

HR Committee

17th February 2022



Report of: Chief Executive

Title: Update on council-wide workforce change programmes

Ward: N/A

Officers Presenting Report: James Brereton (HR Business Partner) and Jo White (Senior Project Manager)

Contact Telephone Number: 0117 92 22000

Recommendation

That the Committee notes the report.

Summary

The report provides sets out progress in relation to a connected and co-ordinated set of change programmes. The Common Activities Programme is informing areas where the number of management roles can be rationalised through the Management and Capacity Review, as well as services where capacity needs to be retained, talent promoted and diversity improved through application of the Succession Planning Policy. Taken together, these initiatives are reducing duplication, improving efficiency, reducing the overall number of managers across the Council and ensuring that organisational capacity is focused on the Council's top Corporate Strategy goals.

The significant issues in the report are:

- The Common Activities Programme is reducing duplication and improving efficiency across the organisation. The programme is designed to deliver savings of £1m over three years (2021/22-2023/24) without a need to make compulsory redundancies.
- The Management and Capacity Review is reducing the overall number of manager roles across the Council, removing vacant positions in areas where capacity can be reduced and retaining/shifting capacity in areas delivering on key Corporate Strategy priorities. This programme of work will deliver savings of £2m in 2022/23 and a further £3.5m in 2023/24.
- A Succession Planning Policy has been introduced to create opportunities to promote talent and improve diversity at higher grades whilst reducing the number of manager roles.



Policy

1. Relevant priorities in the Council's Corporate Strategy 2022-2027 are:
 - a. EDO2 One Council – make it easier to get things done as “One Council” by adopting more consistent standardised and well-communicated procedures and processes, with corporate support services that are the right size for the needs of the organisation.
 - b. ED03 Employer of Choice – live our organisational values and show leadership on equality, diversity and inclusion across the council and city, becoming a recognised employer of choice. Make sure we have an inclusive, high-performing and motivated workforce that is representative of the city we serve. Support people to learn, develop in their careers and maximise their wellbeing.
2. The Council's Succession Planning Policy offers the facility for colleagues to leave on a voluntary basis, subject to meeting certain criteria, chiefly that the cost of the exit should normally be less than the annual salary budget for the position and a funded role (preferably a managerial post) should be deleted as a result.
3. There are no Council policies specifically covering the deletion of vacant positions.
4. Where proposed changes will impact on postholders, consultation and implementation will be conducted in accordance with the Council's Managing Change Policy.

Consultation

5. Internal

Not required because this report is for information only.

6. External

Not required because this report is for information only.

Context

7. A set of connected and co-ordinated change programmes is currently in place. The Common Activities Programme is informing areas where the number of management roles can be rationalised through the Management and Capacity Review, as well as services where capacity needs to be retained, talent promoted and diversity improved through application of the Succession Planning Policy. Taken together, these initiatives are reducing duplication, improving efficiency, reducing the overall number of managers across the Council and ensuring that organisational capacity is focused on the Council's top Corporate Strategy goals.

Common Activities Programme

- 8.** The Common Activities Programme is an important element of how we will turn our Corporate Strategy priorities into action and accelerate our shift towards 'One Council'; where our collective effort makes the biggest difference to the people we serve. We want to join up pockets of the same, or similar, corporate support service work ("common activities"), which currently happen in different ways across the organisation. This will make it easier to get things done by introducing consistent, easily understood processes that make the most of everyone's skills. It will help ensure that our work is aligned behind the top Council priorities and that we focus resources and effort on these. It is not a redundancy programme. In some cases, staff will transfer into the relevant services within the Resources directorate; in others staff will remain where they are now with a line of accountability to the respective professional home.
- 9.** The programme has been divided into 3 waves, covering 10 of the Council's 13 divisions: Adult Social Care and Housing & Landlord Services started in July 2021; Development of Place, Economy of Place, Management of Place and Finance started in November 2021; and Children, Families & Safer Communities, Digital Transformation, Education & Skills and Workforce & Change is scheduled to begin in March 2022.
- 10.** The shape of the programme has been informed by a survey of heads of service in 2019, which has been refined by a survey of all in-scope staff in Summer/Autumn 2021. The survey is primarily used as a starting point, informing the common activity leads where activity is happening, so that they can focus further discovery in the right places.
- 11.** The programme is led by a team from Change Services and includes service manager leads for each of the professional areas covered: project management/support & work scheduling; business support; data analysis and performance reporting; information governance; procurement & contract management; citizen contact; policy; communications; finance; learning and development; and ICT. Property & facilities management is also a workstream but aligned to the Corporate Landlord Project, which is a separate change programme.
- 12.** A savings target of £500k was budgeted for 2021/22; proposals for further savings of £400k in 2022/23 and £100k in 2023/24 have been included in the budget that is subject to consideration by Full Council in February/March 2022. The primary aim is to achieve savings through the deletion of vacant positions. A vacancy management process has been in place since May 2021. Where possible vacancies are being held vacant. Where it is critical to cover a vacancy, temporary measures such as internal secondments and agency workers are being used. A review of the savings secured by the vacancy management process is currently underway.

13. Proposals to transfer staff are discussed between service leads and local managers. There is no requirement for formal consultation where the only change is line management, but the programme will usually build in a communication period before the move, to support staff who are moving into a new team. Where there are changes to job documentation (though these are not contractual) or contractual terms and conditions of employment (such as pay and working hours) then a consultation period of 4 weeks takes place with affected employees and their trade union representatives prior to any transfer or change. In many cases, it's likely that the only change in the short term will be line management. As the programme nears completion a number of service reviews will take place in the Resources directorate – this will be the case for some but not all of the professional areas covered by the programme and will of course be subject to proper consultation. General engagement between the programme team, HR and the trade unions will continue throughout the programme.
14. It is anticipated that the first moves of staff will take place from February 2022 – these are project management and support staff from Housing and Landlord Services moving into Change Services, citizen contact handling staff moving from Housing and Landlord Services into Citizen Services, and a team from ICT moving into a central data and analytics team. High-level programme plans are included at Appendices A and B respectively.

Management and Capacity Review

15. The Management and Capacity Review aims to reduce workforce costs and prioritise capacity on the Council's Corporate Strategy goals. It started in December 2021 and has a number of workstreams: a succession planning policy, a review of budgeted vacancies and changes to the senior leadership structure. One of the main priorities of the programme is to reduce the overall number of managers across the Council – there are presently more than 1,000 managers out of a total staff headcount of around 6,500 (in around 5,500 positions). The aim is to ensure that the “span of control” of most managers is close to the overall Council average.
16. Savings targets of £2m in 2022/23 and £3.5m for 2023/24 have been proposed and will have been considered by Full Council at the Budget meeting on 15 February 2022.

Succession Planning Policy

17. A Succession Planning Policy was adopted in 2021. It enables staff to be invited to apply to leave the council with a severance payment or early release of pension benefits, providing a position (preferably a managerial role) is deleted in return. A key feature is that it creates more opportunities to improve diversity amongst higher grades through career progression. Applications made under the scheme are considered by a panel of senior leaders (including the Chief Executive) and are subject to a number of criteria being fulfilled, one of which is that the exit cost should normally be less than the annual salary budget for the position. Vacancies created through the policy are advertised internally. A copy of the policy can be found on [the Source](#) (the Council's intranet).
18. The top 700-800 highest-paid of the Council's staff were invited to apply in December 2021. Depending on outcomes from this first wave, the invitation to apply may be extended to managers at lower levels in the organisation. A summary of approved applications and related savings to date are included for information at Exempt Appendix C.

Changes to the senior leadership structure

19. The Chief Executive will shortly be proposing some changes to the Director and Executive Director structure in particular establishing a permanent leadership structure for People services. None of these changes will result in redundancies and the cost of the revised structure will be contained within budget. Consultation will take place with those directly affected and their trade union representatives. Further information will be shared with members of the Committee in due course.

Vacancy review

20. A review of budgeted vacancies started in the Resources directorate in January 2022. The Growth & Regeneration and People directorates will follow in turn. All vacancies are being validated to ensure they are in fact budgeted. Each Executive Director will then review in conjunction with colleagues to ensure that capacity is retained in or moved between services based on the goals in the Corporate Strategy.
21. This review will include vacancy-related savings previously identified by budget holders in order to minimise the risk of double-counting.

Proposal

22. That the Committee notes the report.

Other Options Considered

23. None because this report is for information only.

Risk Assessment

24. Not required because this report is for information only.

Public Sector Equality Duties

- 25a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:
- i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
 - ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
 - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;

- take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
 - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
- tackle prejudice; and
 - promote understanding.

25b) An Equalities Impact Assessment has not been completed because this report is for information only. However, an Equalities Impact Assessment is in place in relation to the potential workforce changes arising from the budget proposals for 2022/23 and beyond, and this is available via the Council's website as part of the report to the Cabinet.

Legal and Resource Implications

Legal

Not required because this report is for information only.

Financial

(a) Revenue

(b) Capital

Not required because this report is for information only.

Land

Not applicable.

Personnel

Not required because this report is for information only.

Appendices:

Appendix A – high level programme plan

Appendix B – high level implementation plan

Appendix C – exempt summary of approved succession planning applications

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

None.