



**OPEN REPORT
COUNCIL**

Council – 25 July 2024

ORGANISATIONAL RESOURCES AND RESILIENCE

Report of the Chief Executive

Report Author and Contact Details

Paul Wilson, Chief Executive

01629 761126 or paul.wilson@derbyshiredales.gov.uk

Wards Affected

District-wide

Report Summary

The report sets out the Chief Executive's proposals to improve organisational resources and resilience to ensure that the Council is adequately resourced to deal with existing and future priorities and challenges.

Recommendations

1. That Council approves the proposals outlined in Section 2 of the report.

List of Appendices

None

Background Papers

Council Report 25th January 2024 – Structural changes to the Council's Establishment

Consideration of report by Council or other committee

No

Council Approval Required

Yes

Exempt from Press or Public

No

ORGANISATIONAL RESOURCES AND RESILIENCE

1. Background

- 1.1 As Head of Paid Service, it is my responsibility to inform Council of the staffing resources required to discharge the functions of the authority. It is also my responsibility to reflect upon the future ambition of the Council and advise whether we have the resources in place to deliver on the collective ambition of the Council.
- 1.2 At the meeting of Council on 25th January 2024, Members endorsed a series of changes to the organisational structure following the retirement of the Director of Regulatory Services. These changes have now been implemented and in accordance with the Progressive Alliance Leadership's desire to ensure that the organisation is adequately resourced to deliver on the Council's ambitious programme, a review of organisational resilience and capacity has been undertaken.
- 1.3 This review has identified several areas where capacity and resilience are currently creating corporate and operational risks. The remainder of this report outlines each of these areas by service directorate and proposes measures to address these concerns.

2. Improving Organisational Resilience

Community & Environmental Services

- 2.1 The Chief Executive as the Head of Paid Service has the overall responsibility for the management of health and safety throughout the organisation. In this regard, the Chief Executive is required to ensure that adequate resources are allocated to enable the effective implementation of all relevant legislation and that arrangements exist for the effective management of health and safety.
- 2.2 Under the Council's Health and Safety Policy, Directors are responsible for the effective management of health and safety within their department. In this regard, they must ensure that appropriate procedures and systems are formulated for any risks or work activities which are not covered by the corporate policy and where necessary formulate additional procedures to those within the corporate policy.
- 2.3 Adequate resources in terms of finance and staffing must be allocated to ensure that health and safety can be managed effectively. The Council should therefore be satisfied that it has sufficient staff time allocated to health and safety and that the staff involved are adequately experienced and knowledgeable to carry out this function. The former Director of Regulatory Services played a significant co-ordination role in ensuring compliance with relevant health and safety legislation due to his professional knowledge and experience, however this has now been lost following his retirement. To ensure effective management of health and safety across the organisation, the Council needs to invest in this area through the appointment of a dedicated Health and Safety resource.

- 2.4 The Council report of 24th January 2024, identified that an initial approach had been made to all Derbyshire Councils via Chief Executives, to explore the potential for a joint service delivery arrangement. Discussions were subsequently conducted with two councils and a proposition was made to the District Council. However, at a cost of over £92,000 per annum it was not considered to be a financially viable proposition worthy of pursuing further.
- 2.5 Corporate Leadership Team are therefore of the view that a dedicated Health and Safety Advisor should be recruited in order to ensure that the Council continues to operate in compliance with relevant health and safety legislation.
- 2.6 A job description and person specification has been prepared and in accordance with National Joint Council (NJC) Terms and Conditions for Local Government Services, the post needs to be subject to Job Evaluation grading assessment. It is anticipated that to recruit a candidate of the experience and calibre required, a salary in the range of £39,186 to £45,441 would be required which is equivalent to Grade 10 or 11 on the Council's pay and grading structure would be anticipated. This would equate to a total cost of £63,000 per annum (including oncosts) at the top of grade 11.

Place and Economy

- 2.7 Investment in the Council's Regeneration Team has previously been approved by Members. However, this has been frustrated by an inability to recruit candidates of the calibre and experience required. In recent months, three unsuccessful attempts have been made to recruit to the post of Senior Regeneration Officer (SRO). In the first round six applications were received, non-shortlisted; in the second round three applications were received with one candidate shortlisted but unsuccessful at interview; and in the third round, including the addition of an incentive, four applications were received, with one candidate shortlisted but withdrew on the morning of the interview.
- 2.8 As previously reported, this workstream has been unable to progress due to a lack of capacity within the Regeneration team (2.4 FTEs) which is currently wholly focused on delivering the corporate priorities of: Ashbourne Reborn; Bus Station refurbishment, Bakewell Road Matlock; and the Ashbourne Airfield masterplan. The lack of capacity has also impacted the opportunity to draw down UKSPF funding to support any site feasibility / master-planning work beyond Ashbourne Airfield, as reported elsewhere on this agenda. These risks were set out in some detail to the Community and Environment Committee on 13 July 2023 (UK Shared Prosperity Fund: Programme Update and Delivery Approach), and updates were provided in performance management reporting such as to the Scrutiny Committee on 6 December 2023.
- 2.9 Following Corporate Leadership Team approval to pursue interim support as an alternative, three agency candidates were interviewed in June 2024, but an appointment has not been made. The recruitment process has highlighted the challenge of securing a single candidate capable of undertaking both the 'hands on' project work and more strategic aspects of the role geared towards developing a pipeline of regeneration projects and

progressing the delivery of stalled development sites (e.g. for submission to future EMCCA funding calls).

- 2.10 Consideration has therefore been given to splitting the role in two and seeking part-time interim support to cover each element. Based on recent market testing there is scope within the current budgeted revenue salary allocation for the SRO post to (subject to appointing suitable candidates) secure support for a short-term period of circa six months. However, should it prove necessary to extend interim support to nine months to enable priority actions to be further progressed, additional funding would be required. It is therefore requested that consideration be given to providing additional investment of £17,000 towards the provision of this resource.

Corporate and Customer Services

- 2.11 The recent resignation of the Council's Democratic and Electoral Services Manager presents an opportunity to review the structure of the current team.
- 2.12 It is a common misconception that elections are one-off events which only require resourcing in the period immediately before and after an election. However, due to the increasing complexity of elections brought about by recent legislative changes and the need for year-round activities such as electoral canvassing, polling station reviews etc, the resource required to deliver effective democracy has increased significantly in recent years. The Director of Corporate and Customer Services is therefore of the view that it is no longer feasible to continue to combine the roles of Electoral Services Manager and Democratic Services Manager into a single post. A review of the team structure is therefore to be undertaken in the coming months.
- 2.13 At the Governance and Resources Committee on 18th July 2024, members considered an internal audit report on Data Protection which gave a 'limited assurance' level. This audit identified that certain important controls are either not in place or not operating effectively with a risk that the system may not achieve its objectives.
- 2.14 Elsewhere on this agenda is a request for interim resources to address the immediate issues raised in the internal audit report and to address 67 areas of non-compliance which have been identified against the Information Commissioners Office (ICO) Accountability Tracker. However, the interim resource will only be sufficient to address existing areas of weakness. There is still a need to ensure that the organisation is adequately resourced to deal with all aspects of data protection, information governance and compliance. This matter will also be reviewed in the coming months with further reports brought back to Members as necessary.

Programme and Project Delivery

- 2.14 Council have previously been informed by the Chief Executive that at the present time, there is insufficient resources and capacity within the organisation to lead on the delivery of key 'corporate' projects or to co-ordinate, facilitate and deliver on projects across several service areas. This has been a consistent message in recent years as reflected in both the 2019 Corporate Peer Challenge report and the 'Circling Squares' report considered by Members in September 2023.

- 2.15 Within the next 12 – 18 months, there are several significant, high profile and high-risk projects which the Council will need to resource. These include a review of the Waste and Recycling contract which is due to end in August 2028 and a review of the Leisure Services contact with Freedom Leisure which is also due to end in 2028. Irrespective of whether these contracts are renegotiated, renewed or alternative service delivery arrangements are to be put in place, the lead time that is required in both cases can be up to 2 years, particularly if such high value contracts are to be subject to external procurement.
- 2.16 With a reduction in the number of Service Directors and an increased portfolio of services they are responsible for, there is no capacity for any of the Service Directors to dedicate the necessary time and resources to the recommissioning of these services in addition to their day-to-day responsibilities. In both cases, there will be a need for a dedicated resource to manage the recommissioning of these services.
- 2.17 It is therefore proposed that Council invests additional resources to supplement existing knowledge / skills in the organisation, to address these strategic capacity issues. This resource would work across the organisation and will provide additional corporate capacity at a senior level.
- 2.18 In accordance with National Joint Council (NJC) Terms and Conditions for Local Government Services, this post would need to be subject to Job Evaluation grading assessment. It is anticipated that to recruit a candidate of the experience and calibre required, a salary of circa £45,000 which is equivalent to Grade 11 on the Council's pay and grading structure would be anticipated. This would equate to a total cost of £63,000 per annum (including oncosts) at the top of grade from 1st April 2025.

Other Organisational Pressures

- 2.11 This report has sought to identify the strategic, high-risk pressures that are currently faced by the organisation and proposes actions to address them in the immediate future. However, there are other pressures within individual service areas which are constantly being addressed within the limitations of existing resources. These areas are kept under constant review and may be subject to future reports to Council should the need arise.

Financial Resources

- 3.1 Implementation of any meaningful measures to improve organisational resilience needs have regard to the overall impact upon the Council's finances and specifically, the Medium-Term Financial Plan.
- 3.2 The Director of Resources has previously advised Council that it is difficult to predict the level of finance settlement that might be received from 2025/26 onwards. The recent election of a new government adds to the uncertainty over future funding levels, which could have a significant impact on the Council's revenue account.

- 3.3 It is therefore financially prudent to seek to utilise existing resources and reserves wherever possible to minimise long-term impacts upon the Council's revenue budget. The revised structure proposals approved by Council in January 2024, released establishment costs of £96,285. To address areas of capacity weakness across the organisation, it is proposed that this is reinvested into the areas identified within this report, supplemented by the restructuring of existing posts on the establishment and vacant posts.
- 3.4 Subject to all the above proposals being approved and subject to the outcome of the job evaluation process, the estimated costs of the proposals are shown in the table below:

	2024/25	2025/26
Health & Safety Officer (from 1 st October 2024)	£30,752	£62,759
Programme & Project Delivery (from 1 st April 2024)	0	£62,759
Other changes in HR, Payroll & Financial Services	£2,193	£23,678
Estimated costs of changes to the establishment	£32,945	£149,196
Less: Deletion of post of Director of Regulatory Services	(£94,751)	(£100,002)
Total cost / (saving) of changes to the establishment	(£61,806)	£49,194
Interim resource for Place & Economy (above budgetary provision) – for 2025/26 only	0	£17,000
Total Cost / (Saving)	(£61,806)	£66,194

The additional costs of £32,945 in 2024/25 can be financed by the deletion of the post of Director of Regulatory Services, and still leave a saving of £61,806 against the budget.

For 2025/26 the proposals result in ongoing additional costs of £49,194 per annum. There is also a one-off additional cost of £17,000 in 2025/26 for an interim resource. The additional costs for 2025/26 and subsequent financial years will be included in the proposed revenue budget for 2025/26 and the updated Medium-Term Financial Plan.

4. Options Considered and Recommended Proposal

- 4.1 One alternative option would be to retain the current organisational structure; however, this would not address identified areas of weakness and would not address the corporate risks that have been identified, particularly regarding compliance with Health and Safety legislation and Information Governance / Data Protection. To ensure that the council can comply with its legal duties and responsibilities, it is not recommended that this option be pursued.

5. Consultation

- 5.1 Corporate Leadership Team (CLT) has been engaged in the development of these proposals.

6. Timetable for Implementation

- 6.1 Subject to the approval of the above recommendations, work to implement the proposals will commence immediately.

7. Policy Implications

- 7.1 An effective organisational structure that is appropriately resourced and aligned to the delivery of the Council's priorities helps to deliver the Council's ambitions and plans for the district.

8. Financial and Resource Implications

- 8.1 Financial implications have been addressed in sections 2 and 3 of this report. The financial risk is assessed as low to medium.

9. Legal Advice and Implications

- 9.1 The Head of Paid Service is required by Section 4 of the Local Government and Housing Act 1989 to report to Council on proposals concerning the organisation of the Council's staff and appointment and proper management of the Council's staff.

- 9.2 The legal risk associated with the recommended decision in this report has been assessed as low.

10. Equalities Implications

- 10.1 There are no specific equalities or diversity issues associated with this report. The council is committed to fulfilling its obligations under the Equality Act 2010, including the Public Sector Equality Duty (Section 149). This duty includes a general duty and specific duties. The general duty requires public bodies to have 'due regard' to the need to:

- eliminate unlawful discrimination, harassment and victimisation and conduct prohibited by the Act,
- advance equality of opportunity between people from different groups; and
- foster good relations between people from different groups.

11. Climate Change Implications

- 11.1 A climate change impact assessment is not necessary in respect of the recommendations in this report.

12. Risk Management

- 12.1 The Head of Paid Service is required by Section 4 of the Local Government and Housing Act 1989 to report to Council on proposals concerning the organisation of the Council's staff and appointment and proper management of the Council's staff. Implementation of the proposals outlined within this report, will seek to ensure that the District Council is better able to manage future risks around

organisational resilience, resources, and priorities. If implemented, the strategic risk is assessed as low.

Report Authorisation

Approvals obtained from: -

	Named Officer	Date
Chief Executive	KH for Paul Wilson	17/07/2024
Director of Resources/ S.151 Officer (or Financial Services Manager)	Karen Henriksen	17/07/2024
Monitoring Officer (or Legal Services Manager)	Helen Mitchell	16/7/2024