

<b>Agenda Item</b>	<b>22</b>
<b>Report No</b>	<b>HC/67/19</b>

## **THE HIGHLAND COUNCIL**

**Committee:** Highland Council

**Date:** 9 December 2019

**Report Title:** Organisational Transformation and Transition

**Report By:** Chief Executive

### **1. Purpose/Executive Summary**

- 1.1 The following report provides information on progress being made in transitioning to the Council's new management structure and Appendix 1 provides the most up to date information on the new ECO remits. Further detail is provided on the transformational activity underway and how this impacts on the existing service structure, particularly in relation to the Education Service and in Health and Social Care. The direction of travel has been influenced by extensive engagement with staff and the discussions and themes arising from the Members' seminar on 13 November 2019.
- 1.2 Underpinning all of the structural change is a renewed focus on the internal support mechanisms of the Council; to implement linear line management arrangements, promote staff wellbeing, and create a genuine feeling of value and pride in high performance throughout the organisation.
- 1.3 Intrinsically linked to this attention to the internal workings and structures of the Council is the ambition to deliver high quality, locally accountable and responsive services across the Highlands. With this in mind, the report goes on to consider the development of the Council's Place Based Strategy - one of the Council's key strategic approaches as set out in the Organisational Framework agreed by Council in September 2019 (Appendix 2).

### **2. Recommendations**

## 2.1 Members are asked to:

- i. Note the progress being made with the Organisational Transformation and Transition Programme;
- ii. Consider the emerging themes and principles for the transformation of Education, Care and Learning arising from engagement with staff, Members and wider stakeholders;
- iii. Note the intention to bring detailed structure proposals to Strategic Committees and the Council in the early part of 2020;
- iv. Consider the development of the Council's Place-Based strategy and agree to hold a Members' seminar early in 2020 to explore the approach in greater depth.

## 3. Implications

### 3.1 Resource

There will be staffing and financial implications arising from the changes being implemented across the organisation and as proposals develop further for Education Care and Learning. There will be engagement with staff, trade unions and Members throughout this process and changes will be delivered with future budgetary constraints in mind. External auditors have recently validated that the resource provided within the Change Fund as a very good mechanism for supporting and accelerating significant transformational change and it is expected that resource will be required from this Fund to ensure that the ambitious changes expected can be delivered at a pace.

### 3.2 Risk

Any large scale organisational change has risks relating to the potential disruption in the delivery of services. However, the Transformation and Transitions Programme has established a robust approach to identifying and mitigating risks and issues and these will be kept under constant review as part of the programme governance arrangements. This will be supported by a new approach to Employee Review and Development with a strong focus on staff wellbeing and resilience coupled with a strategic commitment to developing high quality leadership at all levels set within an ambitious and connected culture across all Council services.

### 3.3 Legal, Community (Equality, Poverty, Rural and Island), Climate Change / Carbon Clever and Gaelic

There are no specific implications arising from this report. However, the Programme

Plan has highlighted the need to keep a close watch on potential implications arising from the changes. The development of the Council's Place Based Strategy should have positive implications for communities across the Highlands – both rural and urban.

#### 4. **Organisational Transformation**

4.1 Appendix 1 provides an updated structure chart for the Executive Chief Officer remits, following on from the report to Council in October and the Members' seminar in November. The ECO – Education vacancy has been advertised. Since the last report to Council the Executive Chief Officer for Economy and Transformation has been appointed to a new role in HIE Moray. His post will be recruited to in the New Year and so the organisational structure remains unchanged to that agreed previously.

Interim arrangements will be put in place to ensure that both remits are covered effectively whilst the posts are vacant.

4.2 It will be critical to the success of the new arrangements to ensure that the appropriate internal frameworks and support structures are put in place:

- For senior staff, regular performance feedback on key areas of responsibility through the provision of high quality employee review:
  - on their commitment to 'place based service delivery' and being responsible for creating connected communities of staff, Members, partners and customers.
  - on budget delivery; innovative service and cross-council; collaborative leadership and commitment to a strong positive 'can do' climate and ethos.
  - on their talents, abilities, skills, attitudes and behaviours to create a culture linked to the key aims of Highland Council – to be ambitious sustainable and connected.
- Linear line management structures need to be introduced in every area of the Council to ensure all staff receive appropriate support for their wellbeing and are accountable for high quality service delivery; creating a genuine feeling of value and pride in high performance. This will also address issues recently raised

through the Audit and Scrutiny Committee regarding absence management and to remove repeated reports of underperformance or process issues within the same service area .

- The transformation of Council processes to make us a 'one front door service' which is sustainable, responsive, agile and customer focussed. This will include transformation of digital services, customer services ,business support arrangements and communication with all stakeholders.

4.3 The implementation of the new management arrangements will take some time to fully migrate away from the old structure and there will be a degree of iteration required as this develops. This programme of change will be overseen and delivered through the Organisational Transformation Programme and a Programme Manager, Paul Whitham, has now been appointed to take this forward, working closely with the Executive Chief Officer team and engaging with key officers throughout the organisation. A further, detailed, progress report will be brought forward to the Council in March 2020.

## **5. Education, Health and Social Care Transformation**

5.1 Over the last 18 months Care and Learning has been going through a comprehensive review of service delivery, consulting across Highland with Education, Health and Social Care staff and with elected Members, focussing on the outcomes of children and young people. The review has led to the beginning of the transformation of the Care and Learning Service, to two distinct areas of Education; and Health and Social Care. The following two sections of the report provide Members with a detailed update on the emerging findings of the review.

5.2 There are strong improvement themes that will be adhered to in all new structures :

- Data led improvement methodologies and quality improvement that looks inwards outwards and forwards; with trends and national benchmarking a key context;
- Innovative and creative approaches to employee review and development that ensure all staff are valued; receive high quality support and challenge;
- High quality professional learning and career opportunities;
- Simple linear line management structures with a management to staff reporting line of no more than 1:12;

- Regular staff, customer, partners and Member engagement with the Executive Leadership team in locality based workplaces.

5.3 Staff morale and the importance of feeling valued as a workforce are central to success of the restructure. The transformation will continue to involve staff throughout the process through regular engagement and communications. The needs of staff will also be central within the new design model. There will be a robust plan around workforce development, leadership culture, reflective practice and supervision. The Executive Chief Officer for Health and Social Care will work closely with the Interim Head of Education to ensure that integration remains a pivotal focus of the restructure, avoiding siloed professional focus.

5.4 The restructure will be taken forward in a Connected way, with a clear focus on achieving Ambitious improvement targets and creating Sustainable Highland communities and families. A more defined restructure plan with timescales will be submitted to relevant Strategic Service Committees and full Council early in 2020. It is anticipated that the entirety of this change programme will need to span over 2-3 years and will continue to require resourcing from the Change Fund as the process evolves.

## **6. Health and Social Care Redesign**

6.1 Health and Social Care requires the redesign of systems and management structures within which services are delivered. The overarching objectives through the restructure will be to empower children, families and the communities in which they live to realise their full potential. The restructure will focus on improving the availability and quality of services across the Highland area, achieving sustained positive outcomes for children and young people to improve their physical, social and emotional wellbeing including their safety.

### **6.2 Health and Social Care Consultation - Key Themes**

The following themes were considered by both managers and practitioners to be those which require to be addressed as integral to service improvement and redesign.

- Prevention, Early Help and Intervention
- Assessment and care planning
- Learning and development
- Support and supervision

- Recruitment and retention
- Resources
- Training and Continuous Professional Development (CPD)

### 6.3 Health and Social Care Restructure

The Health and Social Care restructure is seeking to move to a localised, community focused, whole system approach whereby vulnerable children and their families are identified much earlier, provided with the right support and diverted from unnecessary statutory involvement. Prevention will be at the heart of the vision.

- 6.4 The restructure will define clear lines between universal services, early help, targeted support and statutory intervention. It will seek to incorporate a new approach to screening to provide greater consistency in threshold decision making and enabling better mapping and needs assessment of the different communities across Highland. It will also build on recent achievements through the Placement Change Programme, and seek to strengthen and improve fostering and adoption, kinship care, permanency planning and reunification.
- 6.5 Keeping good data is key to driving the way in which the Council designs and delivers services to children and families. Robust data can lead to improvements in services, decision making, management of risk, identification of trends and patterns, understanding root causes of social problems, drawing comparisons, predicting future need and outcomes, evaluating service provision, and in creating more effective and earlier interventions. Data and performance management will be rationalised and re-focused to meet both Council and statutory reporting obligations, coupled with creating a culture where the link between performance, data, quality assurance and improvement is central to informed practice.
- 6.6 Leadership and governance will also be reviewed with the view to improving existing arrangements and scrutiny across the partnership. Governance arrangements will seek to wrap around the whole system to support improvement through delivery and scrutiny of action plans. Strong governance over data and quality will identify trends, gaps, and what existing provisions there are to address these gaps.
- 6.7 Due to ongoing budget pressures there is a commitment towards delivering significant savings through the restructure process. The Executive Chief Officer for Health and

Social Care, Lesley Weber, is working with the Interim Chief Officer, Resources, to ensure budgets are established on a sustainable basis. This will be achieved by adapting to a more responsive structure whilst protecting jobs.

- 6.8 It is important through the restructure that there is sufficient social work capacity to meet our child protection responsibilities. Alongside reviewing and reconfiguring the resource allocation, local strategies will be developed to address challenges relating to recruitment and retention, particularly in the harder to recruit areas of Highland.
- 6.9 Additionally, Highland Council and NHS Highland have committed to adopting a much more ambitious collaborative working arrangement. There is currently a review of key areas within Children's and Adults Services as well as the formal review of the Partnership Agreement. An ambitious commitment to transform all health and social care services for families has been signalled at the Joint Monitoring Committee and plans detailing the work ahead and new governance arrangements are expected early in 2020.

## **7. Education Transformation**

- 7.1 Driven by a culture focused on improvement, ambition, accountability and connectivity, the Council has an ambitious plan to improve outcomes for all young people across Highlands. Structural reform will take into account the Highland Improvement Performance Programme (HIPP) from 2019-2022, which sets out the ambition to be a high performing organisation. The proposed changes will give leverage to meet the needs of all young people, ensuring a future ready workforce, equipped with skills for lifelong learning and sustainable positive destinations. The Council is ambitious to become one of the top 16 councils (quartile 2) for all Education national benchmark indicators and the new arrangements will be geared towards achieving this aim. They will also support the transition to new governance arrangements and a new committee structure.

### **7.2 Education Restructure – Design Principles**

The new structure will fulfil the following design principles identified as essential through consultation and engagement with staff and Members over the last 6 months:

- An accountable line management structure focused on target setting with a prevalent culture of ambition, high performance and a 'can-do' attitude

- A credible and connected leadership structure that all staff can aspire to be part of; which provides relevant, supportive yet challenging quality assurance and employee development and review/support; as well as a career progression
- A team focussed approach that creates an inclusive culture of compassion for individual remits backed up by high quality job profiles linked to professional review and development
- Achieves the best outcomes for children and young people and staff improving Council performance in key targets year on year
- High quality corporate and business support functions that achieve best value for all

7.3 The new structure will aim to build capacity within Council staff by creating a unique opportunity for the Council to deliver pioneering leadership in education. This will be supported by a sustainable programme of leadership development and holistic target setting, ensuring high performance, ambition and connectivity. Senior leaders within the Service will work collaboratively to create, promote and embed the Council's vision. The Council's commitment to place based approaches will be met through innovation from frontline practice, which will be a key element within the central drive for improvement whilst at the same time embracing the concept of empowered school systems.

#### 7.4 Improving Educational Outcomes

Reliable connectivity and collaboration on improvement across all stakeholders is fundamental to creating an effective school improvement environment. Through building effective relationships, between students, schools, families, wider communities and partner agencies, marked by reciprocal trust, openness, transparency and shared vision and values, outcomes for all young people will be improved.

7.5 The following 4 improvement themes have been identified as a focus for the restructure of the Education Service:

1. Attainment, Performance and Aspiration
2. Integration, Inclusion and Partnerships
3. Pedagogy and Curriculum
4. Leadership and Career Long Professional Learning



Current performance issues in key areas provides legitimacy for change, and the new structure will provide the support and challenge necessary to achieve the Council's vision of becoming a top performing council in Scotland.

7.6 Leadership is recognised as a key driver for success in any school, so the Council must recruit the best people who need to be empowered and collaborative, as well as empowering others to take ownership of leadership and learning. A key objective will be able to deliver Highland Council values based leadership. This will be supported by a sustainable programme of leadership development and holistic target setting, ensuring high performance, ambition and connectivity.

7.6 Senior staff, based locally, will link with all stakeholders and partnerships to ensure the holistic needs of all young people are met to support the delivery of a contextualised approach to education linked in to the Council's commitment to a Place Based Strategy for all Local Committees. The Council will support and encourage the empowerment of school leaders and communities and create a culture of collaboration and systems leadership to facilitate improvements. There will be a strong focus on closing the attainment gap and improving outcomes for all young people.

#### 7.7 Closing the Attainment Gap

Closing the poverty related attainment gap is a key priority for Highland Council. Senior Staff have carried out extensive consultation with Care and Learning practitioners to understand what is working well and what needs to improve in the current Care and Learning Structure. The new structure for both Education and Health and Social Care will be developed in parallel to ensure that the excellent relationships between front line practitioners continue to flourish and grow. All stakeholders agree that it is the quality of relationships that must continue to be nurtured as structures change but there is no strong voice coming through advocating that structures should stay as they are. Senior staff and Headteachers have been very positive towards changing structures and have been constructive and positive in all discussions that have taken place to date. The new structures will be designed to ensure that the Highland Practice model can evolve; that good practice is retained and improvements are made.

#### 7.8 Highland Practice Model and Named Person

Concurrently to the restructure there will be an evaluation of the Highland Practice

Model, specifically the Named Person scheme. Currently everyone working with children across Highland uses the Highland Practice Model, meaning that every child has a Named Person. The Named Person is designed to be a central point of contact in local universal services with the objective of being well placed to assist in obtaining support if and when needed.

- 7.9 In September 2019, the Scottish Government announced that they would be removing the Named Person Scheme from legislation but simultaneously gave a commitment to support partnerships across Scotland where the Named Person Scheme is already in operation.
- 7.10 It was agreed at October Council, that a review of the Named Person Scheme in Highland would be carried out. This will involve building on our existing evaluation of the Scheme that has been undertaken as the Practice Model has Developed.

## **8. Place Based Strategy**

- 8.1 The Council remains committed to enhanced local democracy and decision making. The development and delivery of a 'Place Based Strategy' across all Council services will recognise that service delivery has to be contextualised according to local area needs and capacities in terms of our staff, partners and communities.
- 8.2 The Council has a strong track record in recognising the importance of community as part of its approach to service delivery and prioritisation. The introduction of local committees, the establishment of the Commission on Highland Democracy, the Council's Localism Action Plan and this year's Governance Review, have all sought to prioritise embedding local approaches to Council business.
- 8.3 The Council's Organisational Framework (Appendix 2) agreed at the September meeting of the Council, embedded the Place Based Strategy as one of the Council's key strategic approaches. This will build on work already in place but provide a framework for moving forward within the new organisational structure, particularly given area specific remits for Executive Chief Officers (ECOs). The vision is that every ECO will have a role in developing local place based approach to both their functional roles and also in their geographical remits.
- 9.4 The development of this approach is at an early stage. Initial sessions have been held with Members, as part of the Member Seminar in November 2019, and with the Senior

Leadership Team. These have explored thinking on what a place based approach means with a view to considering the shape of the strategy.

9.5 Initial messages have included:

- the consideration of place in how we identify priorities, use our resources and our approach to service delivery in a local area
- collaboration and relationships - taking a place based approach to how we work with our communities and our partners
- the importance of culture and developing a shared vision
- local flexibility and diversity being at the heart of any approach
- strong local leadership

A further session will be held with Members early in the new year with a view to the Strategy coming forward to the March meeting of the Council.

9.6 The new Executive Chief Officers now each have a specific Council area to lead and so they will be fully involved in the development of the Place Based Strategy, linking enhanced local governance arrangements with associated service delivery requirements and resource prioritisation. This local area element of the new tier of senior management will be a very high priority and there will be a requirement for all ECOs to engage with the Members in their areas at an early stage.

9.7 The Governance Review has been running in parallel to the Organisation Transformation Programme ensuring that the Council's refreshed governance structures fully reflect the requirements of the Council at both a strategic and local level. The revised Scheme of Delegation is being brought forward for approval at this Council, as are the Review's final recommendations. These include enhancements to the role and remits of local committees.

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**Date: November 2019**

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Appendix 1- Executive Chief Officer remits

Appendix 2 – Organisational Framework



Observation	Decision required	ECOs	Column1
<i>Gaelic</i> appears twice	<b>Decide what ECO it should singularly sit</b>	Education and Learning; Economy and Transformation	
<i>Housing Development</i> appears twice	<b>Decide what ECO it should singularly sit</b>	Property & Housing; Economy and Transformation	
<i>Roads - Operational</i> and <i>Roads - Strategic</i>	<b>Combine under 1 ECO?</b>	Roads - Operational (Communities and Place)	Roads - Strategic (Infrastructure and Environment)
<i>Sustainability</i> appears twice	<b>Decide what ECO it should singularly sit</b>	Property & Housing; Infrastructure and Environment	
<i>Winter Maintenance - Operational</i> and <i>Winter Maintenance - Strategic</i>	<b>Combine under 1 ECO?</b>	Roads - Operational (Communities and Place)	Roads - Strategic (Infrastructure and Environment)

**HIGHLAND COUNCIL ORGANISATIONAL FRAMEWORK**

<b>AMBITIOUS</b>			<b>SUSTAINABLE</b>			<b>CONNECTED</b>		
We will be high performing and forward thinking, embracing change and challenge			We will be efficient, resourceful and adaptable to deliver for our communities and the environment			We will work together with communities, staff and partners for the best outcomes for Highland.		
Forward Thinking	Can Do	High Performing	Efficient	Resourceful Flexible	Affordable Transparent	Engaging	Listening	Working Together
<b>B</b>	<b>E</b>	<b>H</b>	<b>A</b>	<b>V</b>	<b>I</b>	<b>O</b>	<b>U</b>	<b>R</b>
Council Programme			Corporate Plan			Highland Outcome Improvement Plan		
Corporate Performance Framework			Governance and Assurance			Partnerships		
Transformation and Improvement Strategy			Budget/Change Strategy			Place Based Strategy		
Leadership and Culture		Communications and Engagement Strategy		Workforce Planning Strategy		Digital Strategy		
Service and Operational Plans Employee Development Plans								

Vision and Values and Behaviours

Strategic Context

Strategic Approaches / Drivers

Strategic Enablers

Delivery