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| **Subject:** | **Programme of Service Integration** |
| **Lead Officers:** | **David Buckland & Chris Elliott** |
| **Portfolio Holders:** | **Councillors R Hales & M Cargill** |

**Summary**

The purpose of this paper is to provide an update to Councillors on the proposed principles, approach and next steps for the integration of services between Stratford-on-Avon and Warwick District Councils.

**Recommendation that the principles and planned approach to integrate services between Stratford-on-Avon and Warwick District Councils are considered.**

## 1. Background

1.1 At the JASG meeting of 19 July 2021, it was recommended to the next meetings of the respective Cabinets of Stratford-on-Avon District Council and Warwick District Council:

> *That Stratford-on-Avon and Warwick District Councils progress with the process of full service integration, irrespective of the future decision to be considered, relating to the proposed full merger of the two authorities leading to the scenario of a single unified workforce.*

Both Cabinets will consider this at their respective meetings by October 2021.

1.2 The Programme of Implementation identifies three tranches within the lifecycle of the transformation programme as follows;

Tranche 1          July 2021 to December 2021

Tranche 2          January 2022 to December 2022

Tranche 3          January 2023 to May 2024

1.3 Service Integration and Optimisation is one of the 12 Workstreams within the South Warwickshire Together Programme. The outline schedule for this workstream is set between October 2021 and March 2024, ahead of the proposed creation of a new South Warwickshire Council in April 2024.

1.4 Heads of Service were initially asked to conduct a SWOT analysis of their respective service areas. This allowed them to showcase areas of strength, highlight any known weaknesses and threats and explore any possible opportunities. Analysis of the returned SWOTS showed the common themes that would be used as the criteria for the next stage of discovery.

1.5     Heads of Service were then asked to complete a Service Integration Matrix. This asked them to review and rate their services against eight themes of agreed criteria, with a rating scale of 1 (low) to 5 (high). There was also opportunity for Heads of Service to indicate if there was a preferred tranche for integration to occur for their teams. Analysis of the information received from this activity has been used to define the proposed approach and schedule.

**2.      Service Integration Principles and Planned approach**

2.1     Both Deputy Chief Executives will act as sponsors for each identified service integration according to the Joint Management Team organisational structure as identified on 2 August 2021.

2.2     Each integration will include involvement from the key support services namely HR, ICT and Finance to assess baselines, manage the process and enable further optimisation to follow post integration. Representatives from these support services and the Transformation Programme team will form the core working group for the Service Integrations and Optimisation Workstream.

2.3     For the purposes of the Service integration, Tranches 1 and 2 have been combined to include a pilot and are now branded as Phase 1. The time frame previously labelled Tranche 3 will now be reframed as Phase 2 with dates as follows:

Service Integration Phase 1        Nov 2021 to Dec 2022

Service Integration Phase 2        Jan 2023 to Mar 2024

2.4     A pilot concept has been proposed to trial the proposed approach with a sample of service areas. The rationale behind the chosen services is based on the information received from all Heads of Service during the discovery process including the rating scores, supplementary notes, identified constraints and further consideration by the Programme Board.

2.5     The services chosen to be included for the pilot include:

| Service | Rationale / expected outcomes |
|---|---|
| Legal services | Essential contractual arrangement required ahead of April 2022. |
| ICT | Internal support service that will further enable all subsequent service integrations. |
| Environment and Operations | External facing service with high level of projected savings. |

Learning and experiences from the services chosen to pilot the integrations will be used to actively inform subsequent integrations.

2.6     Ahead of progressing any service integrations, organisation wide preparation will be undertaken to enable people, processes, technology and workplace themes are proactively addressed in an organised manner. This will include briefings for Heads of Service, Unison, Service Managers and Staff so expectations can be presented and also to provide opportunities to clarify points as required.

2.7    When assessing the service integrations, it is anticipated that some cases will be identified that could be addressed with a change in line management instead of a full integration. An example could be where a team would be better suited within another service area now the two Councils are integrating. These instances, when identified, will be considered and implemented on a case by case basis.

2.8    To note, start times will be staggered. Further to agreement of this approach, a Gantt chart will be developed to visually display what integrations will be occurring at any given time.

2.9    Subject to the agreed route of sharing services and required governance, the Lead Authority (LA) for each service area, will also be determined ahead of each integration. Whatever route is chosen it would be to the overall benefit of both Councils and have a balance of lead services as far as possible.

2.10   Timely and relevant communication will be essential during service integrations using a variety of channels. This is expected to be a shared responsibility with The Programme Board, Joint Management Team, Unison and the Corporate Communications Workgroup.

2.11   Both Unison branches at WDC and SDC will be fully engaged throughout the entire process through existing forums. The frequency of these will be reviewed if required.

2.12   Ahead of formally scheduled service integrations, it is recommended that Heads of Service begin to prepare their teams and where possible, begin the alignment of working practices, team development, collaboration and knowledge share.

2.13   Leaders and Managers must be mindful that there is already significant uncertainty amongst staff, leading to anxiety/distress. The Programme will help to address these concerns by providing as much information at as early a stage as possible. However, it is expected that managers will be pro-active in providing support to their teams.

2.14   Table 1 sets out the Proposed Schedule as currently decided by the Programme Board. It also includes values for Full time equivalents (Fte) and Headcount (HC) were these have been identified.

2.15   Table 2 sets out the 3 phases within the Restructure Process and key activities within these. To note this only includes information pertinent to the restructure process. Other elements such as TUPE, ICT requirements and financial baselines will be added when more detail is available and will progress in parallel. A business case template will also be developed to support the capture of pertinent information ahead of each service integration.

**Table 1: Proposed Schedule**

| Service / Team | Scale | | | | Phase |
| | SDC | | WDC | | 1 or 2 |
| | Fte | Headcount | Fte | Headcount | |
|---|---|---|---|---|---|
| Legal Services | 11.36 | 12 | Contract with WCC | | 1 |
| ICT | 18.40 | 19 | 19.81 | 20 | 1 |
| Environment and Operations | 12.24 | 13 | 43.75 | 56 incl 9 casuals | 1 |
| Housing | 21.89 | 23 | 100.72 | 132 incl 17 casuals | 1 |
| Assets | 8.28 | 9 | 29.53 | 30 | 1 |
| Law and Governance | 7 | 7 | 11.55 | 56 incl 41 casuals | 1 |
| Finance - Procurement | Within Performance, Consultation and Insight Unit | | 2 | 2 | 1 |
| Place and Economy | 12.57 | 13 | 22.63 | 25 | 1 |
| Community Protection | 24.31 | 26 | 42.08 | 46 incl 1 casual | 1 |
| Building Control | 8.5 | 9 | 16.26 | 18 | 1 |

| Service / Team | Scale | | | | Phase |
| --- | --- | --- | --- | --- | --- |
| | SDC | | WDC | | 1 or 2 |
| | Fte | Headcount | Fte | Headcount | |
| Central Admin | 17.14 | 23 | Within other service areas | | 2 |
| Development Management | 22.40 | 24 | 30.52 | 34<br>incl 1 casual | 2 |
| Planning Enforcement | 14.43 | 16 | Within Development Management | | 2 |
| Land Charges | 2 | 2 | Within Development Management | | 2 |
| Customer Services | 33.12 | 44 | Within Revenues and Benefits and also represented in other service areas | | 2 |
| Revenues and Benefits | 25.32 | 28 | 53.14 | 58 | 2 |
| Cultural, Tourism and Leisure Services | Within other service areas | | 47.47 | 147<br>incl 80 casuals | 2 |
| Finance - Accountancy | 7.40 | 8 | 12.41 | 13 | 2 |
| Finance – Audit & Risk | Contract with WCC | | 5 | 5 | 2 |
| *Performance, Consultation and Insight* | 1.9 | 3 | Within other service areas | | TBC |
| *PAs / Executive Support* | 2.42 | 3 | No equivalent service at WDC | | TBC |

| Service / Team | Scale | | | | Phase |
| | SDC | | WDC | | 1 or 2 |
| | Fte | Headcount | Fte | Headcount | |
|---|---|---|---|---|---|
| *Corporate Projects* | 1 | 1 | Within specific service areas | | TBC |
| People and Communication | 3.19 | 4 | 15.94 | 18 | 2 |

**Note:**

- The teams shaded in grey are yet to be fully considered in this process. They will be allocated a phase in due course.

- Where casuals are identified within headcount figures, these will not be included in any restructure activity.

**Table 2: Draft Restructure Process – Phases and Key Activities**

| Phases | Key Activities |
|---|---|
| Pre-consultation Phase | • Agree restructure in principle with CMT<br>• Begin informal discussions with staff and Unison<br>• Develop and finalise draft structure chart<br>• Write draft job descriptions<br>• Complete job evaluations (being aware of the different timelines and process for both Councils dependant on lead employer)<br>• Identify proposed 'slotting in', where appropriate<br>• Identify proposed selection criteria, where appropriate<br>• Prepare proposals for staff and Unison |
| Consultation Phase (Redundancy and TUPE) | • Team meeting with team and Unison on day one to discuss proposals<br>• Meet with individual staff who are at risk of redundancy (at least two meetings)<br>• Answer individual team and Unison questions for an FAQ |
| Post Consultation Phase | • Sign off proposals by CMT*<br>• Confirm to team and Unison the final structure (to go to Employment Committee for approval, if necessary – SDC only**)<br>• Confirm 'slot in' posts<br>• Carry out selection for other posts (matrix or interviews)<br>• Meet with any staff selected for redundancy to discuss potential redeployment<br>• Recruit to any remaining vacant posts<br>• Administration to confirm changes<br>• Identify trial periods for redeployed staff<br>• Cabinet Committee approval for redundancy costs (if necessary) |

*This may yet transfer from CMT to the South Warwickshire Together Programme Board TBA

** This may be within remit of proposed Joint Employments Committee TBA