



One Council Overview & Scrutiny Committee

6 February 2013

Report from the Director of Legal and Procurement

For Action

Wards Affected:
ALL

Report Title: Realigning Corporate and Business Support Project

1. SUMMARY

1.1 The Realigning Corporate and Business Support project has two strands, the first relating to administrative or business support functions, the second relating to specialist or professional support functions e.g. finance, legal, human resources and policy.

1.2 The objectives for the project include:

- creating fully integrated, flexible structural and operational arrangements for corporate, back office and support functions that meet business requirements
- streamlining and standardising relevant policies, procedures and processes for those functions (in part delivered through the implementation of new systems)
- maximising the organisational and operational benefits from the new Civic Centre
- achieving savings

1.3 The development work for both strands of the project is complete and implementation is underway. In relation to business support this involves putting in place a fundamentally different model for the way business support is organised, managed and delivered, which is described below. The structures and staffing will be in place by the end of March, with work on the operational framework completed by the end of June 2013.

1.4 The changes to professional support are more incremental and continue the move towards integrated professional support functions developed through the Structure and Staffing project. These will be completed by the end of March 2013.

1.5 Overall savings from this project will be £1.835 million in 2013/14, with full year savings of £2.085 million from 2014/15.

2. RECOMMENDATIONS

- 2.1 The One Council Overview & Scrutiny Committee is asked to consider and comment on this report.

3. REPORT

Context

- 3.1 There has been a long-running debate in the Council around the purpose and role of support functions, their relationship to frontline services and the amount of the 'resource cake' they should consume. At the same time there was and continues to be a commitment to protecting frontline services as far as possible, while requiring that they are subjected to the same rigorous scrutiny in relation to costs and performance as all other services. This commitment has meant that the downsizing over the past four years has as far as possible been targeted at management, back office and support services, with this project driving further reductions and efficiencies in these areas.
- 3.2 With the significant reductions in these resources over this period the next phase of change requires more fundamental approaches, including:
- redefining departmental support requirements to reflect reduced support resources
 - further reconfigurations of support services to gain the maximum flexibility from resources, including moving away from departmental specific resources where this is not warranted by the nature of the support required
 - streamlined and improved processes through the effective implementation of new IT systems
 - an expansion of self-support delivered as part of the functionality of those systems
- 3.3 The council has already made moves in this direction over the past four years, ranging from implementation of new communications infrastructure to support flexible working to departments combining business administrative support previously located in service units, with resulting savings and efficiencies. This needs to be taken much further, with the new Civic Centre providing the opportunity to consider more radical approaches.

Developing the Model for Integrated Business Support

- 3.4 The way business support resources have been configured and provided in the past has been the result of a number of factors: the multitude of government driven policy initiatives in the 80's' 90s and early 2000s, often with related grant funding, resulting in the creation of new teams and functions with matching support resources; Brent's history of devolution; the multitude of office locations; and a built in assumption that

support functions should be aligned to departmental structures, in part because of the many office locations in which staff worked.

- 3.5 These factors are either no longer relevant or in the case of the move to the new Civic Centre, are fundamentally changed. The latter in particular allows for the reconfiguration of support to take account of the fact that a large part of administrative and specialist support is the same regardless of the service to which it is provided. The potential flexibility of these resources can now be realised through the new building. Thus where there is no business requirement for dedicated, departmental support, the new building removes the obstacle of multiple locations and with it the need to physically co-locate or specifically assign support to the teams being supported.
- 3.6 While the reconfiguration of business support is essential in order to deliver savings, integration has an additional and significant set of benefits. Administrative support activities and staff have tended to be underdeveloped, under managed and under utilised as a result of their location within the professional services and their dispersal across many different functions. In general terms, the formation of a distinct and clearly defined function, with the management capacity and focus to lead and develop it as a service in its own right creates the conditions for continuing development and improvement, in ways that would not be possible through the dispersed arrangements currently in place.
- 3.7 More specifically, these benefits include:
- a more efficient use of resources – the support that currently exists in teams and units is variable in ways that do not necessarily reflect differences in their requirement for support. Greater clarity about business requirements will ensure resources are used where they are needed, at the right time and in the right way.
 - greater flexibility in using administrative staff – this will allow better management of peaks in work, as well as cover arrangements for holidays and absences, with the potential to reduce the use of agency workers
 - improved and standardised processes and systems, ensuring greater consistency – as well as the inefficiencies that result from unnecessary variation in processes and systems, too many administrative processes are cumbersome, time consuming and wasteful e.g. the collection and reporting of information for absence management and monitoring.
 - greater resilience and reduced risk of 'single point of failure' - across the organisation there are a number of examples of services where the knowledge and experience of a process or system rests with one or two individuals, which creates significant risks in an 'under the bus' scenario
 - opportunities for staff to widen their knowledge and experience – flexibility will give staff a wider involvement in both the range of administrative activities and of the services supported. The model will include standardised job roles, describing the required flexibility, underpinned by a set of job competencies supported by suitable training and development
- 3.8 ***Design Principles for Business Support*** These considerations are reflected in a set of 'design principles' that has helped shape the model for business support:

- support services should be integrated and brought together as far as possible to deliver cost efficiencies and improved resource allocation
- where there is a clear business requirement support should be co-located with or specifically assigned to the service
- staff should be multi-skilled and work flexibly, both in terms of the range and services which they support and the way they work, including home working
- there should be common ways of undertaking basic business administration activities wherever possible. This will enable opportunities to achieve further efficiencies
- duplication should be avoided wherever possible: e.g. removing redundant filing systems
- activities should be automated wherever economic to both reduce staff burden and provide opportunities for direct customer access to information

- 3.9 ***Defining Administrative Posts and Activities in Scope*** Work with lead officers in each department has identified the administrative posts and activities for inclusion in the integrated business support function. A key consideration in identifying activities and posts has been the nature of that support. This is often referred to by managers as 'specialist' support. However, when an administrative activity e.g. processing applications, is broken down into its tasks it is evident that these are common across a number of different types of service application. There is a core, common set of administrative tasks whether the application is for a student grant, a planning application, various licence applications etc. What differentiates and defines the 'specialness' of the support is the required knowledge of the professional, legislative, operational and systems requirements that relate to the service. Indeed this is the case with most administrative activities, with each type of activity sharing the same set of tasks, though with different knowledge requirements.
- 3.10 This important distinction between tasks and knowledge provides the basis on which to determine what activities and posts should be in scope for the integrated business support function. It is this commonality of tasks that in part allows for more flexible use of administrative staff resources and which is reflected in the redesign of business support job roles. There is of course a practical limit to the extent of this flexibility, given the knowledge requirements of different services, and managers will want to be confident that business support staff have the necessary understanding of the requirements specific to their service.
- 3.11 Given this analysis, most administrative activities and posts are included in the integrated business support function.
- 3.12 ***Learning from Other Organisations*** The project team has also undertaken a number of research visits to in order to gain understanding and learn lessons from those already implementing integrated business support models, including LB Greenwich, LB Harrow, LB Croydon, Swindon Borough Council and a recent discussion with Peterborough Council, where they have successfully included children's social care in their business support service.

- 3.13 Overall, there is a clear direction of travel by many councils towards centralised, or integrated, business support models at the current time, many of which are interlinked with wider organisational restructures and/or movement into centralised offices.
- 3.14 The key lessons learnt from these visits, and from discussions with Brent Council departments who have already implemented integrated business support within their department are:
- on average, organisations have achieved 15% reductions in headcount when centralising/integrating business support functions and most felt they had a more flexible, resistant and high quality business support offer from the new model
 - relationship management is key and a fundamental part of the skills needed by Team Leaders and the Head of Service to manage relationships with service managers. Most operated a 'key contact' model for service managers (usually a Team Leader)
 - clarity in relation to the respective roles of the Business Support Managers, the service managers and the Business Support Officers – and ensuring these are well communicated and implemented
 - the importance of having guidance which outlines expectations of activities that will be provided and to what quality and timescale (some in the form of SLAs between business support and service), with a focus on what will be done, not what will not be done, and being willing to negotiate the boundaries of the guidance on regular basis
 - once initiated, centralised business support functions tend to acquire increased activities over-time which continues to free-up professional from administrative work
 - the need to couple a move to integrated business support with an increased use of self service.
- 3.15 ***The Model for Business Support - An Integrated and Flexible Service*** The proposed structure (appendix 1) reflects the design principles set out above, the lessons from other organisations that have implemented a similar approach to business support and a number of important additional considerations:
- the need for sufficient management capacity, given the size and nature of the function
 - the council's organisational design principles in relation to management spans of control
 - creating opportunities for career progression
 - ensuring maximum and long term flexibility
- 3.16 The total number of posts proposed for the new service is one hundred and forty three, organised in five teams of administrative support, five teams of Executive Assistants providing support to Directors, Assistant Directors and on a more limited basis Heads of Service and the Chief Executive's Office.

- 3.17 The overall reduction in posts from the current staffing levels in these areas is thirty four, including twenty administrative posts, eleven business support management posts and three PA posts. The savings from these reductions are approximately £1 million in a full year.
- 3.18 **Management Structures** There are three tiers of management: the head and deputy head of service, four team leaders (one managing teams in locations outside the Civic Centre) and eleven senior business support supervisors. The inclusion of a deputy post reflects the critical role in building and maintaining effective working relationships between the business support service and departmental services across the organisation, and puts in place sufficient senior level capacity to undertake this role. The deputy post will also manage business support teams.
- 3.19 Overall, the management structure provides a reasonable balance between ensuring there is sufficient management capacity to run the service without incurring excessive management costs. It also creates a recognisable and realistic career path, particularly in conjunction with the opportunities to develop a wider range of skills and experience available through the integration and flexibility offered through supporting more than one service.
- 3.20 **General Operating Arrangements - An Integrated and Flexible Service** The structure brings together the large majority of business support activities, in line with the definitions and analysis of activities described above and in appendix 2. This presents additional opportunities to combine related activities undertaken in different services e.g. case conference support for children's and adults services, and part of the further detailed work will include identifying these opportunities and the scope for improved ways of working through bringing them together.
- 3.21 The five teams in the Civic Centre will provide support to the nine floors occupied by services, with some teams providing support to more than one floor. The structure chart at appendix 1 provides an illustration of how this might be configured. Final configurations will need to be agreed with the Move to the Civic Centre team.
- 3.22 While the teams are not at this stage identified by the departments and services they support, teams will be linked to and support the services located on the floors allocated to each team, though there will also be flexibility across teams, as well as within teams. While bringing these staff resources together does offer the opportunity for greater flexibility, this does not mean that all staff will be 'generic' or that they will be expected to cover all service support requirements, nor that they will rotate on a constant basis such that services have different support staff every week.
- 3.23 **Business Support Staff in other Locations** While the large majority of business support staff will be in the Civic Centre, some will remain in other service locations outside of the Civic Centre e.g. childrens centres. However the business support staff will be part of and managed by the integrated business support service and will be expected to work flexibly in line with the general requirements of the service.

- 3.24 **Further Work on the Operational Arrangements** Implementation of the business support structures and staffing is now complete. In November work started on developing the detailed operational arrangements, including:
- the process improvement work – this is now underway, with the initial focus on administrative processes relating to children’s social care activities and HR administrative processes. In the longer term the latter will be further streamline and replaced with the introduction of HR Oracle.
 - the detailed specifications of support requirements – an initial view of support requirements and volumes of activity has been built up through the baselining work. This further work will develop this in more detail and confirm the final set of support activities, volumes of activity, requirements in relation to timescales and any quality/performance standards
 - development of service agreements, setting out expectations of business support
 - training and development for business support managers and staff – this should include ensuring all business support staff have a general overview of the service, as well as the specific knowledge of service systems and processes needed
 - engagement and communications with service managers - ensure they have confidence their support requirements have been identified, understood and can be met
 - planning for the transition period between the appointment of staff into the new structures at the end of November 2012 and the start of the new business support function in April 2013
 - planning the move of business support into the Civic Centre, alongside the services it will be supporting
- 3.25 **Implementation** Formal staff and trade union consultation on the business support restructuring started at the beginning of August 2012 and finished in early November. At the same time staff were given the opportunity to volunteer for redundancy, in order to minimise compulsory redundancies.
- 3.26 Internal recruitment for affected staff started in mid-November and was completed by the middle of January. The process included a combination of assessments, tests, presentations and interviews, depending on the type of posts and job requirements. In terms of the management posts, appointments were made to the Head of Service, three of the four team leader posts and seven of the eleven senior business support officer posts. External recruitment has started for the unfilled posts with the aim of having new staff in post by the beginning of April.

Specialist Support

- 3.27 To facilitate consideration of specialist support, a ‘structured dialogue’ was organised between senior managers from service departments and corporate support services, using information and an assessment of current activities provided by departments and corporate support. The aim of the dialogue was to:
- facilitate providers and clients in identifying areas where specialist support can be ended, reduced or provided differently in the future.

- ensure that the development of future operating models for corporate and specialist support are based on a sound understanding of the requirements of service units. This includes highlighting and exploring areas of competing client priorities.
 - facilitate evaluation of what currently works well and what could be improved in relation to specialist and corporate support (from both a provider and client perspective)
- 3.28 The discussions identified service specific issues, as well as a number of general themes relating to the roles, organisation and operation of corporate functions. At its meeting in September the Project Board considered initial proposals from a number of corporate services and identified areas for further work. This report summarises the resulting set of proposed changes in corporate support and the related savings. The savings from all these proposals is £1.085 million, which brings the overall savings from the project to just over £2.085 million in a full year.
- 3.29 **HR Proposals** A number of changes in the People and Development service are already underway. Key HR policies and procedures are being reviewed to streamline processes and provide short clear guides for managers, with the flexible working policy now agreed and the disciplinary policy under review. The sickness absence process has also been reviewed and the roll-out to all departments of a sickness absence database is underway, which will streamline both management and administrative requirements in relation to sickness absence management.
- 3.30 The recruitment service is being completely overhauled including reorganising the function, changing the recruitment process and understanding customer expectations and requirements. In relation to temporary staffing, the processes have been reviewed and there is now stronger contract management of Comensura, while the 'business case' process has been halted.
- 3.31 In addition a Workforce Strategy is being developed that will ensure a clear process for succession planning and talent management. Departments will be involved in developing strategies for their areas.
- 3.32 A review of the learning and development function will take place when IIP accreditation is completed and a review of payroll services is proposed, with options for sharing or outsourcing part of those considerations.
- 3.33 These changes are largely focused on service improvements and are not in themselves expected to deliver savings. Implementation of Project Athena could deliver savings but at this stage it is not possible to quantify these for HR. Further discussions with the interim Head of HR have identified savings of £135,000, which come from staffing and non-staffing budgets.
- 3.34 **Information Technology Unit (ITU)** There was no dialogue session for ITU, but the Head of ITU is identifying £500,000 of savings through:
- a merger of ITU first tier service desk (call desk) support with the 2nd and 3rd line support group, as well as moving to self service for the desk

- merge the customer liaison function with the programme office, which have overlapping responsibilities
- review the application support and reduce headcount as a result
- information management will be reviewed as their two main projects, Infostore and scanning, start to wind down later this year.

- 3.35 **Strategy, Partnerships and Improvement Proposals** The proposals focus on the policy, performance management and service planning functions and build on the current 'hub and spoke' business partners model. The proposal is to enhance this through the structural relocation of some generic and corporate activities into a central function. The aim is to retain strong specialised policy support to DMT's and better skills development in areas such as performance management, data analysis and intelligence sharing. This approach balances the realisation of the necessary reductions in expenditure while retaining critical support services and allowing capacity to be developed in those areas that are currently under resourced.
- 3.36 In relation to policy support, each department will retain their embedded specialist policy support, which will have representation on their DMT's. This will mean a specialist policy resource in Environment and Neighbourhoods, Children and Families, Adult Social Care and Regeneration and Major Projects. The policy capacity in Adult Social Care will be strengthened with the creation of a specialist policy officer for this area.
- 3.37 Changes to the performance management function will include the creation of one corporate performance analysis team responsible for consistent processes for the collection, reporting and analysis of performance data. Children's social care will have a dedicated resource to improve the current performance management and analysis of data for the service.
- 3.38 The proposals result in a total revenue saving of £450,000.
- 3.39 **Legal and Procurement Dialogue Session** Discussion with departments on legal support was organised through a series of meetings between the Director of Legal and Procurement, service Directors and their DMTs.
- 3.40 Procurement was considered through a dialogue session, with the following. There was general agreement amongst service departments that both legal and procurement support is vital in a number of high risk, business critical areas. In relation to procurement, all departments were managing major procurement programmes and expected to do so for the next eighteen to twenty four months. The view was that resources should be increased and at the least 'ring-fenced' from any savings requirements to avoid either a serious impact on these programmes, with potential loss of savings or additional costs.

4. LEGAL IMPLICATIONS

- 4.1 The changes have been implemented in line with the council's Managing Organisational Change Policy and as such has dealt with the main legal risk in managing the downsizing. The provision of a voluntary redundancy process and the proposed methods of selection to posts in the new structure have been undertaken in line with the agreed Council policy framework. This policy framework has proved successful in past exercises in managing change and reducing the inherent risk involved.
- 4.2 The diversity Implications raise some potential issues of indirect discrimination but the risk arising out of those issues have been appropriately dealt with by the proper operation of the Managing Organisational Change Policy to ensure objective decision making and continuing to monitor the diversity implications to ensure that any potential indirect anomaly continues to be objectively justified by the strong business case for the rationalisation of business support.

5. FINANCE IMPLICATIONS

- 5.1 The changes in business support result in a full year saving of £1m from 2014/15. However, the need to retain staff in advance of the move to the Civic Centre means that a three quarter year saving has been taken for 2013/14, amounting to £750k.
- 5.2 Full year savings of £1.085m per annum from 2013/14 have been identified in specialist support functions, as follows:
- £500k in IT;
 - £450k in Strategy Partnerships and Improvement; and
 - £135k in People and Development.
- 5.3 Total savings of £1.835m in 2013/14 and £2.085m in 2014/15 will therefore be included in the 2013/14 budget proposals.
- 5.4 One-off redundancy/early retirement costs will be met from the council's central provision for redundancy costs.

6. DIVERSITY IMPLICATIONS

- 6.1 An initial profile and analysis of the staff in scope for the business support function indicates that:
- The vast majority of those staff affected in the review are female (87%). This is also significantly higher than the gender profile for the Council overall (23% higher).
 - The age range of the staff affected is fairly evenly spread throughout the bands. There are a small number of young staff (20-29) affected and a slightly disproportionate effect on those aged 50-59 compared to the organisational profile (2.9% higher).

- In relation to ethnicity, 32 (18.9%) of those affected by the workstream are of Asian Indian ethnicity. This is 7% higher than the organisational profile indicating a slightly disproportionate impact on this group. 15 (8.9%) of those affected by the workstream are of Asian British ethnicity. This is 4% higher than the organisational profile, indicating a slightly disproportionate impact on this group.
- The religion profile of those in scope for the business support workstream shows no significant difference from the organisational profile. However the religion of a very high percentage of those in scope and the council overall is unknown or undeclared (85%) and therefore meaningful analysis is compromised.
- Meaningful analysis of sexual orientation of staff is compromised by the higher percentage of staff for which this is 'unknown' or 'not given' (average of 90% for staff at risk and council-wide)
- Half the staff affected are residents of Brent. A larger proportion of staff at risk are Brent residents compared to the organisational profile (13.9% higher).

7. STAFFING/ACCOMODATION IMPLICATIONS

- 7.1 The new model for business support has significant staffing implications, which are described in this report. The service will become operational as it moves into the new Civic Centre, alongside the services it will be supporting. Discussions are underway with the Move to the Civic Centre team concerning its accommodation in the Civic Centre.

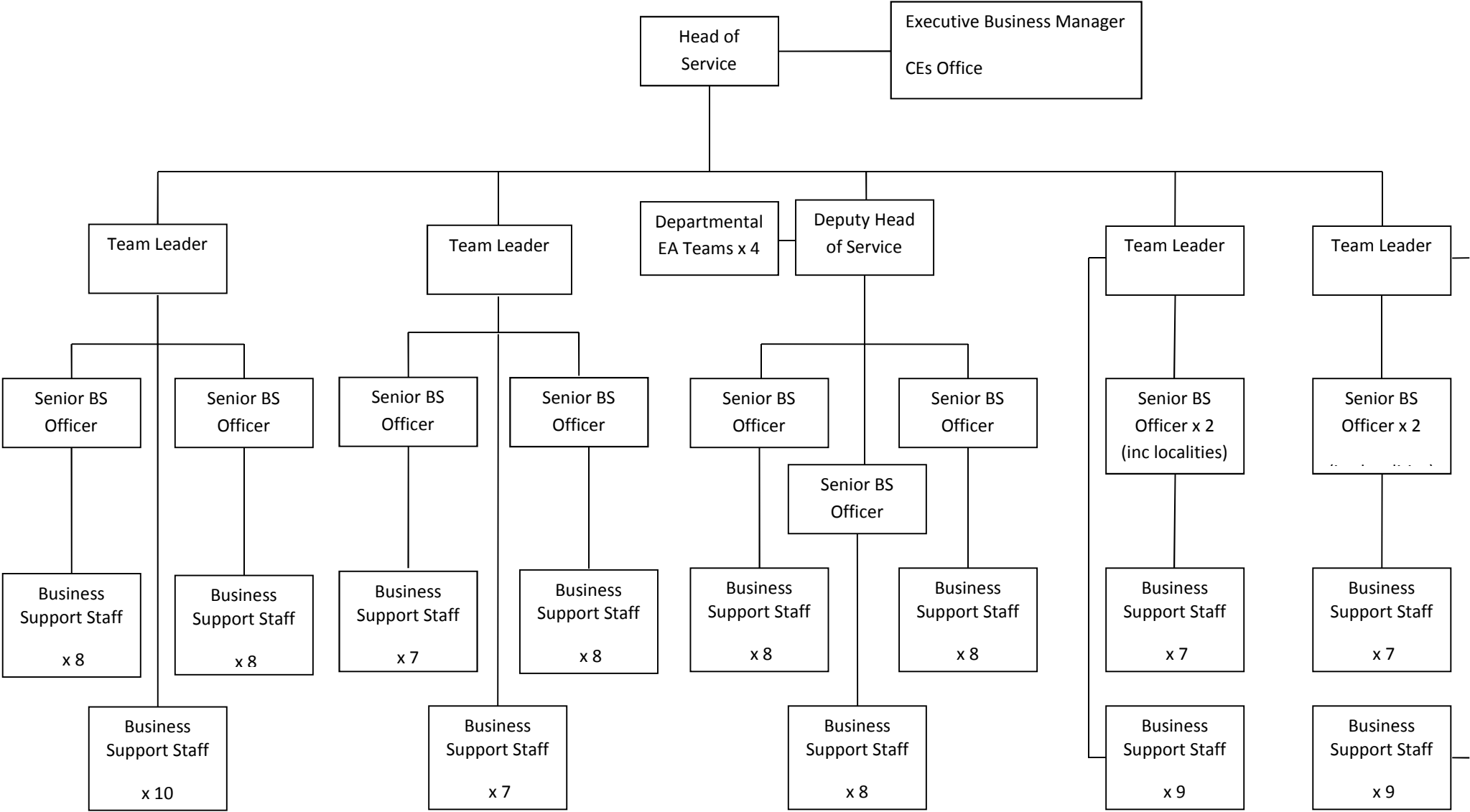
Contact OfficerS:

Jo Swinton-Bland, Head of Integrated Business Support
 Tel – 020 8937 1369
 Email – jo.swinton-bland@brent.gov.uk

Frank Dick, Interim Project Manager
 Tel – 020 8937 1381
 Email - frank.dick@brent.gov.uk

Fiona Ledden
Director of Legal and Procurement

APPENDIX 1 - INTEGRATED BUSINESS SUPPORT STRUCTURE



APPENDIX 2 – INTEGRATED BUSINESS SUPPORT: OUTLINE SERVICE AND TASK SPECIFICATION

BUILDING SUPPORT	GENERAL ADMINISTRATIVE SUPPORT
<ul style="list-style-type: none"> • final distribution of post to teams/officers (confirm requirement with DPR project) • order and issue stationary for floor and maintain stationary storage located on each floor • maintain supplies for the two printers on each floor, undertake basic maintenance and troubleshooting • maintain equipment storage area (where relevant), undertake issuing and return of equipment • act as reception point for each floor • keep meeting rooms on each floor stocked as relevant and in order • keep information on television monitors up to date • keep the staff library area (4th floor) in order • act as fire wardens/first aiders/health and safety officers for each floor 	<p>General Office Administration</p> <ul style="list-style-type: none"> • process purchase orders, including generation of electronic purchase requisitions and arranging urgent payment requests • maintenance of assets registers and information on supplier contracts • a range of IT requests such as arranging logons, setting up user accounts, maintaining phone and email lists, ordering hardware, updating web site information etc. • train new staff to use IT systems • updating business continuity records • maintenance of hospitality books, collation of information re FOI requests etc. • dealing with general departmental related queries and information requests • Banking of cash and cheques • Creation and sending of sales invoices (including supplementary documents such as licences, statutory notices) <p>Personnel Related Administration</p> <ul style="list-style-type: none"> • collating and monitoring data for leave, sickness absence etc. • collating and monitoring data for employee performance i.e. appraisal information and learning and development objectives • payroll submissions and queries • maintenance of personnel files • maintaining records for, and coordinating induction and training within area • coordinating permanent recruitment for the departments in conjunction with the People Centre • administering the recruitment of agency staff via Comensura and other outside agencies

SERVICE SPECIFIC SUPPORT (TASKS) *
Customer/client contact <ul style="list-style-type: none"> • answer telephone calls and emails from customers/clients, referring enquiries to the relevant officer/service as necessary • provide service information or signposting to information • log calls in the relevant systems • provide updates to customers/clients on progress of referrals/applications/enquiries
Applications, Referrals and other Service Requests (e.g. planning, grant and licensing applications, social care referrals, requests for pest control or bulky refuse collection) <ul style="list-style-type: none"> • take referrals/applications, ensuring the correct information is obtained and recorded in the relevant systems • advise on how the process works, and give basic information on legislation/procedures • set up cases on the relevant systems, updating as required • obtain the necessary client documentation and verify as required • prepare cases/files and related documentation for approval and/or review • act as liaison between clients and officers • organise client/officer visits, meetings and case conferences, including: booking meetings with all those required to attend; booking venues; organising related paperwork and providing this to officers/clients; organising travel arrangements for officers; attending meetings to take notes/minutes, and circulating copies as required; recording the outcome of meetings in the relevant systems • progress chasing for all of the above as required
Information <ul style="list-style-type: none"> • maintain relevant documentation • update and maintain information on systems and databases as necessary • extract information from systems and provide reports to managers as part of service, departmental, council partnership and national reporting requirements

* The knowledge required to undertake these tasks will reflect the specific legislative, policy and operational requirements of the service.