

Report to:	CABINET		
Report of:	Chief Executive		
Date of Meeting:	11 January 2017		
SUBJECT:	Strategic Leadership Capacity for Birmingham City Council to deliver the new Future Operating Model		
Key Decision: NO	Relevant Forward Plan Ref:		
If not in the Forward Plan: (please "tick" box)	Complied with Rule 15	<input checked="" type="checkbox"/>	
	Complied with Rule 16	<input type="checkbox"/>	
Relevant Cabinet Member(s):	Councillor Ian Ward		
Relevant O&S Chairmen:	Councillor Mohammed Aikhlaq (Chair)		
Wards affected:	NONE		

## 1 Purpose of report

This report sets out proposals to strengthen the strategic leadership capacity of Birmingham City Council; reshape that strategic leadership; and initiate the implementation of a new future operating model (FOM).

## 2 Decision(s) recommended

Cabinet to :

- 2.1 Note the intention to implement a Future Operating Model which prioritises public facing services; consolidates and optimises support services; and brings consistency to the spans and layers of management.

## 3. Consultation

### 3.1 Internal

The Leader of the Council, the Cabinet and the Conservative and Liberal Democratic Group Leaders have been consulted.

### 3.2 External

There has not yet been a need to conduct External consultation with any partners and stakeholders.

## 4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

The recommendations are within Council policies, plans and strategies.

<b>5</b>	<b>Background</b>
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5.1 Following the Kerslake Review and subsequent progress reports, it has become increasingly evident that the combination of the scale, complexity and pace of change required of the City Council in respect of delivering improvement, transformation and making further significant savings, is a huge challenge for the authority. One consequence of this is that it has been prudent to re-examine the strategic leadership capacity required to secure timely effective and sustainable organisational governance and change.

5.2 Over the last 15 months Birmingham City Council has been collecting feedback from its partners, citizens and staff on what a council of the future in 2020 should aspire to be like.

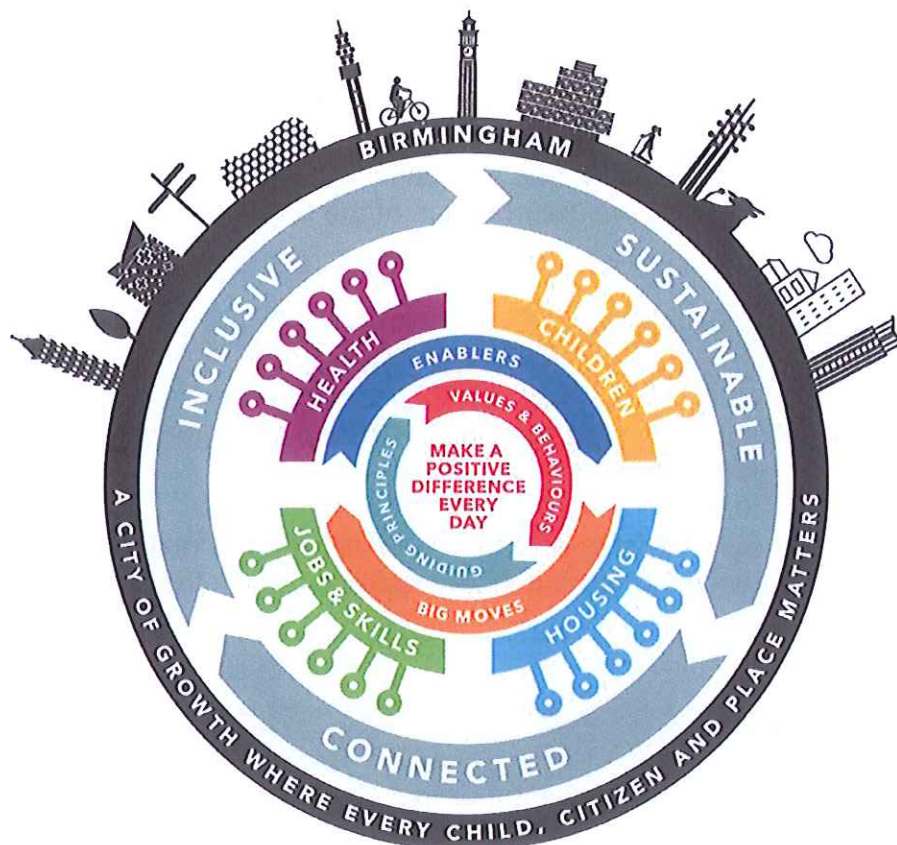
This has focussed work on defining 5 key areas (together forming the “whole council” element of the Council of the Future model;

- Purpose
- Vision, priorities & priority outcomes
- Guiding principles
- Big moves & enablers
- Values & behaviours

5.3 These areas set out to describe how Birmingham City Council will operate and deliver services in 2020 and are described further in the Council's Plan and associated website material.

Birmingham City Council will operate as an 'Enabling Council' – our Council of the Future model clearly sets out how Birmingham City Council is an enabler to Birmingham using its assets and levers to join together the City and the region in delivering improved services to 'make a positive difference every day to people's lives'.





- 5.4 The council, partners and citizens have set out aspirations that a Council of the Future will be:
- Inclusive
  - Sustainable
  - Connected
  - Diverse and reflect the city it serves
  - Have a clear purpose and sense of leadership
  - Agile – ie responsive and pro-active
  - Skilled and forward thinking
- 5.5 As a consequence of assessing the impacts of the first stages of development of the Council of the Future, it is being identified that the most immediate and significant pressures on strategic capacity are in relation to:
- Development and implementation of the authority's new Future Operating Model to meet the needs of the Council's vision and its described outcomes for the Council, citizens, partners, stakeholders and the wider community;
  - Defining and shaping the Council's strategic approach including appropriate governance, assurance, financial capacity and capability building;
  - Robust programme management of the financial systems, processes, budget development and key transformational activities.
- 5.6 The principles for achieving our new Future Operating Model are:
- Delivery departments aligned to "co-commissioning" models of working with communities
  - Rationalisation of all core support services
  - Streamlined management structures with reduced layers between the chief executive and the citizen to support the organisation's role in local leadership
  - Clear Birmingham Leadership role that has transparent accountability and broadly consistent spans of control

- Focus on ensuring retention of the right people with the right skills in the right roles
- Provision for talent management and succession planning, e.g. apprentices/graduates

5.7 To ensure that the City Council can deliver the Future Operating Model, it is imperative that the organisation adjusts its structures, spans and layers of management to align with the model. At its centre the organisation requires a streamlined, disciplined operating centre that supports delivery departments to achieve the priorities of the organisation.

## **6 Human Resource Implications**

6.1 Any new posts at JNC level that are either Chief Officer or Deputy Chief Officer will be made by the Chief Officer and Deputy Chief Officer Appointments, Dismissals and Service Conditions Sub-Committee.

6.2 In recognition of the partnership arrangements required in respect of these roles, it may also be appropriate to involve partners and key stakeholders in the selection process.

## **7 Financial Implications**

7.1 The level of savings expected from the proposal will be:

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Gross saving	12.85	42.5	42.5	42.5
Less revenue implementation costs	0	0	0	0
Net saving	12.85	42.5	42.5	42.5
Less saving already shown within LTFP (for ISS)	7.5	7.5	7.5	7.5
New saving generated	5.35	35.0	35.0	35.0

## **8 Legal Implications**

8.1 The proposals contained within this report are in line with statutory obligations and the Council's constitution.

## **9 Public Sector Equality Duty**

9.1 A full equality impact assessment will be carried out and considered before implementation of the proposals.

## **10 Evaluation of alternative option(s):**

10.1 Whilst the authority may continue to deliver support services as it does currently, the proposal outlined in this paper is expected to deliver considerable savings to the council. Whilst a large proportion of support services already sit within Corporate Services nonetheless, there is still a



significant proportion that sits within the other Directorates. It is envisaged that these posts will be re-aligned, restructured and rationalised in line with the new Future Operating Model.

11	Reasons for Decision(s)
11.1	To achieve the required strategic and leadership capacity in respect of Future Operating Model by re-aligning support services for the City Council, and the wider Birmingham community.
11.2	To protect the front line, consolidate support services from the Directorates to combine with central support services and address spans and layers of management to provide efficiency savings as outlined in this report.

#### Contact Officer(s)

Chief Executive – Mark Rogers  
HR Director – Dawn Hewins  
Acting City Solicitor- Kate Charlton

#### Signatures

#### Date

Councillor Ian Ward

Deputy Leader and Portfolio Holder .....



9-1-17

