



## Belfast District Council (Shadow)

<b>Report to:</b>	Shadow Strategic Policy & Resources Committee
<b>Subject:</b>	Organisational development and strategic planning
<b>Date:</b>	26 September 2014
<b>Reporting Officer:</b>	Suzanne Wylie, Chief Executive/ Jill Minne, Director of Organisational Development
<b>Contact Officers:</b>	Jill Minne, Director of Organisational Development, Sharon McNicholl, Strategic Policy and Planning manager

<b>1</b>	<b>Relevant Background Information</b>
1.1	<p>This purpose of this report is to update Members on work to ensure the organisation and its decision making processes are fit for purpose for its new roles and responsibilities. In particular, the report is intended to:</p> <ul style="list-style-type: none"><li>• Update Members on the outcomes based approach to city and Council strategy;</li><li>• Outline how this approach can inform Members' considerations of the type of organisation they want the Council to be and consequently the type of governance and organisational design required;</li><li>• Outline the processes which will help to develop options for the new organisation structure;</li><li>• Update Members on the immediate HR and organisational development issues and in particular agree to establish and recruit a lead Planner post.</li></ul>

<b>2</b>	<b>Key Issues</b>
2.1	<p><b>Developing the Strategic Direction – a prerequisite for governance and organisational design</b></p> <p>In the past, Members have led the strategic (or long-term) planning process in the Council through the corporate planning process or through the development of other major policies and strategies such as the Investment Programme. The new duty of community planning now broadens the scope of Members' role in strategic planning in that it is not limited to the role of the council but includes the long term future of the city and the strategic contribution of our partners.</p>

	<p>Members have consistently said that the starting point for consideration of issues such as investment, governance and organisational development and design should be the outcomes that these are intended to achieve for both the city and its neighbourhoods, whether those be economic growth, reducing inequalities, improving skills levels or investing in physical infrastructure and facilities.</p> <p>The process for the development of a “Belfast Agenda” (working title) with clear outcomes will take place over the next 6 months. We intend to start this in the next few weeks by engaging an expert who will work with Members and other city stakeholders to establish agreed city outcomes which relate to both the city as a whole and its neighbourhoods. We will then use an approach known as outcomes based accountability (which Members of the Transformation Committee received training on) to identify what we need to do to achieve these outcomes and how we will measure success.</p> <p>It is intended that the expert engaged to assist in this process is familiar with the system we currently use for corporate planning.</p> <p>Members have already agreed a budget for supporting this work and are therefore asked to agree that it is now progressed as a matter of urgency. Members are asked to note that there will be significant engagement with them over the coming months so that progress in establishing a high level strategic direction can be made as quickly as possible.</p> <p>The agreed priorities will then have an impact on the committee structures and organisational design.</p>
<p>2.2</p>	<p><b>Taking forward Organisation Development and Design</b></p> <p>As outlined, alongside consideration of the Council’s strategy and priorities, it will be necessary to re-design the organisation, to ensure it is fit to deliver those priorities and ambitions. The proposed process for this is outlined below and Members will be engaged at each stage.</p> <p>(1) assess the organisation needs and priorities (in line with emerging strategic direction);  (2) agree the improvement opportunities and design principles;  (3) develop options, evaluate, test, refine and agree options; and  (4) implement and review.</p> <p>Members are asked to note, that as previously agreed, the Local Government Association (LGA) will help us undertake a corporate peer challenge process which is an improvement tool that assesses the organisation’s performance across core competencies and identifies areas for improvement.</p> <p>This will also support the development of the future governance arrangements and organisational design and help us to prioritise other organisation improvements. Members will be engaged in this key strand of our OD work over the next few months.</p> <p>Work will also start in the very near future with the LGA on a detailed analysis of the number of layers of management that the organisation needs (and the units within it) to achieve our purposes most effectively and the decision-making authority that managers in different layers require.</p>

Both processes (ie the Corporate Peer Challenge and the Decision Making and Accountability analysis) are significant, far reaching and complex pieces of work which will require a major programme of internal communication and engagement activity with staff and trade unions across the whole organisation.

The resultant analyses along with the work on the strategic direction of the Council will ensure that Members are in a position to consider best practice, evidence-based options for an efficient and effective Council structure with the capacity to maximise the benefit of the Council's new powers and ambition.

### **2.3 Immediate actions - Lead Planner**

While the organisation wide restructuring programme is progressing, work has advanced on priorities previously agreed by Members for organisation development and design including:

- Interim arrangements for the Council's senior management team pending the new organisation structure.
- Temporary resources for Democratic Services to meet the increased demands of the shadow arrangements.
- Implementation of the Leisure Transformation programme.
- Identification of the strategic, legal, financial and HR issues associated with the service delivery model for the Waterfront Hall.
- Staff transfer from Lisburn and Castlereagh and central government.
- Assessment of the impact of the new powers and functions on support services such as Audit Governance & Risk and Legal Services.
- Ongoing delivery of a capacity building programme for Members and staff.

The issue of capacity is perhaps most urgent in terms of preparing for the transfer of the planning function to Council. As Members are aware, this is an important service that carries significant opportunity for the Council and the city as well as risks that need to be managed, in order that a fully effective service is provided on transfer.

Members are therefore asked to agree to the creation of a lead planning officer post to lead and manage the Council's spatial planning and place shaping functions ensuring the delivery and improvement of services that meet the needs of our city, citizens and stakeholders.

Given the pivotal role of the lead planner in ensuring the future development of the city is in line with Members' ambitions for growth and competitiveness and improved quality of life for citizens it is proposed that an executive search exercise is undertaken for the recruitment of this post.

A timely and targeted executive search exercise, to provide a strong and competent field of applicants for this post, will include research into current market conditions; assistance in defining search geography; advice on ways to attract talent; identifying and encouraging suitably qualified and experienced applicants to apply, providing impartial advice to applicants on their suitability or unsuitability for the role, undertaking a preliminary short-list of the candidates and, if required, conducting initial preliminary 'sifting' interviews for the selection panel.

Once executive search has provided a field of suitable applicants, the appointment of the Council's lead planning officer will be carried out in accordance with the LGSC Code of Procedures on Recruitment and Selection for chief officer appointments.

In line with this, it is suggested that the selection panel should comprise:

- the Chair of the Shadow Strategic Policy & Resources Committee;
- the Deputy Chair of the Shadow Strategic Policy & Resources Committee ;
- one other elected Member from the Shadow Planning Committee from a political party not already represented by the Chair or Deputy Chair
- the Chief Executive
- a council director;
- a professional assessor (who will have no voting rights); and
- a LGSC observer, if required, (also with no voting rights).

The composition of the selection panel must reflect a fair balance in terms of community background and gender and all panel members will be required to attend recent and relevant training in non- discriminatory recruitment and selection techniques.

The following recruitment and selection timeframe is proposed:

<b>Recruitment and selection activity</b>	<b>Date</b>
Executive search activity	Oct 2014
Public advertisement (to include MJ and LGC)	Nov 2014
Closing date for application forms	Nov / Dec 2014
Preliminary short-list	Dec 2014
*Panel short-list (first stage)	Dec 2014
Preliminary interview stage	Jan 2015
*Panel short-list (second stage)	Jan 2015
Formal assessment process	Jan / Feb 2015
*Panel short-list (third stage)	Jan / Feb 2015
* Panel interviews	Feb 2014
Appointment of BCC Lead Planning Officer	Feb / Mar 2015
Appointment reported to Committee and ratified by Council	Mar / Apr 2015

\*Elected Members nominated to constitute the selection panel need only attend on these dates.

## **2.4 Performance Management**

In July the Council agreed to interim changes to the senior management team, pending the development of the new organisation structure including adjustments to the director pay scale to align to the new Chief Executives' pay scale (based on independent advice from the LGSC and Local Government Association). Apart from the creation of the Deputy Chief Executive role directors did not automatically move their pay-points on the scale ( in line with existing council agreed procedures movement through the scale is annual progression based on satisfactory performance , or, in exceptional circumstances, individual evaluation of significant additional duties).

Members should note however the Chief Executives of the new councils must conform to a performance appraisal process and it was agreed in July that senior managers in the Council will also be required to undergo similar performance appraisal. This scheme is therefore being reviewed and will be implemented in line with the timeframe for the Chief Executives appraisal. Members will be updated on the Councils individual performance management arrangements as part of the ongoing work on organisation development and design.

<b>3</b>	<b>Resource Implications</b>
3.1	Costs for the work outlined have been factored into the budget estimates for 2014/15 or are included as part of the funding allocation for capacity building. This includes a budget to fund the engagement exercises and to meet the cost of additional expertise as outlined above. The cost of the executive search for the recruitment of the lead planning officer will be subject to a four quote specification process based on quality and price and will be within the limit set for delegated authority.

<b>4</b>	<b>Equality and Good Relations Considerations</b>
4.1	Equality and Good Relations will be key considerations in taking forward the development of the Council's strategy. The process will be subject to the Council's policies on equality and good relations.

<b>5</b>	<b>Call In</b>
5.1	This decision is subject to Call In.

<b>6</b>	<b>Recommendations</b>
6.1	Members are asked to note on-going work and to: <ul style="list-style-type: none"> <li>• Note the process for development of the Council's strategic direction so that this can inform considerations of governance and OD;</li> <li>• Note the commencement of the process for organisational design (Peer Challenge and Decision Making and Accountability analysis);</li> <li>• Agree to create and recruit a lead planning officer for Belfast City Council and agree the composition of the selection panel with authority delegated to the panel to make the appointment and report the outcome back to committee for notation.</li> <li>• Note the process for taking forward directors performance appraisal.</li> </ul>

<b>7</b>	<b>Decision Tracking</b>

<b>8</b>	<b>Key to Abbreviations</b>

<b>9</b>	<b>Documents Attached</b>