

TITLE OF REPORT: **Review of Senior Management Arrangements: Communities & Environment and Corporate Services & Governance**

REPORT OF: **Sheena Ramsey, Chief Executive**

Purpose of the Report

1. To seek Cabinet approval to recommend to Council changes to service structures within the Communities & Environment and Corporate Services & Governance service groups.

Background

2. As head of paid service, it is the duty of the Chief Executive to ensure the Council's discharge of its many functions is co-ordinated, and to manage the organisation of its staff. This requires regular consideration of whether the Council's management structure and distribution of functions among its service groups optimises the Council's ability to pursue its policy priorities and deliver efficient and effective services, particularly in times of significant financial pressure and increasing demand.
3. The Council continues to face a number of challenges managing significant budgetary pressures, whilst meeting increasing demand as a consequence of demographic changes and a rapidly changing policy context. It is anticipated that the scale and depth of these changes will continue throughout the timeframe of the Council Plan (i.e. until at least 2020) so the Council needs to ensure it can adapt with pace and purpose to continue to provide the best possible services to its residents.
4. This demanding context necessitates the continual review of the Council's approach to deliver change at the scale and depth required to provide greater focus and prioritisation on the key areas of service delivery across the organisation. This includes streamlining and clarifying responsibilities and accountability for delivering change, and will be supported by changes in culture and ways of working that will achieve the objective of a more flexible approach to the deployment of leadership capacity across the organisation.
5. The focus on priorities allows for a more prioritised alignment across the Council on the key strategic areas of Economic Growth, Income Generation, Cost Reductions and Demand Management, and places a greater reliance on the Council's mainstream management and governance processes in the delivery of change across the whole organisation.
6. As identified in the current Council Plan, community resilience and development are fundamental to the delivery of the Council's MTFS and the achievement of a sustainable financial position. Of equal importance is the delivery of the Council's Workforce Plan, and the continual development of a human resources policy

framework which supports the delivery of the strategic plans and recognises the Council's workforce as its most valuable asset. The proposals in this report are for changes to the Council's senior management arrangements which strengthen the capacity in both these areas of major strategic importance to the Council.

Proposal – Commissioning & Neighbourhoods, Communities & Environment.

7. It is proposed that the scope of the service incorporates the following areas:

- Leading the development and implementation of the Council's strategy for engagement with the third sector within the borough, including co-ordination of the Council's commissioning, capacity building, supporting and communicating with voluntary, community and charitable organisations.
- Leading the development and implementation of the Council's community development, neighbourhood management, capacity building and volunteering strategies and a range of multi-agency strategies, policies, programmes, plans and services to address key issue areas within neighbourhoods and communities.
- Leading and managing development of the Communities & Environment service group's commissioning, business model development, service transformation, partnership working, performance monitoring and management, new business models and group business support.
- Leading and managing the South of Tyne and Wear Waste Management Partnership, including commissioning, procuring, monitoring and performance management of all ancillary contracts (recycling waste, green waste, household waste and recycling centre management, waste electronic and electrical equipment, landfill) on behalf of partner authorities to ensure they comply with statutory Waste Disposal Authority functions in line with the Joint Municipal Waste Strategy.
- Leading the Council's planning and response to Resilience and Emergency Planning, including representing the Council at senior multi-agency planning and emergency response forums.

Proposal – Service reorganisation: Corporate Services & Governance.

8. It is proposed that the current service arrangements within the Corporate Services & Governance service group are realigned and the existing Legal, Democratic & Property service, and Human Resources & Litigation service, are replaced with a **Legal & Democratic** service incorporating the following:

- Leading the development of the Council's corporate governance framework (including the Council's Constitution and Ethical Framework) to support the achievement of its statutory duties and policy objectives
- A comprehensive legal service to the Council in relation to all functions, powers and duties, and to public service partners (e.g. schools, the Gateshead Housing Company).
- Democratic services, providing administrative support and advice to Councillors, council services and the public.
- Scrutiny support (including the statutory role of Scrutiny Officer)
- Information rights (including the statutory role of Data Protection Officer)
- Complaints (including Local Government Ombudsman liaison)

- Electoral services
- Civil Registration services
- Land Charges

and a **Human Resources & Workforce Development** service, including:

- Leading the development and implementation of the Council's Workforce Strategy and Plan (including the priority areas: skills and behaviour development; recruitment and retention; pay, reward and recognition; employee wellbeing and engagement; performance and change)
- Strategic and operational human resources management and workforce development services, including a comprehensive human resources policy framework and providing advice and guidance to managers on matters including employment legislation and best practice; discipline and grievance cases; pay and grading; union and employee relationships; absence management and appraisal and performance
- Providing strategic and corporate direction on workforce planning and development in relation to the skills and diversity of the workforce
- The development and delivery of corporate and employee Health & Safety and Occupational Health services, including safety audits and inspections, health assessments, health and wellbeing campaigns and support for disabled employees
- Identifying corporate learning and development needs and designing, procuring and delivering interventions as appropriate
- Providing advice and guidance on service delivery models and organisational restructuring, including appropriate change interventions and advice on matters such as lean management techniques, transfer of undertakings, employee engagement and culture change
- Leading the Public Service Academy and developing its shared learning programmes

9. Management arrangements for the Council's strategic asset management and property functions are currently under review and recommendations in relation to these functions will be put to Cabinet and Council in a further report in due course.

Recommendations

17. It is recommended that Cabinet:

Agrees and recommends to Council approval of the management structure changes detailed in this report, to be effective from:

- i. In the case of the Commissioning & Neighbourhoods Service, from 1 December 2017; and
- ii. In the case of the changes in Corporate Services & Governance, from 1 January 2018

or such later date as agreed by the Chief Executive following consultation with the Leader of the Council and further representations from trade unions..

For the following reasons:

To enable continued improvement in the co-ordination of Council functions, the organisation of its staff, and to enable Council services to be delivered in a more efficient and effective way.

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PLAN REF:

APPENDIX 1

Policy Context

1. The Council is operating in a challenging national policy context which has been compounded by government funding reductions and announcements that indicate further significant reductions in resources available for local government.
2. The reconfiguration of services resulting from this reorganisation will assist in the delivery of Vision 2030 and in the implementation of the Council's Corporate Priorities as set out in the Council Plan 2015-2020 and its policy framework.

Background

3. The opportunity to re-organise the functions referred to in this report has arisen from the establishment of the Trading & Commercialisation Service, and the retirement of the current Service Director, Legal, Democratic & Property Services.
4. The alignment of the volunteering, community development and neighbourhood management functions with the commissioning function in Communities & Environment strengthens the leadership capacity and enables the Service Director to take up an enhanced role in the Council's engagement and co-ordination of activity with the third sector across the Borough. This will be a vital role in the Council's policy priority areas of increasing collective responsibility and community resilience, particularly through our approach to prevention, early intervention, and managing demand, as well as in our pursuit of public service reform.
5. The creation of a post within the Council's Leadership Team dedicated to workforce matters recognises the importance of continuing to develop and support our employees across the whole organisation. The increasing and varied demands on Council services, and the reducing resources available to meet them, mean that sustained transformation in services is necessary. This is likely to involve not only the continual strengthening of the Council's human resources policy framework to drive increased job satisfaction and productivity, but also the establishment of new model of delivery and new ways of working.
6. The opportunity is also being taken to consolidate the Council's legal capacity into one service, along with the Council's democratic functions, under a single service director, who will also carry out the statutory role of Scrutiny Officer and support the Strategic Director in carrying out his responsibilities as Monitoring Officer. Maintaining a strong governance framework is vital for the Council as it seeks ever-more creative ways to encourage economic and housing growth, generate income from trading its services, and manage demand, while also making efficiencies from improving its operational practice across all services.

Consultation

7. The Leader, Deputy Leader and relevant portfolio holders have been consulted on the proposals and no objections received.

8. The Council's recognised trade unions have also been consulted and no objections received.

Alternative Options

9. The proposals are put forward by the Chief Executive as the optimum response to the demands placed on the Council, as set out in this report. While one alternative option would be to make no change to the current organisational structure of the Council in these areas, this would not make the positive contribution toward achieving the aims set out within this report.

Implications of Recommended Option

10. Resources:

- a) **Financial Implications** – The Strategic Director, Corporate Resources confirms that the proposals contained within the report will be met from within existing resources as there is no additional cost.

The objective of the changes to structure is to enhance the Council's engagement with the third sector, develop community capacity and drive forward the development of the Council's workforce to maximise its capacity and productivity consistent with our values and principles. This will form an important part of the medium term financial strategy that will maintain and secure the future financial sustainability of the Council.

- b) **Human Resources Implications** – The proposals involve the reorganisation and enhancement of existing services under new service director roles. For the Commissioning & Neighbourhoods service, the majority of these services are currently within the responsibility of the Service Director, Commissioning & Business Support, Communities & Environment: the current postholder will therefore take up this new role.

With the retirement of the current Service Director, Legal, Democratic & Property Services, the opportunity is being taken to reorganise the functions within the Corporate Services & Governance group which will consolidate the legal functions under one service director: the current Service Director, Human Resources & Litigation. The new post of Service Director, Human Resources & Workforce Development will be recruited to via an external advertisement.

- c) **Property Implications** – there are no property implications arising directly from the proposals in this report.

11. **Risk Management Implication** - There are no specific risk management implications from the recommendations within this report..

12. **Equality and Diversity Implications** - There are no specific equality and diversity implications arising from this report.

- 13. **Crime and Disorder Implications** – There are no specific crime and disorder implications arising from this report.
- 14. **Health Implications** - There are no specific health implications arising from this report.
- 15. **Sustainability Implications** - There are no specific sustainability implications arising from this report.
- 16. **Human Rights Implications** - There are no specific human rights implications arising from this report.
- 17. **Ward Implications** - There are no specific ward implications arising from this report.

Background Information

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