

LONDON BOROUGH OF BRENT

Executive – 12 April 2005

Report from the Chief Executive

For action/information

Wards affected: All Wards

Report Title: Modernising Brent Council: Structural Changes

Forward Plan Reference CE-04/05-05

1 SUMMARY

The Executive considered a report on 14th February 2005 setting out some initial proposals by the Chief Executive to modernise the structures of Brent Council. This report of 12th April:

- summarises the background to the proposals to modernise Council structures;
- describes the consultation process which has taken place;
- summarises the results of the consultation process;
- makes recommendations for the future shape of the authority and changes to departmental structures;
- sets out a timetable for implementing the recommendations to minimise the period of short-term dislocation which any structural change inevitably causes; and
- details the staffing, financial, legal and other implications of these recommendations.

2 RECOMMENDATIONS

The Executive is recommended to:

- 2.1 Note the decision made by the Executive on 14th February 2005 to establish a new Children and Families Department as part of its response to the requirements of the Children Act 2004.
- 2.2 Agree the establishment of a new Department of Adult and Social Care to undertake the statutory function in relation to Adult Social Services and in addition to take the corporate lead on elders strategy, public health, and voluntary sector support.

- 2.3 Note the attached job description and person specification for the post and to agree to create a new post of Director of Adult and Social Care.
- 2.4 Agree the deletion from the Council's establishment of the posts of Director of Education and Director of Social Services and the dissolution of the Social Services Department and the Education, Arts and Libraries Department.
- 2.5 Recommend the Council appoint a Lead Member for Adults, Health and Social Care as the portfolio holder for Adult and Social Care services and champion for elders.
- 2.6 Note that the appointments to the two new Director posts (Director of Children and Families and Director of Adult and Social Care) will be made in accordance with relevant Council procedures and Standing Orders, and are likely to be made by May 2005.
- 2.7 Note the proposed amendments to the job description for the post of Assistant Director (Finance and Performance) in the Children and Families Department, and to agree to amend the post as set out therein.
- 2.8 Agree the new Director of Adult and Social Care should prepare a report for a future meeting of the Executive on the public health function and the resource issues in relation to its delivery.
- 2.9 Agree that the future operation of Brent Transport Services (BTS) should be reviewed and that, in the interim, the service should continue to report to the Assistant Director (Achievement and Inclusion) within the new Children and Families Department.
- 2.10 Agree the creation of an Environment and Culture Department to lead on environmental and cultural issues.
- 2.11 Agree the transfer of Brent Adult and Community Education Service (BACES), Libraries, Cultural and Heritage Services en bloc from the Education, Arts and Libraries Department to the Environment and Culture Department as a free-standing Division under the existing Assistant Director (Lifelong Learning and Cultural Services).
- 2.12 Agree the creation of a Housing and Customer Services Department, with a remit to lead the Council's work on housing and to manage the Council's One Stop Shops/Call Centre service.
- 2.13 Agree the transfer of the One Stop Shops / Call Centre service to the new Housing and Customer Services Department as a free-standing unit under the existing management team.
- 2.14 Agree that the Corporate Services Department be dissolved and its component functions be transferred to other service areas (see following recommendations).
- 2.15 Agree the creation of a Finance and Corporate Resources Department to lead on the delivery of financial, property, facilities and asset management and information technology services.
- 2.16 Agree that the Corporate Property and Corporate Support/Facilities Management functions be merged into a single Corporate Property

- Unit located within the Finance and Corporate Resources Department.
- 2.17 Note the attached job description and person specification for a new post of Head of Property and Asset Management to manage the merged property function, and to agree the creation of that post.
 - 2.18 Agree that the Information Technology function be transferred to the Finance and Corporate Resources Department as a free-standing unit accountable to the Director of Finance.
 - 2.19 Note the attached job description and person specification for a new post of Head of Information Technology to manage the IT unit, and to agree the creation of that post.
 - 2.20 Note that the appointments to the posts set out in 2.17 and 2.19 will be made in accordance with the Council's usual procedures, including where appropriate appointments by an Appointments Sub-Committee.
 - 2.21 Agree that Legal and Democratic Services becomes a free-standing unit within the corporate centre and that the Borough Solicitor should report directly to the Chief Executive with immediate effect.
 - 2.22 Agree that the posts of Director of Corporate Services and Deputy Director of Corporate Services be deleted from the Council's establishment.
 - 2.23 Note that the Director of Human Resources and Diversity is in the process of developing a comprehensive 'People Management' strategy, and that it is proposed to begin formal consultation with the CMT shortly, with a view to submitting a final draft to the Executive within the next six months.
 - 2.24 Agree in principle (subject to further consultation with departments and details on financial implications) the establishment of dedicated human resources teams, under a senior human resources manager, for each of the frontline service departments with a shared team for the smaller corporate units.
 - 2.25 Agree that the Director of Human Resources and Diversity should complete consultation with the CMT on the future shape of the human resources function, with a view to submitting a report to a future meeting of the Executive with detailed proposals and financial implications for the provision of human resources services across the Council.
 - 2.26 Agree the role of deputy to the Chief Executive currently carried out by the Director of Corporate Services should be added to the job descriptions for each of the remaining CMT members, and shared on a rota basis.
 - 2.27 Agree that the Director of Communications and Consultation continues to report directly to the Chief Executive.
 - 2.28 Agree that the Community Safety Team continues to be located within the Policy and Regeneration Unit.
 - 2.29 Agree that the Finance and Corporate Resources Department, the Policy and Regeneration Unit and the Human Resources and

Diversity Unit continue to be directly represented on the Corporate Management Team.

- 2.30 Agree that the senior managers in the corporate centre meet at least bi-monthly to discharge a quasi-departmental role under the chair of the Chief Executive.
- 2.31 Note that the remuneration of senior managers of the Council is currently under review and that any recommendations which result from this review will be reported to the Executive and/or the General Purposes Committee before the summer recess.
- 2.32 Authorise the Chief Executive, in consultation with the Director of Human Resources and Diversity, to make such other changes as may be necessary to ensure the effective implementation of these proposals.
- 2.33 Agree that the structural changes to the Council outlined in this report and summarised in the recommendations above will take effect on Monday 4th July 2005.

3 DETAILED CONSIDERATIONS

Background

- 3.1 The Executive agreed formally in February 2005 to establish a new Children and Families Department as part of the Council's response to the requirements of the Children Act 2004. The establishment of the new department, together with the decision by the Government to place a new statutory requirement on local authorities for a Director of Adult Social Services, will have a significant impact on the way the Council is structured and organised. These developments, together with a range of other drivers for change in local government– both legislative and Government policy – require us to consider whether our current structures are 'fit for purpose' and capable of meeting the challenges that lie ahead.
- 3.2 My report to the Executive on 14th February 2004 set out proposals for the modernisation of the Council to respond to these challenges and to tailor the departmental and service structures to meet local priorities in this new environment. Following the Executive meeting, the report has been widely circulated within the Council. The detailed proposals and/or options it contained for re-structuring and modernising the Council have been subject to extensive briefing and consultation with staff and the trade unions over the last six weeks. This process has involved:
- a detailed presentation by the Chief Executive to all senior managers on the proposals in the report;
 - senior managers briefing and consulting with their own staff on the proposals set out in the report;
 - discussions between the Director of Human Resources and Diversity and the trade unions;

- invitation to all staff to contact the Chief Executive direct with their comments and views via the email system;
- individual meetings held by myself with various senior managers from departments most affected by the proposals;
- the establishment of a dedicated Human Resources email address to which individual members of staff were able to comment and refer queries about the proposals in confidence;
- organised staff briefings in the Education, Arts and Libraries and Social Services Departments led by the respective Directors.

3.3 Overall there has been a positive response from staff at all levels within the Council and across all departments to the broad thrust of the proposals set out in my report. A range of individual and collective written responses were received from staff to supplement the feedback from the various meetings. These responses contained many detailed points but in broad terms the main conclusions were as follows:

- support and understanding of the need for the modernisation of the Council's departmental structure;
- mixed views on the merger of adult and housing services into a single department;
- recognition of the need to establish a department focussing on adults, although there were a range of views on the functions which should be located in this department – concerns were expressed that an Adult Services department which did not include responsibility for the wider services affecting adults could result in lack of 'critical mass' and co-ordination and lead to it being marginalised;
- strong support amongst the staff and senior management in Environmental Services, Libraries, BACES and Cultural Services for the creation of a combined function bringing together the natural synergies of culture and environment and building on the joint working already undertaken by these functions;
- general support for the merger of One Stop Shops and Housing as a 'natural fit';
- a widespread view that strategic and corporate functions such as information technology should be located centrally rather than in a service department;
- reservations about proceeding with 'neighbourhood services', wherever located, until the whole issue of what 'neighbourhood' means has been fully debated across the Council;
- a range of views about the most appropriate location for Brent Transport Services, with the general consensus being that there is no natural 'fit' with any particular department or service.

UNISON has also responded positively to my proposals and has

indicated its willingness to assist in supporting staff through the changes. Detailed final recommendations for the future structure of the Council and its departments take these helpful responses into account.

3.4 The risk of any organisational change is that it becomes an end in itself rather than being used as a means to an end. Therefore, in setting out the proposals for change in the February report, a number of guiding principles were identified to underpin the modernisation programme:

- change should as far as possible be kept to the necessary minimum, while taking this opportunity to make other sensible changes where it makes organisational sense;
- changes should demonstrably help to strengthen our capacity to deliver the Corporate Strategy and our local improvement agenda;
- structural changes should result in departments which have a clear *raison d'être*, a sufficient 'critical mass' and a capacity to endure for at least 5-10 years without major subsequent revisions;
- managerial structures should, as far as possible, be mirrored in the portfolios of Executive members to ensure proper transparency, scrutiny and accountability to elected members;
- change should be implemented as soon as possible in order to minimise short term disruption or loss of focus on customer requirements;
- structural change should not lead to any increase in costs in the medium term although there are likely to be some transitional costs as we move from one structure to another. Wherever possible, we should seek to identify efficiency savings from the new structures;
- proposed changes should be subject to proper briefing and/or consultation with the staff and trade unions in the affected areas;
- changes introduced should enhance Brent Council's identity as a single unified organisation and promote multi-functional working across service areas and professional boundaries.

3.5 These principles are reflected in the recommendations set out in this report. It is important to note that the recommendations will have a direct impact on only a small number of staff below the level of Assistant Director. The vast majority of staff will continue to undertake their current role with the only immediately noticeable change being that they will be a part of a new department. In the medium term there will be new ways of working as the new structure becomes established. It is estimated that less than 60 posts Council-wide will be directly affected by re-structuring, and it is not envisaged that there will need to be any redundancies other than the very small numbers specifically referred to in this report.

Proposals

3.6 Adult and Social Care

The decision to set up a Children and Families Department having already been taken, work is progressing on the creation of the new service. At the same time work has also been undertaken on the implications of the statutory requirement to appoint a Director of Adult Social Services. The Government has now published its Green Paper, 'Independence, Well-being and Choice – Our Vision for the Future of Social Care for Adults in England', setting out proposals for the future direction of social care for adults of all age groups in England. The key issue to consider therefore is the future arrangements in relation to those functions of the existing Social Services Department which will not transfer to the new Children and Families Department. These include:

- Adult Physical Disability Team
- Brent Learning Disability Partnership
- Older People's Services
- Emergency Duty Team (generic)
- Brent Mental Health Service (including three sector teams and the resource team)

The options which have been consulted on are:

1. an Adult Social Services Department incorporating the functions set out above;
2. an Adult Services Department which includes the existing non-children's social services functions as set out above but with a wider brief in relation to focussing on adults and elders as a distinct client group;
3. a combined Housing and Adult Social Services Department along the lines operated by some other London boroughs.
4. a wider Adult and Social Care Department with an extended role e.g. elders, public health, health liaison, voluntary sector.

3.7 The consultation process has demonstrated support for the concept of an adult-focussed department which could enhance the level of service provision for this large and varied client group. It will also enable the Council to build on links with a range of external agencies, in particular Brent PCT and the other NHS Trusts for Acute Services and Mental Health Services. The creation of an Adult and Social Care Department will also enable the Council to develop the service in relation to elders, and to link in to the wider public health agenda which the Government is also actively promoting. The Department would therefore have the following remit:

- Adult Physical Disability Team
- Brent Learning Disability Partnership

- Older People's Services
- Emergency Duty Team (generic)
- Brent Mental Health Service (including three sector teams and a resource team)
- Elders strategy and policy implementation (corporate lead role)
- Public health promotion, development and implementation
- Joint working with the NHS at national, regional and local levels
- Inter-agency liaison (e.g. with LSP) on the health and social care agenda
- Voluntary Sector Support Service

3.8 The Government Green Paper on adult services stresses the key role of the Director of Adult Social Services in providing leadership and setting the strategic direction required to make improved adult services a reality. The accompanying 'Best Practice Guidance on the Role of the Director of Adult Social Services' clearly demonstrates the challenging and ambitious agenda which the new Adult Social Services Director post will need to tackle. Service users covered by the Green Paper include:

- people with physical frailty due to ageing;
- people with physical disabilities;
- people with sensory impairment;
- people with learning disabilities;
- people with mental health needs (including mental frailty due to old age);
- people with long-term medical conditions requiring social care in addition to health care;
- people who misuse substances;
- asylum seekers.

Introducing the guidance, the Health Minister Stephen Ladyman MP writes:

"It is fully intended that the role of the Director of Adult Social Services is equal in status, importance and esteem to that of the Director of Children's Services.....he or she will need to influence a range of service providers beyond the immediate scope of Social Services in order to effectively deliver our vision for the future of adult social care, including the well-being of all adults with social care needs."

The guidance proceeds to set out the seven key aspects of the Director of Adult Social Services role. These are:

- accountability;

- professional leadership;
- leading the implementation of standards;
- managing cultural change;
- promoting local access and ownership and driving partnership working;
- delivering an integrated whole system approach to supporting communities;
- promoting social inclusion and well-being.

In view of the wide-ranging agenda for adults set out in the Green Paper, I have concluded that Brent Council should now take the ambitious step of setting up a new adult-focussed service Department of 'Adult and Social Care' to take forward the Government's and our own local vision for adult services. I believe the new department and the new Director should reflect the breadth of the Government's vision for adults and, for this reason, I am not proposing that we create a department whose role is restricted to adult social services alone or a new department based, for example, on a merger of these roles with the Housing Service. The majority of Brent's population are over 18 years of age and the larger part of our expenditure addresses the needs of adults so it is reasonable that we construct a new department to parallel the focus already proposed for children. In reality, of course, there will need to be a high degree of co-operation between the two new departments since children and young people are normally raised by adult family members. The two services simply cannot operate in isolation from one another.

- 3.9 The proposals set out in the Public Health White Paper last November will give local government a central and growing role in developing and implementing health strategies for local communities which we need to grasp. In terms of structures the resource requirements which flow from the inclusion of the public health and elders briefs have yet to be determined. In the case of the latter much will depend on the outcome of the White Paper consultation and the subsequent Government actions. However, it is likely that additional high level support to the Director of Adult And Social Care will be required to develop a strategy for both areas. It is recommended that the new Director should prepare a report to a future meeting of the Executive on the resource implications of the expanding public health agenda. To strengthen our focus on integrated services to adults, I am also proposing that the new Adult and Social Care Department assumes the responsibility for corporate leadership on voluntary sector issues including the management of the Voluntary Sector Support Team currently located in Education, Arts and Libraries. Many local voluntary groups address the needs of the vulnerable and disadvantaged people and this therefore offers a strong rationale for the function to be moved across to our new adult-focused department.
- 3.10 The Executive has already recommended the appointment of a Lead Member for Children and Families, and a similar appointment to lead

on Adults and Social Care should also be made, in line with the principle that management structures should mirror portfolios of Executive members and ensure proper transparency, scrutiny and accountability to elected members.

3.11 As with the Children and Families post, appointment to the post of Director of Adult and Social Care will be made in accordance with relevant Council procedures and Standing Orders. It makes sense to make the two appointments at the same time to get post-holders in place as soon as possible, and to ensure clarity of roles and an efficient transfer of responsibilities. I have attached to this report a draft job description and person specification for the Adult and Social Care post for approval by the Executive. The two existing Directors will be ring-fenced for the two posts in accordance with Council procedures for consideration for the two new posts.

3.12 The proposed senior management structures for the two new departments do not involve a reduction in the number of Assistant Director posts. With the exception of one post, the existing Assistant Director job descriptions will for the time being remain unchanged. The exception relates to the post of Assistant Director (Finance and Performance) in Children and Families which will take additional responsibility for children's finance. The amended job description for this post is attached for consideration by the Executive. The existing Assistant Directors will be assimilated or ring-fenced for appointment to the posts in the new structure, in accordance with the Council's relevant procedures for handling reorganisations.

3.13 The creation of a new Adult and Social Care Department together with the Children and Families Department will require a formal decision to delete the existing Education, Arts and Libraries and Social Services Departments and their Director posts.

3.14 ***My recommendations in relation to Adult and Social Care are set out at paragraphs 2.2 – 2.8 above.***

3.15 **EAL: Non-Children Functions**

The creation of the two new departments leaves a number of services currently located within Education, Arts and Libraries which do not neatly fit into either of the new departments as they provide services to both children and adults, specifically:

- Brent Adult and Community Education Service (BACES)
- Cultural Services
- Heritage Services (including the Brent Archive and the Grange Museum)
- Library Service (including BRAIN)
- Brent Transport Services (BTS)

3.16 One original proposal in relation to Brent Transport Service was to locate it in Adult and Social Care, given its involvement in providing

services to this client group. However, following consultation with the various interest groups I believe that there is an alternative route which should be considered. This would be to explore the scope for partnership working between BTS and other public sector transport providers within the West London sub-region, including the PCT and other West London local authorities. This would be consistent with the Gershon efficiency agenda. I therefore propose to undertake a further review of the options for BTS to link in with other service providers. Pending the completion of this review, I believe it best to limit disruption by maintaining the existing reporting line between BTS and the Assistant Director (Achievement & Inclusion).

3.17 With respect to the Lifelong Learning, Libraries and Cultural Services the responses to the three options contained in my February report have been considered, namely transferring these services en bloc to:

1. Adult and Social Care;
2. Environmental Services; or
3. 'Housing and Neighbourhood Services'.

Overall, the balance of feeling in consultation is that locating these functions alongside our 'universal services' – sports, leisure and recreational services – and our work on Wembley regeneration makes the most sense. This option is the clear preference of the managers in Lifelong Learning, Libraries and Cultural Services. It will allow us to build on the close working relationships that currently exist between these two services, and further strengthen the links in the cultural, leisure and regeneration areas. The service would continue to be managed by the existing Assistant Director as a distinct division within that department.

3.18 ***My recommendations in relation to EAL non-children functions are set out at paragraphs 2.9 and 2.11 above.***

3.19 **Environmental Services**

The transfer of the functions outlined above to Environmental Services will change the size and focus of that department. It will involve the transfer of a several hundred staff into the department, significantly increasing its current complement. It would, therefore, be appropriate to establish it as the "Environment and Culture" Department, to reflect the wider focus and brief that will result from the services it will provide.

3.20 ***My recommendations in relation to Environmental Services are set out at paragraph 2.10 above.***

3.21 **Corporate Services Department**

At present the Corporate Services Department covers five services:

- Legal and Democratic Services;
- Information Technology Unit;
- Corporate Property;
- Corporate Support and Facilities Management; and
- One Stop Shops/ Call Centre.

Staff in the corporate centre have broadly welcomed the proposals in relation to the restructuring of their services and functions. Although it is widely acknowledged that the current structure has served the Council well, there is a general recognition that the current review provides the opportunity to align the corporate centre more closely with the new departmental structure and to strengthen its ability to support service delivery by the customer-focussed departments.

3.22 The proposal to merge the Corporate Property, Corporate Support and Facilities Management teams and re-locating this single function with Brent Financial Services under a new Head of Property and Asset Management (at Assistant Director level) has been generally welcomed. It will provide a stronger and more strategic overview of the Council's property and assets, and also a closer linkage between the strategic and delivery sides of the property and assets function.

3.23 With regard to the One Stop Shops/Call Centre service, I propose that this transfers to a new Housing and Customer Services Department. This is a logical step and is in line with the initial proposals set out in my report to the 14th February Executive. I have decided to defer implementation of my earlier proposal to establish it as the "Housing and Neighbourhood Services" Department' to allow a fuller opportunity within the authority to debate what we mean by our 'neighbourhood approach'. There are a number of reasons for this. We have not yet developed a shared understanding within the Council of what we mean by the terms 'neighbourhood' and 'neighbourhood management'. These are serious and complex issues which we need to debate over the next twelve months. In consultation, respondents have pointed out that most departments provide 'neighbourhood services' and that some of the most locally significant services (e.g. planning, refuse, public realm) are provided not by Housing but by Environmental Services. Above all, we need to spend time digesting the full implications of three very significant publications recently published by the Office of the Deputy Prime Minister (ODPM). These are:

- 'Citizen Engagement and Public Services: Why Neighbourhoods Matter'
- 'Vibrant Local Leadership'
- 'Smarter Delivery, Better Neighbourhoods'

These raise major issues for local government including the possible

production of 'Neighbourhood Charters', new ways of delivering and managing local services and changes in the role of local councillors. It would be premature in my view to set up a new 'neighbourhood' department before we have properly considered our strategic approach to neighbourhood working. This will be easier once we have reviewed our current 'ward-working' initiative. It makes sense to debate these issues over the next twelve months or so in order that any new approach can be introduced by the newly-elected administration in May 2006.

- 3.24 The function of Legal and Democratic Services, servicing both the corporate centre and departments, makes it a logical candidate to be set up as a free-standing unit reporting to the Chief Executive. This option is widely supported and is regarded as a sensible move by most respondents.
- 3.25 Options in relation to the re-location of the Information Technology (IT) function are less straightforward. The original proposal was to transfer the IT function, along with the One-Stop Shops / Call Centre service, as a separate and free-standing function within the expanded Housing and Neighbourhood Services department. The IT function would be managed by a new post of Head of Information Technology at Assistant Director level. The case for this was based on the high degree of synergy between Housing, OSS and IT, which would enable further development of services where Brent is seen as a leading authority in terms of customer accessibility. Housing is also the largest single customer within the Council of the IT unit. However, the feedback from the consultation exercise has suggested a different view of the service, namely that it is a key strategic and support service for all of the Council and as such is more appropriately located in a central function such as Brent Financial Services. There is some concern, for example, that locating the function in a department which is its largest customer could result in a loss of strategic focus. It is felt that, on balance, IT fits more appropriately in a central department where it will be best placed to provide support to service departments and lead the development of e-government services across all areas of the Council. I therefore propose to place IT under the Director of Finance headed by a new Assistant Director level post.
- 3.26 The proposals to re-locate property and IT functions with Brent Financial Services will increase both the size and the scope of this department. There is a case for recognising this wider brief of BFS in delivery of key corporate strategic and support services to the Council through the establishment of a Finance and Corporate Resources Department.
- 3.27 The net effect of the proposed changes to the corporate centre will be to obviate the need for a Corporate Services Department. It is therefore recommended that the posts of Director of Corporate Services and Deputy Director of Corporate Services be deleted and the department disbanded. The Director of Corporate Services has been employed for a number of years on a fixed term contract and this contract expires on 15th April 2005. This provided the opportunity to

look afresh at the structure and to change it if necessary. Together with the deletion of the deputy post this will result in consequential savings in salaries for these two posts. There may be additional severance/pension costs arising from the potential redundancy of the current Deputy Director. There will also be additional costs arising from the creation of the two new posts at Assistant Director level covering Property and IT.

3.28 ***My recommendations for the Corporate Services Department and Housing Services Department are set out in paragraphs 2.12 – 2.22 above.***

3.29 **Human Resources**

The recommendations outlined in this report will involve a significant change in the relative size and structure of the departmental structures. It also presents an imperative to review and modernise the Council's Human Resources function to ensure it is fit for purpose to support and enhance the new Council structure. The Director of Human Resources and Diversity is currently working on a draft 'People Management' strategy for the Council, and hopes to be able to begin consultation with the CMT by early Spring. The intention is to complete this draft and submit it for approval by the Executive within the next six months. The structure of the human resources function needs to be able to deliver on this strategy within the modernised Council.

3.30 The human resources function in Brent is based on a 'federal' model where the strategic function is provided by the corporate human resources team, and operational services delivered by departmental staff. The function is funded either by the department or through a Service Level Agreement (SLA). This system has been in place for a number of years and it does not have the capacity to deliver the range and overall quality of service required. The recent Best Value Review 'Challenge Panel' findings in relation to People Management and Organisational Development made two recommendations regarding the future structure of human resources:

1. A strengthened corporate human resources role.
2. Stronger and more consistent human resources support for service areas.

3.31 These 'gaps' in service arise from a number of factors including:

- Inadequate resources allocated to human resource activities: the recent Employers Organisation survey of 'people management in local government 2005' indicates that the size of the human resource function in Brent is small compared to other London boroughs and other sectors of the economy.
- Lack of coherent departmental human resources structures: the organisation, number and level of staff providing human resources services varies considerably between departments and in some

case is clearly inadequate to provide an effective service - the 2003 OFSTED inspection of Brent LEA identified as a weakness the inadequate allocation of human resources, although it found that the service, such as it was, was positively viewed by schools (which are generally unwilling to fund any increase in human resource support).

- Poor or inadequate departmental human resources administration structures: a recent review identified 127 non-human resources staff across all departments carrying out related activities, for example, issuing employment contracts, recruitment, personnel records, without relevant training, experience, supervision or links to the human resources function.
- Lack of coordination of activities: the current system impedes the effective corporate coordination and monitoring of the departmental delivery of the wider human resources function.

3.32 Unless these gaps are addressed the Council is at risk of being unable to provide a professional and effective people management function – for example, knowing who it employs and whether appropriate recruitment and selection processes are being carried out. It may also make it difficult to ensure consistent advice, drafting of contracts of employment, and time-lags.

3.33 The modernisation proposals will in any event have significant implications for human resources services in departments. For example, the absorption of Lifelong Learning, Libraries and Cultural services into the Environment and Culture Department would significantly increase the numbers of employees by comparison with the current Environmental Services Department. There are also concerns as to the level of human resources support available in the new Children and Families and Adult and Social Care departments.

3.34 I share a concern with the Director of Human Resources and Diversity as to whether the new departmental structure will have sufficient human resources support to ensure an effective service. The modernisation process therefore provides an opportunity to review the structure and resourcing of the human resources function to:

- enhance Brent Council's identity as a single unified organisation and promote multi-functional working across service areas and professional boundaries;
- provide improved operational human resources delivery at departmental level through high quality advice and support to managers, co-ordinated delivery of services;
- strengthen the corporate strategic human resources function;
- establish clear boundaries between corporate and departmental human resources responsibilities and accountabilities;
- rationalise services and eliminate unnecessary duplication of roles and activities either within or between departments;

- ensure consistent application of funding and greater transparency in the allocation of costs of the human resources service.
- 3.35 The Director of Human Resources and Diversity has identified a number of changes required to enhance and improve the delivery of human resources support across the Council. In broad terms this would include:
- well-resourced and dedicated human resources teams in each of the larger departments;
 - creation of senior Human Resources Managers to manage each departmental team (their responsibilities could include, for example, advising managers, application of the HR information system, monitoring and performance indicators, recruitment, diversity, service-specific training and development, and health, safety and welfare of employees);
 - a shared senior Human Resources Manager and team for the smaller corporate units;
 - ensuring human resources administration is placed under the management of departmental human resources functions to ensure consistency, best practice and to safeguard the Council's position;
 - corporate human resources leading on non-service specific training and development;
 - clear co-ordination and monitoring of human resources practices from the corporate centre.
- 3.36 This will enable the corporate human resources team to concentrate on strategic human resources responsibilities, including policy development, remuneration/rewards, diversity and employee relations
- 3.37 These proposals, if agreed, will inevitably involve the Council's commitment of significant additional financial resources to the delivery of human resources services. The Director of Human Resources and Diversity has already discussed these ideas in outline with CMT colleagues and, subject to approval by the Executive, would undertake further extensive consultation with the CMT and departmental human resources staff on the options for service delivery. Once these are completed the Director of Human Resources and Diversity will be able to make more detailed proposals to the Executive for the service, including staffing and financial implications.
- 3.38 ***My recommendations in relation to Human Resources and Diversity are set out at paragraphs 2.23 – 2.25 above.***
- 3.39 **Other Corporate Functions**
- With respect to the other corporate functions, it is not proposed to make any changes to existing roles and responsibilities. The Director of Communications and Consultation currently reports to the Chief Executive and this arrangement works well. Although an argument

has been made for the re-location of the community safety function into one of the frontline services, it is felt that the existing arrangements are effective. I therefore propose to maintain this key corporate and statutory responsibility within the Policy and Regeneration Unit. I also propose that Policy and Regeneration, Human Resources and Diversity, and Finance and Corporate Resources Department should continue to be represented on the Corporate Management Team.

- 3.40 The current Director of Corporate Services is the designated deputy to the Chief Executive. The deletion of this post will leave a gap in relation to this duty which I propose to fill by including the “responsibility to deputise for the Chief Executive when required” in the job descriptions of all CMT members. This responsibility would be discharged on a monthly rota basis. I also propose that the service unit managers of all major corporate functions should meet bi-monthly under the chair of the Chief Executive to ensure the maintenance of a strong corporate centre, effective coordination of their activities, and to discharge a quasi-departmental role.
- 3.41 ***My recommendations in relation to the remaining corporate functions are set out in paragraphs 2.26 – 2.30 above.***

Council Organisation Charts

- 3.42 Attached to this report are diagrammatic charts setting out the proposed structure of the Council based on the recommendations above. These provide a summary of the functions, management structure and responsibilities of each department in the Council.

Remuneration of Senior Managers

- 3.43 Senior manager posts in the Council are subject to grading and remuneration arrangements based on the Hay job evaluation scheme. New posts, and amendments to existing posts resulting from implementation of the modernisation proposals, will be graded in accordance with these existing arrangements.
- 3.44 The current remuneration arrangements for senior managers have been in place for a number of years. The case for a review is based on ensuring that the Council maintains its position in the employment market for senior managers in London, with reference to the requirement to:
- be able to recruit, retain and motivate high performers;
 - reflect the London pay market; and
 - ensure it maintains its competitiveness with other boroughs.

The Council’s previously stated commitment on the remuneration of senior managers is to maintain a position in the upper quartile of London boroughs. Preliminary information from a recent ALG survey of London boroughs suggests that there may have been some

slippage in this position in recent years. Additionally, a number of local authorities have recently advertised posts similar to the Director of Children & Families with significantly higher remuneration packages. The Leader of the Council has therefore authorised the Director of Human Resources and Diversity to undertake a review of senior managers' remuneration, without commitment, and to report back to future meetings of the Executive and General Purposes Committee.

3.45 ***The Executive is requested to note the review of senior managers' remuneration [recommendation 2.31 above].***

4 IMPLEMENTATION

Staffing Implications

4.1 As emphasised earlier in this report, the restructuring of the Council will have only a limited impact on staff below the level of Assistant Director. Where possible, whole functions will be moved and individuals matched to posts: consultation with staff and their trade unions will be ongoing throughout the process. There will be a small number of areas where the changes will require consequential staff reorganisations, and I anticipate that these will be completed at the most within six months (i.e. by the end of September 2005) allowing the Council to concentrate on its key role of service delivery. Staff most directly affected by the proposed changes are currently located in:

- Social Services (largely business support functions);
- Education, Arts & Libraries (business support functions and Libraries/ cultural/learning); and
- Corporate Services.

In most cases the changes will involve the deletion and creation of a small number of roles, some changes to work content and different reporting lines and work locations.

4.2 The process followed will be in accordance with the relevant Council's procedures for handling reorganisations. These involve assimilation or ring-fencing for individual employees whose jobs are deleted. Broadly speaking, assimilation occurs when:

- there is a close or exact match between the new and old post;
- there is no other employee with a comparable claim to that post;
- there are the same number or more posts in the new structure than employees; and
- the grade does not change.

Broadly speaking, ring-fencing operates when:

- jobs in the new structure do not match the employee's current duties and responsibilities;

- there are more people than jobs in the new structure;
- the grade of the new job is the same or one grade higher.

4.3 During the period of implementation of the new structure, there will be a very small number of employees whose jobs may be at risk. These are likely to be staff undertaking business support functions. It would therefore be appropriate to ensure that external appointments to comparable vacant posts which may be suitable redeployment opportunities elsewhere in the Council should be kept to a minimum during the reorganisation period. I therefore propose that the Director of Human Resources and Diversity should monitor vacancies and discuss with departments the timing of any external advertising of these jobs.

4.4 During the period of reorganisation some departments will need high level support from corporate functions such as legal, finance, human resources and IT. Where additional help is required to assist in the transition to the new Council model this will be provided within the budget already set aside for transition costs. Each department and service area affected by the modernisation proposals is developing a timetable for local reorganisations, including accommodation moves where necessary, to implement the modernisation within their area. The overall plan is being co-ordinated by the Director of Human Resources and Diversity

4.5 **Children and Families and Adult and Social Care**

The majority of staff below Assistant Director level in the Social Services Department (along with those in the Education, Arts and Libraries Department) will not directly be affected by the establishment of the new departments – they will continue to carry out their existing roles albeit in new departments. There will be a relatively small number of staff, mostly providing business support services to the Social Services Department (finance, HR, management information, communications, etc.), whose jobs will be affected. However it is not envisaged that there will be any redundancies. The immediate task for the managers in the Social Services and Education, Arts and Libraries Departments will be to:

- develop draft organisation structures for the support services areas in the new departments;
- identify the allocation of current time and costs of staff whose work covers activities which will in future be split between the two new departments;
- develop assimilation and ring-fencing options for transferring staff to new jobs;
- identify any accommodation and financial implications;
- carry out appropriate consultation with staff and their trade unions at each stage of the process; and

- carry out and complete the reorganisation within the agreed timetable.

One complicating factor is the planned Joint Area Review of children's services, which will take up a considerable amount of the time of the senior managers and support staff. The Director of Human Resources and Diversity is working closely with the senior managers in the existing departments on detailed staffing structures, implementation procedures and timetable to minimise disruption. It is envisaged that the new structures for the two new departments will be in place by 4th July 2005, and that new arrangements for support services and support staff will be in place by no later than 30th September 2005.

4.6 **Corporate Services**

Under the proposals set out in this report, the five functions currently in Corporate Services will transfer en bloc, with staff continuing to undertake their existing roles. The only immediate exceptions will be the appointment of the two Assistant Director-level posts to manage the property and IT functions. While the recruitment and appointment process for these posts is underway there will be a requirement for temporary management arrangements to be put in place – through an internal secondment or acting-up or an interim manager from outside. There is an on-going review of the facilities management and corporate support areas which will be completed over the next few months and which is likely to involve some limited structural changes, which can be implemented within the overall timetable for the programme.

Accommodation

- 4.7 A working group has been established to scope and manage any accommodation moves which will be necessitated by the proposals set out in this report. The key objectives are to balance the most efficient use of accommodation with the avoidance of unnecessary disruption for the staff concerned. A number of decisions on locating staff have already been made and it is hoped to complete the process in good time to coincide with the establishment of the new structures.

Timetable for Implementation

- 4.8 One of the key guiding principles I proposed for the review is that change should be implemented as soon as possible in order to minimise short term disruption or loss of focus on customer requirements. For most functions/services and staff groups, there will be either no change to their current location and roles, or they will transfer en bloc with their existing management structures in place. For these services it will therefore be 'business as usual'. For the small number of functions/services where reorganisation and/or

accommodation moves will be necessary, it is in the interests of both customers and staff that the changes should be expedited. As outlined above additional support will be available to assist the transition. The objective should be that the new Council structure goes 'live' on Monday 4th July 2005. By this date the new structures would be in place and staff should have certainty about their posts. Any residual reorganisation or re-allocation of staff could, subject to the approval of the Chief Executive, then be completed over a slightly extended period but in any event no later than 30th September 2005. On this basis, the timetable would be as follows:

Tuesday 12 th April	Final decisions report to the Executive
Wednesday 13 th April	Detailed implementation starts
Friday 6 th May	Draft organisational structures, assimilation and ring-fencing proposals produced by each department for consultation with staff and their trade unions
Friday 20 th May	Organisational structures, assimilation and ring-fencing arrangements finalised
Friday 27 th May	Deadline for appointment of Director of Children and Families and Director of Adult and Social Care
23 rd May– 24 th June	Assimilation and ring-fencing of staff
Monday 4 th July	New departmental structures established and operational

- 4.9 In the three-month period running up to the establishment of the new structures on 4th July 2005, there would for some functions and areas be a requirement to establish interim/shadow management arrangements to secure the smooth transition.

The new Directors of Adult and Social Care and Children and Families will be in post hopefully by the end of May, and would then take over the leadership of the shadow management teams for the two new departments. In the interim the existing Directors of Education and Social Services will continue to fulfil their current statutory roles and manage their departments.

For Corporate Services the Director of Finance would take over the interim management of this department and lead on developing the new Finance and Corporate Services Department as well as liaising on the re-location of One Stop Shops. The Legal and Democratic Services Unit would report to the Chief Executive with immediate effect.

There will be a range of detailed issues which will need to be addressed to ensure the successful transition to the new structure, and I propose that the Executive should authorise the Chief Executive,

in consultation with the Director of Human Resources and Diversity, to make such other changes as may be necessary to ensure the effective implementation of these proposals [**recommendation 2.32 above**].

- 4.10 I therefore recommend that all the structural changes to the Council outlined in this report and summarised in the recommendations above will take effect on Monday 4th July 2005 unless otherwise specified [**recommendation 2.33 above**].

5.0 FINANCIAL IMPLICATIONS

- 5.1 The report proposes a number of significant changes to the structure of the Council. However, as set out in paragraph 3.4, one of the guiding principles of the exercise was to ensure that it did not lead to any increase in costs in the medium term. The budget agreed by Full Council made provision for £400k for transitional expenditure. Additionally, the budget provision for the new Children and Families Department recognised that an element would be required in 2005/2006 for one-off costs.

5.2 Head of Property Services and Asset Management

The new post has been evaluated at Hay 3, with a minimum salary of £76k plus on-costs of £22k. One-off recruitment costs of around £25k will also be incurred.

5.3 Head of Information Technology

This post has also been evaluated at Hay 3, with a minimum salary of £76k plus on-costs of £22k. One-off recruitment costs of around £25k will also be incurred.

- 5.4 Both the Director of Corporate Services and the Corporate Property Manager have been employed for a number of years on fixed term contracts, and these have now come to an end. The net savings in salary and on-costs will enable the new posts in paragraphs 5.2 and 5.3 to be funded.

5.5 Deputy Director of Corporate Services

As set out in the report, this post is being deleted. In circumstances where appropriate re-deployment cannot be found, the post holder will be in a redundancy position. The potential liability to the General Fund of this would be £45k. Also 3 annual payments of £54k would need to be made to the Pension Fund on the first, second and third anniversary of the redundancy, to reflect the loss of contributions and investment income to the Fund. Salary and on-cost savings of around £100k per annum would be made to offset these total payments.

5.6 Other Staffing Costs

As set out in the report, there should be no other significant staffing costs arising from the re-structuring. Any that might subsequently occur will be required to be met from existing budgets.

5.7 Other Transitional Costs

There will be a number of one-off costs, including human resources support, accommodation and I.T. changes, which will need to be managed within the agreed budget of £400k. There is no indication currently that this provision will be exceeded, although further detailed costing will need to be undertaken in a number of areas. This will be reported back to Members as part of the regular financial monitoring reports.

6 LEGAL IMPLICATIONS

6.1 With effect from 1st April 2005 the Children Act gives local authorities the power to appoint a new statutory post of Director of Children's Services. The power will become a duty at some future appointed date. As soon as the new post-holder is appointed Schedule 2 to the Act takes effect. This amends the Local Authority Social Services Act 1970, such that the duty to appoint a statutory director of Social Services is replaced with a new statutory post of Director of Adult Social Services with responsibility, broadly, for the non-children social services functions.

6.2 Consequently, it would be sensible to appoint to the two posts at the same time since to do one without the other would create a gap in the roles and responsibilities of the existing and new statutory posts, the risk being that the affected chief officers and their staff would be unclear about their roles and this could cause gaps in service delivery and/or risks to service users as well as uncertainty for staff.

6.3 Director and Assistant Director posts must, in accordance with Standing Orders, be amended, created or deleted by the Executive. When amending or creating posts the Executive must consider the proposed job description and person specification for the post and in all cases must consider the reasons for the amendment, creation or deletion of the post and any legal or financial implications. Attached to this report are the proposed job descriptions and person specifications for the new and amended posts. However, the grades for those jobs will be assessed in accordance with the Hay scheme which was adopted for senior posts. In the event that the post does not lend itself to that grading structure then the grade will need to be considered by the General Purposes Committee.

6.4 Individuals affected by the proposals will be subject to assimilation or ring-fencing or redeployment, as the case may be. Any redundancies will be managed in accordance with the Council's normal redundancy and redeployment policies and procedures. Appointment, other than

in the case of assimilation, to any new posts at Assistant Director or Director-level will be decided by members. An Appointments sub-committee will need to be convened for that purpose. The appointment will need to be made in accordance with guidance due to be issued in accordance with the Act. This guidance has been consulted on but has not yet been finalised.

- 6.5 The Children Act also requires the authority to appoint a Lead Member for Children's Services. Somewhat surprisingly there is no corresponding statutory requirement to appoint a Lead Member for Adult Services although the government is recommending this.
- 6.6 Staff have been consulted on the proposals. Members are required to take into account all relevant considerations when reaching their decision and this will include the views of staff and unions and other interested parties.

7 DIVERSITY IMPLICATIONS

This report discusses the structures needed to deliver frontline services to all Brent residents, 54% of whom are from BME groups and a majority of whom are women. It also impacts directly on the staff providing those services, a majority of whom are drawn from BME groups. Approximately 60% of the Council's workforce is female. The purpose behind the report is to enhance services provided to local people and to strengthen the Council's presence at a local and neighbourhood level. This should impact positively on the experience of local residents of all backgrounds. We will ensure that diversity considerations are built into the implementation of the recommended changes at every stage of the process. Officers have not identified any negative diversity impacts from these recommendations. The Director of Human Resources and Diversity will lead on the co-ordination of the implementation across the Council, and it is anticipated that the Corporate Diversity Team will also contribute to the process and provide a degree of critical scrutiny to our implementation arrangements.

Background information

1. Children Act 2004
2. 'Independence, Well-being and Choice – Our Vision for the Future of Social Care for Adults in England': Green Paper
3. 'Best Practice Guidance on the Role of the Director of Adult Social Services'
4. 'Choosing Health: Making Healthy Choices Easier': White Paper
5. Citizen Engagement and Public Services: Why Neighbourhoods Matter' [Office of the Deputy Prime Minister]

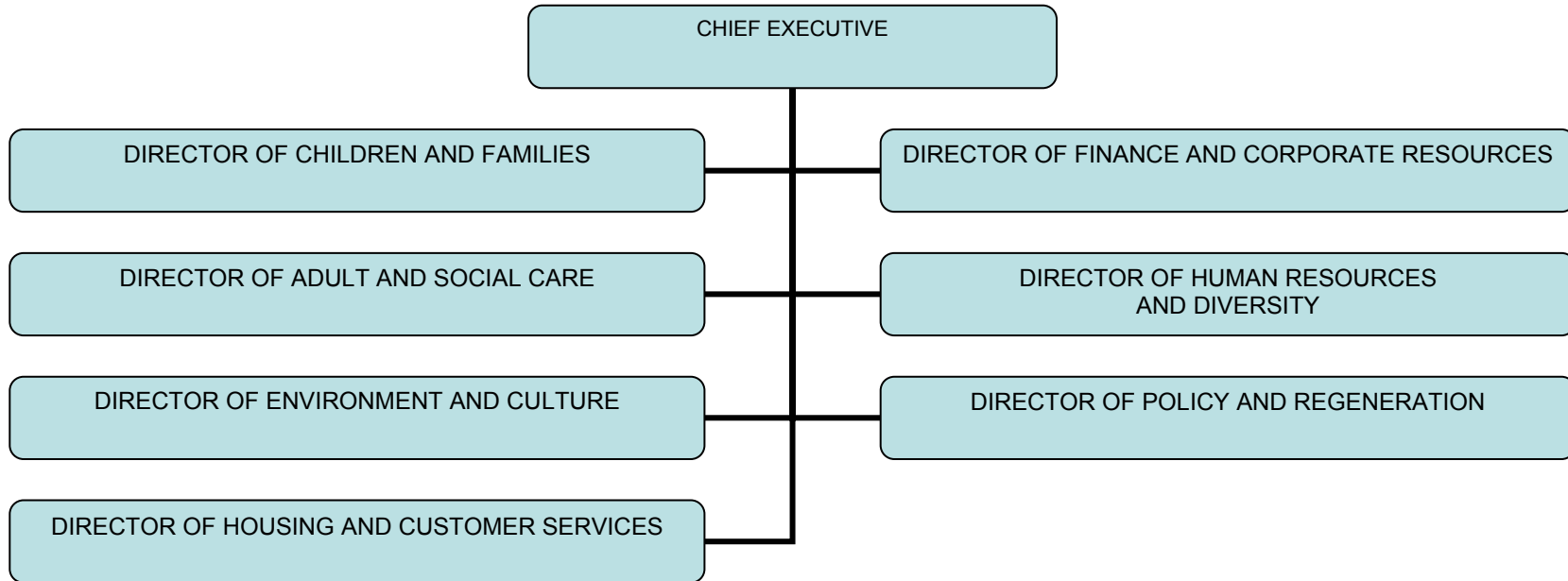
6. 'Vibrant Local Leadership' [Office of the Deputy Prime Minister]
7. 'Smarter Delivery, Better Neighbourhoods' [Office of the Deputy Prime Minister]
8. Best Value Review of People Management and Organisational Development – 'Challenge Panel' Report

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GARETH DANIEL
CHIEF EXECUTIVE

STRUCTURE CHART 1

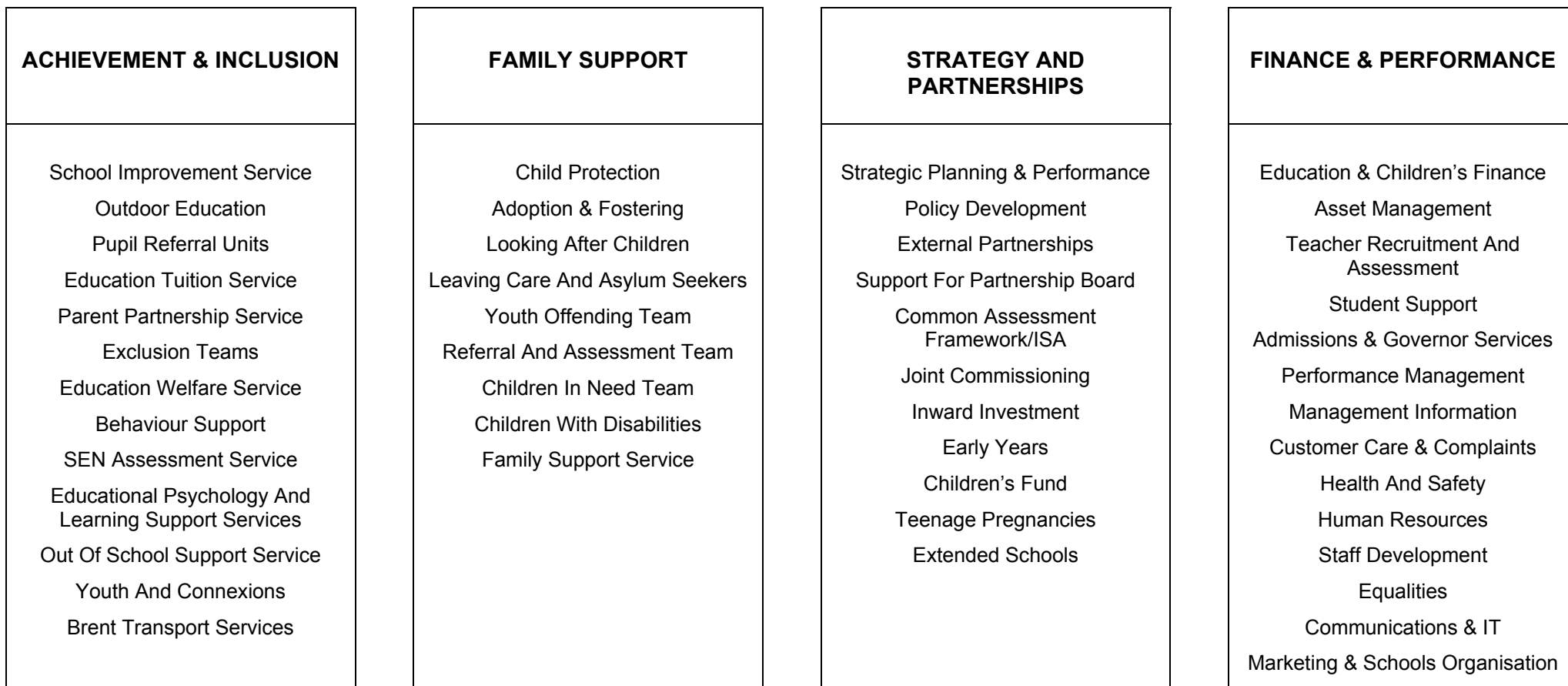
Proposed Structure of the Corporate Management Team



STRUCTURE CHART 2

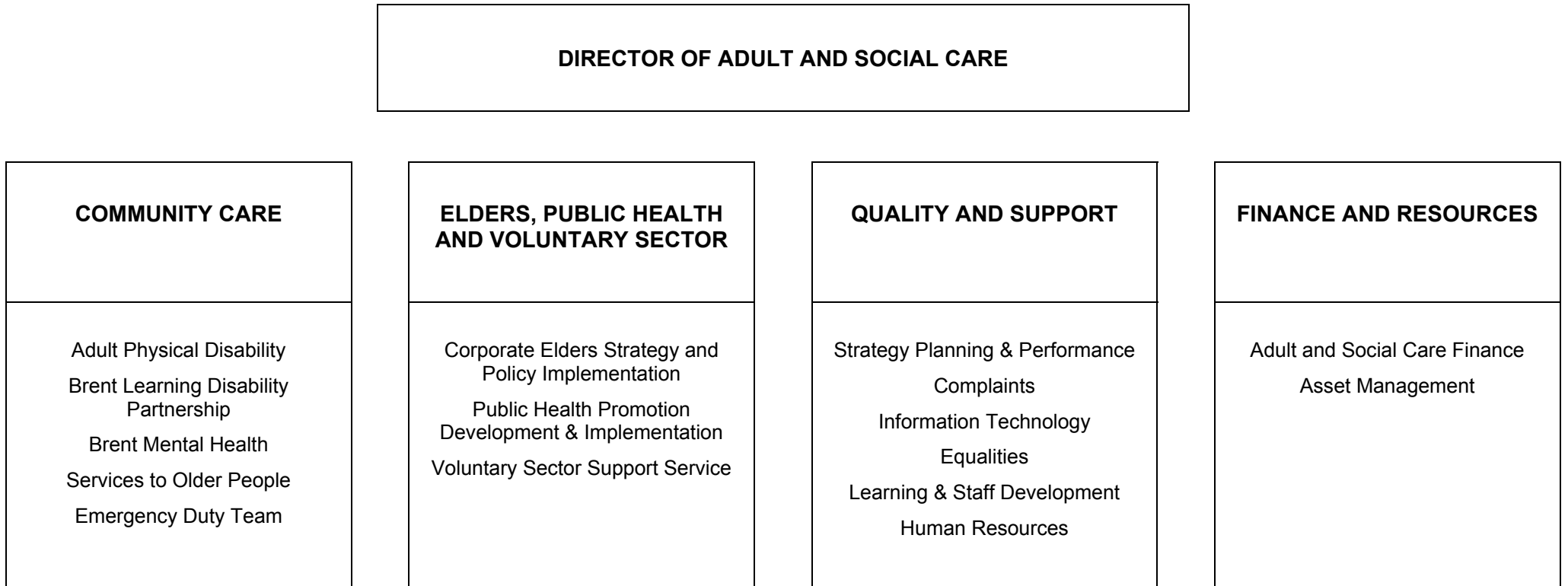
Proposed Structure of the Children and Families Department

DIRECTOR OF CHILDREN AND FAMILIES



STRUCTURE CHART 3

Proposed Structure of the Adult and Social Care Department



STRUCTURE CHART 4

Proposed Structure of the Environment and Culture Department

DIRECTOR OF ENVIRONMENT AND CULTURE

SPORTS & LEISURE

Cemeteries & Mortuary
Parks Services
Sports & Leisure

STREETCARE AND TRANSPORTATION

Streetcare
Transportation

POLICY AND REGULATION

Building Control Consultancy
Environmental Health
Financial Information Solutions
Health, Safety & Licensing
Information & Performance
Planning Service
Registrar of BDM
Trading Standards

LIFELONG LEARNING AND CULTURAL SERVICES

BACES
Libraries
Cultural Services
Heritage Services

STRUCTURE CHART 5

Proposed Structure of the Housing & Customer Services Department



STRUCTURE CHART 6

Proposed Structure of the Finance & Corporate Resources Department

DIRECTOR OF FINANCE AND CORPORATE RESOURCES

FINANCIAL SERVICES

Payroll & Pension Services
Procurement & Risk Management
Financial Management
Exchequer & Investments
Financial Analysis
Audit & Investigations
Local Taxation and Benefits
Quality and Service Improvement

**PROPERTY & ASSET
MANAGEMENT**

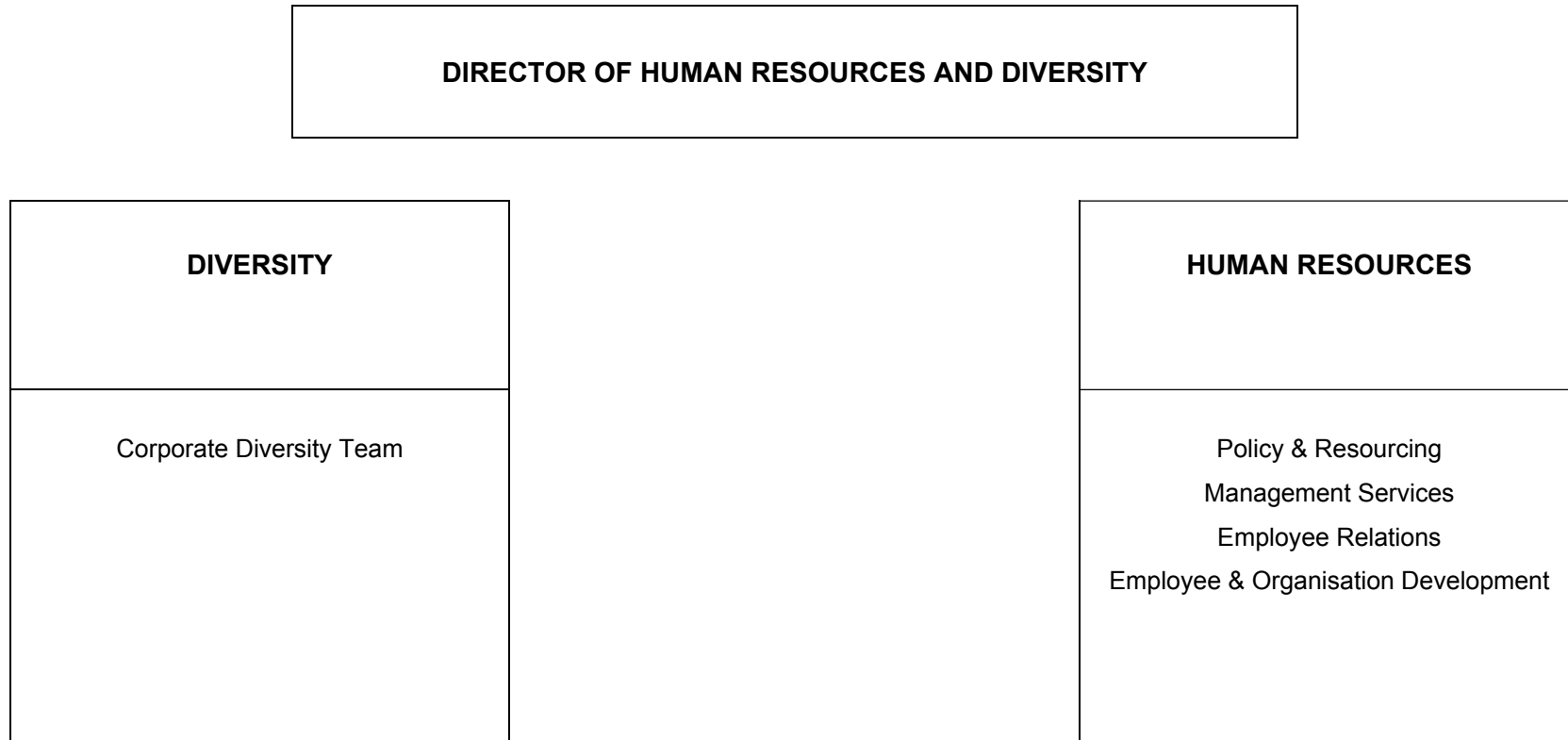
Corporate Property
Facilities Management
Financial Support

INFORMATION TECHNOLOGY

Operations
Strategy & Standards

STRUCTURE CHART 7

Proposed Structure for Human Resources and Diversity



STRUCTURE CHART 8

Direct Reports to the Chief Executive

