

STRENGTHENING CORPORATE LEADERSHIP

Executive Summary

The Council has established a significant performance reset over the last year through a Fit for the Future programme and has created a framework to oversee the delivery of efficiencies while continuing to place communities at the core of decision making through our extensive community engagement plans. In addition, the programme seeks to deliver a modern Council way of working that is in tune with the corporate priorities and opportunities that the Borough offers.

As part of the Fit for the Future programme, the Council needs to strengthen its commercial and financial capability to manage the significant investment made in the Borough. Some of the Council's working practices and the structure of the organisation will need to change to take forward the opportunities and address the challenges that have been identified in the new Corporate Strategy (Working for all Strategy) and Medium Term Financial Strategy (MTFS).

A new strengthened leadership team structure is proposed to lead this change.

The proposed creation of three new Strategic Director roles recognises the need for a stronger corporate and strategic focus within the Corporate Leadership Team. It also seeks to strengthen the corporate role and responsibility that Directors have in order to respond to the priorities of the Working for all Strategy. The proposed structure, with fewer direct reports to the Chief Executive, will support the change agenda set out in the Fit for the Future programme.

This report sets out proposed changes and the associated processes and timeframes involved as required by the Council's Organisational Change Policy.

Recommendations

The Executive is requested to:

RESOLVE That

- (i) the proposed new Corporate Leadership Team structure set out in the report be noted; and
- (ii) the processes required to put in place a new Corporate Leadership Team, including the staff consultation process, be noted.

Reasons for Decision

Reason: To strengthen strategic leadership in the Council and develop a stronger commercial and financial focus, organisational capability and skills.

The Executive has the authority to determine the recommendations set out above.

Strengthening Corporate Leadership

Background Papers: None.

Reporting Person: Julie Fisher, Chief Executive
Email: Julie.fisher@woking.gov.uk, Extn: 3333

Contact Person: Julie Fisher, Chief Executive
Email: Julie.fisher@woking.gov.uk, Extn: 3333

Portfolio Holder: Councillor Ayesha Azad
Email: cllrayesha.azad@woking.gov.uk

Shadow Portfolio Holder: Councillor Ann-Marie Barker
Email: cllrann-marie.barker@woking.gov.uk

Date Published: 16 March 2022

1.0 Introduction

- 1.1 The Executive is considering the Woking for all Strategy 2022-27 and Directorate plans for 2022/23. This maintains the golden thread of taking corporate priorities through to operational actions. The Woking for all Strategy sets the priorities for the Council and the MTFS, which is also being considered at this Executive meeting and establishes the financial strategies that best support the delivery of the corporate priorities.
- 1.2 The MTFS report establishes the framework for a significant programme of work to be undertaken in 2022/23 to deliver the priority outcomes of the Woking for all Strategy through establishing:
 - A Local Government Policy and Funding outlook, to ensure we respond and adapt to changes in public policy and regulation,
 - Governance and performance management arrangements that are focused on delivering the financial, social and economic returns from the Council's investments, and
 - Council financial resilience to manage over the short, medium and long term
- 1.3 The Council spends circa £130m gross and £15m net revenue each year on the general fund and has an ambitious £910m capital Investment Programme. The Council faces significant financial challenges and it also has an ambitious development and growth agenda. It is vital that Council resources, in partnership with others, are deployed in the most effective way and in a way which responds to delivering the vision and priorities which are set out in the Woking for all Strategy.
- 1.4 The Council has established a significant performance reset over the last year through a Fit for the Future programme in order to establish a framework to oversee the delivery of efficiencies while continuing to place communities at the core of decision making through our extensive community engagement plans. In addition, the programme seeks to deliver a modern Council way of working that is in tune with the corporate priorities and opportunities that the Borough offers.
- 1.5 As part of the Fit for the Future programme the culture, working practices and structure of the organisation will need to adapt and develop to take the opportunities and address the challenges that have been identified. One of those challenges is ensuring the Council has the necessary commercial and financial capability to manage its investment and commercial portfolio as highlighted in our MTFS, referred to in 1.2 above.
- 1.6 The Fit for the Future programme has been established by the Chief Executive as the programme of change for the Council that will establish the culture, regime and focus for the how the Council will operate as a trusted voice, advocate and agent of change for the Borough. This programme is established on the themes of:
 - A culture of engagement - to understand and respond to the priorities of the Borough's Communities
 - A regime of conducting Council business with openness and transparency enabling strong democratic accountability
 - A focus on a one Council way of working to deliver strong organisational performance and resilience
- 1.7 The Council has and will continue to work to ensure:
 - What we do represents good value for money;
 - We invest in and for the future vision for the Borough as a vibrant place to live, visit, work and invest;
 - Our activities are transparent and we can be held to account;
 - We operate as One Council and focus on key areas for the Borough;

Strengthening Corporate Leadership

- We prioritise the investment available for front line service delivery by maximising the resources available to us through income generation, treasury management and working in partnership with other organisations;
 - We remain true to our purpose and carry out all we do professionally and competently; and
 - We remain ambitious, optimistic and realistic about what can be achieved.
- 1.8 The Fit for the Future programme is a cultural and extensive programme of change which will be a continual feature of how the Council operates and wants to become known for. Fit for the Future is more than a programme of activity, it represents a mantra for how the Council relates to the Borough's communities; embraces democratic accountability and seeks to continually improve the ways that the Council does its business in an integrated, coherent and transparent way.
- 1.9 As part of this programme of change, in early Summer 2021 the Corporate Leadership Team (CLT) was established and replaced the previous Corporate Management Group arrangement. This change was to increase the attention paid to leadership of Council business. The CLT began to establish strong cross Council officer leadership and ways of working focusing on the key strategic priorities. CLT has also established itself as the Corporate Programme Board gaining visibility and oversight of all key change activity and has overseen reviews of service planning, risk management, project management and proposals for the campaign of community engagement.
- 1.10 In order to further strengthen leadership of the Council, changes to the CLT structure are now proposed in order to take the significant strategic review and strategic planning work into delivery.

2.0 Proposed New Corporate Leadership Team structure

- 2.1 The current officer leadership structure of the Council is set out in Annex A. There are currently six members of the CLT and two further Senior Managers that all report directly to the Chief Executive:
- 2.2 In addition to the Chief Executive, the current CLT is made up of the following posts:
- Director of Planning
 - Director of Neighbourhood Services
 - Director of Housing
 - Director for Communities (vacant)
 - Director of Legal and Democratic Services, and Monitoring Officer
 - Director of Finance
- 2.3 Benchmarking has been done against neighbouring Surrey District and Borough authorities, whilst equally recognising the specific opportunities, challenges and strategic priorities for the Woking Borough and Council. There is no approach that is common to all of the District and Boroughs, however this proposal is consistent with those that have streamlined the CLT arrangements in order to drive organisational and performance change.
- 2.4 It is proposed to establish three new Strategic Director roles:
- Strategic Director – Corporate Resources
 - Strategic Director – Housing, Communities & Wellbeing
 - Strategic Director – Place
- 2.5 The new officer leadership structure of the Council is set out in Annex B. The proposal has three Strategic Director reports (see 2.4 above) to the Chief Executive to replace the current

Strengthening Corporate Leadership

eight direct reports. The following posts which currently report to the Chief Executive would report into the Strategic Director – Corporate Resources:

- Finance Director – Section 151 Officer
- Director of Legal and Democratic Services and Monitoring Officer
- Head of HR
- Head of Transformation & Digital

2.6 The Director of Legal and Democratic Services and Monitoring Officer, and the Director of Finance roles will continue to provide strategic advice to Council leadership as part of the CLT and shall, at all times, continue to have unfettered rights to:-

- Report direct to the Council, the Leader, the Executive, the Overview and Scrutiny Committee and all other Committees of the Council in exercise of their statutory functions, or where they consider it appropriate to do so and;
- Access to the Chief Executive.

2.7 The realignment of the services within this new structure will bring about a more logical approach with clearer accountability and focus than can be achieved through the current organisational arrangements.

2.8 The proposed creation of three new Strategic Director roles recognises the need for a stronger corporate and strategic focus within the CLT. It also seeks to strengthen the corporate role and responsibility that Directors have in order to respond to the priorities of the Woking for all Strategy. The proposed structure, with fewer direct reports to the Chief Executive, will support the change agenda set out on the Fit for the Future programme.

2.9 In order to move forward, consultation will be undertaken with staff on the proposed restructure, in accordance with the Council's Organisational Change Policy. Once the restructure is confirmed, it is likely that the following posts will be deleted from the establishment:

- Director of Planning
- Director of Neighbourhood Services
- Director of Community Services (vacant)
- Director of Housing

2.10 The above post holders, where appropriate, will be considered for ring fencing of the new Strategic Directors and may be subject to an interview process. Posts that remain unfilled at the end of this process would be advertised externally.

2.11 While the restructure of the CLT will create uncertainty and worry for staff, the Council must rise to the challenges set out in the Woking for all Strategy, and deliver on the key issues raised by the public and stakeholders through the extensive engagement work undertaken.

3.0 Corporate Leadership Roles

3.1 As set out above, the new Strategic Directors will work closely with the Chief Executive to deliver the ambitions set out in the Woking for all Strategy and work both cross directorate and cross organisation to secure outcomes. Notwithstanding this key corporate role each Strategic Director would be responsible for the following key areas of responsibility (these may be changed following feedback received through the consultation process). Further directorate change may be required and would be subject to a future process overseen by the relevant Strategic Director.

Strategic Director - Corporate Resources

3.2 This post will bring together our corporate functions and work across the Council to develop the necessary commercial and financial skills we need to deliver on our corporate priorities and objectives.

3.3 Services include:

- Strategic and Service Planning
- Finance
- Customer Services
- Revenues and Benefits
- Marketing and Communications
- Procurement
- Information Governance and Security
- Legal and Democratic Services
- Organisational and Service Transformation
- Digital and IT services
- Human Resources and Organisational Development

Strategic Director - Housing, Communities and Wellbeing

3.4 This post will work in partnership to deliver on our key objectives of delivering our housing requirements across the Borough as set out in our Housing Strategy and will work with health partners to support the Health and Wellbeing of our residents in line with our Health and Wellbeing Strategy. The provision of leisure, culture and arts services supports the Borough's communities to live healthy and active lives.

3.5 Services include:

- Housing
- Health and Wellbeing Services
- Family & Community Services
- Community Safety
- Leisure & Cultural Services

Strategic Director - Place

3.6 This post will work with external partners and across the Council to secure sustainable economic growth across the Borough, ensuring we protect and enhance the environment, meeting our carbon neutral commitment by 2030 and provide key environmental services to residents. Place services will plan for the future in terms of housing, employment space and associated infrastructure and ensure that development is high quality, meeting the needs of our communities now and in the future.

3.7 Place services also support the Borough's communities to live healthy and active lives by working in partnership to promote sustainable and active travel.

3.8 Services include:

- Property Services
- Planning Services (including Building Control)
- Environmental Health
- Economic Growth & Business liaison

- Green Infrastructure
- Parking Services
- Neighbourhood Services
- Technical Services – including engineers, drainage and flood risk, town centre management
- Waste and grounds maintenance

4.0 Wider Organisational Implications

Staff

- 4.1 The proposed changes to the CLT will have a consequential impact on the line management arrangements for some Senior Managers. In the majority of cases the implications for these posts will represent a change in reporting line. For a small number of posts there may also be amendments to some existing duties and responsibilities.
- 4.2 Although it is difficult to fully assess the impact on these posts until the changes at CLT level are agreed, to be as transparent as possible and to seek to minimise the period of uncertainty, the wider staff group will also be engaged on the potential implications. No posts in the wider staff group have been identified for deletion and therefore none of these other staff will be displaced.

Consultation Process

- 4.3 The Council's Organisational Change Policy sets out the consultation process in circumstances where changes in structures are proposed and where staff are likely to be affected. There is a requirement to consult with all affected staff about the proposals allowing them a reasonable period of time to respond with alternative and/or additional suggestions to achieve a more effective outcome for the Council. Consideration will be given to all suggestions and comments made. This may result in feedback which alters the proposals. This should be viewed positively, as this is an open process where all views and suggestions will be carefully considered. Feedback will be provided to staff as part of the process.
- 4.4 The consultation process will involve:
- Staff groups and Unison
 - One to one and group meetings with directly affected staff
 - Staff briefings for wider staff group
- 4.5 Staff will be encouraged to contribute to the consultation which will be for a period of 30 days.

Appointment Process

- 4.6 The Council's Organisational Change Policy states that all staff at risk of redundancy will be ring fenced and given priority for suitable alternative roles, through the normal recruitment process.
- 4.7 The Policy defines suitable alternative employment taking account of:
- Job content
 - The terms and conditions applicable to a post and location.
- 4.8 The Council as an employer has a duty to identify suitable posts as an alternative to redundancy and if another role is identified as "suitable" and it is not offered, ACAS advises that this could be judged as unfair dismissal.

Strengthening Corporate Leadership

- 4.9 New posts will be appointed to in accordance with the requirements of the Council's Organisational Change Policy.

Appeals Process

- 4.10 Employees will have a number of opportunities to appeal against the decisions made during this process. Employees would also have the right to raise a grievance.
- 4.11 The Council's Redundancy Appeals Procedure, as outlined in the Organisational Change Policy, sets out a helpful framework for dealing with issues arising from restructure and/or redundancy proceedings.

5.0 Corporate Strategy

- 5.1 The new Working for all Strategy sets out the priorities for this Council including emphasising the Council's role in the 'place' – supporting high quality sustainable development and a strong economy, delivering new housing, together with supporting residents wellbeing and prosperity.
- 5.2 The Working for all Strategy together with the MTFS also outlines the significant financial challenges the Council faces, whilst continuing to have an ambitious development and growth agenda.
- 5.3 Having adopted an integrated service and financial planning approach to align resourcing decisions with the priorities of the Council, it is imperative that the Council's leadership structure supports that approach.

6.0 Implications

Finance and Risk

- 6.1 Over the Summer, in response to the Council's MTFS reported in July, a review was completed to identify savings, efficiencies and income generating opportunities across the Council's services. The MTFS sets out the headline levels of savings currently identified.
- 6.2 Senior Managers and the CLT have, as part of this process, reviewed staffing levels and agreed a number of areas where additional resources are required to support the Council's activities. There were also some posts which were identified as savings through the Fit for the Future programme. These variations are now reflected in the 2022/23 base salary budget.
- 6.3 The recent Comprehensive Review of the Council's finances has identified an action plan which includes the need to review the Council's commercial and financial capacity, and have a stronger approach to the management of its assets and commercial portfolio. This restructure is an important step in further developing the Council's commercial and financial capability.
- 6.4 For guidance and subject to full consultation the full annual cost differential of the original CLT structure compared to the new proposed structure is estimated at £44,000 saving in a full year, see Annex C. This saving is subject to change including changes arising from the formal consultation and other one off or short-term costs:
- Protected salary requirements could apply for staff assimilated into a lower graded post for the first 2 years
 - The one-off costs if the proposed structure is agreed
 - All figures are based on salary figures without on-costs
 - All figures are based on the mid point of the grade

Equalities and Human Resources

- 6.5 An equalities impact assessment has been completed and will be updated at key stages in the process.
- 6.6 Existing resources will be used to support the processes required to put in place a new and strengthened CLT. Where there is a need to recruit externally, a recruitment consultancy will be engaged to undertake the detailed work required including an extensive executive search.

Legal

- 6.7 This restructure will be taken forward in accordance with the Council's Organisational Change Policy.

7.0 Engagement and Consultation

- 7.1 The Council's Organisational Change Policy sets out the consultation process in circumstances where changes in structures are proposed and where staff are likely to be affected. There is a requirement to consult with all affected staff about the proposals allowing them a reasonable period of time to respond with alternative and/or additional suggestions to achieve a more effective outcome for the Council. Consideration will be given to all suggestions and comments made and feedback will be provided to staff as part of the process.

REPORT ENDS

Current Corporate Leadership Team is made up of the following posts:

In addition to the Chief Executive:

- Director of Planning
- Director of Neighbourhood Services
- Director of Housing
- Director of Communities (vacant)
- Director of Finance (Section 151 officer)
- Director of Legal and Democratic Services & Monitoring Officer

Proposed New Corporate Leadership Team Structure

Annex B

In addition to the Chief Executive:

- Strategic Director – Place
 - Strategic Director – Housing, Communities and Wellbeing
 - Strategic Director – Corporate Resources
- } New Posts
- Director of Finance (Section 151 officer)
 - Director of Legal and Democratic Services & Monitoring Officer

The new structure proposes deletion of the following four posts:

- *Director of Planning*
- *Director of Neighbourhood Services*
- *Director of Housing*
- *Director of Communities*

Strengthening Corporate Leadership

Annex C

Proposed New Strategic Director roles					
Job role	Grade	Salary Cost (mid point)	Flexible Benefit	Vehicle Allowance	Total
Strategic Director Place	W11	114,236	5,018	2,600	121,854
Strategic Director Housing, Communities Wellbeing	W11	114,236	5,018	2,600	121,854
Strategic Director Corporate Resources	W11	114,236	5,018	2,600	121,854
					365,562
Proposed Director roles to be deleted					
Job role	Grade	Salary Cost (mid point)	Flexible Benefit	Vehicle Allowance	Total
Director of Planning	W10	95,660	4,347	2,600	102,607
Director of Neighbourhood Services	W10	95,660	4,347	2,600	102,607
Director of Housing	W10	95,660	4,347	2,600	102,607
Director of Communities	W10	95,660	4,347	2,600	102,607
					410,428
Total cost difference					44,866