

Traded Service Review Savings Proposal

Date: 28th February 2023

Report of: Chief Officer (Resources & Strategy)

Report to: Director of Children & Families

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

- This report sets out a proposed review of the structure of Traded Services. The purpose of the review is to ensure the service arrangements are appropriate to maintain a long term sustainable and efficient, cost-effective operating model that supports the directorate's commercial activity with schools and settings. This is the first review of the service's structure since it was established in 2016.
- The report will ensure that the Traded Services offer has the most effective infrastructure to support officers to deliver solutions that give our children the best possible chance to attend, achieve and attain through excellent services delivered in a timely and relevant manner to all education settings.
- This proposal seeks approval to commence consultation with recognised Trade Unions in respect of proposed savings through the restructure of Traded Services that can be delivered through efficiencies and transformation and, potentially, staffing reductions in line with the Council's employment policy framework.
- The service change and re-design supports the refreshed Children and Young Peoples Plan. The proposals are designed to enable children and families services to maximise the impact of service delivery on outcomes with a particular emphasis on achievement and attainment reflected in the 3rd obsession to attendance, achievement and attainment (the 3 A's).
- The service changes and re-design will also support Best Council Plan priorities; to become a child friendly city, to give its citizens better lives and to build resilient communities.

Recommendations

- a) Approve the proposal to review traded services to increase sustainability and efficiency of the service and deliver savings within the Children and Families directorate of £441,600 over 5 years.
- b) Approve the deletion of the Head of Traded Service post (DIR 52.5%) and approve the creation of the new Business Relationship Lead post.

- c) Approve the proposed re-alignment of the Traded Service team to Learning Systems and associated line management.
- d) Approve the proposal as part of the council's Medium-Term Financial Strategy and preparation for setting the 2023/24 budget.
- e) Approve the commencement of a consultation process with staff and recognised trade unions.
- f) Note that the review process will follow the council's agreed process around managing staff reductions and will seek wherever possible to avoid compulsory redundancies.

What is this report about?

- 1 This report sets out a proposed review of the structure of Traded Services team.
- 2 In June 2016 a Head of Traded Services was appointed to ensure clear accountability and transparency for all of Children and Families Traded Services. The initial remit was to create a strategy for commercial activity and put in place a framework of governance, a programme of training and development for officers new to trading and an online platform for communications, training bookings and contract sales. The Traded Services function was initially created at a point when a structure to support the effective delivery of Children's and Families traded services to education settings did not exist. The redesign of the service is a response to the change in the amount and type of work required to be delivered. The new structure is more balanced, offering a clear line of career progression and builds on what is already working well. The restructure recognises the shift in workstream focus to delivering and maintaining logistical and operational support to colleagues trading with schools and settings rather than the creation of the infrastructure and framework to support commercial activity.
- 3 In 2023 the strategy and structure to support commercial activity with schools and settings is now in place and embedded across the directorate. Leadership of the service is now required to maintain operational services rather than to create a new commercial entity.

What impact will this proposal have?

- 4 The report will ensure that the Traded Services offer has the most effective infrastructure to support officers to deliver solutions that give our children the best possible chance to attend, achieve and attain through excellent services delivered in a timely and relevant manner to all education settings. The structure will help build on the work done by the team in recent years as demonstrated by Appendix 3 which shows the growth in demand

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing
 Inclusive Growth
 Zero Carbon

- 5 The council's strategic Best City Ambition, underpinned by the three pillars, can only be delivered through a sound understanding of the organisation's longer-term financial sustainability, thus enabling decisions to be made that balance the resource implications of the council's policies against its financial constraints.

What consultation and engagement has taken place?

Wards affected:

Have ward members been consulted? Yes No

- 6 Consultation with Trade Unions has taken place and observations and comments reflected in this report. Staff consultation has taken place with current and future members of the team. A short series of team meetings have been held and staff responses to the consultation have been reflected in the report where appropriate.

What are the resource implications?

7 Current team structure

Post	FTE	Grade	Point on pay scale	Staff Budget 23/24 (inc oncosts)**
Head of Traded Services	1	Dir 52.5%	5	£93 491
Business Relationship Manager	1	PO4	38	£58 729
Business Relationship Manager	1	PO4	TBC*	£58 729
Schools and Partnerships Relationship Manager	0.5	PO4	38	£58 729
Schools and Partnerships Relationship Manager	0.5	PO4	TBC*	
Totals	4			£269 678

* Staff are currently being recruited to fill the vacant PO4 posts 1st April 2023. These posts are relatively new additions to the team and were subject to a separated delegated decision report approved by the Director of Children's and Families as an invest to save to build the capacity to support colleagues in other services to trade with schools and settings.

** Staffing costs based on salary projection for 23/24

Head of Traded Service currently line managed by Chief Officer (Resource and Strategy). The service currently sits within Resource and Strategy area of Children and Families Directorate.

8 Proposed team structure

Post	FTE	Grade	Point on pay scale	Staff Budget 23/24 (inc oncosts)*
Business Relationship Lead	1	PO6	40	61 437
Business Relationship Manager	1	PO4	38	58 729
Business Relationship Manager or Schools and Partnerships Relationship Manager	1	PO4	38	58 729
Totals	3			178 895

- Delete Head of Traded Services Dir 52.5% post
- Delete one PO4 Business Relationship Manager post
- Create one PO6 Business Relationship Lead.
- PO6 to be line managed by Customer Relations Lead
- Team moved to sit within Learning Systems Service (within Resources and Strategy)
- Projected staffing budget saving in 23/24 of £90,783 (based on a full year effect)

* Staffing costs based on salary projection for 23/24

The Business Relationship Lead post has been subjected to job evaluation and is confirmed at PO6.

9 Projected savings over 5 years using projected salaries for 23/24

Projected Savings*						
Year	23/24	24/25	25/26	26/27	27/28	
Savings from deletion of H of S Dir 52.5%	-93491	-93491	-93491	-93491	-93491	
Cost of PO4 uplift to PO6**	2708	4087	5451	6803	6803	
Total savings	-90783	-89404	-88040	-86688	-86688	-441603
	Pt 38 to 40	Pt 38 to 41	Pt 38 to 42	Pt 38 to 43	Pt 38 to 44	
Total Savings over 5 years	£441,603					
*Totals based on salary projection for 23/24						
** Traded Lead estimated as PO6 but requires confirmation by Job Evaluation						

What are the key risks and how are they being managed?

- 10 It is not envisaged that MSR processes will apply as the Head of Traded Services (Dir 52.5%) has expressed an interest in ELI and recruitment to the proposed PO6 will be from existing PO4 postholders within the team as I am confident that this pool of staff have the skills and experience to be successful in the PO6 interview process. At the time of writing the report, there are no PO6s in the talent pool so, as it stands, the MSR policy should not be needed. This will need to be verified if/when the proposals are implemented. For the avoidance of doubt, the opportunity to apply for the PO6 will be offered to all members of the team, irrespective of whether they have been in post for some time or are new to the team and irrespective of whether they currently work full time or not.
- 11 Changes within the organisation can be unsettling for staff, we will continue to invest in the wellbeing of the workforce by supporting managers to be their best to ensure staff are effectively supported.
- 12 The report makes a number of financial assumptions around staffing costs. These will be further refined as the review progresses and the job description is evaluated for the new post of Business Relationship Service Lead.

What are the legal implications?

- 13 Decisions giving effect to this proposed Service Reviews will be made following the outcome of consultation having regard to representations made. Decisions will be taken by the Director of Children and Families.
- 14 The Equality Act 2010 requires the council to have “due regard” to the need to eliminate unlawful discrimination and promote equality of opportunity. The law requires that the duty to pay “due regard” be demonstrated in the decision-making process. Assessing the potential equality impact of proposed changes to policies, procedures and practices is one of the key ways in which public authorities can show due regard.
- 15 An equality, diversity, cohesion and integration impact screening has been carried out on the service review savings proposals and included as an Appendix to this report.

Options, timescales and measuring success

What other options were considered?

- 16 As the challenges and priorities in 2023 are significantly different for traded services than in 2016, options have been considered to reflect the current operational context. Consideration has been given to realignment of line management, providing clearer routes for career progression within the service and creating a structure that ensures service quality is maintained.

How will success be measured?

- 17 Having an appropriate traded service structure in place by April 2023 to maintain a long term sustainable and efficient, cost-effective operating model that supports the directorate’s commercial activity with schools and settings and contribute to the directorate achieving a balanced budget for 2023/24.

What is the timetable and who will be responsible for implementation?

- 18 Savings proposals will be built into the 2023/24 Budget and Provisional Budgets for 2024/25 and 2025/26.

Appendices

- Appendix 1 – Equality impact assessment
- Appendix 2 – New Business Relationship Service Lead job description
- Appendix 3 – Leeds for Learning Statistics – Growth in Demand

Background papers

- None