

Senior Management Restructure

**Information Document following formal
consultation process**

**Consultation information for
employees and Unison**

February 2016

LIST OF CONTENTS

Section	Detail	Page
1	Purpose	3
2	Background	3
3	Drivers for Change	3
4	Proposals	4
5	Staff Affected by the Proposals	6
6	Voluntary Redundancy	9
7	Timetable	10
8	Consultation and Communication	11
9	Support and Information	12
10	Appeal Process for Redundancy	12
Appendix A	Current Structure	
Appendix B	Proposed Structure	
Appendix C	Job Description –Director	
Appendix D	Job Description – Head of Service	
Appendix E	Organisational Design	
Appendix F	Pay Structure	
Appendix G	Selection Process timetable	
Appendix H	Draft Corporate Priorities	
Appendix I	Job Description – Housing Manager	
Appendix J	Employees response to consultation	
Appendix K	Unison response to consultation	

SENIOR MANAGEMENT TEAM

CONSULTATION DOCUMENT

This document should be read together with the Council's Redundancy Policy (July 2012)

1 PURPOSE

To create a strong leadership team which:

- operates together in a corporate space, leading from the front;
- is able to react quickly and without the need for unnecessary bureaucracy;
- avoids the duplication of a number of layers of management meetings and structures (CMT, DMTs, SMG);
- releases Directors to lead organisation-wide or partnership projects (such as Channel Shift, Devolution, commercialisation, Old River Lane etc)
- ensures that Heads of Service are accountable for their own service areas and able to make decisions about their services.

2 BACKGROUND

East Herts Council is already performing well. It's also a place where staff generally like to work – as demonstrated by the 2014 Staff Survey, which showed a significant improvement in nearly all areas compared to the 2011 staff survey. But as finances become tighter, and the public sector landscape changes dramatically, we need to change too.

3 DRIVERS FOR CHANGE

- **Funding regime** – the recent CSR and proposed local government settlement creates significant funding gaps for East Herts from 2017 onwards, and we need to be prepared to deliver these savings with a strong leadership team. Furthermore, the future of district council funding lies in our ability either to cut costs, generate new business rates, increase the taxbase, or raise our own funds through more commercial activity. By 2019 our financial future will be in our hands. This means we will need to understand how and why businesses start or expand in East Herts, and how we can influence that collectively (whether through Planning, Housing, Environmental Services, Quality of Life offers through Leisure, and Economic Development).

The changing role of local government and the wider public sector - Working as a single leadership team with fewer boundaries and less bureaucracy will create a corporate space in which we can seize opportunities and respond quickly to change. We will also need to look seriously at where we might

seize new commercial opportunities ourselves (such as the possibility to establish a Housing Company). Creating Director posts without functional responsibilities effectively frees up two Directors to lead such projects. Heads of Service will need to be accountable for their own service area, but will also be expected to operate as a senior leadership team, working across service boundaries, taking ownership of organisational challenges, and acting as leaders of the organisation.

- **Devolution** – 2016 will be the ‘year of devolution’. While Hertfordshire has taken a cautious approach to devolution, the idea is gathering momentum, and as a council we need to be able to engage in, drive and lead change that will deliver the best outcome for our residents and businesses.
- **Refreshed Corporate Strategy** – the refreshed strategy (16/17-19/20) has some challenging objectives and we need to ensure that the leadership team is able to drive these forward with enthusiasm and determination. The draft priorities (to be agreed by the council in Q1 of 2016) are set out as an Appendix H to this document.
- **Digital by design and Channel shift** – many of our customers are ready for digital service access. We need to be ready to provide it. The project will be led by one of the directors, taking a whole council approach to moving as many of our services online as possible. This will cut out inefficient systems and create staff time for higher value work.
- **Communications and Policy** – as all of these changes above start to influence what we do and how we do it, we need a strong Communications, Strategy and Policy team to ensure that we have enough capacity to guide and shape policy (across all areas) and also to ensure that all of our customers and stakeholders are properly informed and engaged.

4 PROPOSALS

Following the consultation process from 5 January 2016 to 3 February 2016 the final proposals of the new Leadership team are:

- Directors roles to be responsible for corporate projects and priorities, to provide mentoring roles to Heads of service and line management responsibilities for PA.
- Creation of five new Heads of Service posts; Head of Communications, Strategy and Policy; Head of Housing and Health; Head of Operations; Head of Strategic Finance and Property; Head of Democratic and Legal Services
- Deletion of eight Heads of Service posts (Head of Business Development; Head of Communications, Engagement and

Culture Services; Head of Environmental Services and Leisure; Head of Customer Services, Information and Parking; Head of Community Safety and Health; Head of Governance and Risk Management; Head of Strategic Finance; Head of Democratic and Legal Services)

- Deletion of the Manager of Housing Services post. Creation of a new role of Housing Manager, reporting line to Head of Housing and Health
- New role of Head of Strategic Finance and Property to include the S151 Officer role and hold a CCAB accountancy qualification and membership (or equivalent)
- New role of Head of Democratic and Legal Services to include the Monitoring Officer role and hold a legal qualification and membership (or equivalent)
- Adjustments to the responsibilities of the Head of Planning and Building Control
- Adjustments to the responsibilities of the Head of Shared Revenues and Benefits Service and Head of Shared Business and Technology Services
- Adjustments to the responsibilities of Head of Human Resources and Organisational Development.
- A decrease of FTEs at SMG level from 16 to 12. Increase of 1 post at manager level. Total reduction in headcount of 3 posts.
- Heads of Service and above to not participate in the Flexi-time scheme and manage their hours in accordance with the requirements of the role; taking into consideration the council's ethos on work life balance and flexible working.
- A change in formal reporting lines to Chief Executive, with informal mentoring roles provided to Heads of Service by the Chief Executive and both Directors.
- New leadership team to replace CMT, DMTs and SMG. All Heads of Service to have increased accountability and decision making as part of the leadership team
- All Directors and heads of service to have generic job descriptions.

The current management structure is set out in Appendix A.

The proposed management structure is set out in Appendix B(1) and B(2).

The proposed job descriptions for Director and Head of Service are set out in Appendix C and D.

The proposed job description for Housing Manager is set out in Appendix I.

The draft job descriptions for Head of Service, Director and Housing Manager have been evaluated using the Hays evaluation scheme. New pay proposals are set out in this document.

Organisational Design

The proposed structure is based on the organisational design model that works to remove unnecessary layers in the organisation and ensure that management roles are really managing and decision-making is happening in the right part of the organisation, with the right accountability.

The council's proposed organisational design principles are set out in Appendix E.

Pay

The council use the NJC spinal column scale up to SCP 49. The pay scales for the council continue up to scale point 66 and were agreed locally as part of the single status agreement in 2001. The council recognises that the scale points for the current grade 13 overlap grade 12 and are not numbered consecutively (jumping from SCP 54 to starting again at SCP 61). The proposal is to change SCP in grade 13 to remove the overlap with grade 12 and to increase the scale points to recognise the increase in responsibilities for the Head of Service roles.

The proposed pay scale is set out in Appendix F.

It is proposed that progression through the proposed pay range and scale points will be based on performance and linked to the PDRS process for directors and Grade 13.

It is also proposed to introduce a pay range for Directors spot salaries between £75,000 - £90,000.

It is proposed that the posts designated as the Council's S151 Officer; Monitoring Officer and Head of Paid Service will receive a payment of £5,000 per year. The Pay Policy statement 2016/17 has been updated and will go to a special Local Joint panel meeting in February; together with the pay proposals.

5 STAFF AFFECTED BY THE PROPOSALS

Posts deleted, posts continuing and posts created

Chief Executive	New direct reports – leadership team
Director of Neighbourhood Services	Change to Director post with new job description and responsibilities
Director of Finance and Support Services	Change to Director post with new job description and

	responsibilities
Head of Strategic Finance	Delete post
Head of Environmental Services and Leisure	Delete post
Head of Customer Services, Information and Parking	Delete post
Head of Communications, Engagement & Cultural Services	Delete post
Head of Community Safety and Health	Delete post
Head of Business Development	Delete post
Head of Governance and Risk Management	Delete post
Head of Democratic and Legal Services	Delete post
Manager of Housing	Delete post
Director	One Vacant
Head of Strategic Finance and Property	New role: S151 Officer Accountancy Transactional Finance Treasury Management Property and Estates Engineering and Drainage Facilities Procurement Risk/Insurance Audit
Head of Communications, Strategy and Policy	New role: Communications Customer Services Information Web New Media Business Development Performance Strategy Policy Equalities Agenda Corporate Consultation Graduate support
Head of Housing and Health	New role: Housing Environmental Health Licensing Community Safety Public Health Engagement & Partnerships Health & Wellbeing Public Health Safeguarding

	Pest Control Animal warden Emergency Planning
Head of Operations	New role: Leisure Services Waste Management Parks and Open Spaces Economic Development Market Operations Environmental Inspection Hertford Theatre Parking
Head of Democratic and Legal Services	New role: Monitoring Officer Democratic Services Legal Electoral Services Member Support Land Charges Civic Support Scrutiny FOI Data Protection
Housing Manager	New role: Housing Services Reporting into Head of Housing and Health
Head of Planning and Building Control	New generic job description and responsibilities
Head of HR and OD	New generic job description and responsibilities Health and Safety
Head of Shared Revenue and Benefits Services	New generic job description and responsibilities
Head of Shared Business & Technology Services	New reporting line and responsibilities

Employees who are at risk of redundancy will be able to join the Redeployment register early and take advantage of support available, should they request to do so.

Assimilating, ring-fencing, open competition and pay protection

Head of Services or Managers not affected by these changes are not required to go through this process.

Director of Finance and Support Services; Head of Planning and Building Control; Head of Shared Revenue and Benefits Services; Head of Shared Business and Technology Services and Head of HR and OD will be assimilated into their current roles with a new generic job description.

Heads of Service and managers at risk will be subject to a selection process. The selection process will be done through an assessment centre process, including interview, presentation, psychometric questionnaire and written test.

All members of the leadership team will complete the psychometric questionnaire to support the development of their personal learning and development plan 2016/17.

For timetable of selection process please view Appendix G.

New Head of service and new Housing Manager posts will be ring fenced to the senior management team who are at risk of redundancy. Employees applying for ring fenced posts will be assessed (as described above), and if successful, will be appointed on their existing grades, or, where the post is at a higher grade, be promoted to the lowest point of the new grade.

Pay protection arrangements will apply where employees are offered and accept a post on a lower grade than their existing substantive grade as an alternative to compulsory redundancy.

Where employees are redeployed to a lower graded posts (but no more than two grades below), protection arrangements will be as follows:

The rate of pay (not grade) at the time staff take the lower graded post will be frozen (i.e. no future increments or pay awards) for 3 years;

At the end of the 3 year period staff will be paid at the top of the new (lower) grade;

But, if the top of the new (lower) grade catches up, through national pay increases, before the 3 years is up, the protection will cease at that point.

From that date onwards the rate of pay of the new (lower) grade will be paid.

Priority Application Process

In the event that you compete for but are unsuccessful in being appointed to the new structure, East Herts Council is committed to securing alternative employment for displaced employees wherever possible.

All eligible employees will therefore be placed on the Redeployment register when they are issued notice of redundancy. For more information and the procedure please see the Redeployment Policy.

Legal Rights - In the event that suitable alternative employment cannot be found then all staff are entitled to the following legal rights:

- To have paid time off to look for another job, attend interviews or to arrange training during the notice period
- A redundancy payment based on hours of work and length of service without enhancement
- Those aged 55 and over and contributing to the Local Government pension scheme will be entitled to early retirement and be able to draw their pension based on their years of qualifying service

6 VOLUNTARY REDUNDANCY

Applications for Voluntary Redundancy can be made by Heads of Services or managers at risk of redundancy by 25 February 2016.

Voluntary redundancy may be available:

- If you are part of a ring fence in an area where there is significant pressure for available posts such that individuals within that ring fence may ultimately be declared 'at risk' of redundancy; and
- If your release presents no specific problems for continuity of services;
- If your release presents no specific problems in relation to the need to retain an appropriate balance of skills and experience in the new structure;
- In the context of all of the above, your release is affordable for the Service and the council.

If you are interested you will be provided with an estimate of the redundancy payment that will be payable on receipt of a written request. If you are:

- Aged 55 or over, you will also receive an estimate for any retirement benefits as appropriate

Applications for voluntary redundancy will only be approved if it is considered to be in the council's interest. There will be no right of appeal against a decision not to grant an application for voluntary redundancy.

7 TIMETABLE

7.1 The key dates are set out below.

Event	Target Date
Section 188 letter issued to Unison	5/1/16
Formal Consultation started	5/1/16

Formal Consultation Period (including 1:1 meetings)	5/1/16-3/2/16 (30 days)
Proposals following consultation issued to Unison and employees for comments (5 working days)	8/2/16
Comments on proposals to LW	5pm on 12/2/16
Final proposals issued to Unison and employees	15/2/16
Provisional letters issued to staff including - final proposals and response to consultation - selection process	15/2/16
Applications for voluntary redundancy received	25/2/16
Deadline for return of expressions of interest	25/2/16
Selection process/interviews for new jobs	29/2 or 1/3
Outcome of the selection process confirmed in writing to affected employees. New posts offered or intention of redundancy. Right of appeal.	4/3/16
Appeals deadline	21/3/16
Issue notices of termination Employees added to the Redeployment register. Notice period commences 12 weeks	March 2016
New structure fully implemented	To be agreed with successful candidates

8 CONSULTATION AND COMMUNICATION

Staff Consultation

- 8.1 Staff consultation was held from 5/1/16 until 3/2/16.
- 8.2 121 with affected employees, staff briefings, Unison meetings and Staff Forum were held to allow all employees to comment on the proposed structure of the senior management team. All the feedback and questions raised as part of the consultation process have been collated and summarised into one document (Appendix J). The document includes Liz Watts response to points raised.

Trade Union Consultation

- 8.3 Unison was consulted on the proposals from 5/1/16 until 3/2/16. Unison submitted a formal response as part of the consultation process (Appendix K). Liz Watts response to the points raised by Unison is included.

9 SUPPORT AND INFORMATION

- 9.1 Support for staff directly affected by these proposals is available from:

- **Chief Executive**
- **Head of HR and OD**
- **Unison** members can contact Steve Ellis (Branch Secretary) who is aware of the content of this document.
- Independent support and advice can also be sought through the Employee Assistance Programme by calling PPC 0800 282 193.

10 APPEAL PROCESS FOR REDUNDANCY

Employees have the right to appeal against redundancy on the following grounds:

- Their post is not redundant
- They believe they should have been assimilated into a new post
- That the selection criteria were unfairly applied

Please refer to the Appeals Policy for further information on the process and timetable for appeal.

Any decision made at the appeal is final, and there is no further right of appeal. An employee cannot use the Grievance policy by way of further challenge to the decision.