

**14 July 2014****Agenda Item: 6****REPORT OF THE SERVICE DIRECTOR, ICT****COUNTY SUPPLIES STAFFING STRUCTURE****Purpose of the Report**

1. To approve the proposed staffing structure of the County Supplies service, within the Environment and Resources Department.

**Information and Advice**

2. County Supplies is an in-house traded operation supplying a wide range of goods at competitive prices to public sector customers in Nottinghamshire and the surrounding areas. As a catalogue based business the focus is on competitive pricing, the quality of goods provided, a reliable delivery service and high standards of customer care. The Team Manager for County Supplies reports directly to the Service Director (ICT).
3. Following a fire at County Supplies' Rolleston Drive premises in September 2011 there was a review undertaken to assess the future viability of the function. The review concluded that County Supplies continued to be a cost effective and efficient operation which would continue to deliver an annual surplus to the County Council.
4. Despite the economic challenges of recent years County Supplies' annual sales have held up well with annual turnover around £5.6 million and generating an annual surplus of £50k.
5. In June 2012 the business case to re-locate County Supplies to refurbished accommodation at Calverton Business Park was approved by Finance and Property Committee, with the service becoming operational from those premises in April 2013.
6. To meet the challenges of its traded environment and remain competitive, County Supplies must remain an agile operation, able to support the current sales offering whilst also being capable of refreshing and enhancing the product range in line with changing demand. Key to the service operating successfully in this way is having in place a suitably structured and skilled workforce. Now that the service is settled into the new premises it is appropriate to review the staffing structure.

**Proposals**

7. The current staffing structure, which became effective in April 2011, can be found in Appendix 1. The structure has a total of 43.6 Full Time Equivalent (FTE) staff, with 6 of these posts currently vacant. Although this structure has supported the business

operation over the past 36 months the managerial capacity, team interoperability and inventory control function need to be strengthened.

8. A proposed staffing structure is set out in Appendix 2 which reduces the overall number of staff by 2 FTE to 41.6 FTE, reorganises team structures, reduces the number of teams from four to three and introduces new roles.
9. There is a current lack of breadth in the responsibilities of the existing four team lead roles which results in the County Supplies Manager being involved in many day to day operational matters that deflect from his main duties. The current operation of the business is also unduly reliant upon a single point of management. It is therefore proposed that team leader post roles and responsibilities are extended to include managerial accountability in their respective operational areas and broader managerial responsibilities across the business, with a reduction in post numbers from four to three.
10. The new structure is therefore based around three teams:
  - Catalogue Supply Team
  - Customer Services Team
  - Warehouse & Distribution Team

The current Accounts Team will be discontinued, the Finance and Information Manager role (vacant) will be deleted from the structure and other team posts re-allocated to the new Customer Services Team.

Deleted Post
Finance and Information Manager x 1 FTE

### **Catalogue Supply Team**

11. A new post of Catalogue Supply Manager will lead and manage the Catalogue Supply Team, with the role encompassing the duties of the current Senior Catalogue Supply Officer (post vacant), inventory control responsibilities and extended management responsibilities across County Supplies as described above.
12. With improvements in stock availability becoming more and more important it is proposed that a new post of Inventory Officer is introduced, replacing the current Inventory Assistant role and reporting to the Catalogue Supply Team Manager. The role will take on the duties of the existing Inventory Assistant post but have increased accountability and responsibility for stock management. The Catalogue Buyer, Purchasing Assistant and DTP Officer posts remain unchanged.

New Posts	Deleted Posts
Catalogue Supply Team Manager x 1 FTE	Senior Catalogue Supply Officer x 1 FTE
Inventory Officer x 1 FTE	

### **Customer Services Team**

13. A new post of Customer Services Manager will lead and manage the Customer Services Team, with the role encompassing the duties of the current Customer Services Officer, partial duties formerly covered by the now removed Finance and Information Manager role and extended management responsibilities across County Supplies as described previously.
14. The Finance Officers and Finance Assistant roles, that were previously part of the Accounts Team, will now report to the Customer Services Team Manager whilst the Customer Services Assistant and Systems Support Officer posts will remain unchanged. As previously noted the Inventory Assistant role will be removed from the new structure.

<b>New Posts</b>	<b>Deleted Posts</b>
Customer Services Manager x 1 FTE	Customer Services Officer x 1 FTE
<b>Existing Posts moved to this Team</b>	Inventory Assistant x 1 FTE
Finance Officer x 2 FTE	
Finance Assistant x 2 FTE	

### **Warehouse & Distribution Team**

15. A new post of Warehouse Manager will lead and manage the Warehouse & Distribution Team, with the role encompassing the duties of the current Warehouse Controller and extended management responsibilities across County Supplies as described previously.
16. Wholesale changes resulting from the relocation of County Supplies to its Calverton location have meant that the working practices and procedures of staff within the Warehouse & Distribution team have changed fundamentally over the past year. The team has dealt with these changes admirably and the current training programme will continue to ensure that all team members are, and remain, capable of performing their multi-skilled role. Therefore the only other change in this team is the removal of the Senior Warehouse Assistant role (post vacant) from the structure. The Senior Despatch Assistant, Warehouse Assistant, Distribution Supervisor and Distribution Assistant posts will remain unchanged.

<b>New Posts</b>	<b>Deleted Posts</b>
Warehouse Manager x 1 FTE	Warehouse Controller x 1 FTE
	Senior Warehouse Assistant x 1 FTE

### **Process**

17. A consultation document on the proposed staffing structure and direction of travel was issued to all staff and this has been supplemented by team discussions and briefings. There have also been discussions with trade union representatives. The feedback has helped shape the structure and content of job descriptions.
18. As part of the process job descriptions have been reviewed to align them with the proposed structure and scope of the roles. All of the job descriptions that have had changes, or are new posts, have been issued to the Job Evaluation Team of the Human Resources Division so that salary grades can be assessed and applied.

### **Financial Implications**

19. As there are existing vacancies within the County Supplies service there will be no compulsory or voluntary redundancies associated with the proposed post reductions. The reduction of two posts will reduce the ongoing cost of the service.

### **Other Options Considered**

20. The proposed changes to the staffing structure will build both management capacity and reduce the ongoing cost of the service. The changes will further improve the competitiveness of the service.
21. As part of the current operating model there have been ongoing discussions with similar local authority supplies services elsewhere in the country. Leading on from these discussions County Supplies is currently working closely with Kent County Supplies. Kent has a more diverse range of products in its catalogue business and so County Supplies has added some of these product lines to its own catalogue for sale to local customers in Nottinghamshire. This is a recent addition and new income stream that might influence the future operating model.

### **Reason for Recommendation**

22. The proposed staffing structure re-aligns staffing resources to the needs of the business operation and will reduce the ongoing cost of the service.

### **Statutory and Policy Implications**

23. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

## **RECOMMENDATION**

It is recommended that the proposed new structure for County Supplies as set out in Appendix 2 be approved.

**Ivor Nicholson**  
**Service Director - ICT**

**For any enquiries about this report please contact: Ivor Nicholson on 0115 9774006**

### **Constitutional Comments: (SLB 18/06/2014)**

Finance and Property Committee is the appropriate body to consider the content of this report. It is responsible for approving changes to staffing structures subject to HR comments and consultation with the recognised trade unions.

**HR Comments: ( JP 26/06/2014.)**

Employees have been fully informed of the proposed restructure and have been consulted on the details of the proposals. Consultation with the trade unions has taken place through formal channels. The County Council agreed enabling process will be used to make appointments to posts within the new structure.

**Financial Comments: (SEM 17/06/14)**

The financial implications are set out in the report.

**Background Papers**

None

**Electoral Division(s) and Member(s) Affected**

All





