

TITLE OF REPORT: Council Structure Group/ServiceReview

REPORT OF: Sheena Ramsey, Chief Executive

Purpose of the Report

1. To seek Cabinet agreement to proposed revisions to the Council's senior management structure which will reflect a more effective way of working across Council services to deliver the Corporate Plan 2023-28, and to recommend it for approval to full Council.

Background

2. It is important in any organisation to ensure that its senior management and services structure are kept under review and redesigned as necessary to meet the needs of the organisation. This is increasingly important in local government to ensure that the services we deliver accurately reflect the changing operating context, and the priorities that drive the organisation. This is essential if we want to respond effectively to national and local policy and most importantly to the changing needs of the people of Gateshead.
3. The Council has recently agreed a new Corporate Plan 2023-28. The Corporate Plan focuses on 'The Strength of Gateshead is the people of Gateshead' and outlines policy objectives to deliver Thrive. The Council has made it clear that there needs to be a renewed focus on housing growth and securing investment in the Gateshead economy, together with a heightened need to address inequalities. These proposals reflect that objective.
4. The Council has approved its support for the creation of the new North East Mayoral Combined Authority and the Devolution Deal. This offers significant opportunity for new strategy and long-term funding that will allow us to invest in public transport, economic growth support business, improve skills and living standards while tackling the climate emergency. These proposals support that objective.

Proposal

5. It is proposed that the Council's functions are restructured in and across the following service groups:
 - Office of the Chief Executive
 - Economy, Innovation and Growth
 - Resources and Digital
6. Whilst these proposals set out a staffing and organisational structure for the

Council, it is critical that the culture of how we work reinforces the commitment for functions to work together to facilitate outcomes, rather than the structure of the Council influencing how services are delivered.

7. Appendix 1 (para 7) provides further detail on the current and proposed structures.

Recommendations

8. That Cabinet recommends to Council to approve the organisation structure and associated change to enable the proposal as detailed in Appendix1 to this report for implementation from 25th January 2024.

For the following reason

To enable continued improvement in the co-ordination of Council functions, the organisation of its employees, and to enable Council services to focus on delivery of the Thrive agenda and the Council Plan in a more efficient and effective way.

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APPENDIX 1

Policy Context

1. The revised staffing and organisational structure and alignment of services resulting from these proposals will support the delivery of the Council's Thrive agenda and the Corporate Plan 2023 – 2028 and the new North East Combined Mayoral Authority and the Devolution Deal.

Background

2. It is important in any organisation to ensure that its structures are kept under review. This is increasingly important in local government to ensure that the services we deliver accurately reflect the changing operating context, and the priorities that drive the organisation. This is essential if we want to respond effectively to national and local policy and most importantly to the changing needs of the people of Gateshead.
3. The Council has recently agreed a new Corporate Plan 2023-28. The Corporate Plan focuses on 'The Strength of Gateshead is the people of Gateshead' and outlines policy objectives to deliver Thrive.
4. The Council Plan is supported by the Health and Wellbeing Strategy, the Economic Development Strategy, the Medium Term Financial Strategy and the Workforce Development Strategy. In particular one of the Corporate Plan key objectives is to invest in the economy to provide sustainable opportunities for employment, innovation and growth. These proposals support that objective.
5. The Council has approved its support in the creation of the new North East Mayoral Combined Authority and the Devolution Deal. This offers significant opportunity for new strategy and long term funding that will allow us to invest in public transport, economic growth, support business, improve skills and living standards while tackling the climate emergency. These proposals support this objective.
6. The Thrive agenda serves as our main driver, with the five pledges focussing our organisational efforts:
 - a. Putting people and families at the heart of everything we do
 - b. Tackling inequality so people have a fair chance
 - c. Supporting our communities to support themselves and each other

- d. Investing in our economy to provide sustainable opportunities for employment, innovation and growth across the borough
 - e. Working together and fight for a better future for Gateshead
7. The intention of this restructure is to align resources and provide capacity to address the priorities identified above (para 3-5) and enable more streamlined and cross-cutting working which is outcome focussed, accountable and transparent.

Main Changes

8. The main changes are **below and in bold**:

Economy, Innovation and Growth Group

An Economic Development and Regeneration Service is established to provide greater focus on the economic growth priorities and devolution to include the functions of:

- Economic Policy, Partnerships and Delivery (**move within Economy, Innovation and Growth group from Business Employment and Skills to Economic Development and Regeneration**)
- Strategic Funding and Programmes (**move within Economy, Innovation and Growth group from Energy, Major Projects and Development to Economic Development and Regeneration**)
- Regeneration and Major Projects (**move within Economy, Innovation and Growth group from Energy, Major Projects and Development to Economic Development and Regeneration**)
- Strategic Culture and Partnerships (**move Strategic Culture from Director of Public Health to Economy, Innovation and Growth Economic Development and Regeneration**)
- Strategic Events (**move Strategic Events from Commercialisation and Improvement Resources and Digital to Economic Development and Regeneration, Economy, Innovation and Growth**).

Office of the Chief Executive Group

Office of the Chief Executive Group to include the functions of:

- Corporate Performance Management and Improvement (**move from Commercialisation and Improvement, Resources and Digital to Office of the Chief Executive**)
- Corporate Project Management (**move from Commercialisation and Improvement Resources and Digital to Office of the Chief Executive**)
- Corporate Equalities, Diversity and Inclusion (**move from Commercialisation and Improvement Resources and Digital to Office of the Chief Executive**).

Resources and Digital Group

Resources and Digital Group to include the functions of:

- Internal Audit, Risk and Insurance (**move within Resources and Digital Group from Commercialisation and Improvement to Financial Management**))
- Services for Schools (**move within Resources and Digital Group from Commercialisation and Improvement to Financial Management**)
- Catering Services (**move within Resources and Digital Group from Commercialisation and Improvement to Financial Management**). Note: the Interim arrangements of this service being currently sat within Resources and Digital

having moved across from Housing, Environment and Healthy Communities to remain in place)

- **Deletion of Service Director Commercialisation and Improvement post**

Implementation

9. It is proposed that these changes are implemented on 25 January 2024.

Consultation

10. The Leader of the Council, Deputy Leader of the Council, Cabinet Members for Economy, EnvironCulture, Sport and Leisure and Communities and Volunteering have been consulted on this proposal. The outcome of these meetings has been very positive and supportive of the proposals as put forward.
11. We will consult with affected employees on the proposals.

Alternative Options

12. The proposals put forward are deemed as the optimum response to the demands placed on the Council, as set out above. There is currently no specific alternative structure, subject to consultation and it is therefore recommended for consideration alongside the proposals.
13. While one alternative option could be to make no change to the current structure of the Council, this would not make the positive contribution toward achieving the aims as set out above.

Implications of Recommended Option

14. **Resources:**

- a) **Financial Implications** – The Strategic Director, Resources and Digital confirms that there are no direct financial implications of the proposals set out in this report and that the proposal will be implemented within the existing budget.
- b) **Human Resources Implications** – The human resource implications are:
 - There are no proposed redundancies as a consequence of the proposed staffing and structure changes.
 - Consultation will be required with the affected teams and individuals regarding the proposed changes where the proposal means that individuals and/or team will move within Group Services and/or across Group Services, to ensure that everyone understands what is being proposed, why the changes are being proposed and to have assurance that the employees are afforded the opportunity to outline any concerns and questions they may have or alternative ideas.
 - The consultation process is not a legal requirement, it is one of good practice and therefore is not time bound.
 - Recruitment into the new roles will be conducted in accordance with the

Council's recruitment policy and procedures.

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

15. **Risk Management Implications** - there are no risk management implications arising directly from this report.

16. **Equality and Diversity Implications** – there are no direct equality and diversity implications arising from this report.

17. **Crime and Disorder Implications** – there are no crime and disorder implications arising directly from this report.

18. **Health Implications** – the restructure seeks to support the delivery of corporate priorities as set out in Making Gateshead a Place where everyone thrives and the Corporate Plan.

19. **Climate Emergency and Sustainability Implications** - the proposed structure better aligns services with environmental considerations and service delivery. It therefore better supports the Council's work in mitigating its impact on the environment and delivery of the council's response to the declaration of a Climate Emergency.

20. **Human Rights Implications** - there are no human rights implications arising from this report.

21. **Ward Implications** - there are no area and ward implications arising from this report.

22. **Background Information**

None.