REPORT OF THE SERVICE DIRECTOR, TRANSFORMATION AND CHANGE AND SERVICE DIRECTOR, FINANCE, INFRASTRUCTURE & IMPROVEMENT AND SECTION 151 OFFICER

TRANSFORMATION AND CHANGE, AND PERFORMANCE, INTELLIGENCE AND POLICY TEAMS RESTRUCTURE

Purpose of the Report

1. To update the Sub-Committee on progress with implementing the approved high level structures for the Transformation and Change and Business Intelligence functions, in support of the Council's approved revised approach to Transformation and Change.

2. To seek approval for the proposed full structures and funding arrangements for both functions.

3. To seek approval for the review of the new model and structures for transformation and change in early 2022, with the outcome of the review and any consequent recommendations being reported back to the Sub Committee.

Information

4. Reports approved by the Sub-Committee in July, September and November 2020 established and agreed an ambitious corporate approach to transformation and change to deliver savings and efficiencies, and benefits and value for money to the Council and citizens.

5. The new approach will have a stronger focus on research, policy and strategy planning and development and data insight, analytics and data science to ensure the Council is abreast of national thinking and policy development, and can take a future facing rather than responsive approach to the initiation, development and delivery of cross-Council change programmes.

6. There will also be a more corporate and forward-facing approach to identifying and initiating digital solutions to ensure they are developed in an integrated way across the benefitting both residents and Council functions.
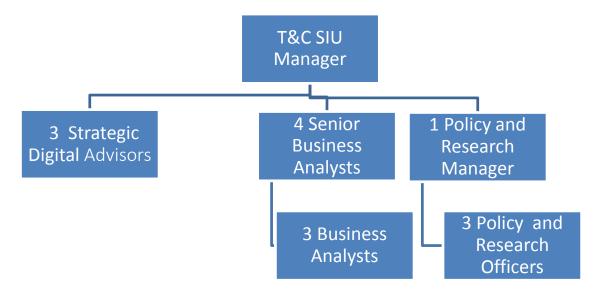
7.   The following four cross-council programmes were approved at Sub-Committee on 23rd November 2020:

   - All age approaches to improving support for those with disabilities
   - Developing integrated prevention and early help interventions
   - Developing "whole family" approaches to safeguarding
   - Improving residents' access

8.   Sub Committee also approved two underpinning strands of work:

   - A workforce design programme
   - A strategic commissioning programme

9.   Sub-Committee in November 2020 also approved the high level staffing structures for the Transformation and Change and Business Intelligence (replacing the Performance, Intelligence & Policy) functions in support of the agreed, revised corporate approach to transformation, improvement and change.

10.   Since then the senior posts have been appointed to, and a consultation on the proposed full team structures, including engagement with relevant Trades Unions, has been completed. Feedback on the approach, structure and job descriptions has fed into the proposed structure submitted for approval in this report.

11.   Some elements of the Transformation & Change team transferred across to ICT as part of its restructure as agreed at Policy Committee in December 2020.

12.   Approval is now sought for the full team structures to enable the ambitious approach to corporate transformation and change agreed by the Sub Committee at its meetings in July, September and November 2020 to begin to be implemented.

The structure for Transformation and Change

13.   Within the Transformation and Change function three specific core areas of expertise have been established to support and drive effective change. This marks a move away from the Council's previous "generalist" approach: -

14.   **Strategic Insight Unit (SIU).** As previously approved, this will provide:

   - Data insight, analytics and data science skills and capacity, to provide both support and challenge to existing transformation programmes, and to help generate future programmes.
   - A focus on research, policy and strategy planning and development, to ensure the Council keeps abreast of national thinking and policy development, and ties this in to its strategic work.
   - A direct link with Departments and senior leaders so that corporate and departmental priorities and strategies are informed by the latest thinking and best practice, and that cross Council transformation is effectively co-ordinated.
   - Bringing forward new ideas to ensure that digital insight opportunities are central to NCC thinking. These may be identified through horizon scanning and/or key business

relationships with external partners. As part of this integrated systems opportunities will be examined where these lead to a better customer experience
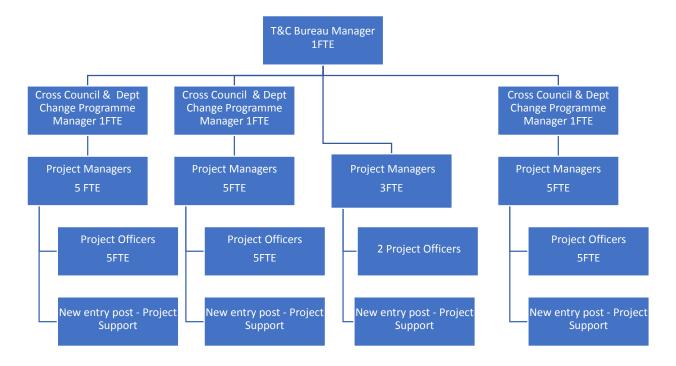
Table 1 below sets out the proposed structure for the Team to enable it to effectively carry out these functions: -

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                        ┌──────────────┐
                        │   T&C SIU    │
                        │   Manager    │
                        └──────────────┘
        ┌──────────────────────┼────────────────────┐
┌────────────────┐   ┌────────────────┐   ┌────────────────┐
│  3  Strategic  │   │    4 Senior    │   │  1 Policy and  │
│ Digital Advisors│   │    Business    │   │    Research    │
│                │   │    Analysts    │   │    Manager     │
└────────────────┘   └────────────────┘   └────────────────┘
                             │                     │
                     ┌────────────────┐   ┌────────────────┐
                     │   3 Business   │   │ 3 Policy  and  │
                     │    Analysts    │   │    Research    │
                     │                │   │    Officers    │
                     └────────────────┘   └────────────────┘
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15. **Transformation and Change Bureau**. As previously approved, this will provide:

- Change management capacity, with strong project management, data and digital skills, and active leadership of culture change embedded within departments and services in order to support and drive the delivery of the cross-Council transformation programmes. This will therefore be close to the frontline but will be part of a strong corporate "transformation community" where best practice and knowledge are shared, development is targeted and resource aligned appropriately to the needs of the transformation programmes as they progress. This approach will help ensure:

    - A consistent approach and ongoing professional development for staff;
    - That managers and staff can be assigned to programmes that fit best with their skillsets where required;
    - The full engagement and understanding of departmental front-line services in cross Council transformation programmes.
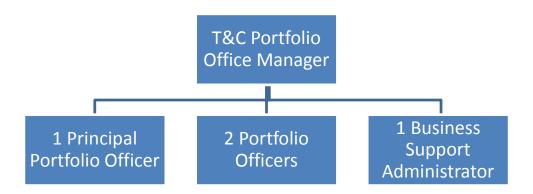
Table 2 below sets out the proposed structure for the Team to support these functions: -

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                          T&C Bureau Manager
                                1FTE

  Cross Council & Dept      Cross Council & Dept                              Cross Council & Dept
  Change Programme          Change Programme                                  Change Programme
  Manager 1FTE             Manager 1FTE                                       Manager 1FTE

  Project Managers          Project Managers      Project Managers            Project Managers
  5 FTE                     5FTE                   3FTE                        5FTE

     Project Officers         Project Officers        2 Project Officers        Project Officers
     5FTE                     5FTE                                              5FTE

     New entry post - Project New entry post - Project New entry post - Project New entry post - Project
     Support                  Support                  Support                  Support
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16. The proposal establishes a clear career structure for the Council's project and business change staff.

17. The proposal also includes the initial assignment of 2 Project Managers and 3 Project Officer posts to support both the Place and Children's and Families Services Departments. For Place, this will secure core service level improvement capacity, and will reflect the transfer to "business as usual" status of the Council's smarter working initiative, recognising that the move to more flexible approaches to working for staff will need permanent capacity. This work will be managed within the Property function within Place. For Children's and Families, this will secure additional and necessary service improvement capacity, to ensure that operational improvements, particularly in respect of core social work practice and processes, can be effectively supported and secured.

18. The Project Support posts will not be appointed or funded initially. They have been designed to offer an opportunity for new entry posts/apprenticeships when funding becomes available.

19. **Transformation and Change Portfolio Office.** As previously approved, this will provide:

- Governance of transformation and change programmes and projects – both cross Council and department/service specific - in a lightweight but rigorous way to ensure the effective and consistent use of resources, and the clear realisation of benefits, with effective corporate oversight.

- Oversight of the delivery of the Council's ambitions, covering the Council plan, and supporting strategies, programmes and projects.
- Support and tracking of appropriate resource allocation and monitoring and report on programme and project delivery and benefits realisation to a variety of audiences/groups across the Council.

Table 3 below sets out the proposed structure for the Team to support these functions: -

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                    ┌─────────────────────┐
                    │   T&C Portfolio     │
                    │  Office Manager     │
                    └─────────────────────┘
          ┌───────────────┼────────────────────┐
┌──────────────┐  ┌──────────────┐   ┌──────────────┐
│ 1 Principal  │  │ 2 Portfolio  │   │ 1 Business   │
│ Portfolio    │  │  Officers    │   │ Support      │
│ Officer      │  │              │   │ Administrator│
└──────────────┘  └──────────────┘   └──────────────┘
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The Model and structure for the Business Intelligence Unit

20. The previous report to the Sub-Committee in November 2020 referred to this Unit as the Data Management Team. The first phase of consultation with staff identified strong feedback that this proposed title does not properly reflect the significance and breadth of duties that the teams in this unit will deliver. The term 'business intelligence' is considered to more fittingly capture the focus that the teams in this unit will have on delivering the business intelligence products, analysis and reporting at the service level across the Council.

21. The previous report in November 2020 also proposed a two-team model for this part of the new structure. Again, with the benefit of comments received from staff during the first consultation, it was agreed that a two-team model would risk insufficient managerial and supervisory capacity. Consequently, a three-team model is now proposed, which provides for a more balanced and resilient structure. The three-team will be delivered within the same cost envelope as previously modelled for the two-team option.

22. Key areas of focus for this Unit will be the following:

- Corporate support – to maintain the Business Intelligence Hub, its current suite of reports and to develop further reports to meet the requirements of the SIU. It will also maintain data-sharing feeds with our external partners, notably with the Local Resilience Forum and the Integrated Care System.
- Departmental support – to deliver the data intelligence, analytical products and reporting to support the needs of departments in progressing their service improvement programmes, embracing the maintenance of current reports and development of new products. The Team will also continue to deal with the annual statutory returns to government.
- The Unit will be comprised of three Teams, each with a lead departmental focus, as set out in the three structure charts below. However, the Teams will operate as one

Unit, working to a single delivery plan for the Unit and being prepared to flex its resources across the teams as demands require.

Table 4 – Business Intelligence Team - Adult Social Care and Public Health
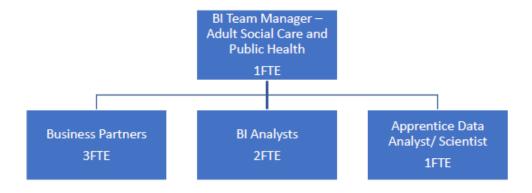

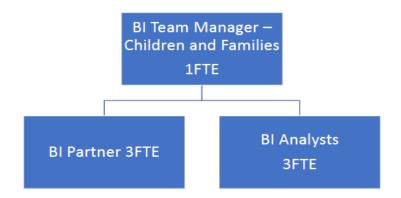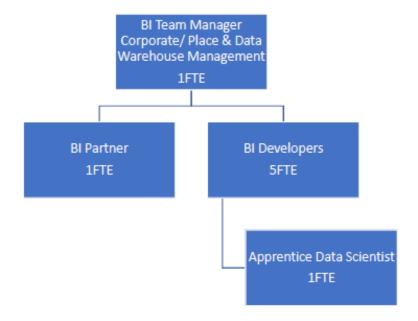Table 5 – Business Intelligence Team - Children and Families

Table 6 – Business Intelligence Team - Corporate, Place and Data Warehouse

Staffing Implications of proposed changes

23.　The proposed structures give an overall reduction of 2.1 FTEs of existing roles across both functions:

Existing Team	Existing FTE	New Team	New FTE
Performance, Intelligence, Policy	28.96	Business Intelligence	22
Transformation and Change	68.05	Transformation and Change	73*
Existing Total FTE	**97.01**	**New Total FTE**	**95**

This total includes 5 posts to be assigned to service improvement within the Place department and 5 posts to be assigned to service improvement within the CFS department. The total also includes the new post of Service Director, Transformation and Change, previously approved by the Sub-Committee.

24.　In light of this, staff have been given the opportunity make an expression of interest for Voluntary Redundancy (VR). These will be considered in line with HR policies as the enabling process is undertaken.

25.　New job descriptions have been produced and are being evaluated and graded through the Council's Job Evaluation process.

26.　All posts within the teams will be permanently established, given the Council's ambitious, long term approach to transformation and change.

27.　In the short term some elements of the Transformation and Change Team will continue to be allocated to service improvement work to support the smooth transition from existing change activity to a focus on the developing cross cutting programmes. Appropriate liaison with departmental colleagues is underway to determine the best approach going forward,

28.　 The new functions and structures will be formally reviewed in early 2022 in order to appraise their initial effectiveness.

Staff training and Development

29.　Staff will be supported in adopting the new approach to transformation and change through appropriate training and skills development.

Transformation & Change team funding

30.　The cost of the current structure is £3.89m.　This comprises £0.74m revenue budget funding and £3.15m capital funding, with much of the Council's programme and project staffing support for transformation having been historically funded from capital flexibilities.

31.　The proposed new structure will cost a maximum of £3.94m (dependent upon final job grades – all posts in the current structure are currently undergoing job evaluation).　The Strategic Insight Unit, the Group Manager Transformation post, and the Service Director, Transformation post will be funded from revenue budgets at a maximum cost of £1.01m, as these functions/posts are envisaged as requiring fixed funding.　The Transformation Bureau and Portfolio Office costs will continue to be funded from capital budgets, at a maximum cost of £2.93m; with both of these Team structures reflecting the anticipated scope and likely support demands of the approved cross cutting programmes, funding these from capital flexibilities will allow greater scope for the Bureau and Portfolio Office staffing resources to be adjusted as the programmes develop further.

32.　The maximum total funding requirement is therefore close to being within the overall current cost envelope. In order to ensure that the teams are accurately funded the source of funding will need to be amended, with a consequential requirement for additional revenue budget. A request for permanent funding from contingency of up to £0.27m will be made to the Finance and Major Contracts Management Committee to ensure those areas that require permanent funding are fully funded. Delays in recruiting to the Service Director post will reduce the funding required in 2021/22.

Business Intelligence team funding

33.　The work of the BIU is funded from the revenue budget, being focused on how well the Council's services are delivering each year for the annual budget being spent. The current PIP Team staffing budget is £1.18m. A number of posts are proposed to transfer to the SIU.

34.　The proposed staffing structure for the teams in the new Business Intelligence Unit will require revenue funding of £1.01m. The balance of funding is included in the Transformation & Change Team set out in paragraph 32.

Next steps and transition period

35.　Subject to Sub Committee approval, the enabling process for staff into posts within the new structures set out in this report is intended to be complete by the end of April 2021.

36.　Once the new structure is in place with staff enabled into their roles, the focus will be on the formal initiation and progression of the approved cross Council transformation and change programmes. Over recent months progress on the development of these programmes has been hampered by pressures on departmental and corporate resources and capacity as the Council has continued to prioritise its response to the Covid pandemic.

37.　Because the transformation and change model and structure being implemented represents a new approach for the Council, it is appropriate that both are reviewed following implementation.　It is therefore proposed that the new model and structure be reviewed in

early 2022, with the outcomes and any consequent recommendations being reported to this Sub Committee.

Other Options Considered

38.   Alternatives to the proposed model of bringing together all Transformation and Change skillsets into a central function have been considered; however, the approach set out in this report best fits the transformation model previously agreed by members.

Reason/s for Recommendation/s

39.   To enable the Council to bring about sustainable change for the benefit of residents and their communities within the current financial and operational circumstance faced by the Council.

Statutory and Policy Implications

40.   This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

It is recommended that members:

1)   Approve the proposed detailed structure for the Transformation and Change and Business Intelligence teams.

2)   Approve the funding arrangements set out in this report in paragraphs 29-33 and the request for permanent contingency from Finance and Major Contracts Management Committee of up to £0.27m as set out in paragraph 33.

3)   Agree to receive further updates on the implementation of the model and the definition, initiation and delivery of the cross-Council transformation programmes at future Sub-Committee meetings.

4)   Agree to the new model and structures for transformation and change being reviewed in early 2022, with the outcome of the review and any consequent recommendations being reported back to the Sub Committee.

Derek Higton
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Nigel Stevenson

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For any enquiries about this report please contact: Sue Milburn, Group Manager Transformation and Change, Rob Disney, Group Manager Assurance.

Constitutional Comments (KK5/3/2021)

41.   The Improvement and Change Sub-Committee is responsible for monitoring and driving the Council's Improvement and Change Programme. The proposals in this report are therefore within the remit of this Sub-Committee.

Financial Comments (NS 8/3/2021)

42.   The total funding for the proposed structures is set out in the report. An element of funding is through capital receipts as permitted through the capital receipts flexibility regulations since the transformation programmes are generating savings to help close the funding shortfall identified in the Medium-Term Financial Strategy. This does require sufficient capital receipts to be generated in each year.

43.   The model proposed allows the flexing up of resources as the transformation programmes move from design into implementation phases.

44.   The report sets out the need to request funding from contingency of up to £0.27m to ensure the permanency of the functions/teams as set out in paragraphs 31/32.

HR Comments (JP 10/3/2021)

45.   Consultation has taken place with staff and the recognised trade unions. The County Council's agreed enabling process will be applied in making appointments to the posts in the revised structure. Where applicable staff will be supported through the redeployment process. Posts will be subject to job evaluation and recruitment processes will be undertaken in line with County Council Employment Policy and procedures

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- Transformation and Change Programmes and the Transformation Model and Structure. report to Improvement and Change Sub Committee – 23 November 2020

Electoral Division(s) and Member(s) Affected

- All