

Originator: Ben Still
WYCA Managing Director



ITEM 9

Report to: Combined Authority

Date: 29 September 2016

Subject: One Organisation – the change programme for WYCA officer body and Director Appointments

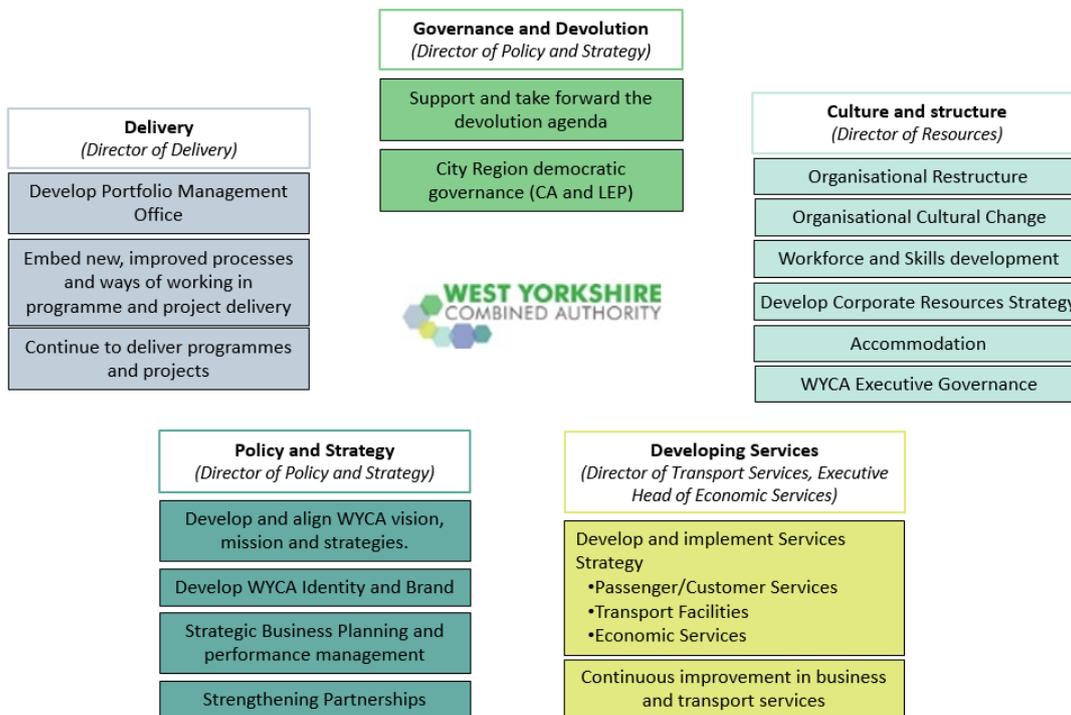
1. Purpose

- 1.1 To update on the 'One Organisation programme', the change programme for the WYCA officer body, designed to meet the requirements of the WYCA Leaders, LEP and Chief Executives.
- 1.2 To seek WYCA approval for the proposed appointments of the Director of Delivery and Director of Transport Services.

2. The 'One Organisation' change programme in summary

- 2.1 There are a number of key reasons why Leaders and Chief Executives have asked the organisation to change and evolve:
 - Driving stronger economic growth, while addressing increasing inequality and improving quality of life.
 - Providing integrated policy and delivery functions to increase efficiency and service.
 - Doing more with less – in response to the challenges of public sector austerity.
 - Supporting the LEP and WYCA – including transparent decision making with a strong focus on delivery to time and budget, and a 'can-do' culture.

In response to this, a programme of 17 connected projects are being managed through the 'One Organisation' programme:



2.2 This programme will develop the officer body into an effective channel for developing integrated policy and strategy, and turning these into delivery via projects, programmes and services. It will seamlessly join up policy-making with investment choice and management of delivery, both across WYCA and throughout its network of regional, national and international partners. It will also ensure transparency and accountability to the WYCA and LEP.

2.3 To minimise costs, the programme is being run and largely delivered using internal resource, but external advice is being used on selected elements, in particular on the recruitment and branding workstreams. PWC have been appointed to provide external challenge and assurance.

2.4 Updates are provided below on the current priority projects within the programme:

Cultural Change and Workforce development (Angela Taylor)	
Aim	To set out values and behaviours we expect staff to adhere to. To energise the new organisation. To tackle behaviour and practice not in line with the values and behaviours.
What will be different?	<ul style="list-style-type: none"> • Strong emphasis on partnership working, being aspirational and responsive. • Organisation has the skills and a motivated workforce to do the job going forwards.
What progress has been made?	<ul style="list-style-type: none"> • Revised organisational values have been agreed by the leadership team and further work is underway to embed them within organisational processes. • A large number of WYCA staff have been involved in working out the behavioural changes required for WYCA to succeed, and this has already begun the process of change and performance improvement.
What's next?	<ul style="list-style-type: none"> • The required organisational, leadership and management behaviours are being developed and will be rolled out to enable more effective management of change as part of a Leadership development programme starting in November 2016.

Developing the PMO - Project Delivery (Director of Delivery)

Aim	Creation of an efficient delivery process for WYCA and its partners, providing greater transparency and controls, with improved partnership working and robust challenge to ensure project benefits are realised within the cost and time parameters set.
What will be different?	The creation of a Portfolio Management Office (PMO) that is responsible for ensuring all projects are run on common lines. There will be a consistent approach to reporting and project controls, ensuring greater transparency and accountability. Enhanced assurance and Value for Money (VfM) assessment - improved appraisal of investments will ensure VfM is maximised and better handling of change processes.
What progress has been made?	<ul style="list-style-type: none"> Phase One: defining and designing the programme is now complete. The 'PMO process' has been agreed, following extensive engagement with partners and endorsement by the WYCA in July 2016. Much improved summary programme/project reporting can be expected from September onwards as the PMO function becomes operational.
What's next?	<ul style="list-style-type: none"> Phase Two: mobilisation and implementation is about to commence and will be complete by March 2017. Development of the IT system to support reporting will take place during 2017.

WYCA Organisational governance (Ben Still)

Aim	To put in place clear leadership and transparent decision making arrangements for the officer body that supports the WYCA and the LEP.
What will be different?	<ul style="list-style-type: none"> Faster internal decision making, with clear linkage through to WYCA/LEP Boards, and clear exemplary leadership for the organisation through a '<i>Leadership Team</i>'. Stronger controls over the length and quality of written papers for Boards.
What progress has been made?	<ul style="list-style-type: none"> The new high-level directorate structure is now in place and is being used as the basis for core organisational processes.
What's next?	<ul style="list-style-type: none"> New Head of Legal is reviewing internal delegations and decision making. Outstanding recruitment is taking place during September 2016.

Accommodation (Angela Taylor)

Aim	To bring the organisation together and create fit for purpose facilities for members, LEP and other partnership meetings. To drive out cost savings.
What will be different?	<ul style="list-style-type: none"> A review is underway considering future accommodation requirements and the available options, including potential improvements to Wellington House or alternative accommodation.
What progress has been made?	<ul style="list-style-type: none"> An in-depth review and analysis of available options has been conducted. Project plan proposals have been developed and options will be considered by the WYCA.
What's next?	<ul style="list-style-type: none"> Once a decision has been made on the chosen option, the project plan will be implemented. The lease on City Exchange expires in c.18 months.

Organisational Restructure (Angela Taylor)

Aim	To restructure teams in order to drive out efficiencies (removal of duplication), integrate decision making (remove silos), and fit with how the organisation will operate (policy to delivery to outcome).
What will be different?	<ul style="list-style-type: none"> The transition to a structure capable of delivering what is needed for the region by joining up policy, delivery and supporting services with new policy and PMO functions enabling improved partnership working. <i>(as described in a previous report to the Combined Authority Annual Meeting - Agenda Item 17, June 2016)</i>
What progress has been made?	<ul style="list-style-type: none"> The new directorate structure has been agreed by WYCA in June 2016 and subsequently implemented. Role Profiles and relevant grades are agreed for new and existing posts as the restructure 'rolls out' Recruitment of new Directors and Heads of Service is underway at the time of writing and expected to be completed by the end of October 2016. An 'organisational design' process has been developed, which will define the detailed changes in each service area. It is being used to shape the following priority areas: <ul style="list-style-type: none"> Research and Intelligence Communications Finance Legal and Democratic Services Employment and Skills Business Support
What's next?	<ul style="list-style-type: none"> To be completed by March 2017.

City Region democratic governance (WYCA and LEP) (Rob Norreys)

Aim	A review of WYCA and LEP committee structures has been commissioned to allow improved delegated arrangements, and remove any overlaps between existing committees. This work will seek to future proof the democratic governance arrangements for a potential devolution deal.
What will be different?	<p>Dependent upon member and LEP agreements:</p> <ul style="list-style-type: none"> Integration of WYCA and LEP decision making processes. Clear accountability and decision making structure.
What progress has been made?	<ul style="list-style-type: none"> Proposals were submitted to the WYCA and LEP Board members earlier in 2016. Work has been paused while devolution requirements being understood.
What's next?	<ul style="list-style-type: none"> The next steps are dependent upon members' agreement, the aim is to implement new governance arrangements during 2016/17.

WYCA Branding and Identity (Rob Norreys)

Aim	To develop a more unified brand framework for the West Yorkshire Combined Authority / Leeds City Region partnership.
What will be different?	<ul style="list-style-type: none"> • A clear and coherent brand identity - alongside an agreed strategic communications plan – will be a key driver of both internal team cohesion and culture change, and of external communications objectives.
What progress has been made?	<ul style="list-style-type: none"> • A competitive tendering exercise has appointed Thompson Brand Partners to carry out a review of WYCA’s current Branding and Identity to develop new proposals. • Interviews and workshops have been completed to gather insights from key stakeholders. Discussion with LEP Board at away-day in September.
What’s next?	<ul style="list-style-type: none"> • Proposals are being developed with the preferred option to be chosen during October 2016. • The subsequent ‘brand roll-out’ will take place from November onwards.

Strengthening Partnerships (Rob Norreys)

Aim	To build a stronger sense of shared endeavour, collective identity and partnership working.
What will be different?	<ul style="list-style-type: none"> • A city region that speaks with many voices, but with one message. • Stronger cross-organisational working and sharing of resources.
What progress has been made?	<ul style="list-style-type: none"> • First partnership event held 19 September - provided insights into challenges and opportunities.
What’s next?	<ul style="list-style-type: none"> • Second event planned for spring 2017. Members event being planned for early 2017.

Performance metrics

- 2.5 A challenge with change programmes is how to adequately capture the ‘success measures’ of the work, given the varied and qualitative aims of the programme. Key indicators being worked up include the costs of the different organisational functions, annual staff satisfaction and insight survey, corporate plan output and outcome objectives.

Director Appointments

- 2.6 WYCA approved at its meeting on 23 June 2016 the new Directorate structure for the organisation, and its Director and Executive Head roles. The WYCA also appointed Rob Norreys into the role of Director of Policy, Strategy and Communications, and Angela Taylor, into the role of Director of Resources at that meeting. This paper discusses the approval for the remaining two WYCA Director posts.

- 2.7 Following a recruitment and selection exercise which included external candidates, the Authority is asked to approve the appointment of Dave Pearson into the role of Director, Transport Services with effect from 1 October 2016. The Chair and Deputy Chair of the Transport Committee formed part of the selection panel, alongside a local authority Chief Executive and the Managing Director of the Combined Authority.
- 2.8 At the time of publication of this report the outcome of the recruitment process for the Director of Delivery has not been concluded. Interviews are scheduled to take place prior to the meeting of the WYCA on 29 September chaired by the Chair of the Investment Committee alongside a local authority Chief Executive and the Managing Director of WYCA. It is proposed to update members of the WYCA in advance to enable a recommendation for appointment to this post to be considered at the same time.
- 2.9 WYCA is asked to note that Sue Cooke has been appointed into the post of 'Executive Head of Economic Services' following a recruitment and selection exercise which included external candidates.
- 2.10 WYCA is also asked to note that, at the time of submitting this paper, the external recruitment for the role of Head of Communications is currently underway.

3. Financial Implications

- 3.1 The intention is that the overall One-organisation programme will result in an organisation that is revenue cost neutral and seeks no additional funding from West Yorkshire local authorities via either the transport or economic levy's. There will be one-off costs (e.g. Portfolio Management Office advisors, branding, HR costs), which will be met from within existing WYCA budgets and reserves.

However, the increased responsibilities of the WYCA as a result of devolution and its associated programmes will increase the budgets of the organisation as a whole. Further details of this is available in the financial and budget paper tabled at Agenda Item 6 on this agenda.

4. Legal Implications

- 4.1 None from this paper.

5. Staffing Implications

- 5.1 There are significant staffing implications from this programme. The headline issues are as follows:
- A new Director structure.
 - Removal of the 'Assistant Director' post – and replacement by a more flexible 'Head of' post.
 - Continued application of the 'pay and grading' principles which peg WYCA salaries to the median of public sector pay quartiles.

- Continued application of the WYCA's Management of Change policy agreed with the Trade Unions which gives prior consideration to internal candidates at risk of redundancy ahead of external competition.
- Approval for filling remaining Director posts is sought via this paper.

6. Consultees

- 6.1 The West Yorkshire Chief Executives are being kept updated on the work, and involved in key decisions and processes.

7. Recommendations

- 7.1 That the Authority notes the progress made so far with the One Organisation Programme.
- 7.2 That the Authority approves the appointment of Dave Pearson to the post of Director, Transport Services with effect from 1 October 2016 and the appointment of [to be confirmed] to the post Director of Delivery.
- 7.3. That the Authority notes the appointment of the Executive Head of Economic Services and that the external recruitment to the post of Head of Communications is underway.

8. Background Documents

- 8.1 None.