

## Establishment Changes Business Case

<b>Service area:</b>	Legal and Democratic Services/ Corporate Services
<b>Team:</b>	Democratic and Elections/ Administration
<b>Case prepared by:</b>	James Doble, supported by Kevin Lane, David Price
<b>Date:</b>	August 2011

Business cases should be prepared in consultation with HR and Finance and submitted to CMT (CDC)/Executive (SNC) by the Service Head for consideration.

### Background

This section should provide information on the service/team and outline any issues which may affect the team in the future (including changes to funding, priorities etc.)

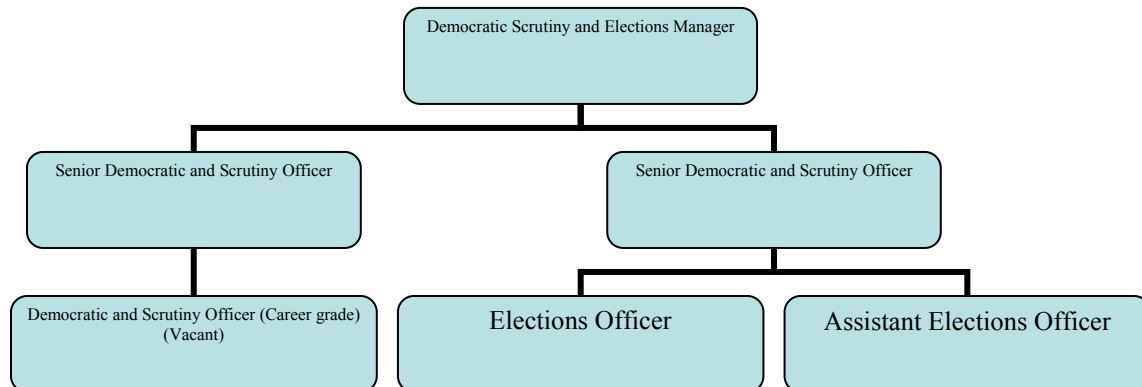
- 1.1 At both Cherwell District Council (CDC) and South Northamptonshire Council (SNC) the functions of Member Support, Scrutiny Support, Elections and Democratic Support are provided by dedicated teams under the Head of Legal and Democratic Services at CDC and the Head of Corporate Services at SNC. Member training is also undertaken by the function at CDC but it is currently a function of Human Resources at SNC.
- 1.2 The functions of democratic services are statutory as opposed to discretionary services and to a large extent the number of staff required is dictated by the number of Councillors, elections and meetings. Whilst there may be scope in some services for significant staff reductions to occur as a result of economies of scale created through shared services, this does not apply to democratic services, where the same number of councillors, meetings and elections remain. Indeed the advent of the Joint Personnel Committee and the Joint Arrangements Steering Group has actually added to the number of meetings to be supported. Additionally democratic and elections are both experiencing significant growth in work loads e.g. Localism Bill, Elected Police Commissioners, AV Referendum, Individual Voter Registration, Community Governance Reviews and local referenda and elected House of Lords.
- 1.3 The work of the teams is linked to a very high degree with the senior management of the councils on a day to day basis and as this becomes a shared resource there will be a need for very close liaison between the teams to support a shared management team and Returning Officer. These activities include the support of decision making processes, co-ordination of corporate calendars and alignment of delegations and report formats.

SNC Democratic Services (named Committee Administration) has five staff covering these functions and CDC six. At CDC a structure review has taken place and it is proposed that staff are harmonised on generic democratic and elections job titles, descriptions and grades.

## CURRENT STRUCTURE AT BOTH COUNCILS

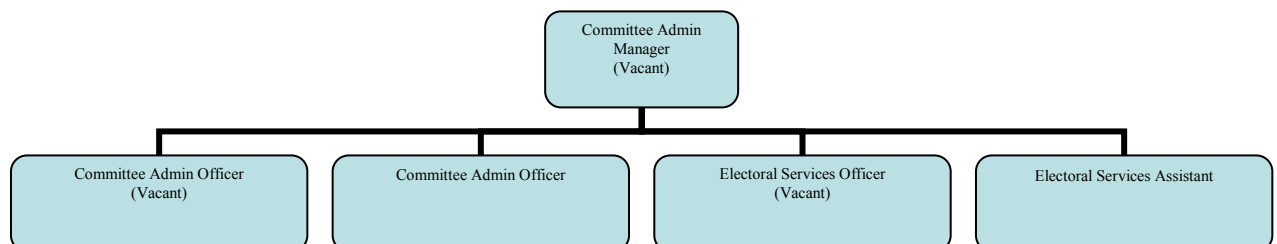
### Cherwell District Council (CDC)

		Cost (per annum)
<b>Full Time Equivalents</b>	<b>6</b>	<b>£230,801</b>
<b>Elections Systems</b>	<b>Strand</b>	<b>£13, 000</b>
<b>Committee Management System</b>	<b>Modern.gov</b>	<b>£6, 540</b>
		<b>£250,341</b>



### South Northamptonshire Council (SNC)

		Cost (per annum)
<b>Full Time Equivalents</b>	<b>5</b>	<b>£183,011</b>
<b>Elections Systems</b>	<b>Xpress</b>	<b>£9, 160</b>
<b>Committee Management System</b>	<b>CMIS</b>	<b>£6,900</b>
		<b>£199,071</b>



- 1.4 A recent Value for Money Review at CDC found Cherwell has the lowest quartile level of staffing (1.32FTE less than the average District Council) when measured by staff per electorate and around average staffing when measured by staff per meetings (1.03FTE above the lowest quartile level). In the case of elections CDC is in the lowest quartile in terms of staffing. SNC has not formally benchmarked but, with lower staffing numbers, it can reasonably be assumed that these conclusions also apply there.

Therefore democratic services at both councils are already very lean, providing value for money and unable to produce large savings.

There is little opportunity for significant reductions in service due to the statutory status and even slight reductions would involve reducing member support, reducing the number and volume of member meetings serviced, changing to all out elections (CDC) and large increases to the officer delegated powers and reducing member decision making. However both teams are vulnerable to the impact of sickness and absence due to their low staffing numbers and there is an opportunity to improve service resilience by moving to a shared service approach.

- 1.5 Since the departure in March 2011 of Liz Howlett, Head of Legal and Democratic Services at Cherwell, both services have been managed by Kevin Lane, Head of Corporate Services at South Northamptonshire, on an interim basis. This arrangement has led to Kevin attending Cherwell on an approximately weekly basis, whilst providing on-going support, which in particular has enabled close working between the democratic officers at both councils.

From 20 May 2011 officers from Cherwell have been providing support to the committee administration team at SNC, following the retirement of the Committee Administration Manager, the departure of a Committee Administration Officer and the sad death of the Electoral Services Assistant in March 2011. The Electoral Services Officer has also handed in his notice and will be leaving at the end of September 2011.

As a result of the loss of four members of the team of five, at SNC Executive Team approval has been given to:

(a) filling the Electoral Services Assistant post on a permanent basis (an appointment was made on 24 May with a start date of 27 June) and

(b) covering some of the operational duties of the Manager Committee Administration post via an agency worker for a fixed term of six months pending consideration of the possible creation of a shared team.

The remaining SNC Committee Administration Officer is acting up into the managerial responsibility of the Manager Committee Administration

post initially for up to a six month period ending in late November 2011. Attempts to obtain suitable agency cover have proved unsuccessful with no appropriately experienced candidates being forthcoming and a retired former Committee Administration Officer is providing some part time cover initially until September 2011.

The acute shortage of staff at South Northamptonshire Council and the desire to keep things open pending a decision on shared services has led to an agreement with the Democratic Scrutiny and Elections Manager at Cherwell District Council that he and his team will cover Appointments and Personnel Committee, Cabinet, Council, Joint Arrangements Steering Group and a Review and Development Committee, providing support to the Acting Committee Administration Manager as well as providing office cover for 1 or 2 days per week. This arrangement is working well.

From August 2011 this arrangement has been further extended to cover the annual electoral registration canvas and a forthcoming town council by-election. It has to be acknowledged that this solution to SNC's problem would not have been forthcoming were it not for the shared working that has taken place between Cherwell and South Northamptonshire Councils to date in relation to the shared senior management team.

At Cherwell, the recent departure of the Democratic and Scrutiny Officer, is being covered in part on a temporary basis by an experienced external Democratic Officer (on a part-time basis) and the remainder of the team.

To date these arrangements are proving successful, with staff quickly adapting to the different working arrangements of another council, whilst helping to ensure that the sovereignty of both councils is maintained.

- 1.6 However, these cover arrangements cannot be maintained indefinitely due to the lack of the availability of the retired former Committee Administration Officer at SNC and the external Democratic Officer at Cherwell in the longer term. The remaining team members have exceptionally high work loads which cannot be maintained other than as an interim measure. There is currently no spare capacity to cover staff sickness, leave or absence, with further pressure on these teams between September and December due to the annual electoral registration canvas and two by-elections. Whilst these interim arrangements are feasible for a temporary period, they are not sustainable in the medium or long term due to the volume of work, the number of evening meetings involved and election pressures on the teams.

## **Proposed changes**

This section should provide an overview of the changes proposed.

- 2.1 Due to this combination of factors as set out above, it is an opportune time to consider a shared service. It is believed a shared team could provide the following benefits:
- Resilience
  - Consistency and co-ordinated support to the Shared Management Team
  - Co-ordination of corporate calendars and democratic processes
  - Consistency of support for the Returning Officer, delivering efficiencies across two Parliamentary constituencies, two county council areas and both Council areas
  - Marginal cashable savings including staff, systems and member training
  - Non- cashable efficiencies
- 2.2 It is proposed to create a shared multi disciplinary Democratic and Elections team. Team members, whilst retaining specialist skills and knowledge, will work across both disciplines and at both Councils. This will improve resilience across the disciplines and also at both Councils. The team will support and have responsibility for the functions of democratic decision making, member support, member training and development, scrutiny, elections and electoral registration. Additional functions such as ombudsman (CDC) will also be maintained. The member training function at SNC will transfer from HR where it is a small element of the HR Adviser's responsibilities but where the post is already fully stretched on other matters.

## **Business Case**

Outline here the case for making changes, including how current duties, responsibilities etc. will be covered once changes are in place, benefits, risk to service delivery and any other impact.

- 3.1 The proposed structure for the shared team is shown at Appendix 1.
- 3.2 The team will be managed by a manager and two team leaders who will have responsibilities at both councils and will share their time equally between the two councils. It is intended that the service will be a fully shared, as opposed to two teams serving two distinct geographical areas with shared management. This approach is required in order to make the proposed staffing reduction work and to share expertise. Whilst staff will support both democratic and elections activities, they will not carry out the full range of democratic, scrutiny, member and elections work. For instance a Democratic Elections Officer primarily based at Bodicote could have the following portfolio: election delivery lead SNC, Licensing Committees CDC and SNC and Council Employee Joint/Local Joint Committee CDC and SNC. A matrix management approach will be adopted with one team leader leading on scrutiny and elections work areas in addition to their line

management responsibilities and the other team leader leading on democratic work areas in addition to their line management responsibilities. Therefore it is important to achieve a fully integrated team and vital that these posts, as well as the manager post, are shared across the two councils.

For the purposes of this business case the assumption is made that these three posts will attract a salary enhancement representing a 10% uplift for the financial analysis. This will however be subject to formal evaluation once final job descriptions (currently work in progress) have been agreed.

- 3.3 Whilst staff will formally be arranged in two teams for line management purposes, they will be matrix managed according to the tasks they are undertaking, reporting to different members of the management team for this.

### **Electoral Registration**

- 3.4 In order to achieve economies of scale it is important that electoral registration processing is combined and preferably located within a shared elections centre located at one site. Currently electoral registration processing is provided at Cherwell by staff located within the Chief Executive's administration team and this has the benefit of providing appropriate resources and resilience whilst not taking the time of trained elections staff which is becoming a scarce resource.
- 3.5 At SNC this function has remained within the team resulting in the need to recruit temporary staff at various times of the year and restricting key elections staff. Similarly all elections and electoral registration calls have for three years been fully migrated to the CDC Customer Contact Centre, whilst at SNC have been retained in the team, meaning at times phones go unanswered and during election times the team are fielding calls as well as running the election.
- 3.6 It is proposed that in light of the existing availability of these resources which are key to achieving savings and the location of remaining experienced elections staff, the registration processing and call management functions of the shared elections team should be located at Bodicote and recharged as appropriate to SNC based on processing and call volumes. Initial discussions with Customer Services at CDC have indicated that there is capacity and willingness to provide this integrated service. Other elements of the elections function outside these specific tasks will be undertaken at both sites in accordance with the integrated, cross discipline, approach outlined above.

In the case of the Chief Executive's administration team, it is proposed that several democratic tasks carried out by the team such as Notice of meetings, Member Post, Members Expenses, Minute binding will be transferred back to the shared team (in order to bring this in line with SNC) with the added benefit of creating some further capacity.

## **Elections**

- 3.7 During election periods, experienced elections staff would be located at both sites on a daily basis in addition to the multi-disciplinary teams that will deal with elections and democratic matters on a daily basis throughout the year. Additionally, with the different complementary election cycles (SNC all out and CDC thirds) it is believed greater efficiency can be achieved from a shared democratic and Elections team. Elections will be planned by a shared elections project board, chaired by the Returning Officer to effectively utilise resources of both authorities across the councils and remove duplication.
- 3.8 At Appendix 2 is an assessment of the proposals in this business case against an issues paper for a shared elections team that has been produced by the Association of Electoral Administrators. It will be noted that the various issues raised have already been, or can soon be, satisfactorily addressed.

## **Democratic, Scrutiny, Member Support and Member Training**

- 3.9 These functions will be provided to both Councils from staff located at both Bodicote and Springfields. This will ensure that resilience can be maintained. Economies of scale will be achieved through the planning and delivery of member training and generic reports for both councils. As part of the implementation plan all back office processes will be reviewed to ascertain if they are required and if so whether they are being delivered as effectively as possible. A review of officer schemes of delegation, key decision thresholds and proper officer designations will also be carried out acknowledging that any changes to these at either Council will be a matter for the individual Council concerned given the principle of maintaining the sovereignty of each.

## **Systems Integration**

- 3.10 – 3.12 – **See Appendix 4 to covering report**

## **Other efficiencies**

- 3.13 A shared team would also provide many other efficiencies by removing duplication of effort with no loss of service or sovereignty to either council. It is believed these could be achieved in the areas of:
- Policy briefings and reports e.g. Localism
  - Member training,
  - Constitution amendments e.g. common scheme of SSMT officer delegation

- Elections procurement
- Elections project planning

### **Changes to posts/JDs**

Outline here details of all changes to posts/JDs and attach revised job descriptions, person specifications and indicative grades. Please also consider whether the post may require re-evaluation as a result of any changes.

- 4.1 Due to the vacancies currently being carried (2 at SNC (3 from 1 October) and 1 at CDC) a shared team can be produced with no job losses/redundancy costs and without adversely affecting other service areas.

In accordance with the shared organisational change policy, a process of assimilation/ring-fenced recruitment will take place, initially limited to the postholders that currently comprise both teams.

It will be necessary to recruit 3 new staff, at least one of whom (a Democratic and Elections Officer) will require external recruitment in order to meet the democratic experience deficit that has been created through the loss of experienced staff at SNC.

It is believed that there would not need to be significant re-evaluation of posts as, with the exception of management posts, these would effectively be the same level of responsibility as previous just on different sites. Job descriptions are being developed and will be evaluated shortly.

The three management/team leader posts would have increased responsibility on two sites and increased complexity of role and this is represented in the financial analysis by an assumption of a 10% uplift pending job evaluation of the new posts. It should be noted that this level of complexity will always exist due to the sovereignty of two councils e.g. two sets of elected members, parishes, constitutions, policies etc.

The lead officer for selection and consultation will be the Head of Legal and Democratic Services (i.e. Head of Service 4 in the SSMT structure) and, pending the completion of the recruitment process for that post, the current SNC Head of Corporate Support/CDC Interim Head of Legal and Democratic Services supported by the Democratic and Elections Manager when appointed.

- 4.2 At Appendix 3 is an Equalities Impact Assessment of the business case proposals which has been compiled using the CDC template.



## **Analysis of Posts by Grade and Cost**

- 4.3 This is included in the financial analysis of the business case proposals at Appendix 4. It should be noted that the financial case for the shared team is marginal but the key driver here is the need to address the current and anticipated service resilience issues as well as the other non cashable efficiency gains to be made via a shared and integrated team.

## **Consultation and Implementation Timetable**

- 4.4 This is proposed to be as follows:-
- Commence joint planning and delivery for 2012 elections including joint procurement – August 2011
  - Proposals considered by JASG – 8 September 2011
  - Posts evaluated – early September 2011
  - Formal Consultation – 9 September 2011
  - Decision taken by Councils – 28 & 29 September 2011
  - Implement new team structure – 1 October 2011
  - Recruit to vacant posts – End October 2011
  - Install Modern.gov and migrate data SNC – November 2011 onwards
  - Install Xpress to Cherwell and migrate – November 2011 onwards
  - Consolidated meetings calendar to May 2012 – September 2011

### **Financial Effects**

This section should summarise the costs and savings associated with any changes, including redundancy and capital costs of pensions. Detailed figures will be provided by finance and should be appended to this business case.

- 5.1 The financial effects are analysed in Appendix 4.

**See appendix 4 of the covering report**

## **Proposed Sharing of Savings**

- 5.2 The savings identified arise from changes in staffing, principally from sharing a team manager, and from systems changes. Since neither authority can realise these savings on their own, it is proposed that both the costs and savings be split on a 57½/42½ (CDC/SNC) basis.

**Voluntary Redundancy – Please state whether this should be offered or not and if so on what basis for both. (Figures can be provided by Finance/Expenditure)**

- 6.1 It is proposed that voluntary redundancy should not be offered as there are more opportunities within the new team than there are staff in post.

## Summary and Recommendations

- 7.1 It is believed the proposals set out in this business case provide the opportunity to create a resilient, cost effective and high performing service. This is the key driver in this case rather than financial savings which are negligible.
- 7.2 Due to the necessary close working relationship between democratic and elections the shared Chief Executive and the shared management, these proposals will help to ensure co-ordinated meetings calendars, decision making processes and consistency of advice.
- 7.3 Significant resilience and the pooling of experience and skills, as already demonstrated in the interim cover arrangements, can be provided, with no loss of sovereignty or independence of either council, but where a joint approach is required this can be provided seamlessly.
- 7.4 Significant opportunities for economies of scale can be provided for instance shared elections planning and registration processing, printing, procurement, policy briefing reports and responding to new legislation. For instance elections can be planned strategically for both councils and delivered locally.
- 7.5 There is a national shortage of skilled and experienced democratic and in particular elections staff. These proposals ensure the retention and availability of these important but expensive resources, whilst providing the opportunity for succession planning through creating 3 career grade posts. This will help avoid the position that SNC has recently found itself in, provide new career development opportunities for the local community and has been proved highly successful at CDC in recent years.
- 7.6 The proposals also offer significant opportunity for service improvement and enhancement. Through business process re-engineering, democratic processes at both councils can be streamlined and simplified to ensure council resources are being deployed for the benefit of the local community and to pursue member aspirations and not unnecessary administration. There will be a larger pool of skilled and experienced staff to deal with public enquiries and support members as well as increased availability of staff to deal with elections enquiries.
- 7.7 If the business case is not pursued it will be necessary to recruit to all 4 vacant posts. It is likely that there will be difficulties in recruiting suitably experienced and qualified staff - particularly in the elections field. Resilience issues will remain, system and staffing savings will not be realised, significant duplication of effort will exist in the two authorities and there will be barriers to achieving future efficiencies.

7.8 Therefore, it is recommended that the business case is supported with costs and savings to be split on a 57½/42½ (CDC/SNC) basis.

#### **HR Comments**

The business case presents a good rationale in terms of resilience for combining the Democratic teams and there will undoubtedly be broader benefits in terms of governance and organisation in close working in this area, particularly in relation to the time taken by the senior team to manage the democratic process.

In terms of process, it is important not to set an unhelpful precedent for future sharing and therefore any issues related to grading and other working practices can only be applied temporarily at this time, pending formal resolution of the position on shared posts.

It is important that the implementation phase is handed over to remove any officer in scope of the changes until appointments are finalised.

#### **Finance Comments**

These are included in section 5 above and appendix 4.

#### **ICT Comments**

These are included at paragraph 3.10 above. The Director of Community Engagement and Corporate Services (SNC) has also contributed to the business case as a whole.

#### **CMT (CDC)/Executive Team (SNC) response**

The Chief Executive and Returning Officer is supportive of the business case.

#### **Action**