

Bath & North East Somerset Council

MEETING:	Council	
MEETING DATE:	16th November 2010	AGENDA ITEM NUMBER
TITLE:	THE FUTURE COUNCIL	
WARD:	ALL	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
Appendices:		
Appendix 1 – Academies Act 2010; Appendix 2 – Liberating the NHS; Appendix 3 – Localism; Appendix 4 – Current Council Structure; Appendix 5 – Summary of Project Scopes, Outcomes and Indicative Timescales; (i) Change Programme Board and Steering Group; (ii) Children’s Service Project Brief; (iii) Health, Adult Social Care and Housing Project Brief; (iv) Resources WorkStreams; Appendix 6 – Terms of Reference for the Implementation Committee; Appendix 7 – Comments/ Recommendations from the Independent Adviser.		

1 THE ISSUE

1.1 Given the serious financial position the country faces and a wide range of policy initiatives being launched by the Coalition Government, the Council’s Cabinet at their meeting on 3rd November 2010, provided views on how the Council should respond to this changed environment together with recommending a strategy/direction of travel for the future. This report develops the proposals and ideas within the Cabinet paper and makes recommendations for the future organisational structure of the Council. In particular, this report:

- Sets out proposals for a future organisational model for the Council that focuses on a strategic leadership role
- Sets out a proposed structure to deliver such a model
- Sets out recommendations for the first steps.

2 RECOMMENDATION

Council is asked to:

- 2.1 Approve the principles and general approach being adopted with regard to the proposed Organisational Model for the Council as set out in paragraph 5.4.1 and Appendix 5.
- 2.2 Note the position and general approach being adopted with regard to Children's Service and Academies as set out in paragraph 5.4.2 and Appendix 5 (ii)
- 2.3 Note the overall position and direction of travel for the Health, Adult Social Care and Housing services as set out in paragraph 5.4.3 and Appendix 5(iii) and also that a separate report is presented on this meeting's agenda concerning the future of the associated Health and Adult Social Care "provider" functions.
- 2.4 Note the work being carried out in order to explore the feasibility of establishing Property Asset Delivery Vehicles for the Council's commercial estate (paragraph 5.4.4)
- 2.5 Approve the principles for the proposed senior management of the Council as set out in paragraph 5.4.5.
- 2.6 Note the principles of the project management structure set out in paragraph 5.5
- 2.7 Approve the establishment of an Implementation Committee as set out in paragraph 5.5.3 with the terms of reference set out in Appendix 6A and the consequent amendment of the Employment Committee's terms of reference at Appendix 6B.
- 2.8 Note that the Implementation Committee will 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.
- 2.9 Note the proposed transfer of the Public Health function from NHS Bath and North East Somerset (PCT) to the Council as detailed in paragraph 5.4.3 and delegate the provision of appropriate management arrangements for this to the Chief Executive in consultation with the Implementation Committee in the event of legislation being enacted.
- 2.10 Note that a further report will be brought back to Council to include proposals for future political Leadership in the light of options in the anticipated Localism Bill.
- 2.11 Note the financial implications set out in this report and in particular the availability of resources already established as part of the 2010/11 budget and request Overview and Scrutiny Panels to review change programme business cases as they develop

3 FINANCIAL IMPLICATIONS

3.1 The financial implications of all the changes referred to in this report will be assessed as part of the identified projects and up to date assessments will be summarised in the February 2011 budget report for Council.

3.2 At this stage the financial implications of the programme are only indicative as the projects are in many cases still forming.

3.3 The financial benefits of the Programme detailed in this report are set out below:

- Children's Services – avoiding or reducing the impact of loss of economies of scale in the LEA function as schools become Academies and Government funding reduces as a result.
- Health and Adult Social Care – minimising the considerable risk in progressing the change initiated by Government and retaining the benefits accruing from the integration of health and adult social care
- Customer Services - £1M targeted annual saving accumulating over 3 years as a result of integrated and common processes, better use of the web, shared front office services and at the same time redirecting resources to support more vulnerable customers
- Support Services - £2M targeted annual saving accumulating over 3 years in addition to the 5% - 10% efficiency savings being developed for 2011/12
- Procurement - £2M targeted annual savings accumulating over 3 years as a result of shared contracting arrangements and frameworks.
- Workplaces - annual savings in the region of £0.5M from 2014 in addition to indirect benefits associated with more flexible working and better workplaces
- Service (Lean) review – will vary and link with medium term plans but to date substantial savings and service improvements have been achieved such as 20% savings in housing benefits whilst achieving radical service improvements.
- Property Asset Delivery Vehicle – access to £100M of capital.
- The changes to the management structure will realise annual savings up to £2M.

3.4 The 2010/11 budget anticipated the need to put aside funding for the change programme as the Council set about meeting its financial challenges. For this reason the Financial Challenge Reserve of £2M was set up. The release of these funds was delegated to the S151 Officer in consultation with the Chief Executive and Cabinet Member for Resources.

3.5 The cost of the Programme detailed in this report is estimated to be within the Financial Challenge Reserve with the following exceptions:

- The health and social care workstream which is the subject of a separate report on this agenda.
- The office accommodation project which self funds with the revenue savings paying for associated debt charges. The project is likely to rely on prudential borrowing. This approach was anticipated in the 2010/11 budget and the budget assumptions remain valid.
- The Property Asset Delivery Vehicle set up costs are expected to be mainly funded by the vehicle itself.
- Changes to the management structure will be funded from the restructuring reserve established as part of the 2010/11 Budget.

3.6 The Council's medium term plans will be presented to November Overview & Scrutiny Panels. These will set out how the anticipated £38M annual savings requirements are to be achieved over the next 4 years. This is the amount by which the annual gross spend of the Council will need to have reduced by the end of 4 years and compares with annual gross spend (excluding schools) of about £250M.

3.7 It is suggested that Overview & Scrutiny panels review business cases for relevant work streams as they develop. Corporate Performance and Resources (CPR) could also maintain an overview of the entire programme.

4 CORPORATE PRIORITIES

4.1 The Council's Corporate priorities are derived from the vision for the area contained in the Sustainable Community Strategy. This vision remains valid in the new environment but clearly aspects of the strategy will be more important in the short and medium term in particular the issues of growth, the recession and localism.

4.2 The Local Strategic Partnership is reviewing the timescales and relative priorities of issues within the Sustainable Community Strategy and this will inform the Corporate Plan refresh that is considered alongside the Medium Term plan and budget at February Council.

4.3 The existing priorities are all affected by the challenge now faced and the proposals in this report are targeted to allow the Council the maximum opportunity to deliver on the priorities in the new environment. 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.

4.4 A number of the existing corporate priorities have been affected by changes to grant in the Government's emergency budget and as the spending review becomes clearer the speed at which some of the priorities can be delivered will be impacted.

4.5 The proposals in this report work from the basis that the current priorities are the right ones and while the scale of the financial challenge is great and there will be changes in terms of when and how priorities are delivered, this report is about placing the Council in the best place to deliver those priorities. 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

5.1 The Case for Change

5.1.1 Until recently, the Council was working within an environment of top down control whereby its actions and performance were managed through a large number of Central Government performance indicators together with a rigid inspection regime. Arguably, the Council was predominantly a deliverer of services specified by others and, therefore, built success on clear prioritisation, strong performance management and clarity of desired outcomes. The Council was acknowledged by the various inspectorates to be very good at delivering services (4th lowest cost per head of population in the country, 80% of indicators improved over the last three years and over 40% in the top quartile), but challenges remain in respect of the area. Additionally, many of the most complex challenges – such as dealing with multiple cases of disadvantage - require the active participation of communities which historically the public sector has been less good at. Public services also often appear fragmented to the community and people now expect to see their needs defined in terms of how they live their lives rather than in terms of professional or organisational disciplines – i.e. people expect to be seen as a person trying to start a new business, a person living with a long-term disability, a family seeking a home, etc. not as a planning customer, a social care client etc.

5.1.2 The Council has, over the last few years, taken steps to move beyond the traditional focus on service delivery and to develop approaches that emphasise interaction with the community, personalisation and cross-public sector access to services. The most significant of these is the Council's integration with the PCT, but other examples include the Independence and Choice Programme in Adult Social Care, the introduction of Choice-Based letting, Regenerate Whiteway and the considerable success in reducing waste/increasing recycling. Strategic commissioning across the public sector was also starting to emerge through the Health and Wellbeing Commissioning Framework and the work of the Children and Young Peoples Strategic Partnership Board.

5.1.3 The new Coalition Government is following a radical agenda that will have far reaching effects on how public services will be delivered in the future, including the organisational structure and role of the public sector, abolition of a number of regional bodies (i.e. Regional Development Agency, Learning and Skills Council, South West Employers, Government Office for the South West, Strategic Health Authority, South West Arts, South West Tourism etc.) together with a range of service specific and other changes that are set out in a number of Bills and Acts. From the perspective of this report the key Bills and Acts are:

- Academies – this Act provides the power for schools to effectively opt out of local authority control
- Children’s Services – extensive changes to the residual functions of the Council as a Local Education Authority will be outlined in the forthcoming ‘Schools and Children’ Bill. This will further clarify the role of The Council with regard to schools and the provision of Education Support Services. The Bill will also consolidate changes in relation to the ‘duty to cooperate’ of other statutory services in relation to Children in Need (Children Act 1989 and 2004) and Safeguarding (Children Act 2004, Working Together 2010). Extensive changes to our social care function are also anticipated due to the Munro Review into Social Work Practice and the ongoing work of the Social Work Reform Board. The Government are keen to expand the role of the market in the delivery of childcare/social care work and further policy announcements are awaited.
- Health – White Paper “Liberating the NHS” expected to be reflected in the Health Bill anticipated in December 2010. A summary is attached at Appendix 2: the Bill is expected to create new accountability for Health Improvement for Local Authorities and will effect a number of significant changes to the commissioning of health services at national and local level. A further White Paper on Public Health is expected to be published in December 2010, the associated Public Health Bill is expected in 2012. White Papers on Social Care and a Commission on Long Term Conditions are also anticipated within twelve months.
- Localism – this introduces a number of concepts around community power in decision making and encourages the development of alternative leadership and decision making models. The Council will need to be able to respond to the needs and views of different local communities and develop an approach that can enable communities to meet their own needs locally while ensuring that the vulnerable are protected and there is support to disadvantaged communities.
- Sub-National Economic Growth – outlines the approach to Local Enterprise Partnerships (LEPs), the Future of Business Link and to set out the Government’s view of Economic Development in a “localism” world.

Appendices 1 to 3 inclusive provide a summary of the first four of the above. Additionally, the Government have introduced some themes that are common to all their policies with regard to the public sector. These include:

- Big Society – a concept of greater personal and community ownership and, therefore, more “self help”.
- Removal of Regulation – the removal of the vast arrays of performance information and inspection, now allow real local democratic differences to emerge (i.e. there may now be different levels of service or indeed services delivered in different areas of the country).

5.1.4 The effects and consequences of the national financial deficit have been widely reported in the Council as well as in the national and local media . The accounts for 2009/10 show the Council receives approximately £40M from Government as redistribution of Business Rates and Revenue Support grant. A further £7.5M is received as Area Based Grant. Approximately £77M comes from Council Tax. The balance of the funding for the £137M net expenditure on services (excluding schools) comes from interest, fees and charges. Schools are separately funded by Dedicated Schools Grant of approximately £95M.

5.1.5 A reduction of circa 30% in Government funding is expected over the next 4 years, encouragement is to be given to Council's to avoid Council Tax increases yet demands on services such as social care continue to rise. Taking all these factors together it is anticipated that there will be a funding gap of around £12M in 2011/12, £12M in 2012/13, £7M in 2013/14 and £7M in 2014/15 – approximately a £38M reduction in annual gross expenditure (excluding schools) to be achieved over 4 years.

5.1.6 These pressures were referred to when the annual budget was set in February this year and the estimates are continually being updated. Cabinet will be informed of the impact of the Government's Comprehensive Spending Review (CSR) announced on 20th October and details will also be provided for Overview & Scrutiny Panels in November. The figures in the CSR suggest that our financial assumptions are of the right order, except the savings requirement that have been assumed in year 3 may be over stated. On the other hand demand pressures may be greater than assumed. In any case there remains some uncertainty because the Government have yet to provide information on how funding will be distributed. This is particularly relevant as many specific grants are to be rolled into the general formula grant. It will not be until December that a definitive statement can be made about the impact of the CSR.

5.2 The Council's Capacity

The structures and ways of working that have been very successful in delivering 'good' services now need to be reviewed in the light of the new Government agenda and financial challenges set out above. The core business of local authorities and how they relate to their communities will need to change and, in this respect, the Council needs to reconsider the prioritisation it places on the following:

- Interaction with Communities

The Council generally sees people through the lens of service provision rather than people with multiple needs and therefore the most stubborn and challenging issues are sometimes not adequately addressed. The Council needs to know more about people's perceptions and experiences if it is to develop effective actions to tackle these issues. It also needs to understand the capacity and skills in the communities themselves as this will increasingly be a major resource.

- Efficiencies

The Council will not reduce the pressures on the big drivers of cost in the medium term, such as adult social care, through incremental change. To find the real efficiencies the service model needs to be re-thought, re-designed and re-engineered to reduce the needs in the first place rather than just dealing with the consequences.

- Commissioning Effectively for Outcomes

To achieve a re-configuration of services and efficiencies, the Council will need to develop and manage alliances with its partners (PCT, Police, Universities, Fire and Rescue, Government Agencies, Neighbouring Authorities, Voluntary Sector, the Community itself etc) in different ways that are based on a shared understanding of people, place and problems. Complex commissioning arrangements need to be developed if this is to be achieved.

Given the new environment that the Council will be operating in, the above functions will become increasingly important for the public sector organisation of the future.

5.3 The Role of the Future Council

5.3.1 In considering the issues raised above, part of the Cabinet's recommendations were that the Council should focus its energy in the future on the activities where it alone can add value and this should enable other

organisations to do those things that they can do as well or better than the Council. In particular, the Cabinet recommended the following principles should be adopted for the organisational structure of the Future Council:

“1. The Council must retain democratic responsibility for outcomes and for all the services it funds to achieve those outcomes.

2. The democratic accountability of Councillors places a responsibility on the Council to establish the needs of the community and provide community leadership. The Council will need to understand the different communities better in order to ensure that resources are focussed on where the greatest need is and that the Council is able to work with communities to enable the most appropriate local solutions.

3. The future Council should be strategic rather than operational, focussed on convening and working with partners and the community to prioritise and commission public services that provide value for money. The emphasis will be less on direct delivery than at present and there will be an increasing emphasis on individuals and our community(ies) taking on greater direct responsibility. In this respect the ‘Big Society’ is critical. There will be an increasing plurality of providers - public sector, community / voluntary sector, private sector and combinations of partnerships thereof.

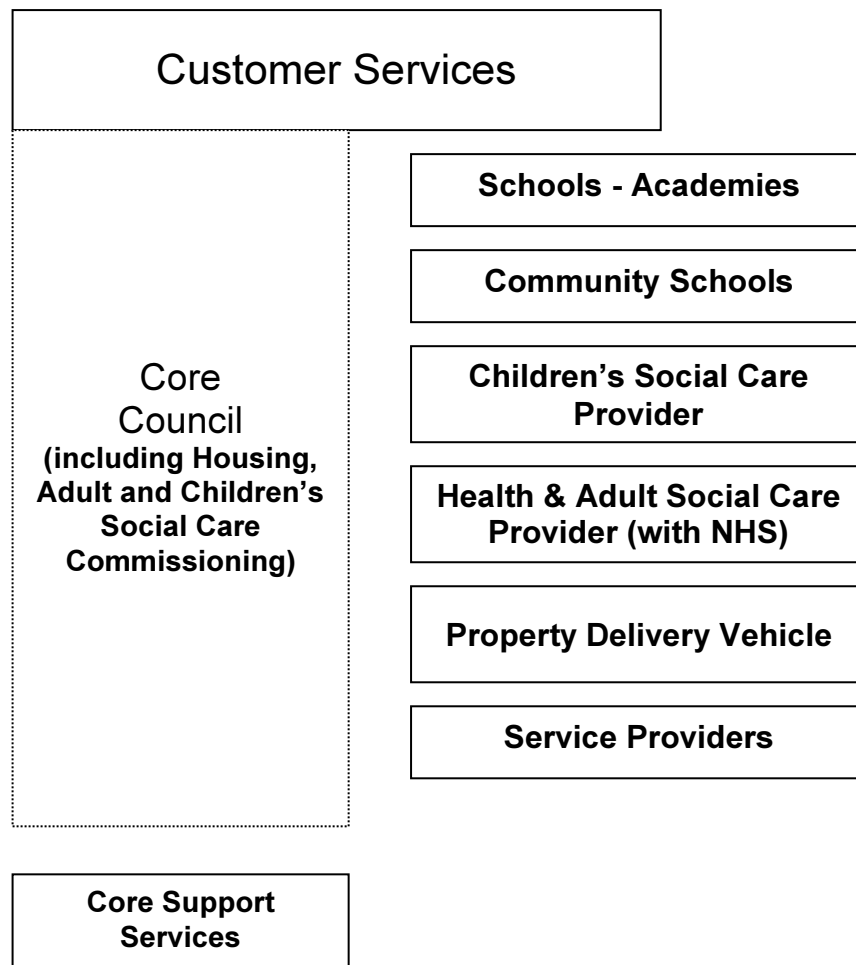
4. The Council will remain responsible for making policy, setting priorities and the annual budget and Council Tax, and working with its partners to commission and ensure delivery of outcomes for individuals and communities.”

5.3.2 Ultimately the role of the future council is to ensure the Vision for the area is delivered. A difficult economic climate is not a justification for failing to deliver an exciting vision as the Council must find different and imaginative alternative models to ensure success.

5.4 The Future Council

5.4.1. Proposed Organisational Structure for the Council

5.4.1.1 In order to address the issues in paragraphs 5.1, 5.2 and 5.3 above, the following organisational model is proposed for the future Council.



The elements of this model are briefly described in the following paragraphs:

5.4.1.2 The Core Organisation

The development of a cross public-sector strategic commissioning role is key in the future shape of the Council, both in achieving savings and enabling better outcomes. It will entail shrinking and fully integrating the Council to a strategic core and then working closely with those undertaking similar activities in LSP partner organisations. The Core organisation will have essentially three complementary functions:

Strategic Commissioning is about delivering the vision and priorities articulated in the Sustainable Community Strategy through analysing local population needs, assessing the provision landscape, evaluating solutions and commissioning services to meet need. It involves putting in place outcome measures to assess delivery and ensuring effective procurement and contract management. Through engagement with the

community and service users it will develop effective commissioning strategies.

Enabling communities to develop capacity and skills to address their own needs and respond locally. The Core role will be to support capacity building with information skills project support etc. The organisation may provide limited funding over an agreed period to support capacity building, but eventually withdrawing so the local groups become self sustaining.

Regulatory and Safeguarding, ensuring that all services, organisations, agencies and communities act within the legal and regulatory framework so that communities and individuals receive appropriate services. This includes functions such as licensing and public protection as well as safeguarding adults and Children. This does not mean the core will deliver all of the aspects of these responsibilities, but it will want to be assured that these are being delivered in the most effective way.

The above functions are current activities of the Council and its partners but they are not always carried out in sufficient depth, with sufficient commitment of time or in a sufficiently integrated way. The proposal, therefore, emphasises the need to develop these functions and skills in alliance with strategic partners.

Commissioning for health will be the responsibility of GPs under the proposals in the Health White Paper and, depending on the outcome of discussions with the GPs, this function could be appropriately integrated (i.e. ensuring maintenance of clinical leadership) within the core Council. Either way, there will be a role in the Core in influencing the health outcomes of the area, with also the role for Public Health coming into the Council.

5.4.1.3 Customer Services

This grouping is proposed to be the major contact/interface between the community and the public sector. Initially it will focus on Council services, but should develop to provide cover for a greater span of public services in the future. The intention is to provide a single portal for public services, including engagement, consultation, complaints, service requests etc. and enable issues to be resolved as close to a single contact as possible. The service should be multi-faceted (i.e. face to face, Web and Telephone)

Given the nature of this service it is recommended that it should be under the direct control of the core, rather than any form of arms length organisation, to ensure the right culture within its operation.

5.4.1.4 Service Delivery Units

These units will focus on service delivery and associated innovation. They may be part of the Council, another public sector organisation,

private sector, voluntary sector, Not For Profit Organisation or Partnership. Their core business will be the efficient delivery of services to the specified quality. It should be stressed that this is not a structure that necessarily requires “externalisation” of services – this should only be considered if a business case demonstrates clear community benefit from adopting such an approach.

Service delivery units will have the freedom to choose how and from where their support services are provided, but basic minimum standards and reporting formats will be specified by the core. Additionally, if any change is proposed, there will need to be a transition period.

In general, assets will reside with the core organisation.

Further details with regard to Academies, Adult Social Care and Properties Asset Delivery Vehicle are given in the following paragraphs (5.4.2, 5.4.3 and 5.4.4 respectively).

5.4.2. Academies

5.4.2.1 The Academies Act 2010 is now in force and a further ‘Schools and Children’s Bill will be introduced into Parliament before Christmas.

5.4.2.2 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.

5.4.2.3 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.

5.4.2.4 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.

5.4.2.5 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.

5.4.2.6 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

5.4.2.7 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.

5.4.3 Health, Adult Social Care and Housing

5.4.3.1 NHS B&NES and the Council's adult social care and housing currently form an innovative Partnership which directly provides community health and social care services, including Community nursing & therapy services & community hospitals, social work services and Community Resource Centres. There are circa 1700 staff providing these front line

services. The Partnership is also responsible for commissioning adult and children's health, social care and housing services with resources from the PCT and from the Council. Children's Services commissions children's health and social care services on behalf of the Partnership and an integrated team of adult commissioners, based in the PCT is in place for adult health, social care and housing commissioning. The Partnership is headed up by the PCT Chief Executive who has a combined post that also fulfils the function of Strategic Director Adult Social Care and Housing within the Council senior management team.

The Partnership is enshrined in a formal legally binding document that sets out the governance arrangements and the means by which the arrangement can be terminated. This document came into effect in April 2009. The Partnership is overseen by a Health & Well Being Partnership Board that comprises the Leader of the Council, who currently chairs the Board, the Cabinet portfolio holders for Children's Services and Adult Services, the PCT Chair and two Non Executive Directors, the PCT CEO / Director of Adult Social Services & Housing, the Director of Children's Services and the Council's Chief Executive. This partnership is broadly in line with the Government's current proposals, but membership may now need to change in order to reflect increased clinical leadership.

5.4.3.2 The Partnership was set up to ensure streamlined, cost effective service provision arranged around the needs of service users and avoiding the duplication that traditionally exists between health and social care provision. It was also set up to ensure that optimal use was made of the joint resources of health social care and housing and that these were deployed to improve the health and well being of local people and to avoid the conflicts that emerge when the budgets are managed separately (i.e. bed blocking, disputes over funding for packages of care etc).

5.4.3.3 A formal Partnership is not the only way to achieve the intended objectives, but it was intended to speed up the progress towards alignment of budget and provision and to simplify things for service users and for clinicians and practitioners within the system. A benefit realisation scorecard has been developed, however the impact of the Partnership is still in its early phase, having only been formally instigated in April 2009. Early examples of benefit include:

- Positive feedback from service users that services are easier to use and better joined up.
- Positive feedback from local GPs and hospital Consultants that it is easier and quicker to get complex packages of health and social care in place.
- Reduction in numbers of people stuck in hospital when they could be at home or in the community if the right services and support were to be available
- Greatly reduced length of hospital stay, both in Royal United Bath, and in Paulton and St Martins.
- Reduced expenditure on high cost placements for people with mental health and learning disabilities, with more work now being undertaken on placements for older people.

- More robust safeguarding arrangements developing for the care home sector as health and social care professionals collaborate to support improvement in standards such as record keeping, wound care, dignity and personalisation.
- Joint training of health and social care staff to ensure common standards and procedures that deliver consistently high quality care.

5.4.3.4 Given the work that has been done in developing the partnership, the Council/PCT are in a strong position to deliver the requirements of the Health White Paper (a brief summary of this paper is provided in Appendix 2).

5.4.3.5. Specific proposals

a) The Health and Wellbeing Provider – A detailed paper on this piece of work is the subject of another report in this agenda. In summary options have been identified that preserve the integrated provision of health and social care, including transfer of the current health and social care services to an existing NHS organisation; into the Council; create a new social enterprise; create a new public / private partnership.

b) Commissioning – As a consequence of the closure of the PCT by April 2013, and the SHA by 2012, alternative arrangements need to be designed to maintain and develop the current integrated commissioning of health, adult social care and housing. In line with the White Paper, GPs in B&NES have agreed to work together to form a statutory body called a GP Commissioning Consortia covering the 28 GP practices within B&NES and their registered practice population. The nature of this consortium will be determined by the level of resource that is made available by the Department of Health for management and infrastructure, the nature of the contract negotiated by the BMA, and the relationship that develops between the Council and the new organisation. GP leaders and the Council will need to work closely together to agree how best to commission services in the future.

c) Public Health and the responsibility for health improvement, including commissioning responsibility for health promotion, sexual health, screening services and a range of other functions to be defined in the forthcoming white paper. The current Joint Director of Public Health role is vacant and this post and staff associated with the functions will transfer into the Council. The timetable for the transfer, the range of functions, the staff and the budget will be set out in the White Paper expected in December 2010.

d) New Statutory Duties for Local Authorities. The White Paper proposes that Local Authorities be responsible for improving the health of the population, hence the transfer of public health. However there are also a range of other new duties that are intended to address the democratic deficit in health. In particular Local Authorities are required to establish new statutory Health and Wellbeing Partnership Boards. Little detail has been released by the Department of Health to date on the form or role of these

Boards, however it seems likely that the existing Health & Well Being Partnership Board will form a good basis for meeting the new requirements. The White paper suggests that the new arrangements should be in shadow form by April 2011 and that the Partnership Board will replace the current Health Overview & Scrutiny Panel. Other new duties include the responsibility for commissioning Health Watch – a new consumer organisation for health.

5.4.4 Property Asset Delivery Vehicle

The Council owns a substantial commercial estate that generates about £14M of annual rental income and has a value in the accounts in the region of £200M. The estate represents about two thirds of the retail property in the centre of Bath. In addition there are a number of potential development sites in Bath and elsewhere which are owned by the Council and which also have a significant development value.

The creation of one or more asset backed vehicles to hold existing Council commercial and development assets is to be considered as means of:

- Continuing to maximise the total long term return (income plus capital appreciation) of the Council's Commercial Estate.
- Protection of revenue income to Council particularly over the next five years.
- Generation of significant Capital Receipts (of the order of £100m over the next 5 years) to invest in and implement the Public Realm & Movement Strategy and other necessary infrastructure for the future sustainable development of Bath and Bath & North East Somerset (alongside Government funding and developer contributions). The capital receipts will also be used to implement the objectives of the World Heritage Site Plan and support the capital investment necessary for the development of cultural and leisure facilities that will enhance Bath/Bath & North East Somerset in terms of attracting and retaining businesses and residents. Any proposals regarding use of capital receipts for cultural or leisure facilities will need to be supported by robust business plans that do not require substantial revenue support from the Council other than within existing budgets as tempered by the future outlook for local government financing.
- The generation of Capital Receipts is expected to come from working with partners with regard to the Commercial Estate and/or development opportunities within the Council's Corporate/Operational Estate. The overriding principle is that the Council's Commercial Estate will be enhanced by the proposed investment in public realm and infrastructure, World Heritage Site Management and cultural and

leisure facilities and will be worth significantly more (adjusted for any partnership interests that will not include freehold interests) than the “do nothing” alternative.

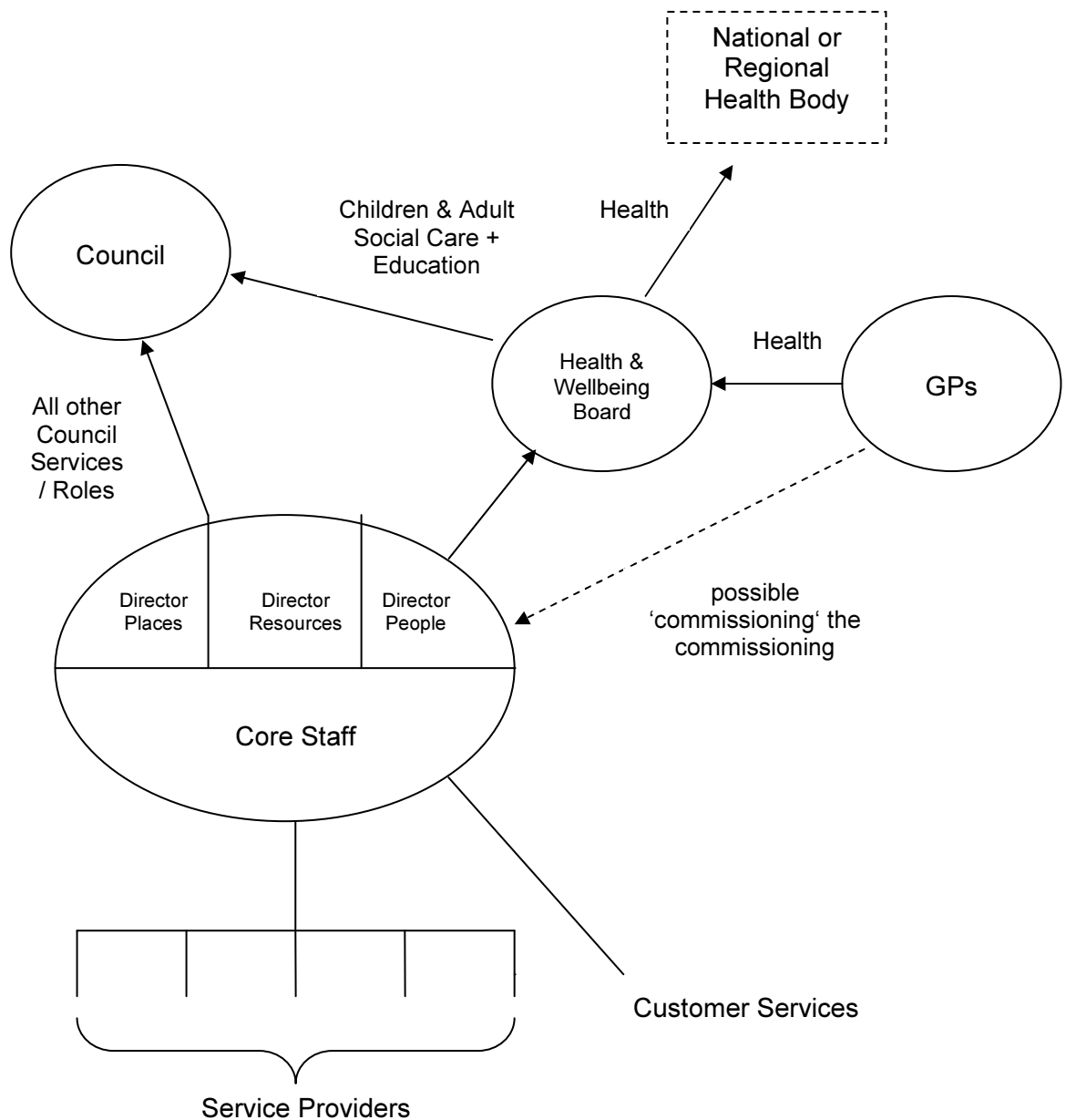
- The Council wishes to identify partners who share the Council’s long term vision for Bath and Bath & North East Somerset and who will be able to contribute capital, experience and value added to the Council’s objectives as stated. In particular, we want to identify a partner or partners who will take a long term view of the Estate while establishing and meeting appropriate short and medium term targets.

The Council also owns operational assets such as offices, depots and parks, none of which are included in the scope of this project. Some of the car parks in Bath may be released for development depending on the availability of alternative parking including additional park and ride. Similarly Heritage assets such as the Roman Baths are outside of scope. In the case of the Council offices a separate project is aiming to reduce the space used as well as the costs of occupation and impact on carbon usage.

Once options have been assessed a report will be submitted for decision with a view to selecting a partner or partners at that stage.

5.4.5 Governance and Senior Management for the Proposed Model

The Council currently has a Chief Executive, 5 Strategic Directors (including one shared with the PCT), and 17 Divisional Directors. The Strategic Directors’ roles are primarily to be responsible for the Corporate Management of the Council whilst service delivery is the direct responsibility of the Divisional Directors (Appendix 4 sets out the principal areas of responsibility for the Council’s current senior management). The proposed model outlined below has a top team of 3 Directors (i.e. a reduction of 50%). The proposal is designed to meet the new environment with an emphasis on commissioning and bringing together of various services to ensure greater integration and improved planning. The new senior posts will take primary responsibility for People, Places and Resources together with a collective responsibility for the Corporate Management of the Council. The Head of Paid Service responsibilities can either reside with one of the Directors (i.e. primus inter pares) or be an additional post. The proposed structure provides flexibility for political leadership depending on the Council’s future preference with regard to the options that are likely to be permitted within the Localism Bill (i.e. Mayor, Executive Leader, etc).



Whilst it is not appropriate to substantially restructure the Divisional Directors until the new Strategic Directors are in post, it is anticipated that there will be an overall reduction in this tier of management of not less than 30%. This reduction will be from a combination of redeployment, transfer to other organisations or redundancy/retirement. Part of this subsequent restructuring will also be expected to deliver a flatter management structure with a target of no more than 4 tiers of management/supervision. (There may be exceptions to this rule where safeguarding expectations require a structured level of management oversight or supervision).

The net effect of the above proposals will be to save the Council up to £2million a year.

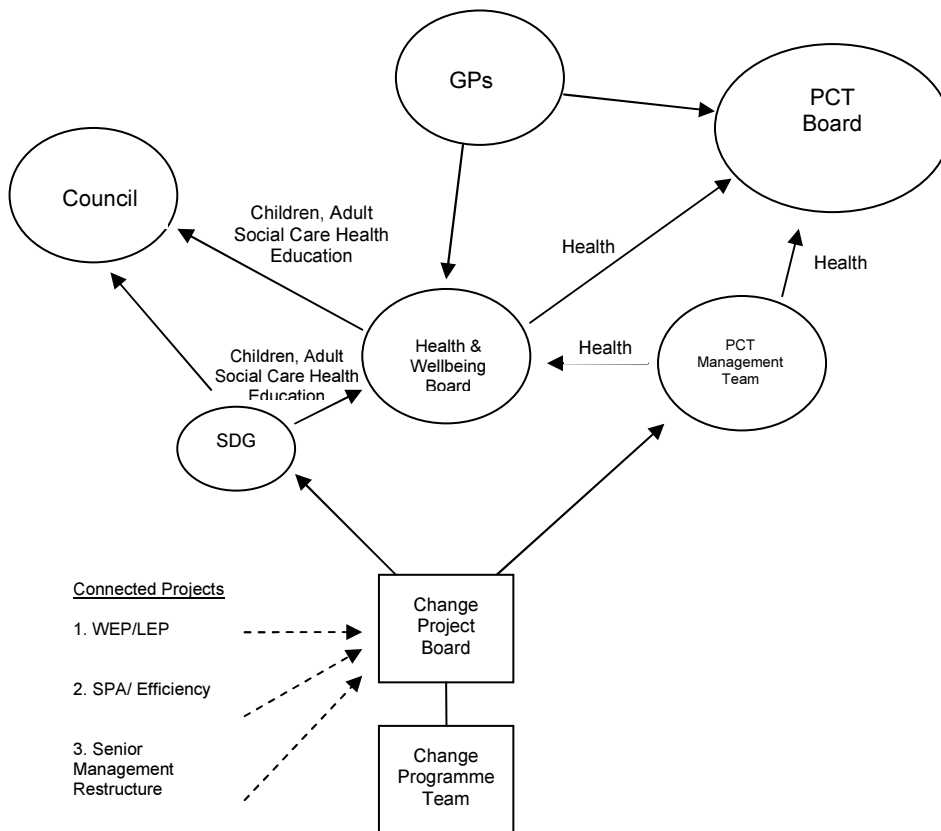
5.4.6 Democratic Process

The proposals in this report do not require any change to the role of Councillors or to democratic decision making. However, as the implications of the Localism Bill become clearer, this will be the subject of a future report to Council.

5.5 Delivering the Proposals

5.5.1 Project Management Structure

Paragraph 5.4 sets out the possible future shape of the organisation to deliver the vision for Bath and North East Somerset, but further work is necessary to establish the full details of such a proposal. The following chart sets out a project management structure that combines a number of existing projects (currently badged as the Change Programme) together with those necessary to deliver the strategic direction set by the Cabinet and Central Government.



	Director of Resources				Children's Services Director			PCT Chief Executive and Director of Adult Services			Lead Director
Cross Cutting Support Projects	Customer Services	Core Council	Support Services	Asset Backed Vehicle	Children's Social C	Youth Services	Academies & residual LEA	Public Health	Commissioner & Residual Body	Provider	Sub Projects
Office Accommodation					Commissioning	Provider					
Communications and Organisational Development											
Process & Systems											
Finance											
Legal											

Appendix 5 provides a summary of the scope and outcomes for each project.

5.5.2 Timescales

Given the timescales set out in some of the legislation together with the severity of the cuts that will be imposed by Government, implementation of the proposals will need to prioritise those elements that deliver efficiencies and those that have statutory deadlines. Overall it is expected that implementation will be completed within 3 years and indicative milestones are set out in Appendix 5. This can be summarised as:

- Academies/Schools: New service model from April 2012
- Children's Social Care; New service model from September 2013
- Children: Youth Service/YOT etc: New service model from September 2013
- Health
 - Provider – Department of Health timetable requires significant progress to solution by April 2011, with implementation locally aiming for September 2011.
 - Commissioner – April 2013 at latest when PCT closes down.
- Public Health – to be detailed in Public Health White Paper due December 2010.
- Property Asset Delivery Vehicle – to be implemented in 2011. Advisers to be appointed immediately.
- Senior Management Restructuring – whilst this will be phased over the 3 year period, reductions will be focussed near the end of the period as considerable senior management resource will be needed to deliver the programme and manage the change.
- Support Services – phased implementation over next 3 years – radical remodelling as Council changes shape probably in 2012/13
- Customer Services – phased implementation which has already begun and continues over next 3 years. Initial focus is on the web, e transactions, communications hub, shared front office, life events and efficiencies. New relationships with schools and health and social care will need to develop.
- Core/Delivery - remodelling largely driven by timetable for Academies and Health & Social Care. The model will need to be working effectively from 2012/13.
- Office Accommodation – already well underway with in Bath Lewis house complete, Trimbridge closing at time of publication of this report, Plymouth House closing next year (2011) and replacement office accommodation in Keynsham in 2014. In addition shared

accommodation has been created at St Matins Bath with the PCT this year.

- Lean Reviews – ongoing with Housing Benefits complete, Waste part complete (missed bins), Council Tax substantially complete, Children’s and Adults ongoing for next 12 months. Others may follow.

5.5.3 Management Structure

It is proposed that implementing the new senior management structure, in accordance with the proposals in this report, will be the responsibility of an Implementation Committee with terms of reference and membership as set out in Appendix 6. The Committee will be advised by the Independent Adviser (as noted by Council at its meeting in May 2010) retained by the Council in respect of this project and the Council’s Statutory Officers as necessary and where appropriate.

With regard to timing, this will be decided by the Implementation Committee following receipt of a detailed resource project plan from the Project Board.

An integral part of the work of the Committee will be to ensure appropriate arrangements are in place for the effective discharge of the various statutory roles the Council is required to put in place, including the Head of Paid Service, Directors of Adult and Children’s Services and Public Health, Section 151 Officer and Monitoring Officer. Other than the first of these roles, it is anticipated that the designation will be to officers/posts at second tier level.

Implementation will be in accordance with the relevant HR policy and practice in place at the time.

6 RISK MANAGEMENT

- 6.1 The proposed Programme Board will develop a full risk assessment for each of the workstreams.

7 EQUALITIES

- 7.1 Each project/workstream will develop an equalities impact assessment against the Equality strands but also prioritise vulnerable people and maintain the emphasis on commissioning skills. The proposals in this report 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 throughout the implementation of the proposed model.

8 CONSULTATION

8.1 This report has been provided to the Trades Unions and they have been invited to submit their views in person at the meeting. Additionally, any written comments received will be circulated to Council.

8.2 Strategic and Divisional Directors have been consulted in the preparation of this report and their views incorporated as appropriate.

8.3 The Council's Statutory Officers (i.e. Finance, Monitoring, Director of Children's Services and Director of Adult Services) have also been consulted in the preparation of this report and their views have been incorporated in the text.

9 ADVICE SOUGHT

9.1 Mike Robinson, the Independent Adviser, has provided detailed comments on this report and they are included in Appendix 7.

Contact person	John Everitt, Chief Executive – 01225 477410
Background Papers	<ul style="list-style-type: none">• Report to Cabinet at its meeting on 3rd November 2010 - Development of Strategy in Response to Coalition Government plans and Public Sector Finances.• Cabinet Resolution with regard to the above.
Please contact the report author if you need to access this report in an alternative format	

APPENDIX 1

Academies Act 2010 – Implications for the Local Authority and Schools

1. Introduction

- 1.1 The Academies Act extends the opportunity to become an academy to all state schools in all phases. Outstanding schools are deemed by The Secretary of State to be 'pre-approved' as Academies. However, they must still undertake consultation with the local community and have their funding agreement approved by the Secretary of State before becoming an Academy.
- 1.2 All academies will be required to comply with all relevant education legislation around admissions, exclusions etc. However, academies are exempt from:
- National Pay and Conditions for staff
 - Following national curriculum requirements
 - Local determination/regulation of how they deploy budget
 - Local determination of school term length and school day times
 - Redress to the SEN Tribunal

2. Academy Funding

- 2.1 Academies are funded by the Young People's Learning Agency (YPLA) based upon a calculation of formula agreed by the Schools Forum within which the academy resides. This means that academies in different Local Authority areas are funded differently.
- 2.2 Academies will receive payment to enable them to provide/commission services that the Local Authority would have provided on their behalf. For all schools who convert in this financial year the DfE will require the Local Authority to repay the Dedicated Schools Grant element of the funding provided to the academy and the DfE will meet the costs of the Local Authority element during 2010-11. The DfE will fund the payments and will consult on a new funding mechanism for 2011-12. Therefore there is considerable uncertainty regarding future funding levels.
- 2.3 However, the key principle is that academies should receive the same level of 'per pupil' funding as they would receive from the Local Authority as a maintained school. Being an academy should not provide financial advantage or disadvantage to the school converting.
- 2.4 Academies financial year runs August-July and not April-March and they receive from the YPLA a (GAG). The General Annual Grant is made up of two elements:
- 2.4.1 An amount equivalent to the schools' current budget share. This will be the same as the amount provided by the Local Authority through the local formula adjusted to recognise reduced business rates (academies are charities) and insurance.
- 2.4.2 Local Authority central spend equivalent grant (LACSEG). This covers the central costs for services the Local Authority no longer provides; the amount varies across Local Authorities reflecting how much the Local Authority has held back with the agreement of its Schools Forum to pay for central services.

2.5 The relevant services that Academies will receive funding for and provide for themselves include:

2.5.1 From the Local Authority's School's Budget: (DSG)

- Special Educational Needs (Mainstream additional funding) (excluding resources for pupils with specific statements of SEN)
- Behaviour support services
- 14-16 Practical Learning Options
- School meals and milk
- Assessment of FSM eligibility
- Repair/maintenance of kitchens
- Museum and Library Services
- Licenses and subscriptions
- Central staff costs (maternity; long term sickness, union duties etc)
- Certain employment termination costs

2.5.2 From other Local Authority sources:

- Local Authority statutory and regulatory duties
- Educational Psychology Services
- Asset management costs
- School Improvement Services
- Monitoring of national curriculum assessments
- Education Welfare Services/Children Missing Education
- Traveller Education Services
- Ethnic Minority Achievement Services
- Pupil Support (clothing grants etc)
- Music Services
- Visual/Performing Arts Services
- Outdoor Education Services
- Certain redundancy and early retirement costs
- Inter-agency child protection training
- Advice and support re child protection matters from the Integrated Safeguarding Officer
- Services from the Local Authority Designated Officer in respect of allegations against staff

(see also Appendix 1 – and Appendix 2)

2.6 The Local Authority retains funding for the following services that it has to continue to provide for Academies:

- Home to School Transport
- Educational Psychology, SEN statementing and Assessment
- Monitoring SEN provision, SEN Parent Partnership
- Prosecution for non-attendance
- Funding for severe SEN
- Pupil Referral Units and Education otherwise
- Hospital Education Services and Support for sick children

3. Key Issues for Bath and North East Somerset Schools and the Local Authority

- 3.1 We need to develop appropriate charging policies for those schools who wish to purchase services from us
- 3.2 When a school becomes an Academy we need to agree which services they may wish to purchase from us
- 3.3 As each Academy will take a proportion of the funding for services this will reduce the amount available to provide these services to the remaining schools. The demand for/need for services from schools becoming academies may be proportionately lower than the funding they will take, putting pressure on funding to deliver for the remaining schools. This needs to be modelled carefully as the funding allocation is confirmed from 1st April 2011 and we should debate whether all Secondary Schools should become Academies.
- 3.4 Depending on the pace of development of new Academies, we will need to look at the impact on Children's Service and consider a review of the structure. Impacts may include redundancies and loss of capacity/flexibility as we down-size and/or the need to out-source services which are too small to remain viable.

APPENDIX 2

Summary of the White Paper: Equity & Excellence: Liberating the NHS (White Paper, published DH July 12th 2010)

NHS Core Values reaffirmed: available to all; free at the point of use; based on need not ability to pay

- **Patients will be at the heart of everything we do**
“No decisions about me without me”
 - Consumer ratings for hospitals & clinicians according to quality of care (Safety, effectiveness & experience)
 - Extended range of choice: of provider, consultant led team, GP practice and diagnostic tests
 - New consumer champion: HealthWatch to be commissioned by LA & to replace LINKS
 - “Information revolution” to support (based on use of information not IT infrastructure)

- **There will be a relentless focus on clinical outcomes**
Some Health Outcomes are among the best in the world, other lag behind (e.g. admissions amenable to community care; inc diabetes & asthma; stroke outcomes)
 - New outcome frameworks for health, public health & social care
 - New role for NICE to provide library of standards for health, public health & social care
 - Removing existing targets that have no clinical justification
 - Establish Public Health Service (White paper later in year) & responsibility for PH moves to LA

- **We will empower health professionals**
 - GP commissioning consortia as new statutory bodies allocated commissioning resource & required to commission with LAs
 - From 2012 Independent NHS Commissioning Board allocating & accounting for NHS resources.
 - ALL NHS trusts to be Foundation; expansion of Any Willing Provider, expansion of Social Enterprise
 - New statutory arrangements within Local Authorities [Health & Well Being Boards] to take strategic approach, promote integration across health & social care & wider council
 - Health O&S replaced by the LA new statutory functions
 - SHAs cease in 2012; PCTs cease in 2013

Localism

BACKGROUND

1.1 The Coalition government's programme focuses on the twin themes of deficit reduction and localism. The "Big Society" encapsulates both themes through its emphasis on the importance of communities' time, effort and capacity in improving local areas, rather than the top-down "micro management" reflected in previous performance regimes.

1.2 The Government propose to give legislative effect to this approach in a Localism Bill to be published this autumn. The Bill is expected to include a general power of competence for councils and new powers for communities to save local facilities threatened with closure- as well as the right to bid to take over local state-run services.

1.3 The Bill has not been published but the following is what was said in the Queens Speech in May

The purpose of the Bill is to:

The Bill would devolve greater powers to councils and neighbourhoods and give local communities control over housing and planning decisions.

The main benefits of the Bill would be:

- Empowering local people.
- Freeing local government from central and regional control.
- Giving local communities a real share in local growth.
- A more efficient and more local planning system.

The main elements of the Bill are:

- Abolish Regional Spatial Strategies.
- Return decision-making powers on housing and planning to local councils.
- Abolish the Infrastructure Planning Commission and replace it with an efficient and democratically accountable system that provides a fast-track process for major infrastructure projects.
- New powers to help save local facilities and services threatened with closure, and give communities the right to bid to take over local state-run services.
- Abolish the Standards Board regime.
- Give councils a general power of competence.
- Require public bodies to publish online the job titles of every member of staff and the salaries and expenses of senior officials.

- Give residents the power to instigate local referendums on any local issue and the power to veto excessive council tax increases.
- Greater financial autonomy to local government and community groups.
- Create Local Enterprise Partnerships (to replace Regional Development Agencies) – joint local authority-business bodies brought forward by local authorities to promote local economic development.
- Form plans to deliver a genuine and lasting Olympic legacy.
- Outright abolition of Home Improvement Packs.
- Create new trusts that would make it simpler for communities to provide homes for local people.
- Review Housing Revenue Account.

2 PROGRESS IN BATH AND NORTH EAST SOMERSET COUNCIL

The Council is well-placed to support and deliver true localism- indeed it can be seen as an exemplar for the approach. For example, the Community Governance Review in Norton Radstock involved local people in shaping the structure of their local councils and is seen as a successful example of such a process. The ground-breaking “Listening Matters” projects in Whiteway, London Road and Queens Road Keynsham are receiving national interest as practical ways of delivering improved services by involving the local community and encouraging people to take responsibility. This work complements other place-based initiatives such as Parish Plans which emphasise drawing in community resources and building relationships with local people. A localised approach can lead to:

- More meaningful engagement and conversations with people and communities - potentially releasing cash savings.
- Public services that are more locally sensitive – and local communities become increasingly involved in setting and delivering priorities.
- A stronger sense of community – supporting and helping communities to help themselves
- A greater role for local elected members as community leaders- providing firm evidence back to central government on the real priorities, building the case for local innovation
- Council services, partners (such as Somer Community Housing Trust) changing the way they work, concentrating on customer needs rather than professional boundaries. In South West Bath a joint local initiative has led to big drops in crime and re-offending

2.1 Developing further these relationships will help both Council and communities be better prepared to use provisions in the Localism Bill to address local issues in more effective ways.

3 “GOING LOCAL” IN BATH AND NORTH EAST SOMERSET

3.1 The Council is now in a strong position to deepen its approach and ensure that the different places within Bath and North East Somerset receive support that is appropriate to that area. There is no “one size fits all”. Instead, support for communities will be tailored to the needs of that area with emphasis placed on the views of elected members as well as comparative data.

3.2 In some cases, this may mean the Council ensuring there is support along the lines Regenerate have been providing in Whiteway; in other areas, however, communities are increasingly resolving their own issues (the most recent example being the Wellow Community Transport scheme).

3.3 This localised approach would be complemented by

- the introduction of “Local Taskforces” of Council and partner staff to respond quickly to local priorities (focusing in particular on effective enforcement on issues such as litter and anti-social behaviour), reducing duplication, identifying and removing bureaucratic barriers, and prioritising support for the most vulnerable.
- the promotion and further extension of employee volunteering in Bath & North East Somerset Council and other initiatives to promote and support volunteering in the area

Council structure

The list below shows the main service areas within Bath & North East Somerset Council, grouped by Strategic Director, then Divisional Director, and then the 'third tier' service, with a named manager wherever possible.



Chief Executive: John Everitt

Improvement & Performance (Divisional Director: Dave Thompson)

Communications & Marketing: Jonathan Mercer

Human Resources: William Harding

Improvement Delivery: Martin Genge

Strategic Performance: Steve Harman

Legal & Democratic Services (Monitoring Officer & Divisional Director: Vernon Hitchman)

Legal Services

Corporate & Community Law Team: Amanda Brookes

Planning & Environmental Law Team: Maggie Horrill

Property Law Team: Andrew Reed

Democratic Services

Overview and Scrutiny: Alix Boswell

Executive and Regulatory: Jo Morrison

Council and Member Services: Tom Dunne

Electoral Services: Aurora Loi Wright

Registrars: Alison Manning

Ombudsman Lyneve Thyer



Adult Health, Social Care & Housing (Acting Chief Executive, NHS B&NES and Strategic Director, Adult Health Social Care & Housing: Janet Rowse)

Commissioning Non Acute and Social Care Services (Programme Director: Jane Shayler)

Housing Services: Graham Sabourn

Safeguarding & Personalisation: Lesley Hutchinson

Non Acute & Social Care Sarah Shatwell

Mental Health & Substance Misuse Services: Andrea Moreland (NHS)

Learning Difficulties & Physical & Sensory Disability: Mike MacCallam (NHS)

[The adult partnership also includes a commissioning team for Acute NHS Care employed within the PCT]

Delivery Services (Managing Director: Jo Gray)

Business Development & Community Resources: Julie Sharma (NHS)

Finance & Business Support: Linda Frankland

Adult Services: Stella Doble (NHS)

Quality, Children's Services, Professional Leadership: Jenny Theed (NHS)

Human Resources & Organisational Development: Amanda Phillips (NHS)



Children's Service (Strategic Director: Ashley Ayre)

Learning & Inclusion (Divisional Director: Tony Parker)

Inclusion Support Services: Nigel Harrison

Integrated Youth Support Service (Youth Service, Youth Offending Team, Connexions): Paula Bromley/Sally Churchyard

Specialist Behaviour Service: Dawn Harris

School Improvement & Achievement: Wendy Hiscock

Children, Young People & Family Support (Divisional Director: Maurice Lindsay)

Assessment & Family Service: Trina Shane

Care & Young People's Services: Charlie Moat

Integrated Safeguarding: Nikki Bennett

Early Years Extended Service: Sara Willis

Health, Commissioning & Planning (Divisional Director: Mike Bowden)

Commissioning and Performance Service (Liz Price)

Finance and Resources (Richard Morgan)

Children's Service Capital and Organisation (Chris Kavanagh)

Parent Support Service (Kevin Amos)

Policy Planning (Change for Children) (Mary Kearney-Knowles)

Independent Quality Assurance & Improvement (Mary Kearney-Knowles)

Human Resources (Jayne Fitton)



Service Delivery (Strategic Director: Glen Chipp)

Environmental Services (Divisional Director: Matthew Smith)

Waste Services: Carol Maclellan

Neighbourhoods & Open Spaces: John Crowther

Highways: Kelvin Packer

Parking: Dorothy Miley

Transport: Jon Evans

Public Protection: Sue Green

Planning & Transport Development (Divisional Director: David Trigwell)

Planning: Baljit Tiwana

Building Control Services: Phil Mansfield

Transportation Services: Peter Dawson

Tourism, Leisure & Culture (Divisional Director: David Lawrence)

Heritage Services: Stephen Bird

Destination Management: Robin Bischert
Arts & Festivals: Ann Cullis
Film Office: Jenni Wagstaffe
Libraries: June Brassington
Finance: Richard Hartill
Sport & Active Lifestyles Lynda Deane



Development & Major Projects (Strategic Director: John Betty)

Development & Regeneration (Divisional Director: Jeremy Smalley)

Growth Agenda
Public Sector Partnerships
Regeneration and Development
Economic Development
Employability and Skills
Bath Western Riverside
Bath, Keynsham, Midsomer Norton and Radstock Regeneration Delivery Plans and developer negotiations
West of England

Projects (Divisional Director: Derek Quilter)

Project Delivery
Major Projects/ Schemes
Project Management (Council wide)
Commercial Management
Contract Procurement
Schools
Combe Down Stone Mines
Public Realm
Major Transport Schemes



Resources & Support Services (Strategic Director: Andrew Pate)

Finance (Divisional Director: Tim Richens)

Corporate Finance

Service Finance teams

Avon Pension Fund: Steve McMillan/Tony Bartlett

Property (Divisional Director: Tom McBain)

Building Consultancy including Print and Engineering: Stephen Sheppard

Business Services including Catering: Ian Crook

Estates and Facilities Management including Cleaning Services: Richard Long

Property Projects Consultancy: Andy Nash

Finance and Admin Manager – Julie Bromley

Policy & Partnerships (Divisional Director: David Trethewey)

Partnership Delivery: Andy Thomas

Partnership Development & Support: Annette Pearson

Sustainability: Jane Wildblood

Equalities: Samantha Jones

Revenues, Benefits & Council Connect (Divisional Director: Ian Savigar)

Council Tax

Business Rates

Benefits

Council Connect

Risk and Assurance (Divisional Director: Jeff Wring)

Corporate Governance

Risk Management

Business Continuity & Emergency Planning

Information Governance

Internal Audit: Bill Crane

Procurement: Eddy Hale

Transformation (Angela Parratt)

Change Programme

Mouchel Partnership (IT & People Services)

APPENDIX 5

Summary of Project Scopes, Outcomes and Indicative Timescales

APPENDIX 5 (i)

Change Programme Board and Steering Group

Role Change Programme Board

Change Programme Board is responsible for

- Acting as the programme's Strategic board to provide overall direction for the programme
- Approving project briefs and allocating resources
- Monitoring overall performance, finances, risks and issues
- Identifying and resolving key issues as they arise
- Ensuring any major changes to the overall delivery of the programme are reported to cabinet
- Identifying any issues for Council including any changes to the shape of the overall programme, changes outside the financial or policy frameworks

Membership

- Chair – CEO B&NES Council
- CEO B&NES PCT
- All Strategic Directors (SD's) from B&NES Council
- Various DD's from the Council & PCT as required inc. Finance, Monitoring Officer, Improvement & Performance plus HR, Policy & Partnerships
- PMO support

Frequency of meetings

- Fortnightly

The meetings are to include some formal Governance as described here, but are also to be issues based to help ensure the programme is fast moving, well co-ordinated and any block are quickly identified and (if possible) resolved

Role Change Programme Steering Group

Change Programme Steering Group is responsible for

- Acting as the programme's operational board to deliver what is set by Change Programme Board
- Gate-keeping access to resources – only projects approved by Change programme Board can access resources
- Work stream leads are accountable for delivery of their work streams benefits
- Reporting on an exceptions basis through the PMO to Change Board issues, risks, interdependencies (financial and non-financial) that threaten benefit delivery and key comms considerations
- Receive a copy of the status dashboard and financials dashboard compiled from monthly work stream reports

Membership

- Chair – SD R&SS

- Work stream leads (DDs or project leads nominees where there is no DD responsible for delivering)
- PMO support

Frequency of meetings

- Bi-monthly (possibly using a pre-booked existing Divisional Director meetings)

The meetings will enable discussion across all key services and provide a clear understanding and ownership of the programme as well as performing some formal governance roles

Programme Management Office (PMO)

- PMO function is provided through the governance structure and organisation of the programme (Appendix X) supported by the Transformation Service
- Receive monthly status reports from each work stream
- Make linkages between work streams, projects and programmes where necessary to secure effective and timely benefits delivery
- Help project leads identify clear purpose and milestones for each work stream
- Track and report benefits realisation (financial and other)

The main job of this office, which is to remain tightly resources, is to operate the Governance for the change programme using approaches already in place across the Council for programme and project management.

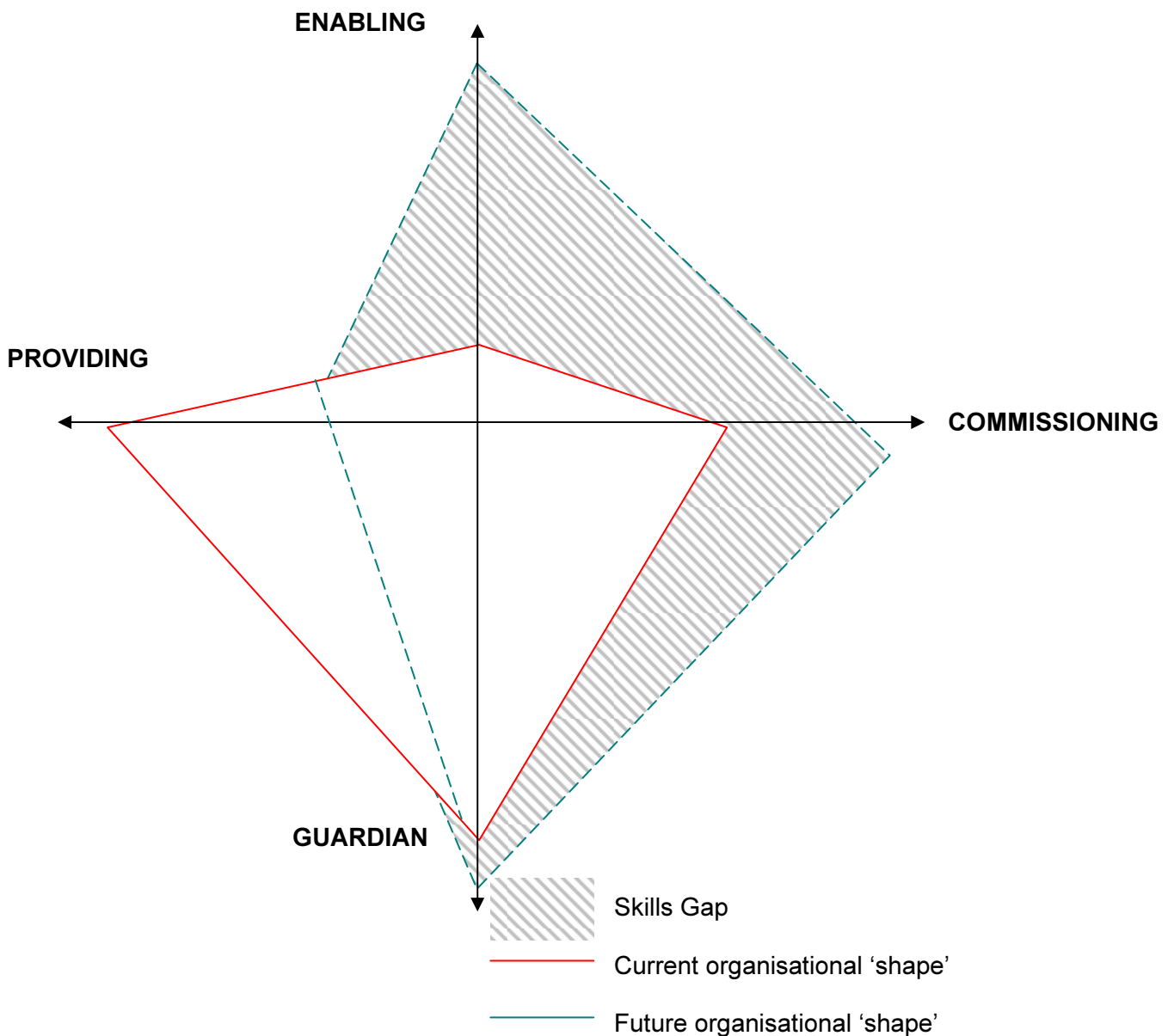
The Programme Office role is separate from the Strategic Finance role that is responsible targets and processes to enable the Council to deliver its medium term plan savings

The Programme office will nevertheless work with Finance to target and savings from the change programme which will in turn contribute to the Council's overall savings target

Children’s Service Project Brief

1. Background

Coalition Government with a transformational and cost reduction agenda. Radical reform and ‘down sizing’ of state functions and opportunity for community and voluntary groups to ‘step up’. Academies Act and intended Schools and Children Bill intended to create a ‘paradigm change’ i.e. to radically alter the landscape within which schools, settings and the wider Children’s Service operates. Local Authorities currently play multiple roles, some of which can conflict at times, therefore the paradigm change for LA’s is to move away from the current pattern of services and roles towards a clear and planned set of roles, this will involve strengthening some skills to deliver some roles and divesting of others. This is captured in the role descriptors and Children’s Services Role Diagram below:



Role Descriptors

1. Enabling
Enabling communities/community groups to develop capacity and skills to address their own needs at a 'universal' level. Role of service is to provide information and skills to support capacity building. E.g. - Safeguarding, safe recruitment, how to write bids, grant-giving bodies, basic skills etc. Service may provide limited funding over an agreed period to support capacity building, eventually withdrawing so that the local groups become self-sustaining.
2. Guardian
Ensuring that all services or agencies act in accordance with both the spirit and letter of law and regulation so that all children and young people receive the level and type of service and support intended or identified as best practice. Ensure that individual institutions do not misuse or short-cut requirements to the disadvantage of children and young people or vulnerable groups of children and young people or individuals. E.g. - Schools Admission Policies, Uniform Policies, Exclusions etc. Local Authority also provides accessible information to enable best customer choice i.e. KPI on schools, etc.
3. Commissioning
Analysing local population needs, assessing the provision landscape, evaluation of solutions (effectiveness/efficiency/evidence – informed) and commissioning (including re-commissioning and de-commissioning) of services to meet need. Putting in place outcome measures to assess delivery (quality, impact, cost) and ensuring effective procurement and contract management. Engagement with local communities and service users to develop effective commissioning strategies. Acting as a reference point for other service areas to utilise commissioning and contestability skills when reviewing provision or deciding upon public value propositions.
4. Providing
Direct delivery of services to individuals, families or agencies in line with statutory or local policy decisions. Services can range from individual support to institutional support/advice.

2. Outcomes

The Project will deliver;

- (i) Proposals for Cabinet/Council on a policy towards the diversification of schools including academies, free schools etc
- (ii) Proposals on the future role of the LA to deliver (a) 'residual' LEA functions (b) those functions mutually agreed between schools and LA to be delivered on behalf of all schools and (c) any functions not covered by (a) and (b) above.
- (iii) Proposals on the future role of the LA in relation to delivery of Youth, Youth Offending, Post 16 commissioning and Career Advisory Services.
- (iv) Proposals on the future role of the LA in relation to delivery of Social Care functions for Children, Young People and Families
- (v) Proposed service structures to deliver (i) to (iv) above with plans for change to be implemented from 1 April 2012 through to 1 April 2014.

3. Project Team

- Strategic Director of Children's Services
- Divisional Director – Health, Commissioning and Planning (lead on co-ordination)
- Divisional Director – Learning and Inclusion (lead Youth et al)
- Divisional Director – Safeguarding, Social Care and Family Support (lead on Social Care)
- Head of Finance (lead – Academies)
- Specialist Consultancy
- Others: to be confirmed

4. Project Plan

Draft attached – further detail to be added

Future Children's Service Project Plan

Work Area 1 – Academies					
		Work Streams		Lead	End Date
1.	Strategic Policy Issues	i.	Overall approach to Academies	AA	01/11
		ii.	Primary Phase – Relationship	AA	01/11
		iii.	Secondary Phase – Relationship	AA	01/11
		iv.	Special Phase – Relationship	AA	01/11
2.	Operational Policy Issues	i.	Land – Asset Management	RM/RS	02/11
		ii.	Inclusion – Attendance – Exclusion Policies	TP/NH	01/11
		iii.	CPD, Curriculum and Leadership Development	TP/WH	01/11
		iv.	Admissions, Fair Access, Transport Policies	MB/KA	01/11
		v.	Support, Advocacy	MB/KA	02/11
		vi.	Standards and Improvement	TP/WH	01/11
		vii.	Exclusions, managed moves, etc	NH	3/11
		viii.	Finances, transfers, etc	RM	11/10
		ix.	Safeguarding, safe recruitment, allegations management	ML/NB	12/10
3.	Residual Duties	i.	HTST	KA	03/11
		ii.	SSEN, Assessment, EPS	NH	03/11
		iii.	SEN Monitoring, Parent Partnership	NH	06/11
		iv.	PRU/EOTAS	TP/NH	03/11
		v.	Sick children	NH	06/11
		vi.	Non-attendance Prosecutions	NH	01/11
		vii.	ISO/LADO Services	NB	12/10
4.	Optional Service Areas	i.	Admissions, Access, Appeal Management	RM/KA	03/11
		ii.	CMES	RM/NH	03/11
		iii.	Specialist Teaching	RM/NH	03/11
		iv.	Music	RM/RD	03/11
		v.	Health and Safety	RM	03/11
		vi.	EMAS and TES	RM/WH	03/11
		vii.	Standards and Improvement	RM/WH	03/11
		viii.	ICT Support	RM/ST	03/11
		ix.	SWGfL	RM/ST	12/10
		x.	HR	RM/JF	11/10
		xi.	Finance	RM	11/10
		xii.	Property Services	RM/TMcB	03/11
5.	Costing/Charging	i.	Full cost recovery margin (methodology)	RM	10/10
		ii.	Differentiated charging policy?	RM	03/11
		iii.	Break even/cost effectiveness model (per optional service area)	RM	12/10
		iv.	Cost analysis/benchmarking per area	RM/TR	12/10
6.	Service Models	i.	Discussion with Chair of Governors and	RM/AA	10/10

			Headteachers		
		ii.	Option development: discreet/integrated	RM – CLT	03/11
		iii.	Models – Lead school (pooling) – Buy back (see 1(i)) – Co-operative – Commissioned/Provider	RM – CLT	06/11
7.	Consultation				
8.	Final New Model of Service Delivery				

Work Area 2 – Youth, YOT, Post 16 Commissioning					
		Work Streams		Lead	End Date
1.	Youth	i.	Formal consultation	PB/TP	11/10
		ii.	Implementation of change	PB/TP	3/11
		iii.	Develop community capacity building model	PB	3/11
		iv.	New Service Model operational	PB	4/11
		v.	Pilot of community capacity building		
2.	YOT	i.	Review Funding following CSR	SC/TP	12/10
		ii.	Further work TBC		
3.	Post 16 Commissioning / Careers Advice	i.	Review current structure	TP/NB	12/10
		ii.	Scope changes outlined in Schools and Children Bill	TP/NB	12/10
		iii.	Further work TBC		

Work Area 3 – Social Care					
		Work Streams		Lead	End Date
1.	Lean Review	i.	Initial Scoping Group	AA/ML	8/10
		ii.	Project Team	ML/AP	9/10
		iii.	Lean Review Process	ML/AP	4/11
		iv.	Further work TBC		

Indicative Timeline – Academies

Period	Activity
1.9.10 – 31.12.10	<ul style="list-style-type: none"> • Establish additional charge for services purchased by academies to recoup full cost of delivery • Hold Chair of Governors/Head Teacher workshops on Academy implications to begin to develop policy and service delivery options • Initiate work on scoping land/asset transfers, covenants and outstanding historic transfers re: Voluntary Aided and Voluntary Controlled Schools (to allow Diocesan Boards to complete 125 year leases for any Church schools becoming academies) • Establish basic charging policy for optional services which Academies may 'buy back' from LA • Establish interim 'basic' contract for service to be used by LA Services being 'bought back' by Academies.
1.1.11 – 30.5.11	<ul style="list-style-type: none"> • Develop and consult upon LA – wide policy on school diversification (Academies and 'Free' Schools), position on residual LEA functions and on optional services. • Develop service models to ensure LA provides statutory/mandatory functions and optional functions ready for consultation with staff, various and partners • Reports to Scrutiny, Cabinet and Council (as required)
1.6.11 – 30.9.11	<ul style="list-style-type: none"> • Informal consultation with staff, unions, stakeholders • Initial discussions with Schools, Academies and Schools Forum re: contracts for Service, Data Sharing, residual duties • Reports to Scrutiny, Cabinet and Council (as required)
1.10.11 – 30.11.11	Formal consultation with staff and unions
1.12.11 – 31.3.12	Re-structuring of services to implement new service models
1.4.12	New service models in place and operational

APPENDIX 5 (iii)

HEALTH, ADULT SOCIAL CARE AND HOUSING PROJECT BRIEF

The implications of the Health White paper are split into four work streams within the Change Board Programme. The objective, scope and where known the timetable for each work stream are set out below:

Work stream One: Transforming Community Services

Objective

To identify & establish new organisational model/s for integrated B&NES CHSC service in light of PCT closure & DH directive to divest community services

Scope

All front line services currently within B&NES CHSC & the commissioning of such on behalf of B&NES residents. Potential to expand scope as part of the project

Timetable

Date	Milestone
July 31, 2010	Project Plan submitted to / approved by SHA
Aug 31, 2010	Commissioner Case for Change to SHA / DH
Sept 30, 2010	Commissioning Intentions to SHA / DH
Nov 16 / 18, 2010	Decision making in Full Council & PCT Board
Nov 22, 2010	Integrated Business Plan to SHA /DH
March 31, 2011	Organisation set up & Management team in place
Sept 30, 2011	Organisational becomes operational

Workstream Two: Transforming Commissioning

Objective

In line with new legislation due out Dec 2010, to transfer the current PCT commissioning function to:

NHS Commissioning Board (Specialist, Maternity, Primary Care)

B&NES Council (Public Health, Health Improvement, Sexual Health, Screening)

GP Commissioning Consortia (Hospital & Community health services)

To determine the future of the current integrated health, social care & housing commissioning capability in light of above & aspirations of GP Commissioners & Core Council

To put in place integrated or aligned commissioning arrangements that are affordable within given management cost allowance and fit with the Core Council concept / strategic direction

Scope

Consistent with the scope of the current Commissioning Partnership for Adult Health, Social Care & Housing

Children's health commissioning

Business continuity of circa £280m PCT Commissioning Business & circa £53m Council Adult Social Care & Housing business

Transitional joint working arrangements between NHS B&NES, Wilts, Glos, & Swindon

Timetable (to be detailed in legislation due Dec 10)

Date	Milestone
April 2011	Outline shape of GP Commissioning in place
April 2012	Shadow GP Commissioning Consortia in place with delegated budgets
April 2013	New statutory GP Commissioning Consortia formally established , with live budgets

Workstream Three: Transforming Public Health

Objective

In line with legislative framework expected in Dec 10, to transfer public health capability & capacity from NHS B&NES to B&NES Council

To ensure that the LA is well placed to meet its new statutory duty re health improvement

Organisational Development to embed the principles of improving public health & well being across the wider Council & public sector partners business

Scope & Timetable

As directed by Department of Health (White Paper due Dec 2010)

Workstream Four: New Statutory Duties for Local Authorities

Objective

To put in place the infrastructure and organisational development to ensure that B&NES council can effectively meet the new statutory requirements resulting from the Health White Paper / legislation

Scope

Establishing statutory Partnership Board in line with legislation (due Dec 2010)

To ensure ongoing capacity & capability to create JSNA to inform local partnership planning

Establishing capability & capacity to take on population based strategic oversight of health service planning

Establishing overview & scrutiny arrangements within the new Partnership Board

Putting in place arrangements for commissioning local Health Watch

Timetable

Date	Milestone (All subject to legislation due Dec 2010)
31.3.2011	Partnership Board in shadow form
31.3.2012	Partnership Board fully established
31.3.2011	O&S closes down
31.3.2011	Healthwatch commissioned

APPENDIX 5 (iv)

The work streams led by the Director of Resources are summarised below:

Work stream One: Customer Services

Objective

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.

Scope

Web, phone, one stop shop, and all other customer contact involving the Council and its key partners.

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.

The programme is not just about Council Connect but also customer contact in all Council and some partners services. It should involve key partners being co-located in 'one stop shops'.

Is not just about 'one stop shops' and actual or virtual call centre but also integrated and common approaches across all services to get it right first time, handle 'life events' including change of address better.

The programme builds on the successes in Council connect and concentrates on ensuring the process for customers works 'end to end'.

Timetable

Date	Milestone
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">• Hollies 'one stop shop' improved• Protocols for Customer Contact created to enable core Council concept to be consistent with integrated customer contact• Improved web enabled systems implemented and web site enhanced or replaced• Future approach for telephony resolved• Systems changes (phase 1) implemented• Life events approach and 'tell us once' implemented
2012 & 2013	Lewis House One stop & communications hub shops opens Further systems changes (phase 2 & 3) and possible change to telephony Impact of new academies and changes to delivery of health and social care effectively

	resolved
2014	Keynsham new one stop shop opens

Workstream Two: Core Council

Objective

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'.

Scope

The programme looks at how the Council's commissioning role should be integrated & how changes in the NHS should be linked

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.

Timetable

Date	Milestone
April 2011	Outline shape of Council Commissioning role and protocols established
June 2011	Localism Agenda reflected in revised democratic decision making structures
April 2012	Changes in LEA role & Health changes inc. public health role implemented Role of Local Strategic Partnership resolved and revised
April 2013	New Commissioning approach fully implemented

Workstream Three: Asset Backed Delivery Vehicle

Objective

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.

Scope & Timetable

Timetable

Date	Milestone
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)
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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 plus 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

APPENDIX 6A

RE-STRUCTURING IMPLEMENTATION COMMITTEE

The Committee's Span of Responsibility

To determine all necessary arrangements for implementing the indicative senior management structure, including numbers and the span of work responsibility for those officers.

To determine appointments to or dismissal from the posts of Chief Executive, 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 allocation of the statutory roles of Head of Paid Service, Monitoring Officer and Chief Financial Officer.

Membership

The Committee shall comprise 5 Members in the political proportion 3 Conservative Members and 2 Liberal Democrat Members.

APPENDIX 6B

EMPLOYMENT COMMITTEE

To exercise all powers and duties of the Council under section 112 of the Local Government Act, 1972 relating to its role as an employer, except those reserved to the Restructuring Implementation Committee.

To hear staff appeals requiring Member level involvement, under accepted national or Council schemes of conditions of service.

To conduct investigatory hearings requiring Member level involvement under accepted national or Council schemes of conditions of service.

To determine on behalf of the Council its powers and duties as an employer relating to pensions.

The Committee's Span of Responsibility

All matters relating to the role of the Council as an employer except those reserved to the Restructuring Implementation Committee.

All appeals or investigatory hearings requiring Member consideration including those relating to disciplinary, capability, grievance, and redundancy matters for all staff, including teachers.

Membership

The Committee when meeting to consider ordinary business, or as a hearing will comprise 3 Members in the political proportion 2 Conservative Members and 1 Liberal Democrat Member.

Comments from the Independent Adviser

The Overall Approach

The Council is to be commended for reviewing its vision and future role in the light of the planned major cuts in local government expenditure and the Coalition Government's ambitions for a changed role for the citizen and local communities within the framework of the 'Big Society'.

Reacting early to the new national policies and reduced funding will enable the Council to put in place an imaginative and deliverable vision and be in greater control of its own destiny. Most councils are recognising that the scale of the budget reductions now require a radical rethink of the level, range and means of delivery of local government services.

However, it is right to view this as process that will take 2 to 3 years because of the radical nature of the change and because many of the governments ambitions have yet to be developed in sufficient detail to understand the full service and financial implications.

While the enabling model set out in the report is a sensible and appropriate response to the current challenges facing the Council there are a number of points worth emphasising:

1. There are real risks of service fragmentation for councils embarking on a combination of significant budget reduction and moving to a commissioning model. It is right for the Council to emphasise the importance of maintaining the core role of the centre in acting as a coordinating and communication portal. Maintaining and enhancing investment in the customer interface will become crucial to making an enabling model work effectively. There will be cost and political pressures to reduce such central overhead costs in the current climate but maintaining the core coordinating / communications functions should remain a high priority
2. The Council needs to think through the organisational, managerial and resourcing implications of achieving the step change that will be needed in local community engagement if the proposed model is to work effectively. There are a number of initiatives already working effectively but it is worth reviewing how these can or should be scaled up.
3. Given the Governments direction of travel it may be advisable / more cost effective for the Council to define with absolute clarity its preferred local response on the key issues (e.g. the approach to academies and GP commissioning). This will give local communities and partners and other agencies greater certainty and will aid planning and speed organisational change. Councils that reluctantly implement the government initiatives will be faced with running hybrid systems with consequential additional costs.

The Managerial Restructure

In the current financial climate it is timely for the Council to review its senior management structure in the light of its vision and financial circumstances. Most Councils are embarking on managerial reviews to cut costs but the most successful will be those like Bath and North East Somerset that link these with a rethinking of their vision and service model.

While the current 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.

While it seems logical and appropriate that senior management costs are reduced in line with reductions in the expenditure base, the Council needs to design a senior management structure that can cope with the major leadership and managerial challenges set out in the paper. 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.

Therefore the senior managerial changes need to deliver smarter working and greater managerial capacity as well as financial savings. It must address the need to change the mix of skills particularly in respect to commissioning and engagement skills referred to in appendix 7 (iii). Any restructure that does not deliver this reconfiguration of skills will be a wasted opportunity.

Clearly this is something that will be addressed as the more detailed structures below Strategic Director are designed but it should also be taken into account in the design of the Strategic Directorate team.

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 from 5 (excluding Chief Executive) to 3 is not unreasonable given the size of the authority and comparing the emerging practice in other councils.

Using the post designations of Directors of People and Place is not unusual but nevertheless will need some explanation to the public who will not be used to this nomenclature (i.e. Housing Services a people or place service?)

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. In other words does the Council have a senior team of 3 or 4. The report offers the Council flexibility on this issue.

In determining how the Council wishes to exercise its discretion on this issue it may be helpful if I make the following observations.

1. Whether the Council wishes to retain or dispense with the role of a stand alone Chief Executive depends on the role it envisages for its leading members.
2. Combining the Head of Paid Service role with a Director role can work effectively if the Council adopts either a 'Mayoral' model or a very proactive 'hands on' role for the 'Lead Executive' member who could perform many of the external facing elements of a Chief Executive. This approach may or may not work depending on the mix of personalities.
3. If the Council does not envisage such a proactive role for its leading member then, in the light of the substantial change agenda set out in this report, it 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.

Conclusion

The proposals set out in the report for the development of a new organisational model for the Council are an imaginative and practical response to the challenges facing the Council. The managerial restructuring proposals are not out of line with current practice although the Council needs to match the scale and pace of change with the managerial capacity that the new structure will offer.