

## GENERAL PURPOSES AND AUDIT COMMITTEE - 29 JULY 2020

### PREPARING THE ORGANISATION FOR FUTURE CHALLENGES

#### Summary

The ongoing COVID-19 pandemic has fundamentally changed the way we work as a council and the way we respond to demand for council services. This has very quickly re-shaped the way we lead our workforce and deliver services.

The pandemic has affected our financial resilience, already tested as a result of previous and ongoing grant reductions, growing demand for services as the borough changes and use and reduction of our reserves. In this already challenging context, COVID-19 has had an immediate and detrimental impact on the Council's finances. The crisis is likely to be long-lasting and far reaching, affecting more than one financial year. We are re-thinking the fundamental assumptions that underpin our already challenging Medium Term Financial Strategy (MTFS), making the 'budget gap' for 2021/22 and beyond even larger and the uncertainty ahead even greater. Our priorities, services and plans are being reconsidered and adapted in the light of the crisis, new duties and in-year emerging budget gap. It may now be impossible to deliver the full range of policies and plans that reflected our priorities and informed our MTFS agreed in February 2020 and refreshed in July 2020.

The pandemic has also had far-reaching effects on our local community and we will need to closely monitor and re-evaluate our contribution to the wellbeing of Bexley. Our local priorities, resident needs and expectations have been changed by the pandemic and we need to ensure that our staffing structures and workforce, policies, services and plans are reviewed, adapted to reflect the extensive learning from the crisis and remain fit for purpose while delivering the staffing and third party savings required to deliver a balanced budget for 2021/22.

Our most effective response to this increasing uncertainty and heightened risk is to develop and communicate a plan which provides a clear strategic direction, which remains flexible enough to adapt quickly to changing circumstances and is able to deliver the Council's revised objectives and priorities within our reduced budget envelope.

To do this, we need a top team in place that, whilst smaller, works collaboratively, leading the organisation confidently in these uncertain times, responding flexibly and at pace to the very real challenges ahead. We need a workforce and leadership team who are energetic, agile, resilient, can deal with ambiguity and have the skills to face and thrive and support our workforce and our partners to deliver in the difficult and changing circumstances ahead of us.

In light of these evident challenges, the Chief Executive has reviewed and evaluated the strength and weaknesses of the current senior management arrangements and has harnessed the opportunities and requirement to work and lead very differently. She has developed her proposals in accordance with the following principles:

- This review of the senior management structure (and other staffing reviews) must deliver a significant contribution to the Council's expenditure reductions and support the delivery of a balanced budget in line with our revised MTFS reported to Cabinet in July 2020.
- Staff based in Directorates working in the same function or discipline or other complementary functions will be consolidated into a single team or service (e.g. Business Support, ICT, marketing, highways) to ensure a consistent corporate approach, which deliver savings, improve service resilience and support the delivery of the Council's agreed priorities as they change.
- All future staffing reviews need to review and reduce the number of management layers in the hierarchy and broaden the spans of control. This will deliver more efficient and effective management structures and will deliver further savings. We need to acknowledge that this senior

management reorganisation and other planned staffing reductions will reduce the Council's capacity over the short and medium term. This means we will need to agree and clearly communicate our revised priorities and be clear what activity will reduce or stop and recognise the impact on outcomes.

The Council's capacity will reduce as the budget reduces and will only be sufficient for, and must be focussed on, the delivery of agreed priorities and outcomes.

The Council has undertaken a number of organisational reviews in recent years (the last comprehensive review was in October 2016 with some further amendments since then) and these have delivered substantial reductions in the number of senior management posts and significant expenditure reductions as a result. Nonetheless there remains more to do very quickly. The Council continues to face a challenging financial position for the next four years with a significant budget gap to be addressed for 2021/22 of £20.34m building to £42.83m in 2023/24.

The organisational arrangements that are currently in place are summarised in the charts in Appendix A and the revised arrangements now proposed are explained in this report and set out in Appendix B. This report includes a number of proposals that if agreed will result in the deletion of posts and potential redundancies, subject to consultation and the Council's usual HR procedures. It is proposed that the following posts are deleted:

- Assistant Chief Executive Growth & Regeneration
- Assistant Chief Executive & Monitoring Officer (vacant role)
- Deputy Director Major Projects, Infrastructure & Delivery (vacant role)
- Deputy Director Communities
- Deputy Director Public Protection, Housing & Public Realm
- Head of Education to Employment
- Head of Children with Disabilities, Family Wellbeing & Children's Centres (vacant role)
- Head of Infrastructure
- Head of Highway Services
- Head of Street Scene Services & Public Protection
- Head of Waste & Street Services
- Head of Development Management
- Head of Traffic & Road Safety Services
- Head of Parks & Open Spaces
- Head of Communities & Leisure
- Head of Legal Services
- Head of Strategy, Performance & Insight
- Head of Libraries, Heritage & Archives
- Head of Community Partnerships
- Head of Economic Development
- Head of Regeneration & Assets
- Principal, Learning & Enterprise College Bexley

and the following posts will be created:

- Deputy Director Finance & Property Services;
- Deputy Director Legal & Democratic Services;
- Deputy Director Neighbourhoods
- Deputy Director Housing & Strategic Planning
- Head of Highways, Traffic & Infrastructure
- Head of Leisure, Parks & Open Spaces
- Head of Libraries & Communities
- Head of Planning & Regulatory Services

- Head of Environmental Services
- Head of Highways, Traffic & Infrastructure
- Head of Economic Development & Skills
- Head of Strategy & Performance
- Head of Property, Assets & Facilities Management
- Head of 16+ Learning & Skills

A further review of roles within Adult Social Care and Health will be undertaken as the new borough-based board arrangements resulting from the formal establishment of the South East London Clinical Commissioning Group (SEL CCG) in April 2020, Bexley Care and the Pathways Programme move forward. We will build on our learning from what worked well during the pandemic and understand and benefit from the direction of travel and ambition for further health and social care integration.

Further reviews will also be undertaken within (i) the Finance Service following the ending of the agreement with oneSource which is due to come to an end on 31 July 2020 and once appointment to the new post of Deputy Director Finance & Property is made and (ii) of the staffing structures within the Strategic Education Partnership, Improvement & Inclusion Service once an appointment is made to the vacant role of Deputy Director for Educational Achievement & Inclusion. Both reviews will seek to achieve organisational efficiencies in the delivery of services and also financial savings from each staffing budget. The proposals in this report will, when fully implemented, deliver a full year budget reduction in the cost of the senior management of the Council of approximately £0.9m with a saving of £0.45m delivered in 2020/21.

The proposals contained in this report set out our senior staffing arrangements which include Director, Deputy Director and Head of Service roles across the organisation. The new structure will flexibly support the achievement of the Council's priority outcomes. If the proposals in this report are agreed, Directors, Deputy Directors and Heads of Service will work with their teams over the coming months, to review their structures and organisational arrangements in their service areas to identify further efficiencies, reduce management layers and increase spans of control, consolidate services, ensure improved resilience and deliver staffing savings which will contribute to reducing the budget gap in 2021/22. It is anticipated that the new structure will be largely operational by the end of September 2020, allowing for HR procedures to be appropriately followed.

We have commenced recruitment on a number of senior vacancies i.e., Director of Place, Deputy Directors for Adult Social Care, Educational Achievement & Inclusion and Finance & Property and the Head of Housing which are vitally important roles, working with colleagues, which will be focused on delivering our corporate priorities and closing the MTFs budget gap for 2021/22 and onwards. The Deputy Director Finance & Property post is subject to agreement within this report and therefore will not be concluded until 4 August 2020.

## **DECISIONS**

### **That the Committee:**

- approve the revised organisational structures for posts at Deputy Director level, including the revised portfolios of the Senior Leadership Team;
- authorise the Chief Executive to implement changes to the organisational structures of the Council below Deputy Director level to give effect to the proposals contained in this report in accordance with the proposed timetable;
- recommend to Council that the Head of Committee Services be authorised to amend the Council's Constitution and Code of Corporate Governance, including the Scheme of Specific Delegations to Officers and Statutory Officers, to reflect the changes to management responsibilities and accountabilities resulting from the proposed revised structure.

## **Section 1 Introduction**

From the mid-2000s the Council has faced a steady decline in Government funding and has had to find efficiencies and other sources of income to deliver its services to residents. The Council has undertaken a number of organisational reviews in recent years and these have delivered substantial reductions in the number of senior management posts and significant expenditure reductions as a result.

The Council's revised MTFs reported to Public Cabinet on 7 July 2020 reported a budget gap rising to £42.83m by 2024/25. Further additional financial pressures and uncertainties have arisen for the Council because of the COVID19 Pandemic. The measures adopted to respond to the crisis have had a substantial impact on the Council's finances and staffing capacity, imposed additional expenditure, reducing significantly the income received by the Council and preventing or delaying the development and implementation of plans for in-year expenditure reduction.

In this challenging context, the Chief Executive has undertaken a review of the Council's organisational arrangements since her appointment in accordance with the following principles:

- This review of organisational structures must deliver a significant contribution to the Council's expenditure reductions
- Complementary functions should be brought together so that they can more effectively focus on the delivery of the Council's agreed priorities
- Staff based in Directorates working in the same function or discipline should be brought into existing corporate teams or services (e.g. ICT, marketing, business support) to ensure consistency of approach and deliver efficiencies
- Opportunities to reduce layers in the hierarchy of structures or to broaden the span of roles in the structure should be identified
- Structures should be designed in recognition of the fact that the Council's capacity will only be sufficient for and must be focused on the delivery of agreed priorities and outcomes.

Proposals in this report necessarily describe changes at a high level. Over the coming months, each Director will refine and develop the structure of their Directorate in consultation with their staff applying the same principles.

The organisational arrangements that are currently in place are summarised in the charts in Appendix A and the revised arrangements now proposed are explained in this report and set out in Appendix B.

## **Section 2 Summary of proposed arrangements**

The Chief Executive will in future have 4 Directors reporting to her directly, with each Director leading a directorate but also working corporately across the organisation to drive delivery on achieving corporate priorities and to effectively manage budgets, performance and risk. The impact of the additional responsibilities on the grading for the role of Director of Finance and Corporate Services and other senior roles as set out in this report will also be reviewed. Specifically, it is considered that the grades of Directors should be the same reflecting the relative importance of each role and the shared responsibility to lead the Council as a whole. These will be:

- Director of Children's Services
- Director of Adult Social Care and Health (who is also the Director of the Borough-based Board)
- Director of Finance and Corporate Services (incorporating direct management of the Finance service post oneSource)
- Director of Place

Other statutory officers such as the Director of Public Health and the Monitoring Officer will report to the Chief Executive as necessary to fulfil their statutory obligations although their direct reporting lines will be through the Director of Adult Social Care & Health and the Director of Finance and Corporate Services respectively.

The Chief Executive will concentrate on ensuring that there is a clear focus on the delivery of the Council's priorities and the coordination of cross-cutting agendas, working closely and transparently with Members of all parties to achieve this. Services that formerly reported to the Chief Executive have, on an interim basis, been managed in Directorates where those functions were more effectively aligned and these changes are now confirmed in this report. For example, functions relating to regeneration and growth will be managed alongside other complementary functions in the Directorate of Place. As a result, the posts of Assistant Chief Executive Growth & Regeneration, Assistant Chief Executive (Monitoring Officer) and the Head of Legal Services will be deleted and a new post of Deputy Director Legal & Democratic Services will be created which will include the role of Monitoring Officer.

The key changes in each Directorate are summarised in the following paragraphs.

## **2.1 Finance and Corporate Services**

The Director of Finance and Corporate Services will assume responsibility for a number of additional functions. This role will have three direct reports at a Deputy Director level – the existing Deputy Director Corporate Services and two new Deputy Director posts will be created i.e., Deputy Director Finance & Property and the Deputy Director Legal & Democratic Services. The role will also have three direct reports at Head of Service level – the Head of Assurance role which will transition from oneSource, the Head of Communications & Marketing and the Head of Strategy & Performance.

### **Finance and Property**

- **Finance**

It has become evident that although financial savings were delivered by the move to the shared service arrangement with oneSource for Financial Services in April 2016, the arrangement has not delivered the tight financial planning and control of the Council's finances that is necessary now and has experienced longstanding difficulty securing the right staffing resources. Although the staff in the service have worked hard to deliver financial services across the Council, the shared arrangement has not provided assurance and confidence to the Council about the quality or timeliness of financial advice and support. The Council has given notice under this agreement and discussions are progressing to agree how Finance Services will be brought directly under the Council's management and the agreement with oneSource which will end on 31 July 2020.

Significant management time will be required to ensure that finance services are established in-house and delivered in a timely and robust manner, that opportunities to review and streamline financial procedures and processes are taken, the effective use of new technology is fully exploited and the effective implementation of a new ICT system for finance is achieved. Capacity is also required to allow the Director of Finance and Corporate Services to deliver strategic advice across a wider portfolio. For these reasons, it is proposed that the additional post of Deputy Director Finance & Property is established and this post will also act as the Council's Deputy Section 151 Officer. It should be noted the Deputy Director post was removed when the shared service was first established which contributed to the savings previously delivered.

- **Property, Assets and Facilities Management**

The arrangements for facilities management and management of premises owned by the Council have been carefully considered and are to be drawn together into a function responsible for overseeing and managing the Council's obligations as corporate landlord. The existing role of Head of Regeneration and Assets will be deleted as part of this proposal and a new post of Head of Property, Assets and Facilities Management will be created. The existing post-holder currently reports to the Assistant Chief Executive Growth & Regeneration and will be considered for direct assimilation into the new role within Finance & Corporate Services. The relevant posts that report to her will transfer and report to the new role.

The new Head of Service will be responsible for delivering effective arrangements which are progressing to replace the current contract with Amey. This has involved the tendering of some services such as cleaning and bringing back other functions to the Council such as hall keeping, print and post room on 1 September 2020. In addition, the role will establish rigorous and effective operational arrangements for the management of the

Council's land and property assets. A particular focus will be to support the adoption of new ways of working, exploiting the Council's learning during COVID-19, with more extensive and permanent remote working, innovative and different ways of delivering services from shared locations in the community, and increasing the utilisation of assets that we continue to hold, with a clear focus on driving down costs and identifying opportunities that support the Council's priorities.

The staff responsible for Emergency Planning & Business Continuity will also report to the Head of Property, Assets & Facilities Management with a dotted line to the Director of Finance & Corporate Services.

- **Strategy & Performance**

The existing post of Head of Strategy, Performance & Insight will be deleted and a new post of Head of Strategy & Performance will be created. Reporting to the Director of Finance & Corporate Services, the new role will be responsible for the Corporate Programme Management Office and the existing strategy, performance and insight function will be streamlined. In addition, the existing Complaints and Freedom of Information function will transfer from Corporate Services to be managed by the new Head of Service role.

This function will deliver a sharper focus on timely delivery of agreed programmes and priorities, on the analysis of key data that informs the Leadership Team and Members about the quality and effectiveness of the Council's delivery of services and on the policy developments that should inform the Council's approach. It will also provide a small improvement resource that will be focused on supporting the delivery of improvement to achieve corporate priorities.

It is proposed that the existing Head of Strategy, Performance & Insight will be directly assimilated into the new Head of Service role.

- **Communications and Marketing**

The Head of Communications & Marketing previously reported directly to the Chief Executive. The proposals provide for the function to transfer and report directly to the Director of Finance & Corporate Services although they will continue to work closely with the Chief Executive and CLT. The function will continue to link closely with other areas in the Directorate to present and promote the Council's work and bring together all staff responsible for promoting the borough through marketing and communications under one service.

- **Legal and Democratic Services**

A range of services relating to Legal and Democratic Services have been managed on an interim basis (albeit for a lengthy period) by the Deputy Director Corporate Services (in addition to his original portfolio) since the former role of Assistant Chief Executive (Monitoring Officer) became vacant in April 2018.

It is now proposed to create an enhanced role to bring these services together and the post will also act as the Council's Monitoring Officer.

This new role will ensure that there is direct legal input into governance and decision-making as service proposals to address the financial challenges faced by the Council are considered. The existing posts of Assistant Chief Executive (Monitoring Officer) and Head of Legal Services will be deleted and the post-holder of the Head of Legal Services will be considered for assimilation to the role of Deputy Director Legal & Democratic Services in accordance with the Council's HR procedures.

The post will be responsible for:

(i) Legal Services

The Council's Legal Services provides essential advice and support to all the services. Responsibility for Information Governance will transfer from Corporate Services to be managed within Legal Services.

(ii) Electoral Services

The Electoral Services Team has successfully delivered the full range of elections and implemented the reduction in the number of Council Members and revised ward boundaries agreed following the Local Government Boundary Commission's recommendations over recent years.

The Elections Team will in future report to the Deputy Director Legal & Democratic Services, but with continuing support from the Head of Mayoral & Member Support and the wider corporate team which is mobilised for elections. Going forwards it will be necessary to recruit to the post of Head of Electoral Services in time for the next borough election and to allow for appropriate succession planning and handover which will include any learning resulting from the GLA election in 2021.

(iii) Committee Services and Scrutiny

The proposals provide for the existing role of Head of Committee Services & Scrutiny to report to the Deputy Director Legal & Democratic Services with the Deputy Director responsible for the Council's governance.

(iv) Mayoral and Member Support

The existing Head of Mayoral & Member Support will also report to the Deputy Director Legal & Democratic Services and in doing so will continue to manage the teams supporting the Mayoralty and Members of both Groups, whilst taking a lead role in the main Civic events such as the Civic Parade and Christmas Carol Services.

- **Corporate Services**

The Deputy Director Corporate Services has a wide-ranging portfolio which has included acting as interim Monitoring Officer and holding management responsibility for functions held by the former Assistant Chief Executive (Monitoring Officer) including Committee & Scrutiny Services and Electoral Services. Whilst this has worked well it is now proposed that the new post of Deputy Director Legal & Democratic Services will have direct management of Legal Services, Committee Services & Scrutiny, Electoral Services and Mayoral & Member Support.

The Deputy Director Corporate Services will continue to have a significant portfolio including Corporate HR & OD, HR Delivery, Schools HR, ICT & Digital, Customer Services & Business Support, Leadership Support and Corporate Health & Safety. The customer services reception at Civic Offices is managed by the Head of Customer Services & Business Support who will take on responsibility for staff on the main reception at Civic Offices following their transfer from Amey on 1 September 2020.

It is proposed that responsibility for Complaints and Freedom of Information will transfer to the new role of Head of Strategy & Performance. Information Governance will transfer to the new role of Deputy Director Legal & Democratic Services.

The focus for the Deputy Director Corporate Services role will be to continue to ensure that high quality services are delivered in a consistent and most cost-effective way, that is responsive whilst fully utilising the available technology, building on the extensive organisational learning of working remotely during COVID-19. We need to be able to respond to our residents and partners demand for easy to use on-line services. This will require a continued focus on reducing the need for face to face services by transforming the Council's website, telephony and processes to deliver services as efficiently as possible. The focus for HR and OD will be to work collaboratively to ensure the implementation of organisational changes resulting from the blueprint and MTFs proposals and to ensure that the Council attracts, develops and retains a diverse workforce with the necessary experience and skills, including digital skills to work agilely, collaboratively and effectively. This means that they will also ensure that the Council's workforce policies and procedures are in place to support the delivery of our services.

## **2.2 Children's Services**

A number of changes are proposed.

### **Educational Achievement and Inclusion**

The Deputy Director for Educational Achievement & Inclusion will continue to report to the Director of Children's Services. The role became vacant in May 2020 and has recently been advertised. The Members Staffing Panel will be considering applicants for the role during week commencing 27 July 2020.

The current structure includes a number of experienced and able Heads of Service who manage key areas effectively and they will continue to report to the Deputy Director for Educational Achievement & Inclusion.

- **Strategic Education Partnership, Improvement & Inclusion**

A review of the current structures within this service area will be undertaken once an appointment is made to the Deputy Director role this will deliver a reduction in the overall staffing budget which has been included as part of the total savings arising from this restructure.

- **Education to Employment**

It is proposed that the post of Head of Education to Employment will be deleted. This role currently has responsibility for the Learning and Enterprise College Bexley and Employment and Skills. The role includes a mixture of elements which would be better placed alongside other services. In addition, the post of Principal of the Learning and Enterprise College will be deleted.

A new post of Head of 16+ Learning and Skills will be created which will report to the Deputy Director Educational Achievement & Inclusion. The Head of 16+ Learning and Skills will lead on the strategy for adult education for the borough with some of the existing elements of the role of the Head of Education to Employment. Responsibility for Employment and Skills will transfer from Children's Services to the new role of Head of Economic Development and Skills in the Place Directorate. The two existing post-holders of the posts identified for deletion will be ring fenced for consideration for the new post of Head of 16+ Learning and Skills in accordance with the Council's HR procedures.

- **School Expansion, Transport and Admissions**

The existing role of Head of School Place Planning, Admissions, Transport & Major Projects will be renamed Head of School Expansion, Transport & Admissions. Responsibility will be retained for the delivery of school-based capital programmes and, where commissioned by other parts of the Council, the delivery of property/construction projects and capital programmes.

## **Children's Social Care**

A number of changes are proposed in this area.

- **Children with Disabilities, Family Wellbeing and Children's Centres**

The existing post of Head of Children with Disabilities, Family Wellbeing & Children's Centres will be deleted. The post has been vacant since April 2019 and has been covered by an internal temporary arrangement. Responsibility for the Family Wellbeing, Children's Centres and Children with Disabilities Service will transfer to the Head of MASH, Referral & Assessment, Family Support & Child Protection who will oversee services for early help and 'children in need' in the community.

The responsibilities under the remit of the existing post of Head of Looked After Children & Permanence includes adoption. Consultation is currently underway in respect of the formation of a Regional Adoption Agency (RAA) providing for a shared arrangement with Kent County Council, Medway and Bexley. This arrangement is due to commence in October 2020 and this post will oversee the delivery of this partnership.

- **Improvement Support, Strategy and Delivery**

The posts of Head of Improvement Support and Head of Children's Strategy & Delivery will transfer to Corporate Services under the Head of Strategy & Performance, consistent with the principle that functions should be consolidated to bring resilience and consistency. The Head of Improvement Support leads on improvement programmes across Children's Services ensuring that they are implemented in a timely and effective manner. The Head of Strategy & Delivery leads on the review and development of strategies for Children's Services and provides enhanced strategic capacity to address changes in legislation and guidance. The repositioning of these posts will, whilst continuing to provide support to Children's Services, bring together those officers responsible for similar activities and allow for increased capacity for improvement consultancy across the Council.

### **2.3 Adult Social Care and Health**

The Director of Adult Social Care and Health has been appointed to undertake the role of Executive Borough Director in the new arrangements with South East London CCG and Place-based Board. This involves working with health and other partners to develop and commission services that are better integrated and meet the needs of Bexley residents and includes having responsibility and influence over significant functions and budgets that will be devolved by the CCG to the place-based Board. The South East London CCG has undertaken to ensure that the Executive Borough Director is well-supported by a Director of Operations in this work and that they will also make a financial contribution to the Council to reflect the commitment made by the Director of Adult Social Care & Health.

The statutory Director of Adult Social Services will continue to lead a structure that includes the role of Deputy Director Adult Social Care and the Deputy Director Health & Wellbeing (statutory Director of Public Health). The structure also includes the role of Service Director Bexley Care who is responsible for leading the development of our collaborative arrangements with Oxleas NHS Trust to deliver integrated health and social care to Bexley residents.

There are no further changes proposed to this structure at present. However, as the Pathways Programme transforms the way services are delivered by the Council working with its partners, and as the proportion of residents who choose to manage their own care through direct payments and individual service funds increases, further adjustments to structures may be necessary.

### **2.4 Place**

The existing post of Director of Places, Communities and Infrastructure will be renamed Director of Place. The new Directorate will also include those functions for Growth and Regeneration that had previously been placed under the direct management of the previous Chief Executive. The post of Director is currently vacant with the recruitment process due to be completed week commencing 27 July 2020.

The focus of the new Directorate will be to ensure that the borough's ambitious and long-term Growth Strategy and draft Housing Strategy are delivered while effectively maintaining and attracting the funding to maintain and enhance the vitally important infrastructure and public realm. It is ever more important to ensure that housing needs are assessed and met as efficiently and in the most cost-effective way possible and this will mean closely with partners to ensure that Bexley remains a safe and attractive place to live and work. Significant elements of the services are delivered by contractors and it is vitally important that effective strategic and operational contract management is in place. The predominantly outsourced range of services provide an opportunity to broaden the portfolio of heads of service and reduce their number.

The proposals reduce the number of Deputy Director roles from four to two. The existing posts of Deputy Director Public Protection, Housing & Public Realm, Deputy Director Major Projects, Infrastructure & Delivery, Assistant Chief Executive Growth & Regeneration and Deputy Director Communities will be deleted and two new Deputy Director roles will be created to manage a range of services. The new roles will be named Deputy Director Housing and Strategic Planning and Deputy Director Neighbourhoods. The Deputy Director Major Projects, Infrastructure & Delivery has recently been appointed as Managing Director for BexleyCo thereby creating a vacancy in this role. The remaining three posts holders will therefore be considered for the two new Deputy Director posts as set out below and in accordance with the Council's HR processes.

#### **Housing and Strategic Planning**

It is proposed that the posts of Assistant Chief Executive Growth & Regeneration and the Deputy Director Public Protection, Housing & Public Realm will be deleted and the post-holders ringfenced for consideration for the new post of Deputy Director Housing & Strategic Planning.

The new role of Deputy Director Housing & Strategic Planning will manage a range of services:

- **Housing Services**

The post of Head of Housing Services will continue to lead on activity relating to Housing and Homelessness. Responsibility for Housing strategy and enabling will transfer from the Head of Strategic Planning to be included in the portfolio for this post. The existing Head of Housing Services has recently resigned his post and the role is currently being advertised externally with the process due to conclude at the end of July 2020. Recruitment to this post is targeting an experienced housing professional who can bring rigour and direction to this complex and sensitive area.

- **Strategic Planning**

The Head of Strategic Planning will continue to lead the Council's strategic planning and associated policy framework including delivery of the Local Plan setting out the Council's land use policies and spatial strategies, the Growth Strategy and the Local Implementation Plan which is the Council's transport strategy for the borough and sets out how we are going to help deliver the Mayor's Transport Strategy for London. This service area will continue to perform functions associated with Highway Authority functions which includes responses to planning applications and technical auditing and monitoring highways works performed by developers, as well as maintaining the Council's highway records (including highway responses to land charge searches), stopping up orders, and public rights of way.

The existing Head of Strategic Planning will continue in this post with a small addition to his portfolio arising from the transfer of responsibility for delivery of regeneration and transport infrastructure projects such as C2E. However, responsibility for housing strategy and enabling will transfer to the Head of Housing Services.

Responsibility for operational housing services and Housing Strategy are, under existing arrangements, led by the Deputy Director Public Protection, Housing & Public Realm and the Assistant Chief Executive Growth & Regeneration. Bringing together these functions under one Deputy Director i.e., Housing & Strategic Planning this will provide greater oversight and consistency between the functions. Staff in Housing Strategy and Enabling will continue to contribute to significant infrastructure projects such as C2E.

- **Planning and Regulatory Services**

It is proposed that the post of Head of Development Management will be deleted and a new role of Head of Planning and Regulatory Services will be established. The post will be responsible for planning, regulatory services and building control.

It is proposed that the existing Head of Development Management will be considered for direct assimilation into this role. The existing Head of Building Control will report to this new role and be retitled Service Manager (Building Control). The activities of these areas are complementary (and indeed are in part supported by the same ICT systems). In addition, the Head of Planning and Regulatory Services will be responsible for other regulatory functions including Licensing, Trading Standards, and Food Safety. Each of these functions is currently led by a Team Leader with appropriate specialist knowledge and qualifications.

- **Economic Development and Skills**

The role of Head of Economic Development will be deleted and a new post of Head of Economic Development & Skills will be created, bringing together skills and employment with the Borough's ambitions for economic growth. Authorities frequently align the functions responsible for employment and training since both are critical to economic growth.

This will include the elements relating to skills and employment that are currently undertaken in Children's Services under the Head of Education to Employment which will also be deleted. It is proposed that the two existing Heads of Service will be considered for the new role.

## **Neighbourhoods**

A new post of Deputy Director Neighbourhoods will be created to lead on the delivery of services for communities and the environment. The new role combines responsibilities currently within the existing portfolios of the existing Deputy Director Public Protection, Housing & Public Realm and Deputy Director

Communities. It is proposed that these two existing Deputy Director postholders will be considered for the new role.

The Deputy Director Neighbourhoods will manage a number of broader Heads of Service roles. Specifically, these are:

- **Libraries and Communities**

A new post of Head of Libraries & Communities will be created to combine the deleted posts of Head of Libraries, Arts & Archives and the Head of Communities. The new post will also take lead responsibility for the activity relating to Community Safety with the existing service manager transferring to this service area reporting to the Head of Libraries & Communities. Responsibility for the Council's response to Domestic Abuse and the management of the Council's CCTV arrangements will also be included in this portfolio alongside responsibility for the boroughs libraries and the two community centres that are located in Library buildings i.e., Slade Green and Crayford.

The existing Head of Libraries, Arts & Archives has been made redundant and will be leaving the Council in August 2020 and it is therefore proposed that the existing Head of Communities will be considered for direct assimilation into this role.

- **Leisure, Parks & Open Spaces**

The two posts of Head of Parks & Open Spaces and Head of Communities & Leisure will be deleted and a new role of Head of Leisure, Parks and Open Spaces will be created recognising the link between the opportunities for activity and the facilities that Bexley offers. Many of the services under this new post are delivered by partners under contract. The Head of Service will also retain responsibility for implementation of the Council's Physical Activity Strategy working closely in its delivery with Public Health colleagues.

It is proposed that the two existing postholders will be ringfenced for consideration for the new role.

- **Environmental Services**

The existing posts of Head of Waste & Street Services and Head of Street Scene Services & Public Protection will be deleted and a new post of Head of Environmental Services will be created. This new role will bring together services that are essential to the cleanliness and tidiness of our borough. The service will be focused on improving customer satisfaction, and reducing complaints, with a focus on reducing waste collection and disposal costs. Contract management is also key to the successful delivery of services in both these areas.

It is proposed that the existing Head of Waste & Street Services will be directly assimilated into the new role since the Head of Street Scene Services has resigned and will be leaving the Council at the end of July 2020.

- **Parking and Parking Enforcement**

Responsibility for parking and parking enforcement is delivered through a shared service arrangement with the London Borough of Bromley. No changes are proposed to this service area.

- **Highways, Traffic & Infrastructure**

It is proposed that the four existing posts of Head of Street Scene Services & Public Protection, Head of Traffic & Road Safety, Head of Infrastructure and Head of Highway Services will be deleted and a new role of Head of Highways & Infrastructure will be created bringing together these complementary functions, which are substantially delivered by contractors. The Head of Street Scene Services & Public Protection has recently resigned his post and will be leaving the Council in July 2020. It is proposed that the remaining three postholders will be ringfenced for consideration for the new role.

### **3. Implementation of new structures**

It is intended that, subject to proposals being agreed by this Committee, the Council's usual HR procedures will be used to implement the arrangements set out in this report with the intention that they will generally be implemented by the end of September. As set out above, Directors will work with their teams to ensure that the detailed structures and arrangements for implementation are effective.

The individuals identified for competitive assimilation processes will be consulted on the specific details for each role and the proposed timescales. The arrangements will ensure that preferences expressed by staff are considered.

The exact timescale for implementation will depend on the completion of appropriate HR procedures and where services are moving from one area to another, the agreement of sensible arrangements and timescales to hand over responsibility that allows any critical work to be completed without disruption.

Where appointments are proposed to be made through consideration of existing employees, appropriate procedures will be followed in accordance with the Council's Constitution.

#### **4. Statutory Roles**

This report proposes changes in the way that statutory roles are delivered in Bexley. The Chief Executive will remain as Head of Paid Service.

The Director of Finance & Corporate Services will continue to undertake the role of Section 151 Officer, responsible for the proper financial management of the Council, supported by a new Deputy Director Finance and Property as Deputy Section 151 Officer.

The role of Monitoring Officer will in future be undertaken by the Deputy Director Legal & Democratic Services, reporting to the Director of Finance & Corporate Services with a direct relationship with the Chief Executive. An appointment to the role of Monitoring Officer must be confirmed by Council pursuant to Section 5 of the Local Government and Housing Act 1989. The next meeting of Council will take place in November 2020. It is therefore proposed that whilst an appointment can be made to the Deputy Director role, transitional arrangements will need to be put in place until that time which will mean that the Deputy Director Corporate Services will continue to undertake the Monitoring Officer responsibilities until the meeting of Council.

The Director of Adult Social Care and Health will continue to perform the statutory role of Director of Adult Social Services, and the Deputy Director Health & Wellbeing the statutory Director of Public Health.

The Director of Children's Services will remain as the statutory Director of Children's Services.

#### **5. Reporting Lines to the Cabinet**

There are no proposals to change the portfolios agreed for Cabinet Members.

#### **6. Amendment of the Council's Constitution and Code of Corporate Governance**

The proposals included in this report will, if approved, require amendments to the Council's Constitution and Code of Corporate Governance. This will include reflecting changes to the roles, responsibilities and delegations to specific officers, amending the list of posts that are subject to Member appointment processes and other changes to reflect any proposals that are agreed.

Members are asked to recommend to Council that the Head of Committee Services and Scrutiny be authorised to amend the Council's Constitution to reflect the revised structure.

#### **7. Summary of Financial Implications**

##### **a) Summary of Financial Implications**

This report sets out proposals for a revised organisational structure. In the past, organisational reviews have delivered substantial reductions in the number of senior management posts and significant expenditure reductions as a result.

The proposals set out in this report will deliver a full year saving of approximately £0.900m per annum. There will be costs related to the redundancy of staff affected by the proposals which will be met from the ringfenced reorganisation reserve. These costs will be subject to the completion of HR procedures.

b) Comments of the Chief Finance Officer

The report sets out the Chief Executive’s proposals to meet her duty as Head of Paid Service and sets out the rationale for what is proposed. The report if approved by the General Purposes & Audit Committee provides a recurring financial saving of £0.900m from 1 April 2021 and a part year effect in 2020/21 in the region of £0.450m. This saving will contribute to the Council’s medium term financial strategy.

The Council will incur a one-off payment to achieve this saving by way of redundancy and recruitment costs. The former will be paid from ring fenced reserves set aside to fund such payments.

**8. Legal implications**

a) Summary of Legal Implications

The Head of Paid Service has overall responsibility for the management and coordination of the employees appointed by the Council.

Under section 4(3) of the Local Government and Housing Act 1989 (“the Act”), it is the duty of the Head of Paid Service, where they consider appropriate to do so, to prepare a report to the Council regarding:

- a) the manner in which the discharge by the authority of their different functions is co-ordinated;
- b) the number and grades of staff required by the Council for the discharge of their functions;
- c) the organisation of the Council’s staff; and
- d) the appointment and proper management of the Council’s staff.

This report sets out the Head of Paid Service’s proposals in the context of the Council’s financial and other challenges. The report describes how the Council’s services will be organised and how the statutory roles as set out in section 4 of this report, will be discharged.

b) Comments of the Monitoring Officer

This report sets out the Chief Executive’s proposals to meet her duty as Head of Paid Service and sets out the rationale for what is proposed. If agreed, the proposals will be implemented in accordance with the relevant employment and other legislation and the Council’s Constitution.

**9. Risks and mitigation measures**

Risk	Mitigation
General Purposes & Audit Committee do not agree to the Blueprint	Wide engagement has taken place on the Blueprint with staff and the Trade Unions. The Chief Executive has consulted informally with all Members. Feedback has been considered and included within the final report where appropriate.
The reduction in management does not give the Council sufficient capacity to deliver its priorities	Agree and clearly communicate revised priorities and be clear what activity will reduce or stop and recognise the impact on outcomes. Focus to deliver agreed priorities and outcomes only.

	Heads of Service to restructure their services to meet the revised priorities and new portfolios
The Council is unable to recruit to all vacant posts reducing the financial saving	The Council will recruit to all vacant posts as soon as possible and where necessary will include a recruitment agent.

## 10. HR Issues and Consultation

The processes to be adopted where a selective assimilation is proposed will include consultation with the staff directly affected about the proposed job description and the selection processes that will be adopted. Job descriptions will be revised to take account of the broader accountabilities and requirements of some key roles and a review of grades undertaken where necessary. This will present an opportunity to ensure that consistency for roles with equivalent accountabilities.

Where there is a proposal to delete a post this places the existing postholder at risk of redundancy. The Council's HR processes in accordance with the Council's Constitution, best practice and legislative requirements will be followed. The processes provide for a ring fencing of those individuals for relevant posts based on their existing responsibilities when compared with new posts in the organisation. This also includes an assessment of the weight of existing responsibilities when compared to the requirements of the new roles.

In accordance with the Council's usual HR procedures and again in line with best practice and legislative requirements, the proposals in this report have been the subject of extensive consultation with those employees directly affected by the proposals, the wider workforce and their trade union representatives.

Since the pandemic lockdown, weekly virtual meetings have been held with the Council's recognised trade unions. These meetings have focused on keeping colleagues up to date on the Council's response to COVID-19 and also the emerging financial landscape faced by the Council. The Council's recognised trade unions have also been consulted and provided with the documentation including an initial draft of this report which set out the proposals and the detail of any potential impact. A series of virtual staff briefings have taken place which have been led by the Chief Executive and Directors for each service area and the key documents have all been made accessible on the Council's internal website B:Hive. The consultation has generated a high number of responses demonstrating a significant level of engagement throughout this process. In developing her proposals, the Chief Executive also engaged in a number of informal discussions with senior staff and the wider workforce before finalising this report.

Individual responses have been received from some members of the workforce and teams and a comprehensive response has also been submitted by the trade union Unison and their response is attached at Appendix C.

In the responses, including the submission from Unison, there have been queries regarding the processes that would be adopted to review services once each Head of Service is appointed. Each Head of Service will be charged with reviewing the operational delivery and structures within each of their inherited portfolios. This will be approached using the Council's usual HR procedures and each Head of Service will be supported by a representative from the HR Service in undertaking their reviews. The staff affected by any proposals arising from these reviews will be fully consulted alongside their trade union representatives. The gradings of each of the roles will also be reviewed using the Council's established job evaluation scheme for posts at this level to ensure consistency and equity taking account of the accountabilities, skills and experience for each role.

Questions have also been raised specific in respect of the transfer of functions between portfolios and how these will be managed. Once the senior appointments have been undertaken Deputy Directors and Heads of Service will work through each service area and develop a project plan with the support of corporate colleagues including HR and Finance to identify the specific steps that will need to be taken to secure the changes outlined. This approach will need to take account of existing priorities to minimise any service disruption and will ensure that staff and their trade union representatives are consulted at the outset and kept well informed during the implementation of the changes.

A number of representations were made about specific proposals and these are summarised below:

#### Domestic Abuse

The original proposal suggested the move of the Domestic Abuse function from the Deputy Director Communities to Children's Social Care. A number of responses were received to this proposal setting out why it was felt this service should remain within the portfolio of the new Deputy Director Neighbourhoods. The Chief Executive has decided that on balance the service should not move to Children's Services.

#### Housing Strategy & Enabling

A number of concerns were raised at the proposal to move this service to the portfolio of the Head of Housing Services from where it currently sits with the Head of Strategic Planning. The comments have been considered by CLT and the Chief Executive has decided that the proposal to move this function to Housing Services will be taken forward. Housing demand and the cost of temporary accommodation continues to rise and impacts on services across the Council. It is important that we bring all housing services together to strengthen partnership working and to support the delivery of the Housing Improvement Programme and the revised Housing Strategy however it will still be vital that Housing works closely with Strategic Planning and both Heads of Service will report in the new structures to one Deputy Director which will provide oversight, synergy and opportunities to collaborate within a consistent management framework.

#### Redundancy – expressions of interest

Some staff who are directly affected by the proposals have asked whether they can express an interest in being considered for redundancy. The Council's arrangements provide for expressions of interest to be made in accordance with established HR procedures. Staff were advised that they can approach the HR Service if they wish to explore this option and submit a request for consideration. Where staff are identified for direct assimilation and not a selective process then they would not be considered for redundancy unless there were exceptional circumstances.

#### Use of agency workers/consultants

Unison has raised the issue of the engagement of agency/consultants and the impact that this may have in staffing reductions. The Council's restructuring/redundancy procedures also emphasise that attempts should be made to mitigate where redundancies are proposed which includes consideration of roles occupied by agency workers/consultants for redeployment where appropriate. The Corporate Leadership Team is overseeing a review of these workers and will seek to avoid any adverse impact on permanent staff.

#### Internal opportunities

The assimilation processes set out in this report identify that internal appointments will be made where possible. These processes will also be adopted where staffing reductions are proposed at lower levels in the organisation following implementation of the proposals set out in this report.

#### Additional Government Funding

In response to the comments made by Unison, Members will be aware that the Council has been proactive in consultations with central Government in respect of accessing additional funding, not least in respect of the shortfall in budgets arising from the impact of the pandemic. The Council will continue to work with colleagues across local and central Government to pursue additional opportunities to supplement the finances available wherever possible. All senior leaders and the wider workforce have been asked regularly to assist in identifying where further efficiencies can be achieved which includes the modernisation and digitalisation of services to enhance the experience of residents when dealing directly with the Council.

#### Template structures

The Unison response has queried whether the structures within Place are somewhat typical of structures across other authorities. The blueprint provides for a Corporate Leadership Team of a Chief Executive (Head of Paid Service) and 4 Directors. The report identifies that there is a requirement to bring forward recommendations for consolidation of services for example bringing together business support, ICT and marketing functions to provide greater resilience and improved working.

### Roles within Directorate of Place

In particular, and in response to other feedback related to the proposed structures in the Place Directorate, it is not unusual for councils to have a Head of Service for Highways, Parking and Traffic related activity. It should also be noted that this role will not include responsibility for strategic transport planning and highways since this will remain with the Head of Strategic Planning.

Some additional comments were received regarding responsibility for inspections, the responsibility for which will span the portfolios of the Head of Environmental Services for cleansing and the Head of Highways, Traffic & Infrastructure. The inspection teams will remain within Highways, Traffic & Infrastructure where they will continue to monitor cleansing. This arrangement will be reviewed during the early stages of implementation to ensure that the proposals remain operationally achievable.

### Financial terms for Redundancy

Unison has sought confirmation regarding proposed changes to existing terms and conditions specifically related to redundancy and severance payments. The aim is that the blueprint proposals set out in this report and any further structural changes will be implemented during the 2020/21 financial year and as such the existing financial terms will apply. The Council has been considering a number of proposals to revise existing terms and conditions including consideration of the financial terms. Any proposed changes will, once developed, be fully consulted with staff and their representatives and ultimately Members will consider any proposals.

### oneSource – Financial Services

A timetable has been developed in respect of the ending of the shared arrangements with oneSource. This includes transitional arrangements including temporary reporting lines until such time as proposals to restructure the services are launched in September. Staff employed by Bexley will be briefed on the transitional arrangements in the coming weeks.

### Staff morale

Unison has suggested that staff morale is low. Communications with staff and trade union colleagues have outlined the financial landscape that the Council is facing. The weekly meetings with the trade unions have regularly focused on these issues and it is important to ensure that staff are aware on the challenges that we are facing. We have been working hard with the workforce over an extended period and encouraged wherever possible for ideas to be generated on how the Council can work more efficiently for the benefit of residents. Unfortunately, the position remains challenging and as such the need for transparency at this time is paramount.

### Wellbeing

Concerns were also raised regarding wellbeing and the support available to the workforce. The Council has a Health and Wellbeing staff group which is attended by a representative from the Council's trade unions. A number of initiatives are currently being developed to help support staff more widely including the availability of a Wellbeing hub and additional resources to support mental wellbeing. A new appraisal system is also in development which will focus on the need for good, regular supervision with an emphasis on wellbeing, learning and development as well as the delivery of objectives. These measures will also help to ensure that work priorities are reasonable and remain deliverable and should help to identify early should difficulties emerge.

Any further feedback received after the publication of this report for Committee will be summarised for the Committee at its meeting on 29 July 2020.

## **II Summary of Other Implications**

### **(a) Community Safety**

The proposals set out in this report include strengthening the Council's approach to developing and supporting stronger communities that contribute to community safety. These changes will be for the benefit of residents. The existing Service Manager for Community Safety will transfer into the direct line management of the Head of Libraries and Communities.

(b) Equal Opportunities

The proposals in this report primarily impact on the Extended Leadership Team and the roles that report to them.

The proposals in this report propose a reduction in posts and redundancies are anticipated. An equalities impact assessment has been undertaken to identify any disproportionate impact on specified groups. At this stage it is not anticipated that there will be any direct or indirect equality impacts arising from these proposals, however, this will be kept under review as further structural proposals come forward. The Council will seek to mitigate any impact identified during further consultation where it is possible and reasonable to do so.

The equalities impact assessment (EIA) is attached at Appendix D. As implementation of the proposals progress the EIA will be refreshed in order to help identify should any disproportionate impact emerge so that where possible steps can be taken to mitigate the impact.

The Council's policies and procedures will be applied as appropriate to the restructuring proposed in this report in a fair and non-discriminatory manner.

Any further vacancies that arise from the proposals within this report will provide a potential opportunity to further improve the equalities profile of the Council's senior management.

**Appendix A Current Structures**

**Appendix B Proposed Structures**

**Appendix C Unison response**

**Appendix D Equalities Impact Assessment**

**Local Government Act 1972 Section 100d List of Background documents**

I. Previous reports to this Committee.

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