

Bath & North East Somerset Council		
MEETING:	Re-structuring Implementation Committee	
DATE:	25 July 2011	
TITLE:	Future Council – implementation proposals	
WARD:	ALL	
AN OPEN PUBLIC ITEM		
<b>List of attachments to this report:</b>		
<b>Appendix 1:</b> Re-structuring Implementation Committee - terms of reference		
<b>Appendix 2:</b> Director of Resources current & anticipated work streams 2010 – 2014		
<b>Appendix 3:</b> Implications for the Local Authority and Schools-Academies Act 2010		
<b>Appendix 3a:</b> Children’s Services to People & Communities		
<b>Appendix 4:</b> Interim Senior Management Structure – People & Communities		

## **1. THE ISSUE**

- 1.1 The Council, at its meeting on 16 November 2010, approved proposals for a future organisational model for the Council with a focus on a strategic leadership role. Its decisions were made in the light of the serious financial position the country is dealing with, the wide range of policy initiatives being launched by the coalition government and recommendations on how it should respond to this changed environment together with an overall strategy/direction of travel.
- 1.2 The recommendations included a proposed senior management structure to deliver such a model and the establishment of a Re-structuring Implementation Committee (with terms of reference as set out in Appendix 1) to oversee implementation in accordance with the first step principles set out in the originating Council report.
- 1.3 This report seeks authority to implement some aspects of the new senior management structure to support the transition to the new organisational model. The report is set out in two halves. The first is a report of the Chief Executive relating to the appointment of Strategic Directors and associated matters. The second half (paragraph 5.23 forward) is a report of the Head of Human Resources and Monitoring Officer and relates specifically to matters relating to the responsibilities of the Head of Paid Service. Recommendations are grouped accordingly.

## **2. RECOMMENDATION**

The Committee is recommended to;

- 2.1 Approve the appointment of the current Strategic Director - Resources & Support Services to the new post of Strategic Director – Resources by transfer with effect from 1 August 2011.
- 2.2 Approve the designation of the new post of Strategic Director – People and Communities with scope as set out in paragraphs 5.12 - 5.14.
- 2.3 Approve the appointment of the current Strategic Director – Children’s Services to the new post of Strategic Director – People and Communities by transfer with effect from 1 August 2011.
- 2.4 Recommend to Council that the holder of the appointment of Strategic Director – People and Communities be designated as the statutory Director of Children’s Services and Director of Adult Services.
- 2.5 Note the organisational arrangements and interim senior management structure in the People and Communities Department (as outlined in paragraphs 5.19 and Appendix 4).
- 2.6 Agree to the secondment of Community Health Commissioning staff to the Local Authority
- 2.7 Note and agree that suitable arrangements be put in place to integrate the work of Public Health Commissioning staff into the Local Authority pending legislative change in respect of the Public Health function which is anticipated later in 2011.
- 2.8 Note the current position in respect of the ‘Place’ role as outlined in paragraph 5.17 and that a report(s) on future organisational structure will be brought to this Committee in due course.
- 2.9 Transfer Improvement & Performance Services within the organisational management structure to the Strategic Director – Resources portfolio with effect from 1 August 2011.
- 2.10 Note that the current Chief Executive, in his role as Head of Paid Service, will continue to work directly with second tier officers in identified roles where it is appropriate to ensure the proper functioning of the Council.
- 2.11 To consider, having taken account of the options available, whether it would wish to recommend to Council the retention of the present structure i.e. to retain the present post of Head of Paid Service/Chief Executive within the new senior management structure or move to a model that incorporates the ‘primus inter pares’ principles in the event the present Chief Executive retires.

### **3. FINANCIAL IMPLICATIONS**

- 3.1 The financial implications will depend upon the specific option(s) to be taken forward for the strategic management structure and the appointment process to be followed. Potential financial implications can be separated into four areas:
- One-off costs associated with recruitment and specialist advice as may be required are estimated to be in the order of £50k and the Revenue Budget contingency would be an appropriate source of funding.
  - One off costs of any potential severance. These costs would depend on the individual's service and salary but could be significant.
  - Ongoing costs which might arise from the grading of new post/or roles to reflect additional duties and responsibilities.
  - The potential senior management restructuring will need to consider the expectation of ongoing net savings of up to £2m per annum from reductions in the Council's overall s management structure.
- 3.2 Specific costing in respect of the above items can be worked up for the preferred option(s) as agreed.

### **4. CORPORATE PRIORITIES**

- 4.1 The Council's corporate priorities are derived from the vision for the area contained in the Sustainable Community Strategy. Clearly in the light of the financial position in the country and policy initiatives of central government, certain aspects of the strategy and vision have become more important - in particular, the issues of growth, the recession and localism in the immediate to and medium term. The Cabinet, with the support of the Strategic Directors' Group, has recently commenced a review of the vision and priorities.
- 4.2 The senior management proposals in this report work from the basis that the current vision is still essentially the right one and while the scale of the financial challenge is great and there will be changes in terms of when and how priorities are delivered, the 'Future Council' proposals are targeted to allow the Council the maximum opportunity to deliver on the vision in the new environment.
- 4.3 The Council's role will be changing and as a Strategic Commissioning organisation the role will be to be very clear on the overall needs and opportunities in the area and for commissioning or enabling/encouraging the appropriate outcomes. There will be a need for the Council to continue to prioritise the vulnerable and ensure there is an emphasis on disadvantaged communities.

### **5. THE REPORT**

#### **Background**

- 5.1 A new senior management structure for the Council was approved in November 2010. This is designed to meet the new environment with an emphasis on commissioning and bringing together various services to ensure greater integration and improved planning. It consists of three new senior posts taking primary responsibility for

- People
- Places
- Resources

together with, a collective responsibility for the corporate management of the Council.

- 5.2 No decision was taken by Council in respect of the Head of Paid Service responsibilities. It was acknowledged that these can either reside with one of the Directors (i.e. *primus inter pares*) or remain with the existing post.
- 5.3 This report deals specifically with recommendations for implementation arrangements in respect of the 'Resources' and 'People portfolios'. It outlines a timeline for developing the 'Places' portfolio and interim arrangements in respect of other senior management responsibilities.
- 5.4 These arrangements need to take account of the Council's procedures for dealing with the Human Resource Implications of Organisational Change and the Council's Standing Orders relating to senior appointments. The Council's statutory obligations can be met by the application of these Change Procedures.

### **Procedure for Implementing**

- 5.5 In any restructuring of this nature an initial assessment must be made of the similarity between any existing jobs and any new jobs. Where there is a close correlation between 'old' and 'new' jobs, the existing postholder should be transferred into the new role i.e. 'slotted –in'. This is on the basis that the implied obligation of mutual trust and confidence between employer/employee would, as a matter of good practice, require the Council as employer to see whether existing employees were suitable and competent to carry out the proposed new requirements of the employer. There is of course an obligation on the Council as employer to make available to employees suitable alternative employment. There is also always a real possibility of challenge by the Auditors were the Council to make payments in compensation for loss of employment where suitable alternative employment can be shown to exist.
- 5.6 There is no definitive and/or conclusive legal definition of the degree of correlation or 'closeness of fit' that must be identified for a 'slotting-in' to take place or indeed of how the assessment /analysis should be made. Where the roles are more operational in nature the assessment is perhaps more straightforward than for more senior roles where more account must be taken of the scope and influence of the role than what is actually done. Nevertheless, the similarity should be substantial for 'slotting- in' to be considered. The key requirement is to analyse the existing job roles against those proposed for the new structure.
- 5.7 The Monitoring Officer's view is that the key issue so far as the law is concerned is whether or not an existing post holder could, with justification, say that a job in the new structure, notwithstanding the fact that adjustments have been made to it, was substantially or essentially the role they were currently performing. Not to offer a post in the new structure to an existing post holder where the job is substantially the same, could amount to treatment where the employee was entitled to treat himself or herself as being 'constructively

dismissed' placing the Council at risk of challenge. There is no definitive guidance by the Courts on the issue and it is necessary to apply on a case by case basis the legal principles that have been outlined above.

- 5.8 In law, an agreed 'slotting-in', amounts to a variation in the contract of employment by mutual agreement. In theory, it would be possible to vary a contract by mutual agreement very significantly. However, alternative requirements placed upon the Council as employer to make appointments solely on merit and act as a good employer would be compromised or breached were people to be put into posts where there was a substantial difference between existing and prospective roles. Such actions could give rise to suggestions of favouritism and partiality.
- 5.9 The Council's procedures allow for recruitment to be restricted or 'ring-fenced' to a particular group of applicants in a restructuring where more than one potential applicant is identified. Under arrangements established by the Council for implementation of the new organisational structure, senior appointments are delegated to the Re-structuring Implementation Committee with a requirement that all relevant legal obligations must be met in the decision to appoint. Should one or more of those identified not be offered an appointment and suitable alternative employment could not be identified they would be entitled to the mandatory redundancy compensation provisions and to be considered for the discretionary elements that form part of the Council's Redundancy Compensation Scheme.

### **Analysis of old and new roles**

- 5.10 In its new operating model, the Council has reduced the existing strategic director portfolios from five (including a joint appointment with the PCT) to three new posts. An analysis has been of the old roles and proposed new 'People' and 'Resources' roles to ascertain whether or not 'slotting-in' would be appropriate.

### **Strategic Director - Resources**

- 5.11 An analysis of the existing roles of Strategic Director –Resources & Support Services and the proposed new role of Strategic Director- Resources [as set out in the report to Council (appendix 2 attached)] undertaken by the Monitoring Officer and Head of Human Resources on my behalf identified substantial similarity and would justify the existing postholder being 'slotted-in. The risks associated with not taking this course of action are set out at paragraph 5.5 above.

### **Recommendation**

**The new post of Strategic Director – Resources to be filled by the transfer of the current Strategic Director- Resources & Support Services with effect from 1 August 2011**

## **Strategic Director – People**

- 5.12 The future scope of the portfolio of the Strategic Director – People is closely linked to decisions in respect of adult health and social care commissioning and housing arrangements and the transfer of Public Health responsibilities from the NHS to local authorities which were the subject of a separate and detailed report to Council on 16 November 2010.
- 5.13 On the basis that adult social care provider functions will transfer to a social enterprise later this year alongside health provider functions currently being provided by NHS Bath and North East Somerset (the ‘PCT’), it is proposed that this new role should encompass the following responsibilities going forward:
- Children’s Services (as currently delivered and outlined in some detail in the report to Council in November 2010 - appendix 3)
  - Adult social care commissioning together with the statutory role in respect of Adult Social Services)
  - Community adult health care commissioning
  - Housing
  - Public Health

Further consideration may need to be given to this in respect of the emerging Health legislation both in respect of GP’s role in commissioning and the future scope of Public Health in a local authority context.

- 5.14 It is further proposed that this post be designated Strategic Director – People and Communities

## **Recommendation**

**The a new Director post be established with the designation ‘Strategic Director - People and Communities’ with scope as set out in paragraphs 5.10 - 5.11 above.**

- 5.15 An analysis of the existing roles of Strategic Director –Children’s Services and the proposed new role of Strategic Director- People and Communities [as set out above and outlined in appendix 3a] has been undertaken by the Head of Human Resources and Monitoring Officer on my behalf. This identified that although there are some changes in responsibility, the underlying strategic management role of the post remains largely unaltered. As the text in paragraph 5.5 indicates there is no definitive and all conclusive legal definition of the degree of correlation or ‘closeness of fit’. The ‘substantially the same test’ can be applied, although as a general principle account needs to be taken of other postholders to whom the same principles might be applied. In view of the above and as there are no other postholders identified as being at ‘risk’ at this senior management level, it is therefore proposed that existing postholder being ‘slotted-in. The risks associated with not taking this course of action are set out at paragraph 5.5 above. It also offers a suitable alternative to redundancy.

- 5.16 Following consultation with the Group Leaders, the present Strategic Director - Children Services has been undertaking this role on an interim basis over a number of months. This has enabled further work to be progressed in respect of the future shaping of the directorate. The Strategic Director -Children's Services is designated as both the Council's statutory Director of Adult Services and Director of Children's Services. It is proposed that Council should be recommended to reaffirm these designations in respect of the holder of the post of Strategic Director – People and Communities

### **Recommendations**

**The new post of Strategic Director – People and Communities to be filled by the transfer of the current Strategic Director- Children's Services with effect from 1 August 2011.**

**Recommend to Council that the holder of the appointment of Strategic Director – People and Communities be designated as the statutory Director of Children's Services and Director of Adult Services.**

### **Strategic Director – Place**

- 5.17 As the Council report indicated in November it is not proposed to make any further decisions in respect of the 'Place' role at this stage. At the Chief Executive's request, the current Strategic Directors – Service Delivery and Development & Major Projects are beginning to consider future arrangements with an anticipated implementation date of early 2013. A report(s) on future organisational structure will be brought to this committee in due course.

### **Recommendation**

**Note the current position in respect of the 'Place' role and that a report(s) on future organisational structure will be brought to this committee in due course.**

### **Grading of Strategic Director posts**

- 5.18 The senior management grading structure was agreed by the Council on the basis of advice and recommendation from the HAY Management Group. They also undertook independent assessment on the Council's behalf to determine at what point in the structure individual posts should be placed. This methodology is consistent with the Council overall approach to pay and grading and the use of an objective job evaluation methodology gives protection in respect of potential Equal Value claims. No assessment has currently been undertaken of the new roles and cannot take place until there is a little more certainty around the associated budgets and scope of responsibilities. It is anticipated that given shifts in the market associated with the overall economic position that these posts will fall within the existing points ranges currently applied to senior manager positions (1261 -1800).

## **Associated Considerations**

### **5.19 People and Community Services –senior management arrangements**

- 5.19.1 It is planned that the integrated Social Enterprise will deliver community health services to children and adults, health improvement services and adult social care services. As the Council and PCT have integrated both their commissioning and delivery functions, the changes to the NHS have required some interim arrangements to retain the integrity and benefits of our highly successful local integration.
- 5.19.2 In agreement with the PCT Board and the GP Commissioning Committee, it has been proposed that Community Health Commissioning be located within the new department. This will allow the functions to continue and provide time for the GP Commissioning Committee and emerging PCT Cluster (Bath and North East Somerset and Wiltshire) to agree functions and future structures.
- 5.19.3 In line with central Government policy it is also proposed to integrate the work of the Public Health Commissioning Team with Council activity by October 2011. Under current government proposals, it is envisaged that the team will be subject to TUPE transfer into the Council from April 2013 when statutory responsibilities for Public Health return to the Local Authority.
- 5.19.4 Arrangements have been made which bring together all of the functions identified to form the final structure of the new Department. It is envisaged that this will come into being between January and March 2013. The following functions are included:
- Children's Social Care
  - Adult Social Care (Commissioning)
  - Children's Commissioning and Strategic Planning
  - Learning and Inclusion
  - Youth, Youth Offending and Connexions
  - Housing
  - Skills and Employment
  - Public Health Commissioning
  - Community Health Commissioning
- 5.19.5 Due to the scale of the re-structure and its relationship with major changes in the NHS, a temporary senior management structure has been put in place (see Appendix 4).
- 5.19.6 It is envisaged that this structure will remain in place December 2012, when a revised and smaller senior structure will be in place. It is anticipated that there will be five Divisions within the new Department. However, the exact configuration of functions will be decided as a result of a detailed review of statutory functions, local policy priorities and evidence of what works best to deliver effective services and therefore improve outcomes for service users.



### ***Recommendation***

**Note the organisational arrangements and interim senior management structure in the People and Communities Department.**

**Agree to the secondment of Community Health Commissioning staff to the Local Authority**

**Note and agree that suitable arrangements be put in place to integrate the work of Public Health Commissioning staff into the Local Authority pending legislative change in respect of the Public Health function which is anticipated later in 2011.**

- 5.20 In the present organisational management structure, the Monitoring Officer and Divisional Director – Improvement & Performance report directly to the Chief Executive. It is considered there would be advantage for Improvement & Performance to report to the Strategic Director - Resources to ensure better coordination of support services and use of resources.

### ***Recommendation***

**Improvement & Performance Services be re-assigned within the organisational management structure to the Strategic Director – Resources with effect from 1 August 2011.**

- 5.21 Whilst the Chief Executive continues to hold the statutory role of Head of Paid Service within the organisational structure, it is appropriate that he should have direct access to and be accessible directly to officers with responsibilities to the Council overall or where their role impacts on that of the Chief Executive e.g. Section 151 Officer, Head of Human Resources and the Chief Internal Auditor. This means that the officers identified have rights of report and access direct to the Head of Paid Service as though they were directly managed by him in the same way as the Monitoring Officer has.

### ***Recommendations***

**The Chief Executive, in his role as Head of Paid Service, will continue to work directly with second tier officers in identified roles where it is appropriate to ensure the proper function of the Council.**

## Report of Head of Human Resources & Monitoring Officer

### Options of the discharge of Head of Paid Service responsibilities

- 5.22 No proposals were made in respect of fulfilling the statutory responsibilities of the Head of Paid Service in the Future Council model considered by Council in November 2010. Options were, however, noted that these could be allocated to one of the Director posts (i.e. a *primus inter pares*) or that it might be necessary to consider retaining the present post within the senior management structure. Given both the local and national context at the time, this approach was intended to offer flexibility in future senior management/ leadership arrangements.
- 5.23 Council approved the setting up of this committee (with terms of reference as set out in Appendix 1), noting that it would report back in due course on any matters requiring the views of or a decision by Council in respect of the approval of appointment and the designation of Statutory Officers as required and that a further report would be brought back to Council to include proposals for future political Leadership in the light of options in the anticipated Localism Bill etc.
- 5.24 In the Independent Adviser's report that supported the Future Council proposals considered by council last November, it was noted that:

'whilst the current management structure has served the council well, its size, structure and functionality does appear to need modification in the light of the Council's stated direction of travel. . . . . the Council needs to design a senior management structure that can cope with the major leadership and managerial challenges set out. Managing a shrinking council base and reducing or reconfiguring services places greater pressure on the leading members and the senior management team than running the Council in a period of stability'.

In respect of the Strategic Directorate team, it went on to note that

'Councils can organise their senior management structures in a variety of ways all of which can be effective. What is most critical is that it retains and attracts a committed and talented group of senior managers who can show adaptability and flexibility going forward. . . . The proposed reduction in the number of Strategic Directors is not unreasonable given the size of the authority and comparing the emerging practice in other councils . . . . However the key issue is whether the role of Head of Paid Service should be combined with one of the Director posts or be an additional stand alone Head of Paid Service or Chief Executive'.

- 5.25 The Adviser concluded by stating that the Council needs to very carefully assess the feasibility of running the council with only three Strategic Directors, one of whom is 'primus inter pares'/Head of Paid Service.
- 5.26 The 'primus inter pares' model gives the opportunity for a cooperative/collegiate approach to the senior management/leadership of the Council and, in ease of transition, may offer stability for the organisation. It can however, give rise to a perceived lack of corporate clarity and objectivity with the dual role of service leadership as well as the capacity concerns raised above.

- 5.27 As well as providing a single point for the delivery of a corporate agenda, a Chief Executive appointment provides a clear focal point for both Members and Officers, critical at a time of significant change and the uncertainty that goes with it. Escalation and decision making routes have a clarity that may not be so evident in the 'primus inter pares model'.

## **Recommendation**

**The Committee is requested to consider, having taken account of the options available, whether it would wish to recommend to Council the retention of the present structure i.e. to retain the present post of Head of Paid Service/Chief Executive within the new senior management structure or move to a model that incorporates the 'primus inter pares' principles in the event the present Chief Executive retires.**

## **Current Situation**

- 5.28 The Chief Executive has indicated that he may shortly give notice of his retirement (under the terms of his contract of employment he is required to give four month's notice of termination in writing).
- 5.29 The earliest any recommendation in respect of arrangements to discharge the statutory responsibilities could be made to Council would be at its meeting on 15 September 2011.
- 5.30 The normal convention followed by public sector organisations today would be to advertise chief executive/head of paid service positions publicly, in the national media. The same might be true of a 'primus inter pares' arrangement. Although it should be noted that in this case, if an external, appointment were to be made, a redundancy might result within the senior management group.
- 5.31 In both circumstances outlined in paragraph 5.31, independent advisers would need to be appointed to support the council in the recruitment and selection processes.
- 5.32 The above factors need to be taken account in planning arrangements for any new appointment and it is therefore unlikely to be completed in less than seven months and might take up to 10 months (depending on the market conditions, notice period of the successful candidate etc). This process could not commence until the current Chief Executive's plans were formalised, Council had approved arrangements for the future discharge of the statutory role etc. It is not unrealistic therefore to project a start date for any new appointee of May/June 2012.
- 5.33 Transitional arrangements are the subject of a separate item on the agenda.

## **6. RISK MANAGEMENT**

- 6.1 Risks associated with non-compliance with the statutory legal position are set out more fully in paragraphs 5.5 to 5.9 above.

## **7. EQUALITIES**

- 7.1 The organisational model for the future council with an increasing emphasis on strategic leadership will enable the focus to be more on the needs of individuals and communities and enable the development of different ways to meet those needs more appropriately within the resources available.
- 7.2 Impacts on the Council's workforce composition will continue to be monitored.

## **8. CONSULTATION**

- a. The Council's Statutory Officers (i.e. Finance, Monitoring, Director of Children's Services and Director of Adult Services) and Head of Human Resources have been consulted in the preparation of this report and their views have been incorporated in the text.
- b. Strategic and Divisional Directors have been consulted as appropriate in the preparation of this report and their views incorporated.
- c. This report has been provided to the relevant recognised Trades Unions for comment any comments received will be presented to the meeting.

<b>Contact persons</b>	<b>1. John Everitt, Chief Executive – 01225 477410 in respect of all matters relating to Strategic Director Portfolios and associated recommendations</b> <b>2. William Harding – 01225 477203 or Vernon Hitchman in 0125 59517 in respect of matters relating the Chief Executive/Head of Paid Service and associated recommendations</b>
<b>Background papers</b>	<b>The Future Council – item 8 Council, 16 November 2010</b>
<b>Please contact the report author if you need to access this report in an alternative format</b>	

## **RE-STRUCTURING IMPLEMENTATION COMMITTEE**

### **The Committee's Span of Responsibility**

To determine all necessary arrangements for implementing the indicative senior management structure.

To decide on numbers of 1<sup>st</sup> and 2<sup>nd</sup> Tier officers and the span of work responsibility allocations for those officers.

To determine appointments to or dismissal from the posts of Director and other JNC Officers reporting to the Chief Executive, or Head of Paid Service, subject to there being no objection to the appointment / dismissal being lodged by the Leader of the Council.

To recommend to the Council the appointment or dismissal of the Head of Paid Service, the Monitoring Officer and the Chief Financial Officer.

### **Membership**

The Committee shall comprise 3 Members in the political proportion 1 Conservative Member, 1 Liberal Democrat Member, 1 Labour Member.

**DIRECTOR OF RESOURCES WORK STEAMS**

<b>Work stream One: Customer Services</b>	
<p><b>Objective</b> To develop better integrated customer access to public services, self serve using the web, prioritising face to face contact for those with more complex needs, improving speed and quality of service and better focusing on need whilst delivering savings in excess of £1M.</p>	
<p><b>Scope</b> The programme builds on the successes in Council connect and concentrates on ensuring the process for customers works 'end to end'.</p> <ul style="list-style-type: none"> <li>▪ Web, phone, one stop shop, and all other customer contact involving the Council and its key partners.</li> <li>▪ Links with lean reviews using systems thinking which in turn encourage more activity in the front office to reduce duplication, handoffs, and confusion for customers by enabling 'getting it right first time' approach and culture.</li> <li>▪ Customer contact in all Council and some partners services involving key partners being co-located in 'one stop shops' and actual or virtual call centre. Integrated and common approaches across all services to get it right first time, handle 'life events' including change of address better.</li> </ul>	
<b>Timetable</b>	
<b>Date</b>	<b>Milestone</b>
September 2010	Programme Reviewed by O&S
October 2010	Complete Initial Programme plan
November 2010	Extended 'one stop shop' in Guildhall complete
December 2010	Programme Business plan complete
2011	<ul style="list-style-type: none"> <li>• Hollies 'one stop shop' improved</li> <li>• Protocols for Customer Contact created to enable core Council concept to be consistent with integrated customer contact</li> <li>• Improved web enabled systems implemented and web site enhanced or replaced</li> <li>• Future approach for telephony resolved</li> <li>• Systems changes (phase 1) implemented</li> <li>• Life events approach and 'tell us once' implemented</li> </ul>
2012 & 2013	<p>Lewis House One stop &amp; communications hub shops opens</p> <p>Further systems changes (phase 2 &amp; 3) and possible change to telephony</p> <p>Impact of new academies and changes to delivery of health and social care effectively resolved</p>
2014	Keynsham new one stop shop opens

<b>Workstream Two: Core Council</b>	
<b>Objective</b> To develop the councils approach to strategic commissioning so that the shape of the Council can change to reflect a commissioning and enabling role at its heart, separate from the various delivery roles that can be fulfilled in partnership, using the private sector or 'in house'.	
<b>Scope</b> <ul style="list-style-type: none"> <li>▪ The programme looks at how the Council's commissioning role should be integrated &amp; how changes in the NHS should be linked</li> <li>▪ The programme will inform the future organisational structure of the council, methods of engagement with the community as well as the voluntary and business sectors, will reflect the localism agenda and provide a commissioning framework that helps target resources at priorities and needs.</li> </ul>	
<b>Timetable</b>	
<b>Date</b>	<b>Milestone</b>
April 2011	Outline shape of Council Commissioning role and protocols established
June 2011	Localism Agenda reflected in revised democratic decision making structures
April 2012	<ul style="list-style-type: none"> <li>• Changes in LEA role &amp; Health changes inc. public health role implemented</li> <li>• Role of Local Strategic Partnership resolved and revised</li> </ul>
April 2013	New Commissioning approach fully implemented

<b>Workstream Three: Asset Backed Delivery Vehicle</b>	
<b>Objective</b> To protect the Council's Commercial Property Estate whilst attracting external funds, facilitating development of Council owned key sites, and supporting investment in the public realm and local economy. The aim is to achieve access to £100M capital over 5 years.	
<b>Scope &amp; Timetable</b>	
<b>Date</b>	<b>Milestone</b>
November 2011	Project scope confirmed and lead advisers appointed
December 2011	Project business case and procurement options evaluated
January 2012	Start made on preferred option and procurement and selection of partner(s)
2012	New arrangements implemented (precise date depends on procurement route)

## Workstream Four: Support Services

### Objective

To improve the efficiency of support services to the maximum and tailor those services to the needs of the users as well as reflecting the core Council Agenda and in particular changes in Health & Social Care and Schools

### Scope

- All Council support services but also linking in with the Health & academies work streams so that there is one joined up approach for the Council, Health and Schools. The target is for a further £2M of savings.
- Differentiating between core, advice and transactional support services. Building on the partnership with Mouchel to develop a shared services approach for the transactional services or market testing so that transactional services that are value for money as well as scalable are achieved
- Delivering better value for money in the meantime using a combination of centralisation, systems rationalisation and lean systems thinking, also developing shared service arrangements for specialist support services and procurement.
- Revenues & benefits are out of scope as through lean approach are outperforming opportunities available through shared service approach, plus delivering substantial customer improvements.

### Timetable

Date	Milestone
April 2011	Deliver initial 8% savings through rationalisation and economies
April 2011	Mouchel proposal or possible market testing of transactional support services
2011	Centralisation of systems and advice subject to needs of services being met and also freedoms being established for Academies and Health & Social Care Some specialist shared service arrangements in place
2012	New support service arrangements in place for Schools plus Health & Social Care
2013	Shared service approach for transactional support services in place

### Enablers

These and other Change Programme work streams are supported by the following enablers all of which are managed with Resources:

- Workplaces/office accommodation/flexible working
  - 40% reduction in office space
  - 10% to 20% reduction in running costs
  - 70% reduction in carbon impact
- Rationalising Bath offices 2010 & 2011
- Improving the Hollies 2011
- 3 improved one stop shops to include key partners 2010 to 2014  
renewing Keynsham office presence 2014
- Communications and organisational development
- Processes and systems including lean 'systems thinking' reviews and ICT
- Lean reviews complete in Housing Benefits, Waste (missed bins), Bus Passes and partially complete in Highways
- Lean reviews in progress in Council Tax, Children's Services, Adult Health & Social Care
- Council Connect review ongoing and linked to all the other reviews
- Programme of lean reviews supported by the change programme office which is based in the Resources
- finance including medium term planning and service prioritisation
- legal
- procurement
  - supporting individual departments and developing better controlled and co-ordinated procurement function, probably as a shared service



### **Implications for the Local Authority and Schools– Academies Act 2010**

1. The Academies Act 2010 is now in force and a further 'Schools and Children's Bill' will be introduced into Parliament before Christmas.
2. The Academies Act extends the option to become an Academy to all Ofsted- defined 'Good' and 'Outstanding' schools in England and Wales. Previously, Academies were only permissible as replacements to failing or long-term poorly performing secondary schools. This Act enables Infant, Junior, Primary and Special Schools to become academies.
3. Early indications are that only a small number of schools nationally (and locally) are choosing to become academies. However, reducing public spending and the relative protection afforded to school funding may act as an incentive to schools to move to become academies as they 'take with them' a proportion of all of the funds of the wider service, this could be a powerful influence upon school decisions as other current sources of funding, upon which they rely, are withdrawn by Government as part of the wider spending reductions.
4. A critical consideration must be the 'tipping point' at which point the loss of funds caused by the number of schools becoming academy causes the council to be unable to deliver certain services in an economic/cost effective manner. At this time the 'tipping point' can not be accurately identified because Government has not established the permanent methodology through which it identifies the amounts to be transferred from the local authority to each individual academy. Also, there are additional factors to consider such as how to continue to deliver services to a specific phase of schools e.g. primary or special where the majority remain part of the local authority if the loss of funds is caused by another phase of schools i.e. secondary and the amount lost has a disproportionate impact upon our ability to support those schools which remain.
5. A further consideration relates to the primary functions of the Council as a Children's Service Authority. Firstly, the loss of responsibility for the institution i.e. when the school becomes an academy, does not remove all of the responsibilities for the children attending the academy. Secondly, in developing organisational and service delivery options which take into account the impact of academies, it is important to recognise that the Council will retain employer responsibilities for school staff in those schools which continue as Community or Voluntary Controlled schools, this is the majority of primary and special schools within the area.
6. Work has begun to identify, assess and quantify the impact of the Academies Act upon the Council. Workshops for secondary and primary schools are being put in place. From this initial work it may be possible that a policy stance emerges whereby the Council and its secondary schools agree a planned transition of all secondary schools to become academies. However, it must be recognised that the Council can not enforce such a move, the legislation is permissive. Such a planned approach would enable all factors to be considered and planned for; it would allow the Council to re-shape its services in line with the direction established above. It would also allow time to develop service models which protect elements of service that add significant value for children and young people and/or are a residual responsibility of the local authority, examples include:

- Fair access/admissions to schools
  - Provision of SEN services
  - Provision of attendance and non-attendance (prosecution) services
  - Fair Exclusion and 'Education otherwise' procedures
7. Because the Academies Act is 'framework' legislation much of its potential positive and negative impact will not become clear until regulations are drafted and laid before Parliament. Also, the Act was rushed through Parliament and there was very limited debate about its impact both intended and unintended. Therefore, the immediate, medium-term and long-term impacts are not clear and a project team is required to plan for the future and consider options for future service delivery.

**CHILDREN'S SERVICES – to – PEOPLE & COMMUNITIES**

<b>CURRENT CHILDREN'S SERVICES PORTFOLIO</b>	<b>+ PUBLIC HEALTH + COMMISSIONING</b>
<b>Corporate management of Council</b>	<b>Corporate management of Council</b>
<b>Statutory Director of Children's Services -</b>	<b>Statutory Director of Children's Services responsibilities</b>
<b>Services -</b> Inclusion Support	<b>Services -</b> Inclusion Support
Integrated Youth Support	Integrated Youth Support
Specialist Behaviour	Specialist Behaviour
Early Years	Early Years
School Improvement & Achievement	School Improvement & Achievement
Assessment & Family	Assessment & Family
Care & Young People	Care & Young People
Integrated Safeguarding	Integrated Safeguarding
Commissioning and Performance Service	Commissioning and Performance Service
Children's Service Capital and Organisation	Children's Service Capital and Organisation
Parent Support	Parent Support
Independent Quality Assurance & Improvement	Independent Quality Assurance & Improvement
Finance and Resources	Finance and Resources
	<b>Statutory Public Health responsibilities</b>
	+ Other services Council might chose to group around this e.g. environmental health
<b>Statutory Director of Adult Social Care responsibilities</b>	<b>Health responsibilities</b>
Community Adult Social Care Commissioning*	
Community Adult Health Care Commissioning *	

\* final portfolio conditional on decisions made in respect of Commissioning & Provider Services by the Health & Wellbeing Partnership/NHS Bath and North East Somerset/GP Forum.

\*\* dependent on final legislation

## Interim Senior Management Structure - People and Communities

