

For publication

Organisational Development Strategy

Meeting:	Council
Date:	28 April 2021
Cabinet portfolio:	Council Leader and Business Transformation & Customers
Directorate:	Digital, HR & Customer Services
For publication	

1.0 Purpose of report

1.1 This report sets out proposals for establishing a strategic approach, framework, associated delivery plan and resources for Organisational Development at Chesterfield Borough Council.

2.0 Recommendations

2.1 Approve the proposed Organisational Development Strategy at **Appendix A** of this report.

2.2 Approve the allocation of funding from the Service Improvement Reserve to support the establishment of two fixed term posts, for a two-year period, to support the delivery of the Organisational Development Strategy and its associated Delivery Plan.

3.0 Reasons for recommendations

3.1 The recommendations are made in order to achieve:

- Continued successful delivery of Council Plan priorities
- Effective prioritisation and use of resources
- Increased organisational capability and capacity
- Further growth of the Council's positive culture and 'can do' approach
- Delivery of efficiencies and financial savings
- Increased organisational resilience
- Increased maturity in planning and delivery activities

- Continuous improvement and innovation

4.0 Introduction & Background

- 4.1 Chesterfield Borough Council has a strong legacy of providing high performing, value for money services to our communities. We have delivered and continue to deliver successful investment into borough-wide development and regeneration initiatives, and our growth agenda is seen as key to improving the quality of life of local people. We have addressed the challenges of austerity by pushing forward, being innovative and investing wisely.
- 4.2 The emergence of the Coronavirus pandemic was unexpected and has presented Chesterfield residents and businesses, and the Council with a multiplicity of challenges, many of which have never been experienced before. The Council's response to the pandemic has been exemplary. However, the pandemic and its aftermath will continue to present significant challenges long into the future.
- 4.3 The Council has already developed new strategies and plans to support the borough's communities and economy to recover. An updated Council Plan and supporting delivery plan was also approved at Full Council on 24 February 2021. Our focus now needs to turn to the Council's longer-term capability, capacity, and culture to ensure successful delivery of these strategies and plans, and the Council Plan.
- 4.4 Prior to the outbreak of the Coronavirus pandemic, the Council began the process of modernisation, including making significant investment in technology improvements, planning for the re-integration of outsourced services, and better engaging with the workforce through the activities set out in its People Plan. These programmes of work have continued to be delivered and they have underpinned the Council's ability to respond successfully to the pandemic.
- 4.5 Many of the changes to workforce practices brought about by these programmes have been accelerated through the effects of the Coronavirus pandemic, including supporting the workforce to work in more agile and flexible ways, implementing improvements in service delivery through the reduction in paper-based/manual activities, more effective communications and streamlined governance arrangements. Efficiencies are already being achieved from these change programmes, some of which are still only part way through their implementation.

- 4.6 However, it is recognised that there is a need for further change activity to take place across the Council, taking account of existing and emerging new priorities and to enable continuous improvement and innovation within service areas. The Council has to ensure that it can deliver its strategies and plans, and future service provision within available budgets; the council's approach to business planning will also need further development to ensure we can plan, forecast and realign our resources in an increasingly collegiate and effective way.
- 4.7 To operate within our future financial envelope, the council will need to continue to harness the new technology opportunities available to us, take data driven decisions and re-design elements of our services. We will need to work alongside our employees to ensure that our structures are fit for the future and that our change activities and business plans are aligned so that we can continue to meet the needs of residents, businesses, visitors and our staff.
- 4.8 Taking an Organisational Development (OD) approach to developing and making these changes will ensure that we remain focused and disciplined when delivering Council priorities and that the positive culture and 'can do' approach of our workforce can be maintained and enhanced. Change should be delivered holistically and with increasing maturity across the organisation.
- 4.9 Applying this approach will provide increased capability and capacity through the strategic co-ordination of multiple change programmes and initiatives as a single, integrated OD Delivery Plan. This will enable the achievement of improved outputs and outcomes, including increased opportunities for economies of scale, improved scope and flexibility in the use of resources, reductions in duplication of effort, the ability to prioritise through a 'single view of the truth' and clarity regarding overall benefits realisation. It will also provide the opportunity for clearer and streamlined management of Council initiatives by providing an overview and access to key performance information via a single source.
- 4.10 In October 2020, Joint Cabinet and Employment and General Committee approved the first phase of a workforce review, which resulted in restructuring of the tier three leadership (Service Directors). This report highlighted that any further necessary restructuring of service portfolios would be delivered using an OD approach.

- 4.11 The October 2020 Committee report also advised that an interim Programme Manager would be dedicated to supporting the development and implementation of OD within Chesterfield Borough Council. Joint Cabinet and Employment and General Committee members are asked to note that the interim resource assigned to this role left the Council in January 2021, and since then there has been no dedicated resource assigned to this work.
- 4.12 The proposed OD Strategy for Chesterfield Borough Council has been developed, alongside a supporting framework for programme and project management, which will help to provide rigour and governance around future organisational development activities. Work is now currently underway to shape the detailed OD Delivery Plan, but additional resources are required to implement this work successfully.
- 4.13 This report was considered by the Joint Cabinet and Employment and General Committee at its meeting on 13 April, 2021 where it was resolved that the recommendations at paragraphs 2.1 and 2.2 above be supported and referred to full Council for approval, and that:
- a) the proposed Corporate Project Management Framework at **Appendix B** of this report be approved;
 - b) Subject to approval by full Council of the required funding, the establishment of the two 2-year fixed term posts, the Job Descriptions and Personal Specifications for which are detailed at **Appendix C** of this report, be approved;
 - c) a further report be presented to a future Joint Cabinet and Employment & General Committee meeting to approve the final, detailed Organisational Development Delivery Plan and any associated resourcing requirements.

5.0 Organisational Development (OD) Strategy

- 5.1 The proposed Organisational Development Strategy which is recommended for adoption by Council is attached at **Appendix A**.
- 5.2 Development of the OD Strategy has been subject to significant engagement and communication with stakeholders, in order to produce the final version. This has included:
- Joint workshops with Corporate Cabinet and the Corporate Leadership Team

- Meetings / briefings with Trade Union colleagues e.g. Employer / Trade Union Committee and OD specific union meetings
- Officer working groups in conjunction with the Corporate Leadership Team
- Briefings / workshops for all Councillors during March 2021.
- Briefings provided at Managers Seminars with Q&A.
- Presentations, podcast and supporting info. provided via the Council's Intranet (Aspire)

5.3 The OD Strategy recommends that the Council builds on its existing best practices by integrating existing change programmes and emerging future priorities into a detailed OD plan, which focuses on seven themes and outcomes:

- 1) **People & Culture:** Develop a skilled, resourceful and effective workforce, which is capable of delivering our future ambitions
- 2) **Finance & Commercial:** Increase financial performance and resilience throughout the Council and further develop a commercial culture, including working with partners, to maximise the performance of our assets
- 3) **Access to Services:** Provide improved access to services to our communities for the services they need, in the way they need, and via a single point of contact and resolution
- 4) **Digital & Data Capability:** Develop digital capability, which enables new ways of working, enhanced service performance and culture change; making management and use of data more effective, to inform decision making and insight
- 5) **Strategy, Policy & Governance:** Enhance and standardise evidence-based planning and decision making, with agile, transparent and effective governance structures
- 6) **Programme & Performance Management:** Deliver Council priorities more effectively through centrally coordinated programme and performance management, which is incorporated into a corporate framework and with dedicated management resource

7) **Engagement & Communication:** Co-design services and improvements with our stakeholders. Increase awareness of council services and improve our reputation by demonstrating delivery of Council outcomes and associated benefits to our communities.

5.4 These seven themes form the core scope of the OD framework and will provide the source of priorities and objectives for the OD Delivery Plan. Further work is required to define and scope these priorities and objectives and this activity will be progressed following recruitment of the resources which are detailed at paragraph 7.0 of this report. A further report will be presented to by members later in 2021 enabling approval of the detailed OD Delivery Plan.

6.0 Corporate Project Management Framework

6.1 The detailed OD Delivery Plan will incorporate a number of change and improvement projects and programmes. In order to ensure that these projects are appropriately developed and delivered, it is proposed to introduce a corporate project management process, including effective tools and clear governance arrangements.

6.2 At '**Appendix B**' of this report is a proposed 'Corporate Project Management Framework'. This has been developed as one of the initial priorities and objectives within the 'Programme & Performance Management' theme of OD.

6.3 The main benefits of the proposed corporate project management approach are to provide:

- ✓ Improved standards and co-ordination of project planning, decision making and management
- ✓ Increased strategic oversight, focus and prioritisation
- ✓ Strategic alignment across projects & programmes
- ✓ A single, joined up and consistent process
- ✓ Support the 'One Council' approach to achieving delivery of the Council Plan
- ✓ More collaborative use of resources to reduce costs
- ✓ Streamlined performance management approach to inform decision making and drive improvement
- ✓ Opportunity for new ideas to be evaluated and developed fairly, in line with consistent application of criteria and approach

7.0 Resource Requirements

7.1 The development and implementation of the OD Delivery Plan will clearly be a significant programme of work over the next 2-3 years. To date, this has been developed and supported by existing Council resources, which is unsustainable in the longer term. In order for this to be effectively taken forward, dedicated, skilled and experienced resources are required.

7.2 This report recommends that two fixed term posts be approved for a 2-year period to support the development and delivery of the OD Delivery Plan and other Council led projects and programmes. This would be a Head of Organisational Development (OD) and a Programme Management Office (PMO) Manager. Both posts would reside within the Digital, HR and Customer Services portfolio, which is aligned to the Cabinet Portfolio for Business Transformation & Customers.

7.3 Both fixed term resources would have a dual role over the 2-year period.

- Support the development and delivery of the OD Delivery Plan and other Council led projects and programmes
- Develop and establish the residual services for OD and the PMO in line with the proposed OD Strategy and Corporate Project Management Framework

During the 2-year fixed term period, the Head of OD would report into the Service Director for Digital, HR & Customer Services. The PMO Manager would report into the Head of OD.

7.4 The Job Descriptions and Personal Specifications for these proposed fixed term roles are included at '**Appendix C**' of this report.

7.5 Recruitment to these new roles will follow the Council's approved HR policies and procedures, which has included consultation with the Council's recognised Trade Unions. The roles will be advertised both internally and externally.

7.6 Both roles have been evaluated following the Council's job evaluation process and will incur a maximum cumulative cost of £240,000 for the two-year fixed term period.

7.7 It is anticipated that a review of progress and performance will be carried out after the first 6 months of the fixed term posts being in place.

8.0 Alternative options

- 8.1 Not to progress with the further development and delivery of the Organisational Development (OD) Strategy, Framework and associated OD Delivery Plan. This would not deliver the outcomes and improvements outlined within the OD Strategy and this report.

9.0 Implications for consideration – Council Plan

- 9.1 Adoption of the OD Strategy and implementation of the associated OD Delivery Plan will ensure more effective delivery and increased performance against Priority 3 of the Council Plan. It will also support more effective delivery of Priorities 1 & 2.
- 9.2 Implementation of the proposed ‘Corporate Project Management Framework’ will ensure improved delivery of Council Plan priorities, and enhanced outputs and outcomes for local residents and businesses.

10.0 Implications for consideration – Financial and value for money

- 10.1 This report makes a recommendation to approve two fixed term posts for a 2-year period.
- 10.2 The budget required to support the provision of the two fixed term posts is forecast at £240K in total for the two-year period.
- 10.3 It is recommended that this budget requirement be met from the ‘Service Improvement Reserve’. There is currently £300K unallocated within this established reserve.
- 10.4 The funding request to support these two fixed term posts will be on an ‘invest to save’ basis. Costs incurred will be recovered as part of the Budget Savings Plan activities, which will be further developed and quantified as part of the OD Delivery Plan. Savings will be identified and delivered over the period of the OD Delivery Plan, following its approval at a future meeting of the Joint Cabinet and Employment & General Committee. These savings can then be used to replenish the Service Improvement Reserve.
- 10.5 Allocation of funding for both roles from the Service Improvement Reserve will be subject to approval by Full Council at the meeting on 28April 2021.

11.0 Implications for consideration – Legal

11.1 The key legal implications are linked to implementation of the fixed term posts and covered under the Council's HR policies and procedures.

12.0 Implications for consideration – Human resources

12.1 The OD Strategy and associated OD Delivery Plan activities will focus on developing a skilled, resourceful and effective workforce, which is capable of delivering our future ambitions. It will also continue to focus on the development of a positive and empowering culture across the Council.

12.2 It is intended that recruitment to both proposed roles will be carried out through internal and external advertising and will follow the Council's HR policies and procedures. Both roles will be subject to a performance review after the first 6 months.

12.3 Existing employees who already deliver change activities will be consulted on any proposed changes to project and programme structures.

13.0 Implications for consideration – Risk management

13.1 The following risks relating to implementing these proposals have been considered together with appropriate mitigations.

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
Failure to develop a fit for purpose OD Delivery Plan	H	M	Implementation of the Corporate Project Management Framework (Appendix B) will ensure that the development of an OD Delivery Plan will follow an approach based on best practices and utilising all data and resources necessary to establish a priority focussed and deliverable plan.	M	L
Core services unable to identify contribution to the Organisational Development priorities	M	M	Service plans and Personal Development Plans are used to make the link between the	L	L

			contribution of teams and individual members of staff, and the Council Plan. Proposals for the OD Delivery Plan will be developed through the Corporate Project Management Office (PMO) in conjunction with service and personal development plans		
Failure to resource priorities in the OD Delivery Plan	M	M	The OD Delivery Plan will be developed and supported by robust Business Cases, which will clearly articulate all required resources to enable delivery of the target outcomes, outputs and benefits. Each element of the OD Delivery Plan will therefore require appropriate due diligence completing via the PMO before submission into the Council's decision-making governance for approval.	M	L

14.0 Implications for consideration – community wellbeing

- 14.1 The Council has applied a significant amount of learning due to the impact of Covid-19 and as a result has developed and is in the process of implementing a Community Recovery Plan. To maximise the wider health and wellbeing benefits of this plan and contribute fully to the Council Plan our focus needs to reflect the authority's ambition to grow the capability, capacity and culture of the organisation which the adoption of the OD strategy will allow.
- 14.2 The OD Strategy will enhance the authority's joined-up and collaborative approach to developing and improving the council's internal capability to provide effective community wellbeing enhancing services including

delivery at scale and at pace, improving the use and allocation of scarce resources and clarity in relation to prioritisation.

14.3 The OD Strategy will support enhanced collaboration across local government, health and the community and voluntary sector as it will enable the council to build on the effectiveness of shared spaces such as the Health and Wellbeing Partnership Board, a key partnership for the delivery and development of health and wellbeing initiatives and outcomes.

14.4 The proposed fixed term posts will enable the council to fully reflect the importance of supporting and promoting community wellbeing through the Council's strategies and plans, as well as in the way in which services are delivered

15.0 Implications for consideration - Economy and skills

15.1 Adoption of the OD Strategy, and the proposed fixed term posts will enable the council to fully reflect the importance of supporting and promoting development of the borough's economy and, in particular, skills and employability work through the Council's strategies and plans, as well as in the way in which services are delivered.

15.2 An OD Strategy will support the congruency of the council's ambitious economic growth plans with the rest of the organisation, particularly around improved project oversight and management of the work of the Joint Growth Unit, and individual programmes such as 'Revitalising the Heart of Chesterfield and the Staveley Town Deal.

16.0 Implications for consideration - Climate Change

16.1 The OD Strategy supports the delivery of the Council Plan, this includes the Climate Change Action Plan and our targets for a net carbon neutral council by 2030 and borough by 2050. The effective implementation of the project management office has the potential to greatly enhance our delivery in this area and maximise climate change benefits across our projects and programmes.

17.0 Implications for consideration - Equality and diversity

17.1 Preliminary equality and diversity analysis has been undertaken and no negative impacts have been identified for any protected

characteristics. The OD Strategy supports delivery of the Council Plan – this includes delivery of key equality and diversity commitments.

- 17.2 In the recruitment of the two fixed term posts, the council’s recruitment and selection processes will be followed; this includes application of the Disability Confident scheme, opportunities for job share and flexible working etc. and reasonable adjustments.

Decision information

Key decision number	1025
Wards affected	All

Document information

Report author	
Ade McCormick, Executive Director	
Background documents	
These are unpublished works which have been relied on to a material extent when the report was prepared.	
<i>This must be made available to the public for up to 4 years.</i>	
Appendices to the report	
Appendix A	Organisational Development (OD) Strategy
Appendix B	Corporate Project Management Framework
Appendix C	Job Descriptions/Personal Specifications – Head of OD/PMO Manager (Fixed Term)