

Bromsgrove District Council Redditch Borough Council

RESTRUCTURE OF ENABLING HEADS OF SERVICE 2013/14

BUSINESS CASE

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1. Background

In April 2010 the Joint Management Team was established to include 4 posts relating to the Heads of Service responsible for the management and direction of Revenues and Benefits and Customer Service functions together with the support services (legal, finance , ICT etc).

These posts are :

- Head of Legal, Equalities and Democratic Services
- Head of Finance and Resources
- Head of Business Transformation
- Head of Customer Services

Over the last 3 years officers have been reviewing the way they work and provide services to the customer using a systems thinking framework to transform service delivery. As part of this work a number of key financial principles have been developed to ensure that savings can be delivered to meet the current funding pressures that face the Authority whilst protecting key front line services that provide value to the customer. The principles are ;

- Reduce waste in a system (Stop it now)
- Design a new system to reduce waste and cost
- Reduce the costs associated with enabling service provision rather than those that create the value to the customer.

In addition the system thinking framework enables the organisation to consider 3 levels of costs associated with services delivered ;

- Create Value – these are the costs to deliver front line service, those which create real value to the customer
- Add Value – these costs provide support to those services on the front line. They add value to the customer but do not directly deliver the service

- Enable – there are a number of costs that relate to the enabling functions across the Council. These include the management and support services that provide advice and support to the services who add and create value.

As part of the financial principles officers have reviewed the ratio of the cost of the enabling and add value functions compared with those that create value with the aim to align resources to those that provide the most value to our customers. This has demonstrated that there is a significant cost associated with enabling and supporting the organisations.

Aim of Review

In reviewing the functions within the Finance and Corporate Resources Directorate there are 2 main aims;

- reduce the costs associated with enabling and adding value to the organisation
- link the proposed structure with the Strategic Purposes of the Council which have been developed following evidence of customer demand.

This review takes into account the information from the systems thinking interventions to date in relation to Revenues, Benefits and Customer Services and how this fits within the delivery and focus on the strategic purposes of the organisation. The aim of the changes proposed is that it will begin to link the management structure with the purposes.

The services currently delivered and included within this review link directly to the Strategic Purpose of **help me become financially independent**. In addition there is clearly a support required to **enable the Business** in its future development.

2. Outcome of Review

Whilst there is a need to redress the balance of costs associated with creating value to the customer against those which enable the business there remains a requirement for a professional framework of support and advice to enable the organisations to develop in a compliant and progressive way.

There are a number of staff that provide this enabling function within Bromsgrove and Redditch Councils including ; Legal, Democratic Services, Finance, Human Resources and IT. It is important to recognise that officers will continue to streamline and reassess the systems that are undertaken in these areas to ensure that a more proactive approach and cost effective service is delivered to those elements of the Councils that provide value to the customer. This will be done within a legislative framework that is in place in many of the enabling parts of the organisation.

ENABLING GOVERNANCE OF THE ORGANISATION

The Governance of the organisation is fundamental to ensure that the decisions of the Council are legally compliant and defensible and that members are supplied with a full and detailed account of matters to be determined. It is clear that in determining the mechanism for decision making and members support that there is some way to go in ensuring that waste is driven out of the process but it is also clear that necessary waste will continue to exist in any system that is predicated on democracy - and this is as it should be. The enabling functions of the organisation to deliver the level of Governance support are currently serviced by the Legal and Democratic teams.

It is clear that a significant part the elections team work supports the enabling of the organisation through supporting good governance. Although the majority of the elections team provide value directly to the customer and are not generally defined as enabling posts, they do support the democratic process and the robust governance arrangements that the Council has in place.

It is also worth noting that as part of the professional enabling of the Governance of the Council the provision of a Monitoring Officer is a Statutory Function and therefore necessary to the organisation in accordance with the Local Government Act 1979.

ENABLING THE FINANCIAL MANAGEMENT OF THE ORGANISATION

The Council is facing significant financial pressures over the next few years and at present there are no indications that this will improve. In addition the systems thinking approach will require the finance service to realign the financial structure of the organisation in line with the new approach.

It is vital that the organisation has a clear understanding of the impact of the pressures across all levels of the organisation. The finance team will have to support the managers to deliver services with ever limited budgets available and need a clear financial focus and direction to enable this to have a positive outcome. Whilst there remains a need to reassess the costs associated with the enabling of the financial management of the organisation it is also important to have a strong and transparent link between the S151 and Deputy S151 Officer to facilitate proactive and timely decision making and the exchange of professional advice and support. This would also enable direct collaborative working between the S151 and the Deputy to ensure a consistent approach is made when dealing with financial legislative issues.

ENABLING THE TRANSFORMATION AND ORGANISATIONAL CHANGE OF THE ORGANISATION

The key to transformational change is to ensure that staff are involved at each stage. There are many ways to ensure that staff are included, motivated, developed and understand the impact of the new ways of working all which link to the organisational development and employee support that is provided to both staff and managers by the human resources and organisational development team. Feedback from a number of transformation interventions has shown that the support for staff during and after the interventions is key to the successful delivery of a new way of working. This can only be enabled through positive and supportive management of change and to develop a skilled workforce for the future.

The cultural and organisational change that has been evidenced by the systems thinking work when mapping out processes across the organisations has identified the significant impact that transformation has on employees and organisational development. The future support and development of our staff is the essential to ensure that the new ways of working become the new culture of the organisation. Human Resources and Organisational Change need to be at the centre of the transformation of the organisation.

The business transformation team remains fundamental in driving the transformation forward and therefore remains a key service in the changes to be made by the organisation. In addition the policy and performance team provide advice and support on extracting data to ensure that measures reported are evidenced based and add value to the decision making in the Council.

To enable the organisation to transform the services the staff require appropriate resources and support to change the way they work and to create a systems thinking culture.

The ICT section has been through an intervention and redesigned service provision based on customer demand. A new structure is now in place to support the demand and enable the Council to move forward with the technology and system improvements.

HELP ME BECOME FINANCIALLY INDEPENDENT & ENABLING THE CUSTOMER

The transformation and system thinking approach is fundamentally changing the way the Council deals with the customer to enable them to access experts and advice and support more easily than in the past. This has resulted in a change within the customer service department, ensuring that experts deliver a quality service to our customers which has resulted in enhanced customer service skills being required.

The development of structures to enable the delivery of strategic purposes would result in the customer service advisors utilising their skills across the organisation and therefore providing an excellent skill base to all staff.

The interventions that are in place have shown that customers value excellent customer service and that this should be in place across the whole organisation to ensure that the customer needs are addressed in the most appropriate way.

A key purpose for the organisation is to help support customers to become financially independent. This purpose links with a number of other strategic purposes including; help me run a successful business and help me live my life independently. Together with the customer service team the main function currently providing support and advice to maximise customers available income is Benefits with Council Tax, Business Rates and general income recovery processes and systems being aligned to this purpose.

The Benefits Service generally creates value to the customer with the intervention that has been in place for over 2 years providing a face to face service for any customers that present at the customer service centre.

The measures that are to be developed in this service will evidence the benefit entitlement that claimants are requesting together with number of claimants and the general end to end times that this service takes.

It is clear that there are still a number of functions in the benefits services that require intervention through a systems thinking framework and it is anticipated that the support to the customer in helping them be financially independent can be provided in a more effective and generic way.

In addition to the benefits service the purpose of financial independence can be linked to the services provided by Council Tax, Business Rates and income collection and recovery.

The service has recently been restructured with the aim to focus on creating value to the customer with experts in Council Tax and Business Rates now providing a face to face support in the Customer Service Centre.

The Revenues Service is primarily a proactive one in billing and collection of money owed to the Council, with some reactive work in dealing with change in circumstances, or in response to enquiries about the bills, or any subsequent recovery action. Further work needs to be developed to help customers who can't pay and to understand what we could have done earlier in our relationship with the customer to avoid them getting into debt. This support links in with the strategic purpose of "help me to be financially independent".

Although no major intervention work has yet been done within the Income team, there has been some small pieces of work carried out which strongly indicate that changes within the income service will need to be led by the outcome of interventions within the key frontline services, rather than from within the Income service itself. This may see the income part of the systems being variable and linked to the purpose of each frontline system and will need to develop a strong customer service ethos to help customers and meet purpose. Although an enabling service it is one that also adds value.

To enable the customer to access all of the Councils services in an effective and supportive way it would be more effective to link the client property management responsibility to the theme of Enabling the Customer. This would provide a strategic direction to be in place to support the Capital Assets Group across the County and to liaise with partners and stakeholders when assessing the most effective use of our assets in the delivery of the Councils strategic purposes.

The asset management of our resources will support the way the Council delivers the services to the customer. There are a significant number of assets held by Redditch Borough Council and there is a need to review these assets in line with a clear and robust asset management plan. At Bromsgrove District Council there are less assets but there remains a need for a consistency in approach when supporting customer access.

With the need to ensure our customers are able to access services in the most appropriate way it is important to identify customer demand and how customers wish to access our services.

In addition, particularly in Redditch, it is important to review our assets to ensure that those that provide income to the authority are achieving this in the most effective way and to assess the options available to the organisation if they are not.

In linking the services to support financial independence and the property portfolio it will lead to a focus on helping our customers to be financially independent whilst reviewing customer access and our ability to review assets in a transformational way.

There is an evidenced need to focus on debt advice and support and by bringing the customer service, council tax, income, and benefits teams together this can be achieved in a more holistic way and would provide an customer focused support to address individual needs.

3. PROPOSALS

It is accepted that any proposed changes to structure may be revised as a result of consultation. In addition it is recognised that as the Councils continue to develop the services in a systems thinking and transformational way further structure changes may be proposed.

As a result of the outcome of the review as detailed above it is proposed that:

Revisions to current posts:

Head of Legal, Equalities & Democratic Services

It is proposed that the responsibilities within the Enabling Governance role are the same as the current Head of Legal, Equalities and Democratic Services. This is due to the fact that the responsibilities are the same as at present as clearly the services currently defined within this role are linked to enabling the Governance of the Organisation and would not link directly to another purpose. This post to continue to report to the Executive Director Finance and Resources as at present.

Financial Services Manager

It is proposed that the responsibilities as defined in the Enabling Financial Management meet the current role of the Financial Services Managers but the reporting line of the post is revised to directly report to the Executive Director Finance and Resources. In addition the client role for Internal Audit would be linked to this post. It is therefore proposed that the current Financial Services Manager reports to the Executive Director therefore addressing the need for a direct link between S151 and Deputy S151 Officer.

Head of Transformation and Organisational Change

It is proposed that the roles defined within the Enabling of Transformation and Organisational Change be undertaken by a revised post of Head of Transformation and Organisational Change. It is proposed that the current Head of Business Transformation has a change to their relevant post title to include the organisational change element. This does not represent a significant change to the current role.

New posts:

Head of Customer Access and Financial Support

It is proposed that a new post be created to be responsible for enabling the customer to access Council services as well as meeting the strategic purpose of helping residents to be financially independent. This role would have a corporate responsibility for ensuring a strong customer service focus, alongside the specific services relating to the provision of personal financial advice and support as well as the wider issues of the community's access to services.

Deleted Posts:

Head of Finance and Resources

It is proposed that this post be deleted as the new roles and responsibilities in supporting the strategic purpose do not fit into the current role

Head of Customer Services

It is proposed that this post be deleted as the new roles and responsibilities in supporting the strategic purpose do not fit into the current role

.3. FINANCIAL ARRANGEMENTS

Existing Service Costs

The current cost for the Heads of Service and the Financial Services Manager is (total) is £ 425k

New Service Costs

The new service costs will be £348k

The basis of cost sharing across the Councils will be on a 50:50 sharing

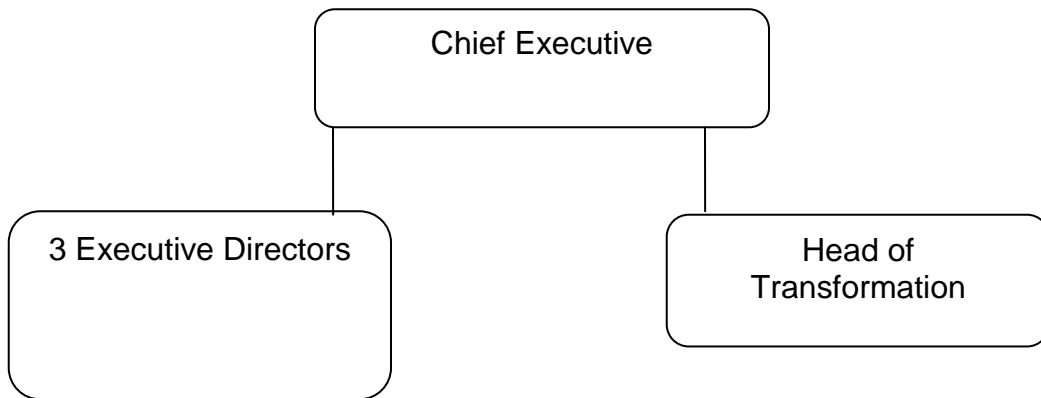
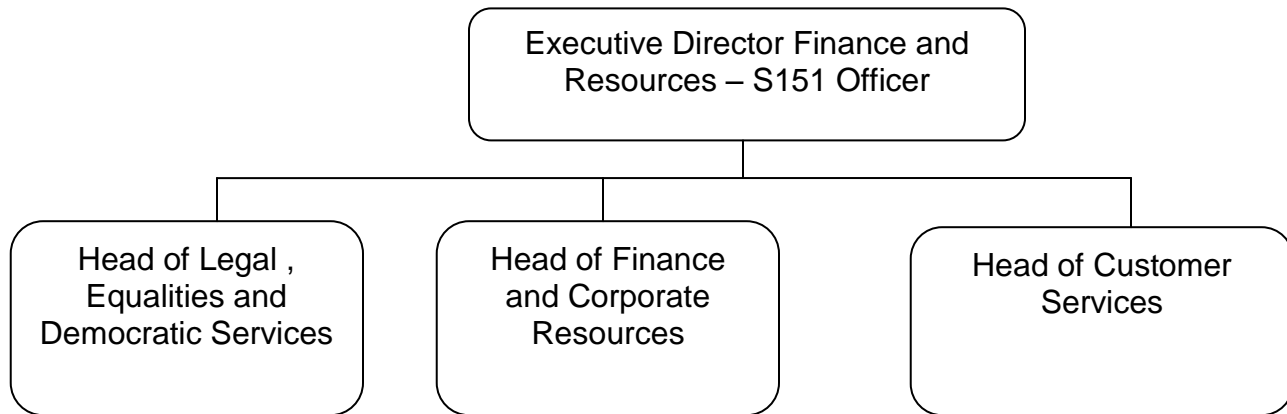
TOTAL SAVINGS
Per Council

£77k per annum
£39k per annum

The cost of implementing the above proposals in terms of potential redundancy / early retirement costs are between £30k and £210k.

4. **STAFFING ISSUES**

CURRENT STRUCTURE



PROPOSED STRUCTURE

