

BABERGH DISTRICT COUNCIL

From: Chief Executive	Report Number: S6
To: Annual Council	Date of meeting: 26 April 2016

FOCUSED MANAGEMENT REVIEW

1. Purpose of Report

- 1.1 To enable the Council to consider a report by their Head of Paid Service pursuant to s.4 of the Local Government and Housing Act 1989 setting out the arrangements for staffing of the two Councils.

2. Recommendations

- 2.1 To note the contents of this report.

3. Background

- 3.1 It is a statutory duty of all local authorities to provide the Head of Paid Service (the statutory designation of the role of Chief Executive) with such staff as are in his/her opinion sufficient to allow his/her duties to be performed.
- 3.2 In return, the Head of Paid Service must set out and provide details of how those resources are utilised to all Councillors. In other words, the Chief Executive has responsibility for assessing what staffing resources are required and organising them, and the Council allocates resources and holds the Chief Executive to account for delivery of their functions, and in our case, the priorities set out in the Councils' Joint Strategic Plan.
- 3.3 This statutory framework applies notwithstanding that in Babergh and Mid Suffolk the Chief Executive is shared between two Councils, and there is a single integrated workforce across two Councils. This fundamentally changes the relationship between the two bodies of Councillors and the workforce. Essentially, the Councils have the same duty to provide the Chief Executive with the resources required and must agree between them to share the costs of so doing. The Chief Executive must determine how best to organise the workforce to meet the needs of two councils and must set out and provide details of how the resources are utilised to both Councils. Both Councils must hold the Chief Executive to account jointly.
- 3.4 Over the past six months, the Chief Executive has undertaken and implemented a review focused on the resources utilised to discharge the managerial leadership (distinguished from political leadership) and management responsibilities of the two Councils – a focused management review. All Councillors were provided with details of the proposals both at consultation stage and at implementation stage.

4. Financial Implications

- 4.1 The Members agreed the parameters for the Chief Executive's focused management review at the Strategy Committee on 9 July 2015. The detailed consultation proposals and outcomes for the two phases of the review are contained within the Appendices attached to this report and detailed in section 9.
- 4.2 Councillors agreed that subject to one-off transition costs that the review would be cost neutral or better, with one-off transition costs being met from the Transformation Fund and the transition costs covered by expected savings within no more than two years. Those parameters have been met and are outlined in the table below.

One-off transition costs (£)	626,219
Core Establishment Savings (£)	443,567
Payback period (years)	1.41

- 4.3 It should be noted that implementation is still progressing and the final figures have yet to be calculated but the Chief Executive is confident from the savings and costs so far that the final implementation will be within the financial parameters set.
- 4.4 The savings have not been "banked" as part of the budget process for the reasons outlined in section 7 of this report.

5. Legal Implications

- 5.1 The Local Government and Housing Act 1989 s.4 requires the Chief Executive where she considers it appropriate to do so to present a report to Council setting out her proposals discharging her duties as the Head of Paid Service.
- 5.2 During the course of the focused management review, external employment legal advice was sought and followed.

6. Implications for the Joint Strategic Plan

- 6.1 The staffing changes set out in this report continue to develop the capacity and skills within the Councils' workforce to enable it to continue to deliver the priorities and outcomes set out in the refreshed Joint Strategic Plan.

7. The next phase of work

- 7.1 Both Councils have a huge agenda to deliver at pace, including the delivery of the Joint Strategic Plan, contribute to the Suffolk wide public services reform (TCA funded) programme and to play its full part and punch its weight in any new devolved arrangements agreed with Government, including if the process of devolution is implemented, its role as a member of a new Mayoral Combined Authority from May 2017.

- 7.2 To enable the organisation to prepare for this, the development of our workforce strategy and plan is continuing. This next phase of organisational review work is now underway linked to the refreshed Joint Strategic Plan, the work programme that will deliver the plan and the Councils' Medium Term Financial Strategies, which require a re-alignment of the work force with the available resources.
- 7.3 Essentially, funding for staffing will become less and less reliant on core grant funding (as it is predicted to reduce to nil by 2020) and will need to be linked to programmes, projects and other sources of income as the Councils' funding base changes fundamentally.
- 7.4 At this point in time, however, the Chief Executive's opinion is that the Councils:
- will require some new skills and increased capacity to enable it to deliver what is required at pace;
 - given our track record, the Councils should be confident that we will develop the talent within our existing workforce and recruit and retain new talent to meet our needs;
 - The Council will continue to use interim resourcing to supplement its own employed workforce to provide specialist, expert, and highly experienced capacity to deliver its objectives;
 - Will use funding from both Councils' Transformation Reserve to fund the necessary capacity to complete the workforce strategy, align it with our Medium Term Financial Plan and our Joint Strategic Plan and increase the pace of delivery.
- 7.5 To do this will require sustained highly effective and high quality strategic and fully networked senior leadership, working alongside the political and community leadership provided by all Councillors. Our senior leadership is no longer about directing and managing service delivery, and following the reduction in management capacity as a result of integration of the two Councils, our work force has become less management dependent.
- 7.6 Instead, our senior leadership is about working to ensure strategy and policy, pan East Anglia, pan Suffolk and within our two districts really drive positive outcomes for communities and individuals at a local level.
- 7.7 With this need in mind, and given the immediate need to work with partners to pursue the opportunities of devolution with Government, the Chief Executive's opinion is that two further proposals should be implemented:
1. The creation of a new post of Deputy Chief Executive, who working with the Chief Executive will ensure that the two Councils have the top level capacity to drive the business of the two Councils in our districts, work with partners and punch our weight to secure the best deal for Suffolk and our two districts in the devolution negotiations. This post will be in addition to the two Strategic Director posts, and;
 2. The renaming of the posts of Head of Service as Assistant Directors to better reflect the high level networked role these posts fulfil and to reinforce the need for their focus to be on outcomes as well as providing direct managerial support and direction for Corporate Managers and their teams.

- 7.8 These two changes can be implemented within existing staffing resources and will be put in place quickly given the timetable for the creation of the Mayoral Combined Authority and elections in May 2017.
- 7.9 As the complexity of the Councils' work continues to grow, the Councils will require a different and higher order of professional expertise to ensure that it has the knowhow and experience to deliver on its objectives. The focused management review acknowledged this by the creation of a new type of post – the Professional Lead. The next phase of the workforce development strategy will be targeted at growing our Professional Lead roles.
- 7.10 As the Councils' role changes, and achieving positive outcomes for our communities depends more on how we work with partners and our communities, as well as being efficient and effective in everything we do, the Council workforce will need to have the capacity and skill to connect work across the whole public service system, lead project and programmes with teams drawn from across different organisations and who can influence well beyond their own team. In other words, we will need a workforce who are capable to being leaders wherever they work in the public service system.
- 7.11 The development of a workforce with these characteristics, as well as the leadership capacity we need at a senior level will take time. For that reason, and because our delivery programme at pace requires us to manage a complex portfolio of activities concurrently, the Councils will continue to need to use interim capacity. That capacity will increasingly be linked to specific projects and outcomes and will be used to provide experience and expertise that the Council needs and to transfer skill to the Councils' own workforce. The use of interims will be more focused and will diminish as the in-house capacity and skills are developed. However, an agile and flexible organisation that we aspire to be will continue to use interims in future because it provides a mechanism for resourcing the need skills and/or capacity for specific projects and in the short term, where the Council would not wish to recruit and incur the costs/liabilities associated with permanent employment arrangements.

8. Risk Management

- 8.1 The key risk is set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
Without the focused management review, the organisational capacity and capability to deliver its outcomes would be limited.	High	High	Undertake management review

9. Appendices

The appendices have been redacted to remove information of a personal and/or confidential nature to enable this report and all Appendices to be published and to remove exempt information under Schedule 12A of the Local Government Act 1972

Title	Location
(a) Building our leadership and management capacity report, July 2016 BDC	http://bdcdocuments.onesuffolk.net/assets/UploadCommittees/Committee-Reports/Reports-2015-16/R23.pdf
(b) Building our leadership and management capacity report, July 2016 MSDC	http://apps.midsuffolk.gov.uk/CMISWebPublic/Binary.ashx?Document=14129
(c) Appendix A - Review on Management Capacity – Phase 1	Attached.
(d) Appendix B – Message from the Chief Executive	Attached.
(e) Appendix C – Phase 2 Management Review Proposals	Attached.
(f) Appendix D – Outcome of Phase 2 Consultation of the Management Review	Attached.

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BABERGH AND MID SUFFOLK DISTRICT COUNCIL**REVIEW OF MANAGEMENT CAPACITY - PHASE 1****CONSULTATION ON PROPOSALS**Background

This paper outlines the proposals for the first stage in the 3 phase focused review of management capacity outlined in:

<http://bdcdocuments.onesuffolk.net/assets/Uploads/Committees/Committee-Reports/Reports-2015-16/R23.pdf>

<http://apps.midsuffolk.gov.uk/CMISWebPublic/Binary.ashx?Document=14129>

It sets out the scope and purpose of Phase 1, explains the strategic context, explores what we need from our Management Board in terms of our strategic and Suffolk wide leadership and contribution, how the corporate core of the organisation needs to function to enable all that we want to achieve and proposes some changes to our current management structure.

This paper seeks to consult with and ask for feedback from all colleagues. I am interested to hear what you think of the specific proposals in this paper but would also ask you to consider the following questions and let me have your views:

- What is the role of Management Board (Chief Executive and Strategic Directors)?
- What capacity do we need at Management Board to enable it to fulfil its strategic internal leadership function at the apex of the interface with our councillors that complements that of our Leaders and Portfolio Holders?
- What capacity is needed for the increased collaborative working with partners across Suffolk?
- Will the increased emphasis on technical corporate core and support functions, and the addition of the Head of Corporate Resources and a new post of Head of Law and Governance with specialist technical skills at Management Board help strengthen that strategic and collaborative role of Management Board?
- What functions, advice, support and expertise do you think should form the *corporate core*?
- What currently works well and what is missing or could be improved in terms of the collaborative and strategic leadership, corporate functions, advice, support and expertise?
- How do you think we could embed the necessary corporate capacity across the organisation more effectively?

Please don't limit your feedback to these questions or to the specific proposals in this Phase.

Instead, tell us what is working, what could be better and what we could do as part of this management review to make things better from your perspective?

It really is as broad as that. All ideas gathered at this stage will be considered and reflected in the Phase 1 proposals and/or be picked up in Phases 2 and 3 as appropriate.

Those directly affected by these changes are being consulted individually. If anyone wants to discuss these proposals in private, please let Kate Wallett know.

As a result of the feedback received, these Phase 1 proposals may change.

Responding to this consultation

Volunteers have already come forward to help with this work. A first meeting took place last week. More volunteers are needed. Please let Kate Wallett know if you want to get involved.

All written responses are welcome – to Kate, Amanda or Charlie please

Two meetings are being arranged for Corporate Managers during September – so feed your thoughts to your manager too.

Open house drop in sessions with Charlie have already started – if we need to organise more slots in the diary – please let Amanda know.

This consultation phase will close on 25 September.

Scope of Phase 1

Phase 1 of this review will focus on two elements of our management capacity:

- Strategic leadership at Management Board level
- Senior leadership and management capacity in Corporate core services

Corporate Core Services include all those functions that are currently within the Corporate Organisation and Corporate Resources area.

Purpose of Phase 1

Phase 1 will have both an:

- **External focus** - to ensure that our senior leadership is focused on and responds to the changing strategic and policy context in which both Councils are now working, including the increasing integration of and reform of public services across Suffolk, the need to work collaboratively with partners to deliver shared outcomes and to deliver the Government's and our councillors expectations in terms of local growth of housing and the economy and reform of local services.
- **Internal focus** – to develop the management capacity within the corporate core of the organisation, to strengthen the statutory officer functions and to provide greater specialist senior management capacity to:
 - Focus all our resources to optimise the achievement of our outcomes
 - Focus on doing business better
 - Focus on delivering best value in the corporate core of the organisation

The strategic context

Since the current Management Board and Head of Service structure was created in 2011/12, the strategic context in which Babergh and Mid Suffolk District Councils operate has changed fundamentally:

- Both councils continue to strive for ever greater integration of their policies and operations where that is consistent with their individual ambitions and objectives
- Public services across Suffolk are being transformed to deliver better outcomes for less resource with collaboration and joining up of activities across the whole system
- The Government is driving economic and housing growth to ensure that more people become more prosperous and self-reliant and there is less demand for public services

The two councils are clear about their priorities and have a joint Strategic Plan. However, the recent change of political control at Babergh and new national government mean that our plan will need to be reviewed and refreshed. The Councils' medium term financial strategy will need revising in the light of the July 2015 budget announcements and the Comprehensive Spending Review in November this year. Against this backdrop the pace of delivery of programmes and projects will need to increase and our day to day services will need to be delivered more effectively and efficiently. Our core funding from Government will continue to reduce, the need to generate new forms of income will increase and we will need to use our resources even more wisely in future.

This first phase of the review of our management capacity aims to provide the senior strategic managerial leadership capacity to work with the Leaders, Portfolio holders and all councillors to develop and drive delivery of strategic outcomes in collaboration with partners across the whole Suffolk system.

The corporate core

We are a complex organisation working within a complex environment. In order to deliver quality outcomes with reduced resources, the corporate organisation needs to function highly effectively and efficiently. The whole organisation needs to function as a single entity with a focus on our strategic outcomes embedded in everything we all do. There needs to be a way of doing things, the systems, the processes, the facilities, the advice and expertise that drives efficiency, effectiveness and positive impact from everything we do.

The "corporate core" of the organisation is not limited to centralised corporate support services. The corporate core is about all those things that go on within an organisation that affect us all, which need to work properly to **enable** us to do what we all need to do.

These include:

- How councillors and the workforce work effectively together
- How we take decisions – formal and informal, members and management
- How we make sure those decisions are properly informed by intelligence and insight
- How we work with our communities and serve our customers and citizens
- How we organise ourselves – working flexibly and being agile and responsive
- How we use our resources – finance, assets, people

- How we develop our capacity and skills
- How we ensure we meet all our legal obligations and do things properly
- How we use technology and take advantage of digital opportunities
- How we collate and use our information
- How we communicate within and beyond our organisation
- How we engage and involve others in our activities
- How we manage risks and assure ourselves that we are operating properly

Phase 1 also focuses on the management and leadership capacity in our corporate core and seeks to answer these important questions.

What needs to change?

The capacity within the corporate organisation and corporate resources need to be more closely linked and embedded within the strategic outcome focused activity in the place and people directorates. Every activity aimed at improving outcomes needs to be informed and supported by highly effective internal corporate services, systems, processes, advice and expertise. Currently, there seems in places to be a disconnection between corporate core services and support and the front line.

Taking current opportunities

██████████ has decided to leave Babergh and Mid Suffolk Councils at the end of September. ██████████ has spent over 25 years with Babergh and has been a key member of our integrated leadership team since 2011. ██████████ has led some key projects and has built up expertise, knowledge and experience which he is now keen to use in a new environment.

██████████ decision and ██████████ recent resignation provide an opportunity to reshape the Management Board and to build some core corporate specialist capacity at that level to work alongside the Strategic Directors.

The proposals at Phase 1

The Phase 1 proposals are shown on the attached structure diagrams and are as follows:

- To remove the post of Strategic Director – Corporate
- To change the Strategic Director “Place” and “People” job titles. There will be two generic Strategic Director posts – each with a focus on outcomes for places, communities and people with each retaining their leadership responsibility for services (to be reviewed at Phase 2 as necessary) but working collaboratively to lead delivery across the whole organisation
- To remove the post of Head of Corporate Organisation
- To remove the post of Corporate Manager – Legal
- The Corporate core will be led by:
 - The Chief Executive (Head of Paid Service)
 - Head of Governance and Law (Monitoring Officer)
 - Head of Corporate Resources (s.151 Officer)

These are the statutory officer posts responsible for ensuring the proper working of the organisation. The post-holders in s.151 and Monitoring Officer roles will require the appropriate public finance and legal qualifications.

These will be senior level leadership and commissioning roles – responsible for developing the corporate core functions that will drive a high performance and an efficient and effective organisation that optimises the use of all its resources – human, financial and physical – to ensure that it functions in a streamlined way and it has the capacity to drive change and transformation.

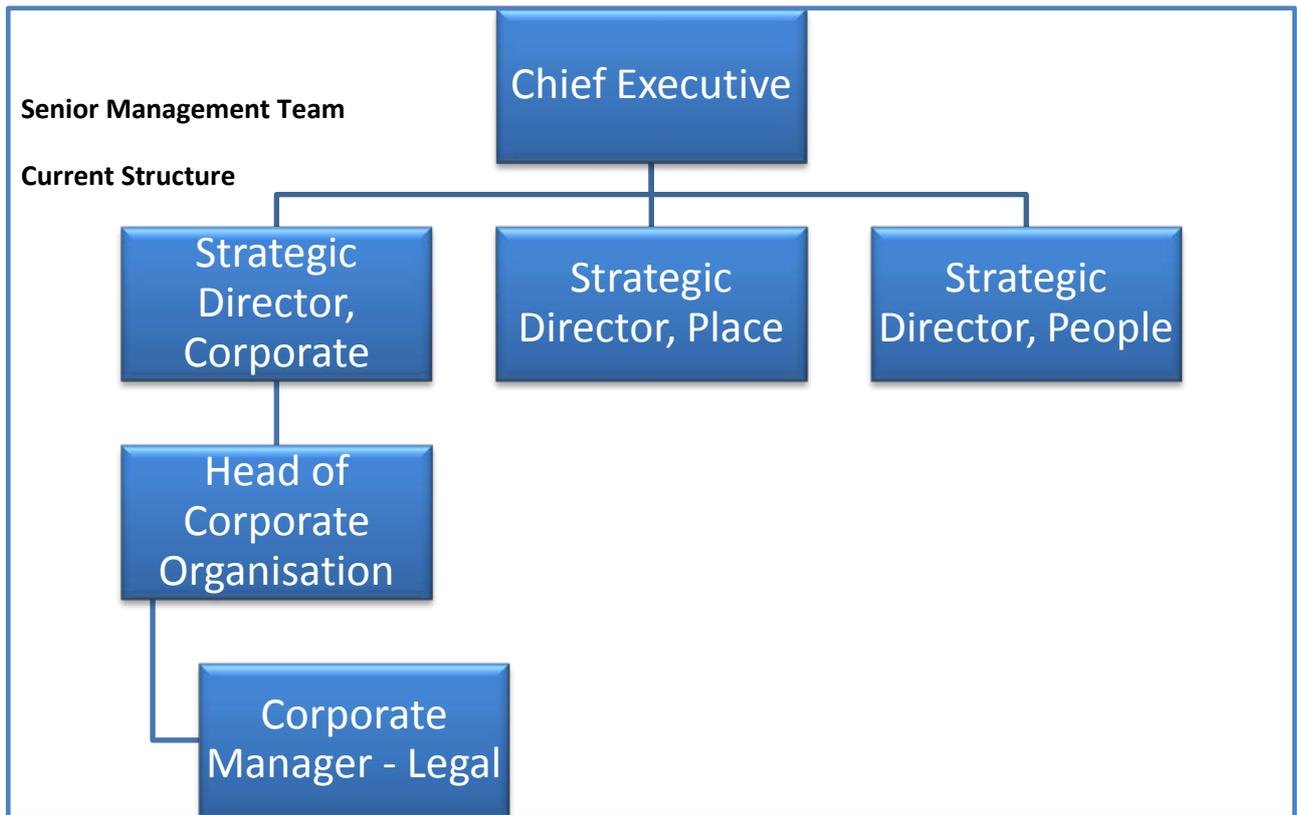
The functions that would sit within each post's remit will be developed and refined during Phase 2. However, during the continuation of Phase 2 and 3 and subject to agreeing the detailed transition arrangements following consultation the new Head roles will take responsibility for the following functional areas:

- Law and Governance – Governance, Legal, Elections, Project and Programme Management, Business Improvement, Audit and Risk Management, Communications, Commissioning
- Finance and Resources – Finance, Revenues and Benefits, ICT, Information Management, Customer Access, HR/OD and Asset Utilisation

Both Head post-holders will be members of the Management Board and would work closely with the two Strategic Director posts as well as the Chief Executive.

Charlie Adan

26 August 2015



MESSAGE FROM CHARLIE - OUTCOME OF PHASE 1 CONSULTATION OF THE MANAGEMENT REVIEW

We have concluded the consultation for phase 1 of the Review of Management Capacity. I was enthused and delighted by the amount of people showing commitment into the future of the organisation and offering thoughtful and well considered feedback. The feedback received has proved insightful in terms of the changes we have achieved over the last three years and where we still have opportunities to develop.

The purpose of the management review is to make the best use of our resources within the context of devolution, latest government initiatives, our strategic priorities and delivering core services with less core revenue funding.

Feedback from Phase 1

A significant majority of the feedback was wider than the changes recommended within the initial phase 1 proposals. What emerged from the feedback were two different themes, changes that relate to structure and those that relate to the wider development of the organisation.

1. How we organise ourselves and structural issues made up about 10% of the change needed, including aspects such as:
 - Organising the work so areas are better connected, where tight groupings are required and overcoming disconnects
 - Aligning resources around the 'work' of the councils to enable both collaboration and a strong focus to deliver strategic outcomes and services
 - The Head of Service team, design, focus and impact of the roles
 - Strong support for the leadership roles outlined within the corporate core of Chief Executive (Head of Paid Service), Head of Law and Governance (Monitoring Officer) and Head of Corporate Resources (s. 151 Officer).
 - How to mitigate the impact of proposed changes at phase 1 on the operational management within the corporate core

2. The wider aspects of organisational development made up around 90% of the change needed, some of the key themes included:
 - Better opportunities to develop the technical management skills within the organisation
 - Develop clearer, concise and focused communications
 - Consider how we increase focus and impact of our resources
 - The number and focus of projects
 - Amount of work matching the organisational capability and capacity
 - A more comprehensive sense and understanding where we are heading (acknowledging the emerging nature of our organisational context)
 - Developing a shared sense of learning, success and achievement
 - Acknowledging a developing culture that supports change, empowerment and collaboration, yet also how to maximise and focus resources, develop sense of personal role and responsibility (how the jigsaw fits together)
 - Increasing the linkages and strengthening the enabling role of the corporate core functions

Outcome of Phase 1

As a result of the feedback, I have decided to implement the key changes proposed within phase 1 which are:

- Removal of the posts of Strategic Director – Corporate, Head of Corporate Organisation and Corporate Manager - Legal
- The corporate functions to be led by the two statutory officer roles of Head of Law and Governance and Head of Corporate Resources
- Change of job titles from Strategic Director ‘Place’ and ‘People’ to Strategic Director

The functions that sit with the Head of Law and Governance, and Head of Finance and Resources will be developed and refined in the next phases. Based on initial feedback the interim functional responsibility will be as follows:

- Law and Governance – Governance, Legal, Elections, Project and Programme Management, Business Improvement, Audit and Risk Management, Communications and Commissioning
- Finance and Resources – Finance, Revenues and Benefits, ICT, Information Management, Customer Access, HR/ OD and Asset Utilisation

These changes will be effective from Monday 2nd November 2015.

██████████ who held the post of Head of Corporate Organisation, will be remaining with us to support the transition, with the possibility of an alternative role becoming available during the next phases.

These changes are with the understanding that some of the feedback received will be incorporated into the design of the next phases.

Next Phases

The purpose and focus of the review remains the same, which is to fine-tune the organisation and continue to develop the organisation from within through supporting the workforce to embrace change.

We recognise this can be an unsettling time and are aiming to strike a balance between being quick to communicate and developing well-considered proposals. Therefore based on feedback we are going to incorporate all structural changes within the phase 2 and the skills, learning, personal and organisational development aspects within phase 3. Using the feedback received so far we will shape a proposed management structure for consultation.

In the next 4 weeks, communications on the proposed management structure will start:

- Firstly, with individuals directly affected by the proposals
- Secondly, to individuals and teams indirectly affected, such as proposed changes to their management
- Thirdly, the wider organisation

As required the two leaders and members will be communicated with by myself. Throughout we will continue to work closely with the unions to ensure we are fair and supportive to individuals affected.

Message from Charlie – Phase 2 Management Review Proposals**Purpose**

The purpose of the management review is to ensure we have the right management capacity with the right skills to provide the right leadership. This is critical in creating the right conditions to lead our people and manage our resources to best effect to achieve the councils' ambitions. This is within the context of devolution, a programme of public service reform, integration and transformation across Suffolk, latest government initiatives, our strategic priorities and delivering core services.

The proposals are closely related to the Joint Strategic Plan refresh, updating of our Medium Term Financial Strategy (MTFS), agreeing the budget for 2016-17 and re-shaping of our delivery programme, projects and plans to ensure our resources are aimed at achieving the best outcomes for the people and places in Babergh and Mid Suffolk.

Proposals

The proposals build on the feedback and discussions from the initial phase 1 changes, and further assessment and analysis with the Management Board and other colleagues. Phase 2 focuses on the aspects of organisation design and structure. Phase 3 will address the wider organisational development aspects and will follow in the New Year.

In developing the proposals, the key outcomes in phase 2 are to:

- Continue to develop an organisation which is agile and adaptable, where people are increasingly networked both internally and across the Suffolk system
- Organise work so key areas that overlap are better connected, and to create tight groupings of activities where required to strengthen linkages across the organisation.
- Align and focus resources to the outcomes of the councils to enable both collaboration and a strong focus to deliver strategic outcomes and services
- Create senior leadership that is similarly outcome focused and has a real positive impact
- Consider the implications of proposed changes on operational levels within the organisation

The reviewed structure

The structure diagrams show two aspects of the proposed organisational design. Diagram 1. shows the classic organisational chart with reporting (for pay and rations), diagram 2. shows how we envision the organisation working – as a networked organisation. This reflects the need to develop the organisation and roles with a strong outcome orientation. No single service area can deliver outcomes alone – many activities overlap and will need to function in a joined up way to maximise impact from available resources.

The key overall structural changes are:

1. Development of a new **Senior Leadership Team (SLT)** which replaces the Management Board and Heads of services teams. This will comprise of the Chief Executive, Strategic Directors, Statutory Officers and Heads of Service. This aims to align resources against outcomes and support the effectiveness of leadership and decision making by minimising the organisational layers.

2. Re-alignment and re-organisation of specific areas within the **Corporate Management Team (CMT)** to focus on strategic priorities, maximise efficiency, and align resources against emerging outcomes and create better groupings and linkages.
3. The savings within the SLT and CMT levels within the organisation provide the opportunity to re-invest:
 - a) In a targeted layer of **senior professionals, service managers and team leaders**. The proposals at Phase 2 include 2 of these posts, Professional Lead – Housing Enabling, Professional Lead – Key Sites and Infrastructure
 - b) A flexibly resourced **programme and transformation capacity**. This will enable us to build in house capacity and reduce our use of interim resource where permanent capacity is unnecessary. One such post is proposed as a 2 year Fixed Term Contract in Phase 2 – CM Public Access Transformation.

Phase 3 will build on these proposals.

Financial Implications

It was agreed, with councillors, that subject to one-off transition costs, the focused management review would be cost neutral or better, with transition costs being re-couped within 2-3 years. These Phase 2 changes mean we are on track in this regard.

The further work at Phase 3, to develop capacity as set out in the proposals (at paragraph 3 a and b above) will seek to develop additional senior capacity within the financial parameters set for the focused management review. Some of that additional capacity will be funded from one-off or temporary funding, where the cost/benefit and/or business case for any such capacity warrants it. The full financial implications of the review will be reflected in our 2016-7 budget and our MTFS.

An innovative solution to our senior capacity in ICT and digital strategy and transformation is to co-opt [REDACTED], Head of CIO Architecture and Design, Suffolk County Council to be a member of our new SLT. This will be an integral part of our existing ICT arrangement with SCC, ensuring we have the right high level technical and strategic expertise in the SLT. It will enable us to continue to align our digital strategy and delivery with the County Council and others to further the Suffolk public service reform agenda.

Communications and Next Steps

Communication on the proposed management structure has been:

- Firstly, with individuals directly affected by the proposals
- Secondly, with individuals and teams indirectly affected
- Thirdly, the wider organisation

Communication with the two Leaders and councillors will continue as required. Although as Head of Paid service it is my responsibility for the management structure, I am keen to hear the views of members as it is important that the management structure reflects the political administration's priorities and has the confidence of Council members.

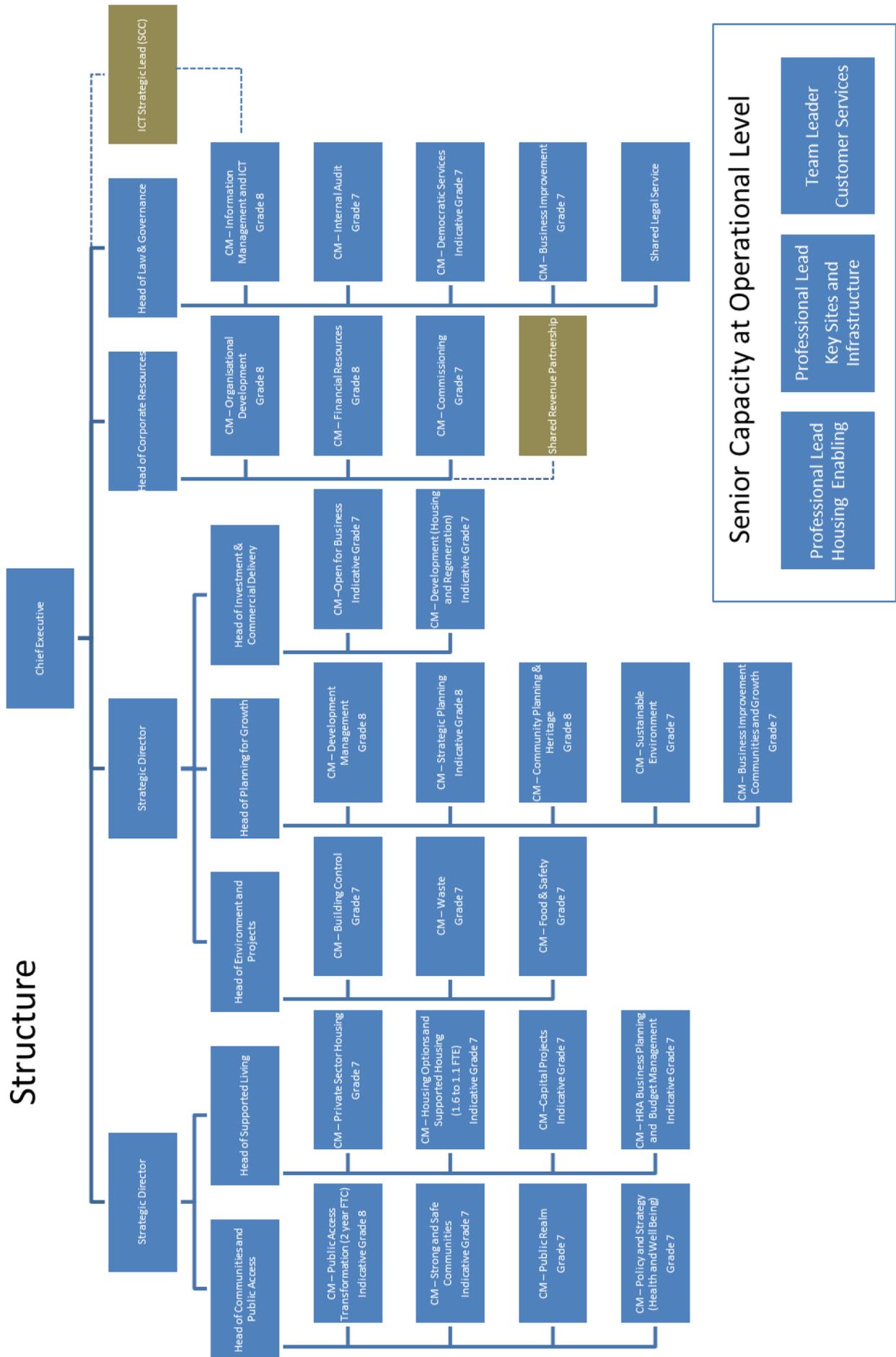
Throughout we will continue to work closely with our union colleagues.

Consultation with individuals directly affected started this week and the consultation will close on Monday 4th January. We feel it is important that the individuals concerned have time to reflect and have opportunity to feedback. Team briefings have also been held with teams whose line

management is potentially affected. During the consultation we are continuing to develop the team reporting lines. We would welcome feedback from the teams and the wider organisation on the proposals and the team reporting lines, please send comments through to either Amanda Betchley or Tracy Huckfield (Interim HR Business Partner).

Role	Role Focus
Strategic Leadership Team	<p>Working closely with members to deliver the strategic leadership and direction of the organisation. The SLT aims to provide a cohesive and coherent leadership impact within the organisation. They are collectively responsible for creating the organisational conditions that enable the organisation to achieve its strategic outcomes and priorities.</p> <p>The chief executive, strategic directors and heads have distinct roles within the SLT. The role of SLT in leading and influencing externally across the Suffolk system will be critical in making best use of resources and maximising the impact of public sector resources both across the system and internally.</p> <ul style="list-style-type: none"> • The chief executive, with strong and productive relationships with the leaders and members, will provide the vision and leadership for the organisation • The strategic directors corporately set the pace of transformation internally, providing thought leadership and strategic leadership across the councils. Their role will encompass working across the wider Suffolk system at a strategic level • The heads of service lead specific focus areas for the organisation, working cross organisationally to translate strategy into operation. These roles are a blend of commissioning, designing and transforming services, maximising resources, improving services and supporting the delivery of cross-cutting projects, delivery groups and networks
Corporate Management Team	<p>The Corporate Management Team is collectively and individually responsible for leading and managing the operational delivery within the organisation and to use resources to drive change and transformation of our operational services to meet strategic objectives.</p> <p>Their role in leading and supporting the ODTs to deliver outcomes will be key. This will involve working across a networked organisation and system to influence, ‘resource weave’ and innovate.</p> <p>They will maximise their team’s technical expertise, working collaboratively and constructively within the organisation</p>
Senior Professional, Service Managers and Teams Leaders	<p>This is a critical element of the organisation as we continue to transform into the future.</p> <p>A key impact will be to support the organisational effectiveness and the achievement of its strategic outcomes. This group with their depth of specific knowledge and expertise will work in a collaborative and cross-organisation approach within our networked organisation.</p>
Programme Management and Transformation	<p>This provision will be a mixture of temporary and permanent post holders with an aim to develop a strong in house capacity. Developing the organisation’s capability to transform, new models of working and projects in line with an agile approach.</p>

Proposed Management Structure



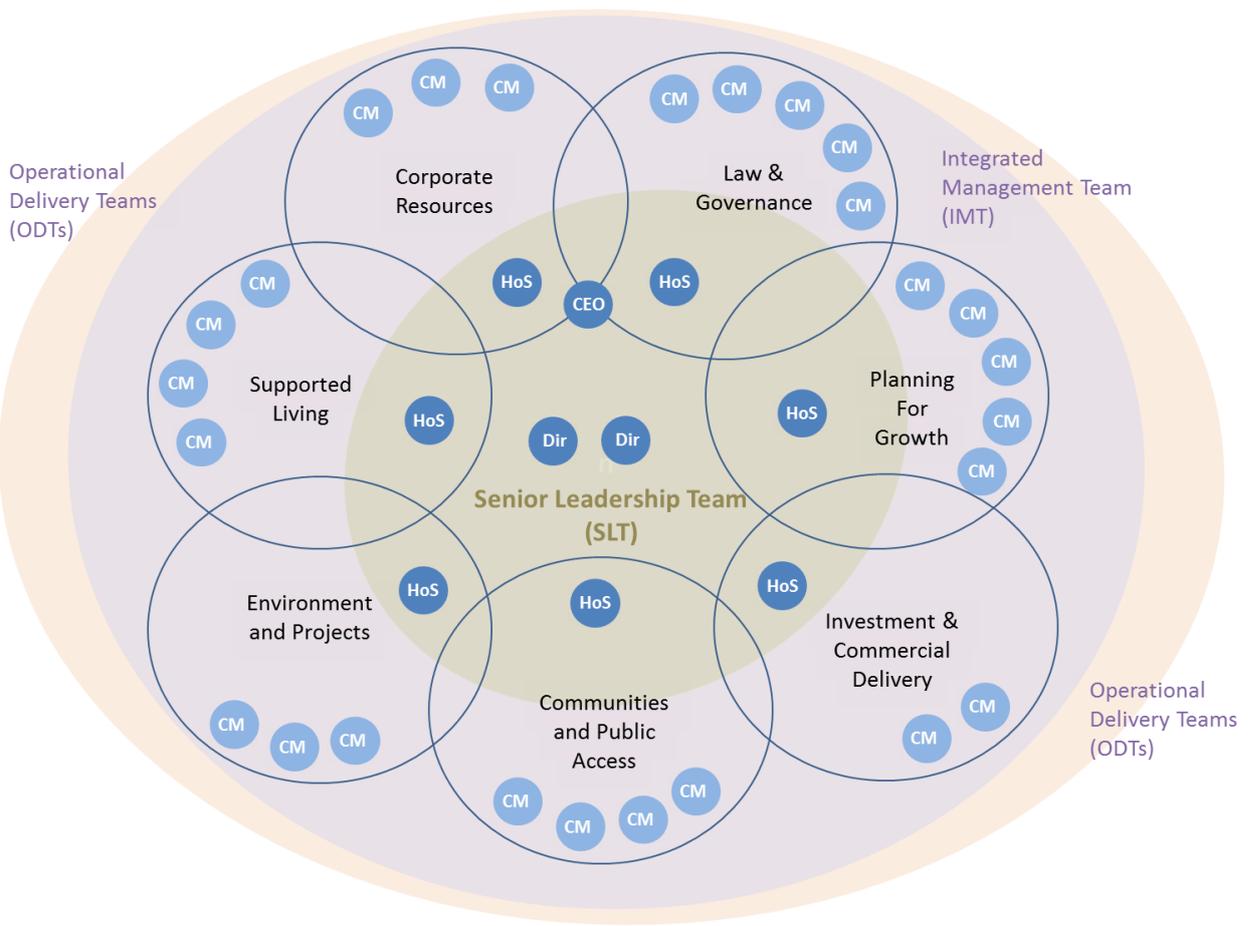


Table 1. Posts at risk which are ring fenced

Within the proposal, a number of posts are changing, merging, being reorganised and /or realigned, to better enable us to deliver our strategic aims. These roles and the rationale for the proposals are detailed below. They are ring fenced for the people who are currently in the roles, where 80% or more of their current role will be contained within the new role.

Table 2. Posts at risk with no ring fence

Our future direction and strategic aims require us to refocus our resources or devolve activities or realign responsibilities with new and different key areas across the organisation to achieve greater efficiency or cohesiveness and support of activities. Where this is proposed, some roles will be removed from the structure. While there is no direct pool of ring fenced new posts proposed for the individuals affected by these changes, there are new opportunities which may provide some opportunities for redeployment.

Table 3. Ring fences

Where posts are ring fenced, the ring fenced posts are outlined in this table.

Table 4. Posts with no substantial change

These posts are not subject to any structural changes as part of this proposal. However ways of working will be developed to ensure everyone across the organisation can operate in a networked way. This will include working with key individuals or within teams, which do not necessarily sit within their reporting line or even their department, to enable the agility and flexibility we are aiming for and to tap into the skills and talents we have within our workforce, using these to not only deliver our future strategy but also to develop our people. The Shared Revenue Partnership arrangements will remain unchanged.

Table 5. Posts with change in line management

A key continuing aim of the design of the integrated management structure was to create an agile and flexible organisation. As the public sector role (what and how we do it) continues to change at an ever increasing rate with new delivery models, the roles within our organisation have and will continue to evolve. This is reflected in the roles in the table with the outcomes and purpose of the roles remaining largely the same, yet with an increasingly networked organisation approach and potentially a continuing evolution of what the role is directly responsible for. One such move in responsibilities is leisure services. Both Councils have indicated the need to conduct a strategic review of leisure services across the two districts, this will be a major project and therefore will sit within Environment and Projects.

Table 6. and Table 7. New posts

To enable the councils to achieve the strategic outcomes and priorities, the new posts are focused on providing the capacity and capability to take the organisation into its next phase of development. Some of the posts are ring fenced or slot ins if 80% of the existing role will be contained within the current role.

Table 1. – Existing posts being placed at risk which are ring fenced

The posts below are at risk and ring fences are detailed in table 3.

Posts at Risk	Rationale for proposal
Head of Economy	Economic and housing growth is a critical area for our organisation. This is reflected in the proposed strengthening and re-designing of this area including an increased focus on delivery and investment
Head of Economy (Planning Sustainable Growth)	As above
Head of Economy (Investment and Development)	As above
Corporate Manager Housing Options	Creation of new role – Corporate Manager Housing Options and Supporting Housing. A new housing model will be needed in the future, proposed changes give an opportunity to rationalise resources at management level
Corporate Manager Supported Housing	As above
Corporate Manager Safe Communities	Creation of new role – Corporate Manager Safe and Strong Communities. New role gives the strategic alignment to the newly shaped safe and strong group under the health and well-being board. Following the intelligence that we are in two of the safest places to live, this change reflects our need to focus our resources on building community capacity and engaging communities in growth
Corporate Manager Strong Communities	As above
Corporate Manager Strategic Housing	To meet future strategic challenges, a local Housing Strategy needs to be developed to align with the Economic Strategy, local spatial planning and infrastructure delivery. Development advice needs to be separated following governance advice and enabling activity needs to align to supported living and the delivery of the Health and Housing Charter
Corporate Manager Economic Development and Tourism	Creation of new role – Corporate Manager Open for Business. Reflects renewed organisation focus on being open for business and driving purposeful business relationships and economic growth. A new local Economic Strategy needs to be developed in the Strategic Planning role which will drive the activity and link to the Suffolk and New Anglia growth plans. This new role will retain responsibility for licensing as a key part of business growth work.
Corporate Manager Licensing	As above
Corporate Managers Development Management	Recognition that the organisation will require in the future, clear integrated leadership and approach, to develop and deliver on the growth agenda. The focus will be on delivery of a fast and efficient service to deliver the strategic ambition of both authorities
Corporate Manager Elections and Electoral Management	Creation of new role – Corporate Manager Democratic Services. The proposed change gives opportunity to rationalise at management levels and bring closer elections and committee teams. It will also enable the development of robust governance and decision making
Corporate Manager Governance	As above

Table 2. – Existing posts being placed at risk with no ring fence

Posts at Risk	Rationale for proposal
Corporate Manager Asset Management	New approach proposed, re-designing and separating out commissioning and contract management for capital projects, responsive repairs and budget management for General Fund and Housing Revenue Account.
Corporate Manager Spatial Planning Policy	The role and purpose of spatial planning has changed. The future direction and creation of a new role will connect Economic strategy, Housing strategy, spatial planning and infrastructure development with a strong focus on delivery
Corporate Manager Business Improvement (Place)	Opportunity for efficiency saving with post vacant and work being re-designed
Corporate Manager Communications	A new approach for communications is proposed with internal communications and staff involvement becoming part of Organisational Development as this aligns OD work. Community and external communications will become part of the Strong and Safe Communities team to facilitate better engagement between the organisation and our communities.
Corporate Manager Asset Utilisation	New approach proposed to assets and investment. Specific advice will be commissioned to develop an investment strategy and delivery model
Corporate Manager Housing Revenue Account	New approach proposed to the work previously done in this area. Sites development and viability will be part of the generation and development role. The approach will develop on income management, business planning and budgetary control for all HRA capital expenditure being aligned together due to the challenge in delivering a viable business plan for the future

Table 3. - Ring fences

New Posts	Posts 'ring fenced' to the posts listed in the column to the left
Head of Planning for Growth	All Heads of Service placed at risk
Head of Investment and Commercial Delivery	All Heads of Service placed at risk
Corporate Manager Strong and Safe Communities	<ul style="list-style-type: none"> • Corporate Manager Strong Communities • Corporate Manager Safe Communities
Corporate Manager Open for Business	<ul style="list-style-type: none"> • Corporate Manager Economic Development and Tourism • Corporate Manager Licensing
Corporate Manager Housing Options and Supported Housing	<ul style="list-style-type: none"> • Corporate Manager Housing Options • Corporate Manager Supported Housing
Corporate Manager Democratic Services	<ul style="list-style-type: none"> • Corporate Manager Elections & Electoral Management • Corporate Manager Governance
Corporate Manager Development Management	<ul style="list-style-type: none"> • Corporate Manager Development Manager (2 posts)
Professional Lead – Housing Enabling	<ul style="list-style-type: none"> • Corporate Manager Strategic Housing

Table 4. – Posts with no substantial change and job matched

Post in proposed structure	Existing post job matched (slot in)
Corporate Manager Private Sector Housing	No change
Corporate Manager Heritage and Community Planning	No change
Corporate Manager Waste	No change
Corporate Manager Food and Safety	No change
Corporate Manager Organisational Development	No change
Corporate Manager Internal Audit	No change
Corporate Manager Business Improvement (Corporate)	No change
Corporate Manager Financial Services	No change
Head of Corporate Resources	No change
Head of Supported Living	Head of Housing
Head of Communities and Public Access	Head of Communities
Head of Environment and Projects	Head of Environment
Corporate Manager HRA Business Planning and Budget Management	Corporate Manager Tenant Services
Corporate Manager Sustainable Environment	Corporate Manager Environmental Protection
Team Leader Customer Services	Corporate Manager Customer Services
Corporate Manager Policy and Strategy (Health and Well Being)	Corporate Manager Healthy Communities

Table 5. - Roles unchanged, but moving areas

Role	Moving areas and rationale
Corporate Manager Business Improvement (People)	To Planning for Growth to support community planning and growth
Corporate Manager Building Control	To Environment and Projects in line with current work to develop and deliver a new model for building control for the future
Corporate Manager Public Realm	To Communities in recognition of connection of work between Public Realm and communities. This aims to join more closely work around community assets to maximise community capacity, health outcomes and cost reduction
Corporate Manager Information Management and ICT	To Law and Governance , in recognition of the increasing role information governance will take in the future
Corporate Manager Commissioning	To Corporate Resources grouping people, financial resources and commissioning closely

Table 6. – New posts with ring fence or slot in

New Role	Rationale for proposal
Head of Planning for Growth (Ring fenced)	Reflecting organisation's strategic outcomes and priority focus on creating the conditions for growth and ensuring the delivery of both housing and employment opportunities.
Head of Investment and Commercial Delivery (Ring fenced)	New role reflecting the organisation's strategic outcome and priority focus on economic growth and securing investment returns
Corporate Manager Strong and Safe Communities (Ring fenced)	New role gives the strategic alignment to the newly shaped safe and strong group under the health and well-being board. Following the intelligence that we are in two of the safest places to live, this change reflects our need to focus our resources on building community capacity and engaging communities in growth
Professional Lead – Housing Enabling (Ring fenced)	New professional lead role. The development of a Local Housing strategy will be led by the new strategic planning role. This role will need to part of the delivery of this strategy by securing tenures and types of homes in new development as well as helping the organisation to deliver on the Suffolk Health and Housing Charter.
Corporate Manager Democratic Services (Ring fenced)	Corporate Manager Democratic Services. The proposed change gives opportunity to rationalise at management levels and bring closer elections and committee teams. It will also enable the development of robust governance and decision making
Corporate Manager Open for Business (Ring fenced)	Reflects renewed organisation focus on being open for business and driving purposeful business relationships and economic growth. A new local Economic Strategy needs to be developed in the Strategic Planning role which will drive the activity and link to the Suffolk and new Anglia growth plans. This new role will retain responsibility for licensing as a key part of business growth work
Corporate Manager Housing Options and Supported Housing (Ring fenced)	A new housing model will be needed in the future, proposed changes gives an opportunity to rationalise resources at management level
Corporate Manager HRA Business Planning and Budget Management (Slot in)	Developing the work already started on financial management and income strategy. This role will oversee the Housing Revenue Account and financial management to enable the organisation to maximise the strategic value of the housing stock.
Team Leader – Customer Services (Slot in)	Being excellent in our delivery of customer service is a vital part of the organisation. The purpose and focus of this role is to effectively lead and manage the customer service operations.

Table 7. – New posts open to competition

New Role	Rationale for proposal
Corporate Manager Capital Projects	The role will focus on the commissioning and contract management for capital projects. Separating the budget management from the commissioning and contract management will strengthen our governance
Corporate Manager Strategic Planning	The future direction and creation of a different role will connect economic strategy, housing strategy and infrastructure spatial planning to enable the council to deliver on their new priorities
Corporate Manager Development (Housing and Regeneration)	This is a new role to lead on our development work both for housing and commercial/ regeneration schemes. It will combine the use of assets with the new delivery of schemes
Professional Lead – Key Sites and Infrastructure	A key strategic focus is creating the conditions for growth for Babergh and Mid Suffolk. This role will focus on enabling, influencing and providing professional expertise to increase our effectiveness of delivering key sites
Corporate Manager – Public Access Transformation (2 year FTC)	Public Access Transformation is a critical part of transformation. The purpose of the role is to bring in transformational and change expertise to design and deliver a radically new model of Public Access over the next two years. The role will encompass working with the external network on the strategic public access agenda across the Suffolk system.

MESSAGE FROM CHARLIE - OUTCOME OF PHASE 2 CONSULTATION OF THE MANAGEMENT REVIEW

Phase 2 of Management Review consultation closed on the 4th January. The amount of feedback and engagement with individuals and teams throughout this process with Lindsay, Mike and me has been heartening and shown a real passion about the future of our organisation. The feedback has been well thought through and has shared different insights and perspectives into the proposals both in Phase 2 and providing some thoughts to help us shape the next phase of our development work.

There has been talk of Phase 3 of the review but in fact, what will now follow will be firstly, the implementation of the Phase 2 final proposals described in this paper and secondly, a comprehensive programme of further work. This work will ensure that we build the capacity, skills, productivity, efficiency and effectiveness needed in the organisation to deliver our councillors' strategic objectives at an increased pace, improve outcomes for our communities and ensure our sustainable future. That will not be a single phase of work but will be an ongoing programme over coming months and years.

Our starting point for the management review was to take stock and review our management capacity to ensure we have the leadership and management capacity to make the best use of our resources within that broad context. We know that our future sustainability depends on delivering our Medium Term Financial Strategy (MTFS) and that in turn is dependent on delivery of our refreshed strategic plan objectives which councillors will be asked to agree in the next few weeks. The management review is part of the development of an organisation best placed to deliver these.

This document focuses on:

- The themes from the feedback received during the consultation
- The changes from the proposal as a result of the consultation
- Next steps

Feedback themes from Phase 2

The overall feedback was that the changes reflected the right direction of travel for the organisation and it is a necessary next step for the councils. The feedback fell into the following themes:

- The networked organisation:
 - The general feeling was that most people supported the networked way of working and recognised that for the essential working within the 'Suffolk system' this will be key.
 - There is recognition that we will increasingly need to work across numerous parts of the organisation and the wider system to achieve outcomes. Therefore the network model, although it will be challenging, is the right approach and that we will need to support individuals, teams and the organisation to work in this way. We will increasingly see all of us working with different individuals and teams across the organisation to jointly achieve outcomes.
 - Although there was a recognition that more people are working across the organisation and less within service areas, there is still an ongoing need to develop understanding of what and how to do this in practice. This will be picked up in our ongoing organisational development work.

- Groupings and linkages of functions:
 - The feedback offered views of where functions could be better grouped or needed to work closely (linked) with other functions.
 - There were multiple and differing views about where the particular functions could sit. When reviewing the feedback, we explored where the function sits, how it will need to work across the organisation and wider system and how the network model would work in practice. However, the linkages and how people work with one another are the most critical in making our organisation effective.
 - When new managers are in post, the Senior Leadership Team will work with the wider management team and ODT colleagues to explore whether functions are allocated across the team in a way that best supports the network model and provides a balanced distribution of direct line management functions.

The impact on teams of the changes in terms of management and function:

- Particularly in cases where teams and functions are affected by the proposals the feedback showed significant thought and consideration.
 - We recognise that confirming moves for some teams will be relatively quick and straightforward. However, where individuals work across several teams or services and their team has been re-designed or functions split, we will be working with teams and individuals in the implementation of these changes and beyond to manage the transition to the new arrangements effectively, ensuring cohesive team management and support and to facilitate the network model.
- Creating the right capacity and capability
 - This was a key area of feedback. There was a contrast; some management areas viewed as over-resourced in the proposals and others in the short or medium term under-resourced or not resourced in the right way to deliver the councils priorities.
 - However, the feedback was supportive recognising that we need to explore more fully the capacity and skills needed in each area to deliver priorities and outcomes. The feedback was not in any way negative and was cognisant of the need to work through a range of valid yet competing priorities.
 - The changes at Phase 2 have delivered savings in the cost of management. Our councillors want us to develop our ability to deliver at pace so those savings alongside one-off transformation funds (where the business case can be made) will be reinvested to build that capacity. This means that provided we continue to strive for continuous improvement in our effectiveness, impact, efficiency, productivity, there will be resources to invest in those things that will make us more sustainable in the long term.
 - Some areas of capacity are being addressed in these Phase 2 proposals, while others will be worked through in the next phase of our work. This is continued with the work we have been doing to align our resources against the our priorities.

- Developing the organisation
 - The feedback on these proposals, alongside other analysis including feedback on Phase 1 and the Admin and Technical Support Officer (ATSO) report is already feeding into and informing the next phase of work which centres on developing the organisation.
 - In addition to the capacity and capability outlined above, the areas we will be looking to invest in developing will be; the move in practice to a networked organisation; how the public access our services and how we work more effectively with our communities; flexible working; our hub and spokes model and the accommodation changes that are needed; working with our councillors and our respective roles in leading and managing what we do; team and personal learning and development; and recognising and rewarding the contribution that roles and individuals make in terms of outcomes and impact.

- Key service areas
 - It is recognised that the Development Management function has changed significantly in recent years but this is a business critical function. Some significant transformation and change ambitions remain outstanding and now need to be delivered at pace. The Development Management team is still evolving. The feedback indicated that in terms of management and leadership, Development Management needs both a really high level of transformational change management and leadership capacity and the highest level of professional expertise within the team. The former is needed only in the short term – to drive through the final raft of transformational measures that will really consolidate and lead to further improvements in delivery and outcomes. In response, there are changes made to the proposals in this area.
 - Feedback on customer services indicated that the new Customer Services Team Leader post is not required.

Outcome of Phase 2

The Management Board has reflected on each element of the feedback and the meaning behind the feedback. As a result of the feedback, we have made the changes outlined in the table below (Also see Diagram: 1). The remaining proposals in the consultation document remain unchanged:

Change from original proposal	Rationale
The proposed new post of Team Leader Customer Service will be removed.	Following feedback on the proposed post of Team Leader Customer Service to manage the Customer Service teams it is clear that this post is not required. Therefore this proposed post has been removed.
The Corporate Manager Housing Options and Corporate Manager Supported Housing posts will not be merged.	The operational and strategic management in this key area including the Sheltered Housing Review is significant. The proposal is to review this area when this work is completed in 12-18 months.
The Professional Lead Housing Enabling role will sit with Communities and Heritage rather than Private Sector Housing.	The feedback identified stronger alignment with the planning for growth area and in particular with Communities and Heritage.
The post of CM Development Management will be re-focused to provide the highest level of professional expertise in the team – the title of this post needs to be agreed but will operate at chief planning officer level in professional terms (Indicative grade 8). This post will be ring-fenced for the current CM – Development Management post holders.	This is recognition of tightened timescales for delivery of growth and the capacity required to lead from a strong technical planning and transformational perspective simultaneously. It is expected this arrangement will be required for 12-18 months.
A new interim Transformation and Change Management post will be created to lead the Development Management function through the final raft of change and transformation work. That post will be for an indicative 12 months.	
Additional Professional Lead, HRA Accountant.	Increase specific capacity and capability to support the Head of Supported Living and his management team to plan and manage housing revenue resources effectively.

ODT questions

We are conscious that there will be thoughts, reflections and questions that you may have over the coming months. Some questions arose through the feedback from the proposals. We wanted to answer a couple of them directly in this document as the number of people affected is significant. There are other questions that the Senior Leadership Team and Corporate Managers will work with the individuals and teams over coming weeks to resolve.

- We have been asked about re-structuring within the ODTs. There will not be any whole scale re-organisation of our ODTs. There is no proposal to make savings by reducing capacity or taking posts out of the ODTs. That said, there will be a review of each and every team. This will be focused on building the necessary capacity and skills within the organisation to enable us to deliver our objectives, improve our efficiency and effectiveness, improve our productivity and ensure value for money and support different ways of working with our communities, with our councillors and with our partners, across the whole Suffolk system. This means that there will be change but also opportunities to develop new skills, do new things, have greater impact and optimise outcomes for our communities. Judging by the way colleagues responded to past changes and rose to these challenges in the past, I am confident that we will be able to develop much of the capacity we need from within the organisation. For teams that are affected by change:
 - Where management roles have merged, the teams will become one team under the new post.
 - Where functions have been re-designed or individuals work across multiple areas, we will be working with teams in the coming weeks to understand and place individuals and functions.
 - The timing for the transitions to new management will be dependent on the strategic and operational needs in the different parts of the organisation.
 - All teams will be informed about how the changes affecting them will be implemented and will be asked to contribute to how that change is managed. The responsive repairs team will be managed with the Interim management currently in place as the Responsive Repairs Review is completed and the recommendations implemented.

Next steps

Lindsay, Mike and I have met personally with individuals affected to communicate the outcome of the consultation. I have verbally updated the two leaders and JMIB on the outcomes of Phase 2 and will continue to keep members and leaders informed.

We have met with the union and are continuing to work with them to support individuals affected.

Over the coming weeks, we will be:

- Recruiting to the posts – this will take us through to mid-February
- Working and talking with teams where their management has been affected by the proposals to have new management arrangements in place for all teams by the end of April. This will be significantly quicker in some areas. Knowing the way in which we work will be more important than where we sit within a networked organisation

- Undertake external recruitment where necessary and put in place interim or temporary cover arrangements where there are any short term needs

We are already developing the next phase of our work and a plan which will encompass the key elements of how we will develop the organisation. Although this will be a long term development approach, we are already planning some areas to start on in the coming weeks. We are keen to receive ideas, answer any concerns and generate a more wide ranging conversation with managers and their teams as we do this further work. Please let us know what you think, what concerns you may have and join in with this important work when you get the call to do so.

Diagram 1.

