Leader, to finalise the detail of the management structure for Tier 2 and Tier 3 officers including the job and person specifications in accordance with the above Directorate structure;**
 - (v) **authorises the Appointments Etc Panel to take all appropriate decisions in relation to the proposals for Tier 2 and 3 posts to support the new Directorate structure (including any deletion of existing posts, creation of new posts and appointments to them, and designation of statutory posts), and reviewing them in the future as appropriate; and**
 - (vi) **notes the indicative timescale in Appendix 4 and agrees that the remaining Directorate restructure to be completed by September 2024 or an earlier date as the Chief Executive may determine having regard to the above processes.**

Background

2. The aim is to create a One Council re-unifying the senior management structure (Tiers 1-3), ensuring it is aligned to Council plans and is sustainable. This will ensure the Council can operate in a highly productive, efficient, and effective way to meet the priorities and statutory requirements placed on the Council within the financial envelope forecast.
3. On 10 January 2024, Cabinet agreed not to extend the contract with Worcestershire Children First (WCF) beyond September 2024 and so the senior management review proposals align with the return of WCF to a One Council model.
4. This proposed senior management structure has due regard for statutory services and their regulatory bodies (Ofsted & Care Quality Commission (CQC), UK Health Security Agency and Office for Health Improvement and Disparities etc.) considering at its forefront how it can best meet the delivery needs of its residents but in a leaner and more efficient way.
5. Looking forward it is important to ensure the Council is fit for purpose to address the ongoing demands and constraints placed upon it. As such the programme needs to identify the changes needed to achieve organisational sustainability for the future.
6. To achieve these aims, we need to look afresh at how the organisation is structured, review policies, processes and procedures, and assess how staff operate as well as their capabilities and capacity. This report covers stage 1 setting out the restructuring of the top 3 Tiers and their identification into broad directorate blocks. This stage will require approval from Full Council before any other detail can be concluded. Further stages in terms of the re-design element i.e., the ways in which we work, will be brought forward in due course.
7. A well-designed Council will ensure that the form of the organisation matches its strategy (Corporate Plan), meets the many challenges posed and significantly increases the likelihood that the collective efforts of the workforce will be successful in delivering our outcomes.
8. The revised Medium Term Financial Plan (MTFP) sets a target corporate saving for overall review of the organisation.
9. As part of the redesign, Cabinet members were clear that the redesign must be owned by the Strategic Leadership Team (SLT) and therefore each Director has been given the opportunity to help inform the organisational design. The current Chief Officer structure for tiers 1-3 and the associated functional areas can be seen in Appendix 2.
10. The following principles have been applied in the redesign:
 - a) Synergy of services
 - b) Synergy of professional roles & responsibilities
 - c) Optimisation of business processes

- d) Maximise savings within reasonable deliverable boundaries
 - e) Sensible oversight of directorates and associated functions
 - f) Integration with partners and external bodies
 - g) Spans of control and size of directorates
 - h) Recognising statutory roles
 - i) Where possible, playing to strengths and experience
 - j) Not creating roles which aren't recognised across the public sector
11. For the purposes of this report the following 'Chief Officer' posts are currently defined as tiers 1-3:
- a) Tier 1: Chief Executive
 - b) Tier 2: Strategic Director
 - c) Tier 3: Assistant Director and/or specific designations (e.g. Chief Financial Officer/Director of Public Health)
12. The need to achieve significant savings as part of the process necessitates a set of guiding principles for the redesign activity as well as an element of challenge to any proposals made to ensure that the opportunities identified are achievable, are sufficiently detailed and that they meet the statutory requirements and Council priorities.
13. To enable these next steps, it is necessary to ensure that the Chief Officer levels are fit for purpose to both deliver change and sustain an effective Council that delivers its Corporate Plan. As such this report proposes a revised Tiers 1 to 3 structure, with changes in functional responsibilities. The proposed structure and functions are shown in Appendix 3.
14. The main changes outlined in Appendix 3 are:
- Tiers 1 to 3 will be designated as follows:
 - i. Tier 1: Chief Executive (Head of Paid Service)
 - ii. Tier 2: Strategic Director of
 - iii. Tier 3: Assistant Director and/or specific designations (e.g. CFO, DPH)
 - It is proposed to designate the three Strategic Director posts at Tier 2 as follows:
 - Strategic Director for Economy and Infrastructure
 - Strategic Director for Adult Social Services (DASS)
 - Strategic Director for Childrens Services (DCS)
 - It is proposed that the Council's statutory posts will be covered as follows:
 - The Director of Public Health will continue to be a Tier 3 post and designated as such in line with the statutory requirements
 - The Section 151 officer will continue to be a Tier 3 post and designated Chief Financial Officer (s151)
 - The Monitoring Officer and County Returning Officer will continue to be a Tier 3 post and designated Assistant Director of Legal, Democratic Services and Governance
 - The Strategic Director of Adult Social Services will continue to be a Tier 2 post

- The Strategic Director of Children's Services (DCS) will be a designated role within Worcestershire County Council reporting directly to the Chief Executive as a Tier 2 post holding the statutory office and performing the role of DCS
- A proposed reduction of Chief Officer posts in Tiers 1-3 from 22 to 17.
- A proposed reduction in the number of Tier 2 posts from 4 to 3.
- The following posts will report directly to the Chief Executive:
 - Assistant Director of Human Resources, Digital and Communications
 - Chief Financial Officer (151), Commercial and Asset Management
 - Assistant Director of Legal, Democratic Services and Governance
 - Director of Public Health (DPH)
- As a result of the proposed changes, a number of larger functional areas will change in terms of directorate accountability as follows:
 - **IT & Digital** – from Commercial and Change to report to the Chief Executive under Human Resources, Digital and Communications
 - **Transformation** - from Commercial and Change to report to the Chief Executive under Human Resources, Digital and Communications
 - **Performance, Risk, Change and Asset Management** – from Commercial and Change to report to the Chief Executive under Chief Financial Officer (s151)
 - **Strategic Property** – from Commercial and Change to report to the Chief Executive under Chief Financial Officer (s151)
 - **Legal, Democratic Services and Governance** – from Commercial and Change to report to the Chief Executive
 - **Facilities Management** – from Commercial and Change to Economy and Infrastructure reporting to Major Projects and Waste Management
 - **Investment in Skills** - move from People Services to Economy and Infrastructure reporting to Economy and Skills
 - **Registrars and Coroners** - move from People Services to report to the Chief Executive under Legal, Democratic Services and Governance
 - **Museums, Libraries, Archives and Archaeology** – move from People Services to report to the Chief Executive under the Director of Public Health
 - **Countryside Greenspace, Gypsy and Road Safety Education** – move from People Services to Economy and Infrastructure reporting to Highways and Transport

Note: This is not an exhaustive list, it covers most areas being moved to different functions. There are also a number of smaller

functional areas which will need to be decided upon following appointment to the Chief Officer roles.

15. The proposals put forward by the Chief Executive are the optimum response to the demands placed on the Council, as set out above. No specific alternative structure is therefore recommended for consideration alongside the proposals but this will depend on the response to the consultation. While one alternative option would be to make no change to the current structure of the Council, this would not align with the budget proposals or reflect a leaner organisation.
16. The Council will follow its agreed constitutional requirements including Appointments Etc Panel process, HR policies and associated processes in consulting and engaging with these staff and recognised Trade Unions following Full Council. The Chief Officers in scope of this report and recognised trade unions have been informally informed of this report in advance of its publication.
17. If the proposed Directorate structure is approved by Council the Chief Executive will take the necessary steps to implement and recruit to all the Chief Officer related posts through the Appointments etc Panel as appropriate.
18. Wherever possible this will be done on a process to secure internal chief officers, on a principle of assimilation, matching as set out below and where not possible through open competition:

Assimilation or slot: Employees have been assimilated into posts where it is considered that the duties and responsibilities of the new posts are generally the same as the duties and responsibilities of the deleted post. Typically, this is where the post holder carried out between 75% of the duties of the new post.

Match: Ringfencing applies where posts in the new structure is similar to the old structure (i.e., in terms of grade and the majority of the duties, responsibilities and competencies) but may have other disaggregated functions assigned to it. Where there are significant synergies between the current and new functions then a match will arise. If the number of available posts in the ring-fence matches the number of employees, employees will be confirmed to post subject to confirmation by an Appointments Etc. Panel (may require an interview). There is no exact determination of what is appropriate, and this would depend on the skills and experience of the individual. The percentage would typically be between 40 to 74%.

Open competition: Where a new post is considered less than 40% it would be considered that no one is ringfenced automatically to the post. As such it is likely that the post would be opened up to any Chief Officer placed at risk or to external recruitment if necessary.

19. Security over opportunity will be a primary factor in the assimilation or matching of people to posts.
20. To support the new structures, all Tier 2 posts will work to a Strategic Leadership Team generic job description to ensure collective accountability and responsibility for the whole organisation. This will support a corporate One Worcestershire approach in the future at this senior level. The same generic job

description approach will also be adopted for all Tier 3 posts. The associated functional 'dimensions' of the roles will be outlined in the job description covering the functional areas of responsibility for each chief officer.

Next steps

21. To provide stability, clarity and evidence of ability to change at pace for the whole workforce it is essential to move forward under the proposed timeframes. This will also enable savings to be delivered to ensure the Councils remains financially stable.
22. There is a risk to the retention of key chief officers at an uncertain time and this should be mitigated by early implementation and securing of roles for Chief Officers to enable the authority to continue to operate effectively and deliver the policy of the Council within the resources available.
23. If approved by Council, appropriate, and meaningful consultation will take place with the relevant Chief Officers and the recognised trade unions and in accordance with the Councils HR policies and procedures. An indicative timeline can be seen in Appendix 4.
24. To enable consultation to take place, generic job descriptions will be created and evaluated in accordance with the Council's pay policies and procedures.
25. If the proposed Directorate structures as per Appendix 3 are approved by Council, on appointment via the Appointments Etc. Panel to role, the appropriate Chief Officers will commence the next stage of reviews for all areas of functionality. As has been identified, a significant amount of work has already taken place to identify proposals, including implications for terms and conditions, places of work and digital support.
26. Chief Officers will be asked to bring forward further structural proposals under a second phase of change which will meet the savings target and follow the Council's HR processes, including engagement and consultation with the recognised Trade Unions and staff. Every effort will be made to first remove vacant posts and assess the ability to redeploy staff. This both supports employment and reduces any costs of redundancies.
27. Where any changes impact on policy or have a significant impact on delivery then they will be brought back through the appropriate governance process, including Cabinet and Council if appropriate.

Legal, Financial and HR Implications

Finance

28. The overall redesign savings target is £2m in 2024/25 years and significant progress has been made in identifying savings. The specific proposals around Tiers 1 to 3 in this report will yield a saving of circa £0.7m recurring. The second phase of work will be required to deliver the remaining target.

29. A full year saving of £0.7m million may not be achieved in 2024/25 because the implementation will not be until later in the year which means that the full year effect will not be felt until April 2025. Any undue delay would push this further back therefore it is vital that the Council acts to ensure the full savings are made as soon as possible given our current financial position.
30. At this stage sufficient data has been considered to suggest that the target can be met, however due process must be followed and thus a focus on timeliness balanced against decision making is crucial to the future. At this stage there is nothing to suggest this cannot be achieved, and progress will be monitored and reported through regular budget monitoring to officers and Cabinet.

Human Resources

31. The Assistant Director for HR, OD and Engagement has been involved in the writing of this paper and in the process surrounding Tiers 1 – 3 and the overall redesign programme. As this postholder is also potentially affected by the proposal additional consultation and advice will be provided to the Chief Executive by another Senior HR Lead to ensure independence around this process.
32. The scale of the changes will mean the need to continually review the resources and capacity of the service, and where appropriate consideration of additional resources will be taken in light of a cost versus benefit analysis to ensure progress can be maintained.
33. The Council will need to follow its own HR policies and processes and every effort will be made to ensure we engage and consult fully with all stakeholders in line with our policies.

Legal

34. Legal advice will be given to ensure proper practices are followed in the proposed restructure of the Council's senior management. The Council's Directorate structure is a matter for full Council, and appointment of the Council's Chief Officer-related posts (Tier 1-3) is reserved to Full Council and/or the Council's Appointments etc Panel on its behalf. Establishing the detailed specifications and terms and conditions for, appointments to or dismissals from a Chief Officer related post will normally be undertaken by the Panel.

Equality and Diversity Implications

35. The Council must, during planning, decision-making and implementation, exercise a proportionate level of due regard to the need to:
 - Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.

An Equality Relevance Screening has been carried out in respect of these recommendations.

Supporting Information

- Appendix 1 – Design Principles
- Appendix 2 – Current Structure Chart, tiers 1-3
- Appendix 3 – Proposed Structure Chart, tiers 1-3
- Appendix 4 – Indicative timeline

Contact Points

Specific Contact Points for this report

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Background Papers

In the opinion of the proper officer (in this case the Chief Executive) there are no background papers relating to the subject matter of this report.

Design Principles

a) One Worcestershire

- i. We will demonstrate a “One Worcestershire” approach – across Council departments and with our partners to provide effective and efficient services across the county.
- ii. We will be business-like in how we speak and how we operate.
- iii. We will be fast followers of best practice and innovation.

b) Organisation Design

- i. Our structures will support the future governance arrangements of the Council, allowing chief officers and members to make clear and effective decisions to support our strategy.
- ii. Our structures will be clearly arranged around the delivery of corporate priorities.
- iii. Structures will be affordable and meet future savings parameters collaboratively.
- iv. We will ensure that all structural decisions are evidence based and designed against demand.
- v. We will take a whole systems approach to designing our new structures, ensuring everything we do creates value.
- vi. Our structures will have spans of control which are appropriate to the services being delivered. The levels/tiers within the organisation will be based on contribution and will not exceed 6 layers of contribution.
- vii. Our structures will provide a platform for continued change and development.

c) Workforce Support

- i. We will invest in our workforce to ensure we have the right people in the right roles for our future organisation.
- ii. We will have a professional, enabled and flexible workforce that uses intelligence and insight to respond to changes in demand.
- iii. We will ensure we have modern and competitive people policies, practices and structures to attract and retain the right talent.

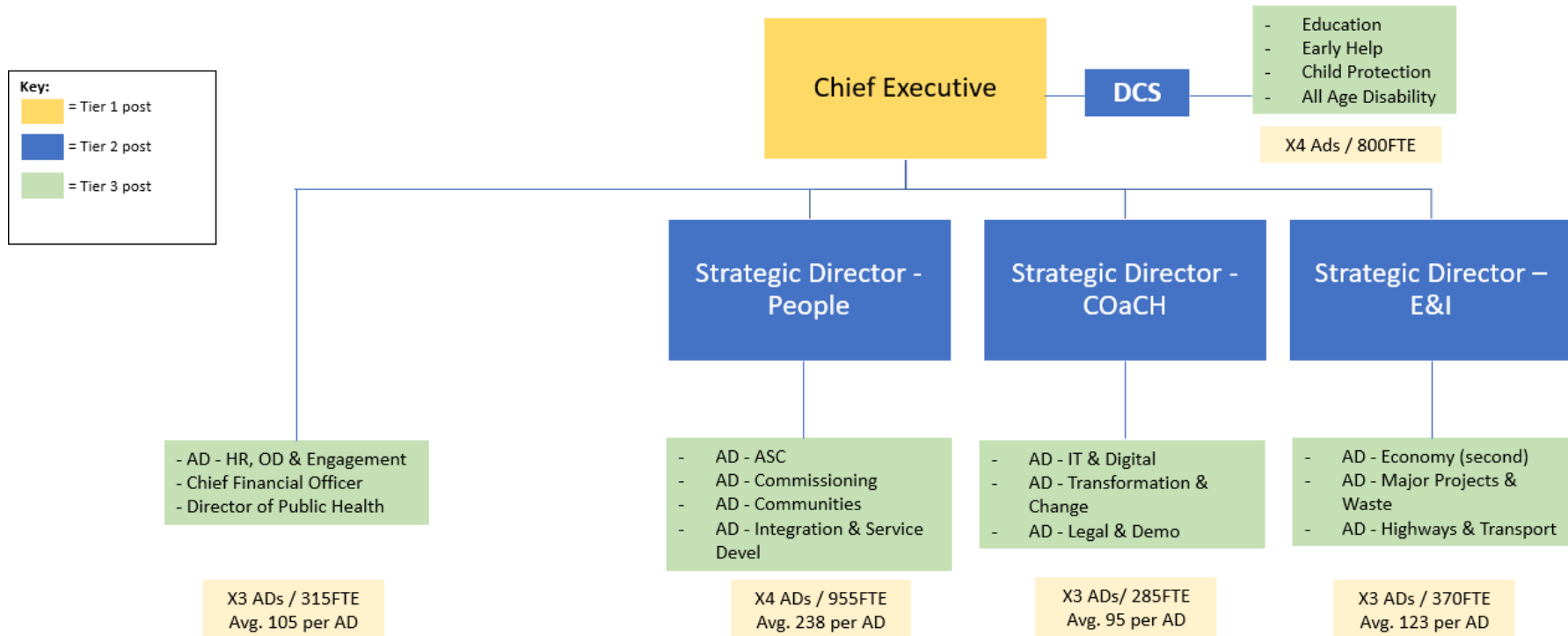
d) Customer Focus

- i. We will only undertake activity that adds value to the customer allowing our resources to be focused on those who truly need it.
- ii. We will be structured around community need rather than Council function, ensuring those with common goals work together.

e) Demand Management & Standardisation

- i. We will adopt and encourage standardised and minimal processes and group common functions into a central structure.
- ii. We will manage demand for services, adopting modern technology to deliver a digital by default approach to support customers to do more themselves.

APPENDIX 2 - CURRENT

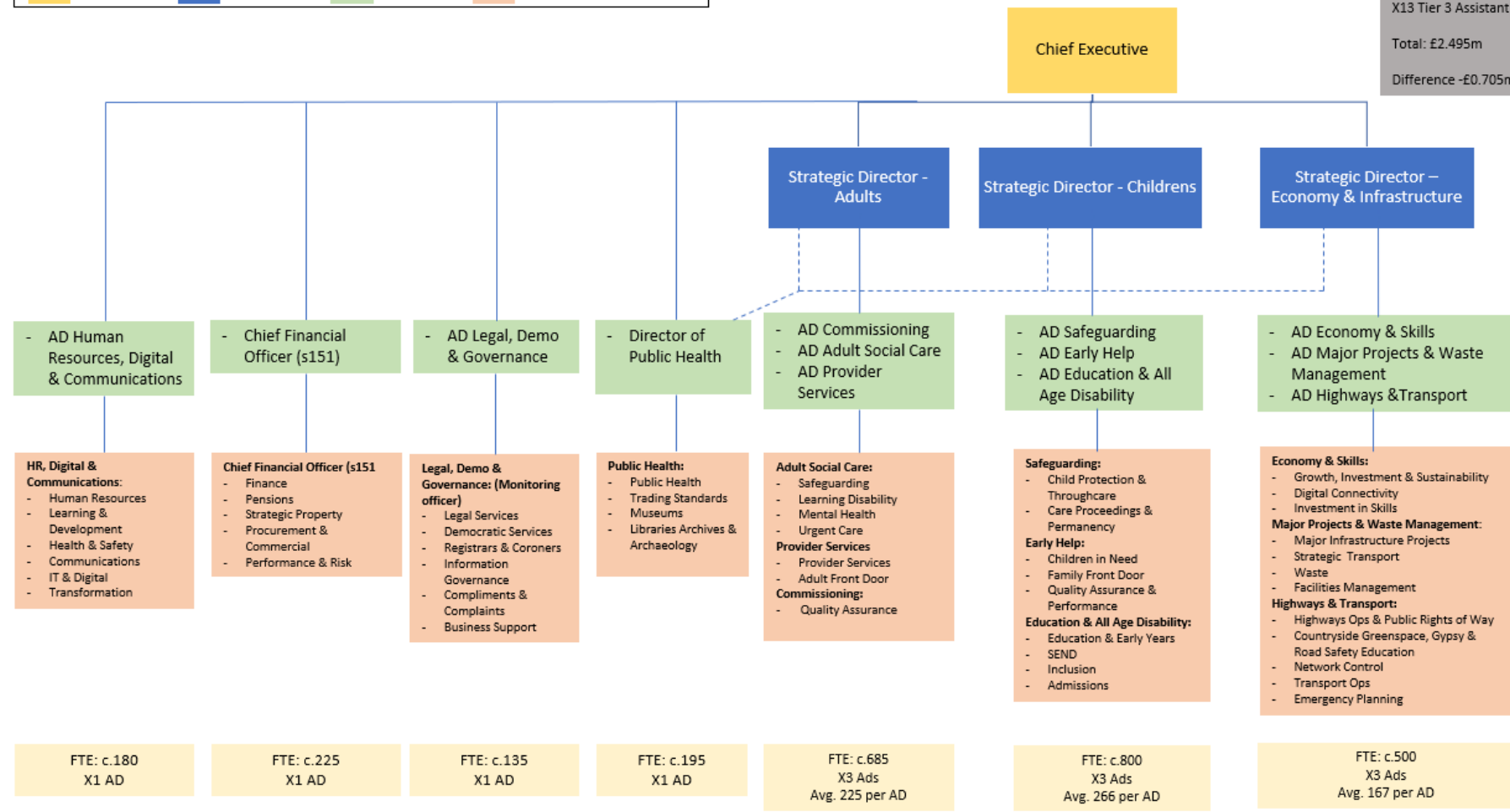


Appendix 3 – PROPOSED



X1 Tier 1 CXO
X3 Tier 2 Strategic Directors
X13 Tier 3 Assistant Directors

Total: £2.495m
Difference -£0.705m



Appendix 4 - Indicative timeline

The following provides an indicative timeline only and will be subject to change

ACTION	DATE
Full Council	15 February 24
Consultation paper drafted, including generic job descriptions and evaluation (as required)	By end of February 24
Hold Appointments Etc. Panel(s) (as required)	March 24
Commence formal consultation with Trade Unions / Chief Officers	March 24
1:2:1 meeting (if required)	April 24
Return of preference forms (if required)	April 24
End formal consultation	May 24
Consider any consultation feedback	May 24
Selection process for posts including competitive interviews via Appointment Etc. Panel as needed	May 24
Appointment to new structure (includes 3 months' notice)	Completed by September 24

If any post remains vacant at the end of the internal process, then appropriate external recruitment would need to then take place and be agreed by an Appointments Etc. Panel.