##

# Whole Organisation Change Programme

# Case for Change Response

For issue 29 October 2018

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**Executive Summary**

On 15 August 2018 we launched our consultation on the Whole Organisation Change Programme Case for Change to hear your views on a set of organisational design principles, a resultant new Organisation Design, a refreshed managing change process and a set of associated ways of working. The Case for Change set out how we needed to change to be more integrated and more resilient, in delivering our ambition, within the legislative context in which we operate, with a new purpose and direction from Welsh Government and with funding pressures on some of our activities. The consultation closed on 28 September 2018, and we would like to thank everyone for their feedback, ideas and queries. Your willingness to get involved is invaluable.

Throughout the Organisation Design Programme, it has been important to make sure that everyone had the opportunity to feed in opinions, ideas and queries about the proposed design and the ways of working. During the consultation there were:

* 50 Drop in sessions across all offices in Wales
* 40 Directorate sessions
* More than 25 Trade Union meetings
* 5 Staff Q&A skypes attended by 400 staff
* 1136 responses to the questionnaire
* 814 emails to the Organisation Design Email Inbox

There were also submissions from all the Trade Unions that represent NRW staff, GMB, PCS, Prospect, Unison, Unite, and a consolidated response from all the Trade Unions. We also know there were many ongoing conversations between staff and managers throughout the period.

This document describes how all the feedback has been considered and how it has changed the proposals.

This response needs to be considered in the context that the aim of the Case for Change is to create the sense of place that is so important in Wales. To develop teams that are empowered to work with partners, to enable their communities to be more resilient and to deliver improvements in local customer service. It is so important that everyone in our organisation understands the part they play in delivering Area Statements and Wellbeing Plans.

Taking this approach will be challenging but with the right tools, skills and resources, place-based delivery will ensure that we deliver on our ambition.

The NRW Case for Change 2018 Report of Findings (the “Canta Report”) provides detailed analysis of the responses from staff on the Case for Change. It provides an independent review of the consultation response which should give staff confidence that their views have been fully analysed and aggregated to present the key themes and responses to the proposed Organisation Design.

From the full analysis of all responses to the consultation via the online survey tool we can see the emergence of five key themes. While these are distinct themes in their own right, they are closely linked with a significant level of crossover between the underlying bases for each. The strength of feeling among staff is strongly opposed to the proposed new Organisation Design, due to a complex mix of issues. The current levels of uncertainty are compounding staff anxiety and leading to a strong sense of opposition.

In addressing some of these issues some of the arguments and counter arguments from staff can start to be addressed and staff will be better equipped to understand the proposed changes, the reasoning behind them and that the impact of the changes will have on them.

Around two thirds of people that participated in the consultation believe there is a need to change and understand the reasons for it.

There is a strong disagreement from staff that the design will deliver the objective of making the organisation more resilient and sustainable in the future. The reductions in resources in the core structure have had to be made to ensure that the organisation is affordable and sustainable by the year 2020 conflict with the view that the organisational design can make us more resilient.

Having listened carefully to your feedback, we have agreed to make a number of changes to the Organisation Design proposed as part of the Case for Change. These include:

* making permanent, 30 of the 50 new roles that had been identified to support new ways of working (e.g. working with PSBs), and thus freeing up time in the NRM teams to resource core work on conservation etc,
* changing our proposal for the delivery of the Flood Risk Management specialist teams
* changing the structures of the place-based regulation teams,
* changing the structure within the Business Support Services (BSS)

We will continue with the six terrestrial operational areas and for many this will mean a change to their current structures and ways of working. We accept that this will be challenging, but believe the benefits in the longer term are worth the investment in a new approach. Again, we carefully considered the feedback but will continue with a place-based approach for monitoring and enforcement activities.

There was a lot of very useful feedback on the content of the Role Descriptions. Your input was sent to the Design Teams for consideration and where accepted, changes will made. These changes will be part of a revised set of Role Descriptions that will be used in the Change Programme.

Understandably, there was significant feedback on the proposed Managing Change Process, with concerns raised over a wide range of elements of the process including matching, ring fencing, appeals, and the Redeployment and Redundancy policy and programme. This is complex and there are a range of factors that potentially complicate the process. It is really important to minimise uncertainty and disruption to everyone, so we have more work to do with the Trade Unions to consider your comments and where possible amend the process. We will make sure that you are kept updated on this work.

There is significant concern from all areas of NRW about making the new structure work on day one. Clearly this is a real challenge and pragmatic, realistic plans are needed for preparation before and after the 1st April 2019. Implementation plans are in development to ensure that these risks are managed.

The work to develop new ways of working is being led by the Heads of Business and Heads of Service. They will work with you to develop new ways of working to support the place-based approach, new protocols and communication channels, to ensure we are clear on roles and responsibilities and ensure information and work is passed effectively round the organisation.

It was really positive to see the very many ideas and suggestions for doing things differently which will all be considered in the development of our ways of working.

We have amended the Organisation Design structures and Role Descriptions ready for the Change Programme so that implementation can start as planned on 1st November 2018 in order that the new structure can go live on 1st April 2019.

For us to succeed this will require different ways of working within NRW. We need more integrated place-based delivery, working even more closely with partners and communities and as a result we have proposed a new organisational structure and ways of working to ensure we can fulfil our purpose, lead the way in Wales towards a more sustainable management of natural resources and deliver on our ambition to be a world class organisation.

**1.0 Introduction**

We believe everyone in NRW is passionate about the environment in Wales and about delivering a great service to the people and communities of Wales. This is reinforced by the direction for Public Services in Wales set out under the Wellbeing of Future Generations (Wales) Act 2015.

We set out a new structure that we believed would take us forward to deliver these ambitions in a more cohesive way, reflecting the need to deliver locally, but also one that would be resilient and sustainable in the future. The proposed structure, principles and associated ways of working were consulted on and we have received responses from around two thirds of staff and all the Trade Unions. We were delighted to see this level of engagement in something so important, and this report describes how we have considered the issues and comments raised and how we have responded to them.

Within the context of declining Grant in Aid funding and a new and challenging agenda within Wales, we proposed an Organisation Design that we felt would challenge some of the established and traditional responses to reductions in funding to try and provide the framework for more integrated working both within NRW and with its partners.

We would thank all of you that took the time to respond and provide us with a rich source of information and feedback. As always, there are positive and negative messages for us to consider but in the qualitative information there are some great ideas and suggestions for doing things in a different way.

All feedback either through the inbox or through the online questionnaire has been made available to the Leadership Team with a clear focus on the Heads of Business and Heads of Service. They have been asked to consider all this information to see how the feedback impacts on our proposed design and ways of working and to then consider how we should respond to it. Where possible we have used the feedback to improve the design and to flag the risks that will need to be managed through the transition to the new ways of working, and where changes are not made we will explain why.

You have expressed views on a range of themes and it is these that have responded to. It has not been possible to respond in detail to all the responses received and whilst we can assure you that all the feedback has been captured and reviewed, it is unlikely that you will see your own individual response specifically reflected

Traditional responses to reductions in funding, in legacy organisations and elsewhere, normally lead to centralising and retreating into functional ways of working. This leads to efficiencies but can lead to a narrow view of issues and opportunities that we believed would not deliver the agenda that we have been asked to lead on. In Wales, the Sustainable Management of Natural Resources requires a different approach, requiring teams and organisations to work closely together, delivering joint outcomes set out in Public Service Board Wellbeing plans and our own Area Statements. This is common across the other Public Bodies and it is this that drove our principle around place-based delivery.

We have set out to create a single Operations Directorate in NRW within the next two to three years. This will need the existing six terrestrial Heads of Operations to assume an even higher profile to manage the geographical areas of Wales. In so doing they, along with the Head of Marine Services, will be accountable for delivery of our outcomes in these places. We want them to feel empowered to create the sense of place that is so important in Wales, and with their teams to feel empowered to work freely with partners, to enable their communities to be more resilient and to deliver improvements in local customer service to those that live in their places.

This will be a significant challenge but with the right tools, skills and resources we are confident that a structure focussed on place-based delivery is key. This will require a significant shift in mindset and ways of working for some parts of NRW, and we felt that the proposed structure would provide the challenge to make that change. It is clear from the responses from staff that in some cases pushing hard to deliver activities in all six terrestrial places in Wales leads to a lack of resilience in skills and resources.

In some cases, we have accepted these views, whilst in others we are continuing to maintain one of our core principles to place putting as much activity under the responsibility of the Heads of Operations as possible.

It is important to note that for us to succeed in the delivery of the new Area Statements and Wellbeing Plans, we expect all teams within a place and indeed within NRW to be working in a way that delivers the sustainable management of natural resources (SMNR). The current perception that only certain teams deliver SMNR is not tenable or true. So, we will be undertaking a significant programme of Organisational Development to enable changes in ways of working and embed our new values and behaviours. This will ensure that we are all united behind our purpose and work in this new way to deliver the outcomes for the people and the environment of Wales.

Finally, we are committed to supporting the wellbeing of all our staff and we are providing support for individuals throughout this period.

Thank you for taking the time to comment.

**Executive Team**

**2.0 The Consultation**

2.1 The Purpose of this Report

On 15 August 2018 we launched our Whole Organisation Change Programme, Case for Change for consultation with staff and Trade Unions to hear views on a set of organisational design principles, a new Organisation Design, a refreshed managing change process and a set of associated ways of working. The Case for Change was a result of a programme of work to consider all elements of the business and to change the structure to reflect significant changes to the legislative context in which we operate, a new purpose and direction from Welsh Government and funding pressures on some parts of our activities.

We established a range of ways that staff could feedback their views, from the use of an Organisation Design email address, drop in sessions with leadership team and the Trade Unions, skype question and answer sessions and a formal online questionnaire operated by external contractors. The 45-day consultation, in line with the Advisory, Conciliation and Arbitration Service (ACAS) requirements, was supported by a comprehensive bilingual intranet site that was structured to allow easy access to the design principles, the structures and associated Role Descriptions, sets of Frequently Answered Questions and how to access personal support.

This document pulls together feedback from staff and the Trade Unions and describes how this feedback has been considered and how we have responded to this. It will not deal with and address each individual response. This document has been approved by the NRW Board and will be used to shape any redesign or amendments to structure in time for the formal change implementation.

2.2 Context for the Case for Change

The first years of NRW were focussed on the work to establish our own stand-alone capability, through restructuring, setting up new systems and ways of working, and removing our dependency on the legacy organisations. Since then we have focussed on developing our organisational structure, so we can meet our future ambitions and challenges. This will enable us to fulfil the aspirations of the Business Case for establishing NRW that sought to deliver better outcomes, deliver better for Wales and deliver better value for money.

As we enter a new phase, looking forward to delivery of the Corporate Plan and supporting new Welsh legislation (the Environment (Wales) Act 2016, that sets our purpose, and the Well-being of Future Generations (Wales) Act 2015, that requires us to maximise our contribution to future well-being), we needed to review the design of the organisation to make it better equipped for the future. The Organisation Design (OD) Programme was set up in June 2016 to create an organisation that embeds Sustainable Management of Natural Resources (SMNR) in all we do, encourages others to do the same, meets the needs of customers and partners, and contributes to Wales' Well-being Goals.

This will require different ways of working within NRW. We need more integrated place-based delivery, working even more closely with partners and communities. As a result, we have proposed a new organisational structure and ways of working to ensure we can fulfil our purpose, lead the way in Wales to a more sustainable management of natural resources and deliver on our ambition to be a world class organisation. We have also taken the opportunity to address feedback from staff surveys about a lack of career development, confused planning, lack of empowerment and too much management overhead.

We must also ensure the financial sustainability of the organisation within an economic environment where we face potential year-on-year reductions in Welsh Government (WG) Grant in Aid (GiA) revenue funding. We have forecast our financial position for the coming years and have a target to realise annual revenue savings of £15million by 2019-20 to be affordable and resilient to further changes. By end of 2017-18 we had already secured savings amounting to £5million per annum and thus need to secure a further £10 million of revenue savings per annum by 2019-20.

To help frame the work, in 2016 the review of the high-level business structure and senior management identified guiding principles and criteria for the new organisational design to follow. These were:

* Our **delivery activities** will be **integrated as far as possible**, in line with the Sustainable Management of Natural Resources (SMNR) and Wellbeing of Future Generations (WFG) Act principles, while retaining clear lines of accountability
* **Integrated delivery** means **integrated teams**, not necessarily ‘generalist’ posts.
* **Technical specialists** will largely be **commissioned by**, act in support of, the **integrated teams** and will **retain technical professional links** through virtual networks
* Promote **joined-up thinking and delivery**
* All of our **delivery** activities will be delivered **in line** with **SMNR principles** and as a default **Operations** Directorates will normally be **accountable for all place based delivery** including our commercial services
* Our delivery will **focus on place as far as possible**, with once-for-Wales or twice-for-Wales solutions where more effective and efficient.
* Our **evidence and strategy functions** will be focused on supporting NRW to **maximise its contribution to the well-being goals**, through the **delivery of our purpose** (sustainable management of natural resources)
* Our **enabling services** will be focused on delivering professional **support services** and public sector **corporate governance** requirements that are required for the whole organisation and where possible these **once in Wales services** will be **delivered through place focused teams**
* **ET/LT/MT and Team Leader roles will be clear** on Direct, Lead, Manage and delivery accountabilities with authority and budget delegated to the most appropriate levels. Encourage **delegation, empowerment and innovation**
* Our **Staff/management ratio** will be in the **range of 6-12:1**, with an organisational average of no less than 8:1
* We will aim for there to be **no more than 5 tiers below our Chief Executiv**e
* Ensure **organisational sustainability and affordability**, design for 2020
* Deliver **customer care**
* **Consistency** of approach, while leaving room for innovation

The Design Teams produced structures, ways of working and change process, to meet these principles, requirements and drivers and these were reflected in the Case for Change which was the subject of the staff consultation.

2.3 The Consultation Process

It was important to allow all staff the chance to feed in their thoughts about the proposed design and the ways of working. During the design process, we held three all organisation involvement sessions which allowed staff to understand the requirements for change, feed in design ideas and discuss new ways of working.

On 15 August 2018 the consultation was launched to staff and they were provided with the following key information:

* the new graded Organisation Design
* the role descriptions for all jobs
* narratives describing the work of the Directorates and teams
* description of the detailed change process
* a comprehensive set of Frequently Asked Questions

The intranet was designed to make access to this information easy and staff were encouraged to read this and then to feedback through an online questionnaire hosted by an external provider. A fully accessible version of this was also provided to allow all staff to reply. Both versions provided quantitative and qualitative information which was then compiled by the contractors and provided as feedback for us to use as part of the review of the proposals.

To support the consultation process we invested significant time to ensure that all staff had the chance to ask questions and to feed in their views. We held 5 staff question and answer skype sessions, drop in sessions hosted by Leadership Team, Directorate or functional staff sessions, video message and email from Clare Pillman, 1 to 1’s with line managers and finally an Organisation Design email inbox to allow staff to send in questions. In parallel the Trade Unions held staff sessions to gauge views.

In total we held:

**50** Drop in sessions across all offices in Wales

**40** Directorate sessions

**25** Trade Union meetings

**5** Staff question and answer skypes attended by 400 staff

**1136** Responses to the questionnaire

**814** Emails to the Organisation Design Inbox

We also know there were many ongoing conversations between staff and managers throughout the period.

The feedback from all these sources was gathered together by the Programme Team into the major themes for consideration by the Directorate Project Design Teams. They were able to assess whether the staff feedback had highlighted new opportunities or new risks that needed to be addressed before the final structure was signed off. This analysis forms the basis of this report.

1. **Response to The Case for Change**

The Whole Organisation Case for Change set out the, financial, legislative and organisational drivers for change and described the response of the organisation to these. It described how the Senior Management Review Case for Change had set the direction for this Whole Organisation Change Programme in terms of the high-level Organisation Design, design principles and ways of working and then how the design of the rest of the organisation should follow. There were some modifications to the Senior Structure prior to issue of the consultation and this was reflected in the proposed Organisation Design and subject to the same consultation. The Case for Change was supported by detailed structures, narratives, and details of the Managing Change process.

The NRW Case for Change 2018 Report of Findings (the “Canta Report”) provides detailed analysis of the responses from staff on the Case for Change. From the full analysis of all responses to the consultation via the online survey tool we can see the emergence of five key themes. While these are distinct themes in their own right, they are closely linked with a significant level of crossover between the underlying bases for each. The themes are:

## Review the Organisation Design structure. The majority of responses from staff highlight concerns with the proposed structure for Organisation Design. While the issues raised vary according the likely impact the changes will have on them as teams and individuals, there is a general consensus that further review of the structure is needed to ensure that it will deliver what is needed for NRW.

## Right People, Right Job. Ensuring the right people are placed in the right roles is pivotal to the successful implementation and integration of change within the organisation. However, many staff viewed the proposed processes for matching, appeals and expressions of interest as being unable to effectively deliver this.

## Delivering a service for the people and environment of Wales. Staff are concerned that the proposed Organisation Design will severely compromise the organisation’s ability to deliver the services that are needed for the environment in Wales. With many staff feeling that place based working has been tried before and failed, there are fears that the proposed structures will not be able to support the required work and lead to a failure of the organisation to deliver its statutory duties.

## Eroding Resilience. While the Case for Change highlights the need to deliver a resilient and sustainable organisation, the majority of staff feel that the proposed Organisation Design structure will not be able to deliver this. Staff concerns focussing on the loss of resilience, particularly technical resilience within specialist teams, are evident throughout the consultation responses. They are intrinsically linked with the sustainability of place-based teams and the disaggregation of specialist skills.

## Demonstrate Listening. Many staff clearly express the need to be listened to. This call is evident throughout their responses to the Case for Change Consultation.

When asked if staff believe that there is a Case for Change the response through the Canta Report is highlighted below in Box 1.

**Box 1. Having read the Case for Change documents, how strongly do you agree or disagree that there is a case for change in NRW?**

1: Strongly Disagree (122)

2: Disagree (208)

3: Agree (547)

4: Strongly Agree (141)

5: I Don't know (91)

Thus, around two thirds of the organisation, that gave a view, believe there is a need to change and they understand the drivers and requirements for this. Examples of the comments provided in the online questionnaire that acknowledge this are; *“the Case for Change makes sense”*, and *“whilst I accept the Case for Change the scale of change is enormous”*. This second comment is consistent with other feedback about the scale of the change and the organisation’s response to this change. This feedback is described in more detail under the relevant section of the Organisation Design feedback and response section.

There are still a significant number of staff who do not believe there is a Case for Change. This shows that there is more work to do to explain why the challenges we face as an organisation have led to this need for a redesign. It will be important that during the next months as we implement the final agreed structure that this case is made more clearly by all leaders in NRW so that it is clear why we need to change and why the proposed structure will allow us to meet the challenges identified.

We asked two questions to gauge staff views on whether they believed that the structure would deliver on two key design objectives. Firstly, we asked if staff believed that the new design would allow the organisation to deliver effective place-based working, and secondly whether staff felt the structure would allow the organisation to be more resilient and sustainable. The quantitative results from these questions are shown in Box 2 and Box 3.

**Box 2. I believe the proposed new structures will deliver the Organisation Design objective of place-based working.**

Strongly Disagree (230)

Disagree (340)

Agree (289)

Strongly Agree (22)

I don't know (236)

Around 50% of the responders disagreed or strongly disagreed that these new structures will deliver the objective of place-based working. This is obviously disappointing as the structures have been designed to put more resources and functions at the disposal of the Heads of Operations, so they have more resources available to them to deliver what they need to do in the place. An example of this is reflected in this comment; “*The new structure is positive with Land Management and Forest Operations being put together. This should increase efficiency of managing NRW land.”*

It is clear though, from the comments associated with this question and the next, that staff see the reduction in resources of the NRM teams as a key factor impacting on the effectiveness of place-based working. The other high response areas in flood risk management, monitoring and assessment, and enforcement have also said that splitting those resources into six terrestrial places will not enhance place-based delivery due to the technical skills being spread so thinly. This has been considered in detail by the Design Teams and they have considered a range of options in response. It is clear that the key principle of having staff and resources working to a place though is important to ensure that it’s possible to fully delivered what’s required in that place.

**Box 3: I believe that the proposed new structures will deliver the Organisation Design objective of a resilient and sustainable organisation:**

Strongly Disagree (446)

Disagree (362)

Agree (96)

Strongly Agree (13)

I don't know (199)

There is a strong disagreement from staff that the design will deliver the objective of making the organisation more resilient and sustainable in the future (Box 3). The reductions in resources in the core structure that have been made to make the organisation affordable and sustainable by the year 2020 have conflicted with the view that this is making the organisation more resilient. The resilience of the whole Public Sector is being tested and difficult decisions are being made about what activities are resourced. This requires all Public Bodies to look at working differently to develop resilience across the whole sector and not just within their individual organisations.

## Again, the key response areas covering the NRM teams, monitoring and assessment, flood risk management and enforcement have all suggested that the move to push these activities out into the terrestrial Heads of Operations structures and splitting these six times, means that functionally these will have less resilience. Examples of these comments are; “*New structures should be more affordable and sustainable but If the teams are spread thinner over six areas …there will be less ability to change in the future; six place model will result in complete lack of resilience of skills and knowledge for any particular area; lack of resources in Operations will prevent us delivering in a place-based way.”*

The Case for Change acknowledged these concerns and recognised that the key to success for many of the issues raised was the need to change the way we work within NRW, and with partners and to build more effective teams locally in the place and also virtually across different functional activities. The resource shortfalls will need to be addressed through the development of effective service plans by the Heads of Business and Heads of Service to make sure we only undertake work we can resource and stop some activities that we can no longer afford to do.

The full consideration of the themes that were raised by staff in relation to the achievement of the overarching design objectives have been considered thoroughly by the Design Teams, the Leadership Team and Executive Team. These considerations are reflected in the detailed sections 4, 5 and 6.

**4.0 Response to New Structures**

The following section focuses on the major themes or issues raised in the consultation.

It does not deal with information on areas outside the Case for Change or for areas outside the scope of the Organisation Design Programme such as the Senior Management Review and its subsequent revision.

Single or team issues raised that relate to changes in the Role Descriptions or Organograms and other small-scale changes have been dealt with directly and in Section 5. They are not included here, unless they form part of a greater mass of feedback on one of the themes below. Also, questions concerning procedures have generally been dealt with directly during the consultation.

4.1 Feedback Concerning High Level Generic Issues

4.11 Resources

There is some feedback that Enabling Services and Evidence Policy and Permitting groups are too large and more resources from these Directorates should be moved to Operations and particularly for Grant in Aid activities.

We agree that it is important that NRW continues to monitor and adjust overall resources to maintain an efficient and effective organisation. However not all Enabling Services and Evidence, Policy, and Permitting Directorates delivery is back office functions and not all operational outcomes are delivered by Operations Directorates, so it is important to deploy resources in a concerted way from all parts of the business. The design and ways of working set out delivery through the Head of Business and Head of Service lens rather than through the Directorates so that we all contribute to the delivery of the Service Plan. It’s then for the Business Boards to review the use of resources, rebalancing and refocusing as required, through the Service Plans to ensure we deliver what is required. These plans will reflect bottom up and the top down requirements.

4.12 Funding Streams

There was feedback related to the cuts in funding and therefore posts in some areas of the design and a subsequent challenge to NRW to use other sources of funds to cover the work in these areas. There is a perception that all we are doing is maintaining the status quo in what we deliver and where. Whilst we understand this, it is important to recognise that the Legislation, Treasury rules and our Welsh Government (WG) Framework Document sets our position of what we can and cannot use the different funding streams for. For example, it would not be legal for us to check compliance of a waste site and charge that to Grant in Aid nor could we use timber income for the maintenance of a flood defence asset, unless we could evidence a benefit in line with legislation etc.

Of our funding, our Non-Flood Grant in Aid has seen the greatest reduction in income (some 30%) since NRW was created and is subject to more reductions this financial year and next. We have repeatedly made the case for WG to protect our funding and to seek flexibility in how we use the Grant in Aid to allow us to make best use of the money for the right priorities. We have also commissioned a review of our Charging Schemes and as part of this we will be looking to ensure they also contribute to the wider efforts to deliver the Sustainable Management of Natural Resources (SMNR).

The challenge therefore is for all aspects of our delivery to support the SMNR by working closely together within NRW and with our partners on Public Services Boards (PSB’s) and elsewhere. Whether this is the delivery of a service or solving problems, the aim of moving to a place-based approach is to bring all the elements of NRW together to work more closely. Irrespective of funding source we must all work in this way to ensure we can meet the aspirations of the legislation and our customers.

4.13 Ways of Working

There is significant concern from all areas of NRW about making the new structure work on Day 1. We recognise that this is important for delivery of Organisation Design and that we need both pre and post 1 April 2019 implementation plans. Developing these implementation plans has already started to ensure that the risks are managed. The work is being led by the Heads of Business and Heads of Service and their Business Boards. Their focus is on developing new ways of working to support the place-based approach, new protocols and communication channels, to ensure we are clear on roles and responsibilities and that information is passed effectively across the organisation.

We have also identified a range of system changes that are required to ensure that the right posts have the right access to systems and the right levels of authority to be able to undertake their work. For example, work is underway in ICT, BSS, Finance, Corporate Strategy, and Organisation Development.

In addition to the requirements for Day 1 readiness, we also need to focus now on providing staff with support and training after Day 1. This will include allowing more time for teams to form and learn about their new roles and those of their colleagues in a structured way. We recognise that to do this will need time as well as funding. To that end we will adjust our Service Plans in recognition of the need to develop staff and new teams at all levels.

4.14 Six Terrestrial Place Structure

A small number of responses have questioned the number of operational places in the current proposed Organisation Design indicating that fewer places would give each place a larger number of teams and staff groupings and thus allow more resilience to be built into the structure. Staff believe this would avoid some of the resources being spread so thinly for activities such as monitoring, enforcement, Mechanical Electrical Instrumentation Control and Automation (MEICA), and some of the technical flood risk activities which they think do not lend themselves to be split six times.

The new Welsh legislation drives the whole of the public sector to work together to deliver place-based outcomes. All public sector organisations are being challenged to work more effectively together to build more integrated solutions that are responsive to the needs of people and communities.

We need to respond to this as an organisation by building stronger relationships with our partners and customers in PSBs, Local Authorities and Health Boards for example. The Environment Act requires these organisations to work with us in the preparation of Area Statements, they are also required in law to use the Area Statements when preparing their own plans and programmes of work. We all know that healthy and resilient ecosystems underpin all aspects of well-being in Wales, but this simple truth is not always recognised by other parts of the public sector. We have a big job to do to get our evidence and expertise on natural resources built into the decision making of other parts of the public service in Wales.

To facilitate this, the number of Area Statements is aligned to Public Services Boards and their boundaries. It is felt that six terrestrial places allow opportunity for more effective engagement by the Heads of Operations to build their local networks. Anything fewer and the areas will be so large that it will not be possible to build effective networks, anything more will lead to smaller teams and too many Heads of Operation.

The current design has the Heads of Operations with some 12-19 teams, depending on the size of the place and the work within it. To combine some places to reduce the numbers would lead to the creation of very large structures in each place and thus mean that the Heads of Operations would become more disconnected from their external networks.

The challenge raised of spreading resources too thinly has been considered by the specific Head of Business and Head of Service group (monitoring, enforcement, FRM etc) and where the risks are now felt to be too high, based on staff feedback, then changes to the structures are being proposed elsewhere in this report.

In summary, it is proposed that we continue to operate with the six terrestrial Heads of Operations model to ensure we can deliver the opportunities and benefits that arise from working with partners on the Public Services Board, Wellbeing Plans and our own Area Statements.

4.15 Post Titles

There was feedback concerning the lack of meaningful externally facing naming convention for all posts in the new structures. We accept that this is unfinished work and we will develop a new post naming convention for the 1 November that will be applied across all NRW. This will mean that new job titles will apply from 1 April 2019. The internal post titles linked to the Role Description Hierarchy will however be retained to ensure consistency across the business and for internal use in the HR and Finance systems.

4.16 Technical Pathway and Grades

There is feedback about technical career routes and grading of roles, with some querying whether we are doing enough to cater for this and pointing out the differentiation of grades between Directorates. The proposed hierarchy has endeavoured to strike the right balance between technical roles and line management roles, and roles that combine both, within the confines of the budget available and the design principles. The structure does have additional higher graded roles, and this is consistent with the aspiration to have higher qualified and more experienced staff to lead on influencing others to deliver outcomes. We feel that this balance is as good as we can make it and will require all staff to focus on delivering our objectives, with the higher graded technical experts helping all teams deliver their objectives, rather than focussing on their own Directorate. As such we will not be making significant changes in this regard.

4.2 Feedback on Specific Major Themes or Issues

The following areas set out where feedback was significant or could be themed into areas of concern and therefore further structural changes were considered.

We do not propose to make any major changes to the other new structures set out in the formal consultation if they are not covered below. However as with all organisations there will be some ongoing minor changes to reflect ideas that identify better ways of working.

4.3 Operations

Manager Post Titles

There was feedback concerning the lack of meaningful names for the managers of the “direct doing” and “doing with others” posts. We accept that this is unfinished work and we will develop a new post naming convention for the 1 November 2018 that will be applied across all NRW.

Energy Delivery

The feedback from the Energy Delivery Team expressed concern that the proposed approach of splitting their work into a strategic development arm in Finance and Corporate Services and a project delivery arm in Operations would not work, or at least be more difficult. The following is part of some of the feedback. “*The fact that the team has been divided into 2 might make things less easy. Programme and Project teams work hand in hand from the initiation of the project right through the Operating stage.”* Their feedback was that the split is arbitrary and that roles are much more intertwined than indicated and the split would be very inefficient and time consuming.

A working group was set up to examine the issues and they submitted a proposal to retain the team as is whilst injecting some additional resources into Operations to help manage the interface better. The proposal in the Formal Consultation was driven by the basic principle that strategy and oversight of all our commercial activity should reside in the new Commercial Dept and we have considered the benefits of these principles and the submission from the working group.

This was also discussed with the Board and we have decided to stay with the original design that separates the commercial strategy, governance elements of the Energy Delivery work into the new Commercial Department and then maintain the on the ground project management and delivery within operations and split between two teams. We will look at the best reporting lines for these teams based on where the activity is currently and projected to be carried out

NRM/Cynefin

There was significant feedback concerning the reduction in staff in the NRM/Cynefin teams. The concern particularly focuses on the ability to deliver the aspirations of SMNR, particularly in new areas of our work and in their external facing activities, but also in our ability to deliver and support ecosystems resilience objectives set out in NRW’s strategy for biodiversity ‘Vital Nature’. Given who we are, and that NRW has a duty under the Environment Act to promote and enhance biodiversity, we have taken seriously the overwhelming feedback that the new NRM/Cynefin place-based structures are severely under resourced, are potentially unsustainable, and there is widespread concern from staff that they are being “set up to fail”.

The proposed reduction in the number of permanent posts in NRM teams could also lead to a loss of skills and experience from Operations that significantly undermines our ability to deliver against both core duties and the “new agenda” (PSB and Wellbeing Plan delivery. For example; *“Cuts will severely reduce NRMs ability to deliver both statutory duties & SMNR. Concerns that the environment will suffer greatly, particularly if officers are supposed to be primarily office based*.”

In support of the current proposal, we had already identified there would be additional temporary funding available for approximately 50 fixed term appointments (FTAs) for two years to cover a range of new duties and to push the new ways of working required for SMNR, for example support for Public Services Boards. We recognised that this was an additional ask and not included in our Business Area Review work. The intention being that if we could proactively demonstrate the benefits of working in this way in delivering the Wellbeing goals, then we would have a stronger case with Welsh Government to seek support to make this funding permanent to deliver their aspirations.

Following the consultation feedback highlighting the risk of the loss of skills and expertise, we have now decided to make 60% of these fixed term posts permanent (i.e. 30 of the 50) and include them in the baseline salary costs to undertake the work on working with PSBs etc. These will then be in the core structure and built into the design, the remaining 20 roles will still be retained as FTAs. We will actively manage this over the next two years to demonstrate the benefits in working in this way and build a case to continue this funding. If WG do not agree to this, then we will need to re-evaluate the distribution of the GiA funding again to see where this would be best spent.

To ensure that we deliver our new duties under the Wellbeing of Future Generations Act we will make it clear that all teams in NRW, and not just the NRM teams, need to be involved in delivering this work. In the future this will be done through Service Plans which will set out the annual programmes of work for the teams. These will be produced, through collaboration, by the Heads of Business, Heads of Service and Heads of Operations. It will mean that some areas of work will have to stop because it will not be required by the Service Plan. This way we can ensure that all teams are involved in the delivery of our goals and that workloads are managed to ensure that it does not overwhelm them.

There was also feedback on the boundaries of the individual teams in the structures and a lack of information on this. However, there is limited feedback requesting changes to the overall structures proposed in the Formal Consultation. The Design Team allocated resources to the six terrestrial places and proposed the number and structure of teams based on the design principles, Heads of Operations are working with their management teams to decide how to best deploy these resources, including the geographical areas for the teams and the required balance of skills. The results of this work will be available to support the matching process.

There was concern over the reduction in senior officers within the new structures and the introduction of new lower graded posts. It is proposed that the new posts will help the teams run more effectively and support the broad remit of these teams and the administration of ICT systems. This will allow more senior officers to work at a higher level more effectively. These posts provide a better hierarchy in the teams and a point where new staff can enter NRW and learn the required skills for this area of work. Removal of these posts and replacement of higher grades would result overall in net loss of resource within these teams. There is currently significant variation in the number of senior officers in each NRM team and their roles. As part of the design process we sought to introduce some consistency to the structures of the teams and the numbers of senior officers.

There is also feedback on the generic nature of the Role Descriptions and the lack of specialisms contained in them. We recognise that this is a change from legacy bodies, but it is the approach that has been developed for NRW. We do though need to be confident that we have the right skills and knowledge in the teams and will therefore review the Role Descriptions to ensure that any specialisms required are included.

There was feedback that the proposed name of Cynefin for the teams is not liked by all staff and that we should develop a new name. We recognise that we need a name that is acceptable and will therefore work with the relevant staff to develop a new name before we move to the new structures on 1 April 2019.

Enforcement

The move to deliver enforcement from the six terrestrial place-based teams was not welcomed according to the feedback. There was a preference to retain a single enforcement service working across Wales to deliver this activity. Typical of the feedback is that; *“The environmental crime enforcement department can be the most efficient and effective and be best future proofed in terms of resilience by being kept together*.” The feedback was mainly from those engaged in this work who were concerned that this was not the most efficient approach and will be very challenging to ensure that national priorities and cross area issues are addressed.

We recognise these concerns and accept that there is a challenge in this approach. However, we believe that the proposed structure does provide opportunity for better local prioritisation, better integration into the place-based teams and brings the rest of place-based staff closer to this activity. Thus, on balance we have decided to continue with the approach set out in the Formal Consultation and take a place-based approach.

We do however, accept the suggestions made during consultation that to make this work better, the environmental crime posts for fisheries and waste should be moved into NRM/Cynefin and form part of the same team. The central enforcement team will be retained as a discreet team but located in one of the six terrestrial areas. We accept that there is a need to develop a detailed implementation plan to ensure that new ways of working are embedded to ensure that the issues identified are managed and the opportunities exploited.

Site Based Regulation

There was significant feedback on the proposal to move to six terrestrial areas and then to integrate waste and regulated industry posts into single regulatory teams. For example; “*The new proposal to merge industry with waste regulation to form integrated teams will not deliver any of the perceived benefits or objectives set out in OD. It is likely to jeopardise the regulation of some of the most dangerous and complex facilities in the UK. It will provide a significantly worse customer service to our operators, partners (e.g. HSE, Counter Terrorism). Will be very difficult to undo if implemented. The model has already been tried in South East and failed. It is dangerous”*

Whilst this is not universal feedback most staff did not agree with the proposal to integrate the waste and industry regulatory teams.

We believe that regulation needs to be place-based and for the positive benefits that local delivery brings for staff and customers we have decided to continue to have a place-based approach with posts in all six terrestrial areas. However, we have noted the staff feedback and the strong views about the benefits to having separate teams with a clear focus on waste or industry site regulation. So, where there is sufficient resource for separate teams to be viable in a place this will be allowed, the final decision will sit with the of Heads of Operations. The benefits of keeping the place-based approach will still be retained and we will be requiring the regulatory teams to engage more actively with other teams in their places to deliver local Sustainable Management of Natural Resources.

Waste Once in Operations

The main feedback related to the resource levels and location of the Flytipping Action Wales (FTAW) activities in this team. The funding assumptions for the activities in these teams has recently changed from those used at the design stage. We will now be redesigning with the intention of there being two teams, one of which will focus on FTAW, and the other on the once in Wales waste regulation activities.

Marine

There was limited feedback on this area in the Formal Consultation, little of which raised concerns about the structure. Feedback focused on ensuring clarity on areas of responsibility, interaction with other teams and ways of working. The following is one such comment; “*Odd to have some once-for-Wales teams in place-based areas rather than in the DPAS/marine grouping.”* We do not intend to make any changes to the structure. There is some concern about resilience, but through new ways of working it should be possible to work through these issues. We will update the narratives to ensure this is resolved.

Development Planning Advice Service (DPAS)

There were two main issues that we identified from the feedback on the formal consultation.

Firstly, the proposal for a dedicated Mid Wales Team. We received some feedback suggesting that the team and its work could be amalgamated into the other three neighbouring teams. The following is one such comment;*” DPAS should not include a Mid Wales team. This set up hasn't worked since DPAS was formed*.” Having considered this we remain of the view that the workload is significant enough to retain this team and provides a meaningful geographical context for internal and external customers.

Secondly, there was feedback on the proposed grade distribution in the teams and an alternative model proposed from staff. The view was that this would offer a more efficient model and better support future business processes without increasing cost. The new model proposed by the staff including Grade 2 roles in the new structure, removing Grade 3 roles and increasing the capacity at the Grade 5 level. We agree with the case made and have amended the structure accordingly.

Flood Risk and Water Management

There was overwhelming feedback expressing concern about splitting these activities into the six terrestrial place-based teams. This includes the activities in Flood Risk and Water Management teams 1 and 2 in the proposed structures: flood risk asset systems, flood risk analysis, flood incident management, water resources and hydrology, hydrometry and telemetry. There was significant concern over the operational delivery of these activities through the six terrestrial place-based model, and generally a view that the risks are too big with insufficient mitigation possible to manage them. The preference expressed in the feedback was to return to a 2 times model for these activities. For example; “*No regard to specific critical mass & technical resilience. FIM-high level customer reliance and suitability. Affordable, efficient, highly effective. Critical mass provides effective development and succession planning. Trusted customer model. Now dismantled to six areas. Much of case for change already exists within FIMHYD practices. Critical mass key mechanism for maintaining effective, workable FIMHYD service*.”

We accept that this is a high-risk area of NRW’s work and it is very challenging to deliver the more specialist areas of flood activities from the six terrestrial areas. We have therefore reviewed the approach set out in the Formal Consultation and reconsidered how much really can go to place and which critical activities should be re-brigaded into specialist teams. We did consider whether these should take a once, twice or three times across Wales approach. On balance, we have decided that these services be provided from two units, one in the north and one in the south of Wales and so we will therefore redesign on this basis. This will have an impact in the rest of the design of the six terrestrial areas as the removal of the specialist flood activities will result in needing to consider the impact on the ‘direct doing’ teams and managers.

There were some queries around the grade distributions in these teams and we this has been reconsidered during the re-design of the structure to a twice model.

We also received feedback that there is a strong need to ensure that Flood Risk Management staff become more integrated into place-based ways of working and moving away from the proposed six terrestrial area model may make this harder. So, this is an area we will keep in sharp focus. We will work through Heads of Business, Service and Operations to drive integrated working, including ensuring that the planning and engagement activities for flood risk management are integrated with place-based planning and in particular the work of the People and Places teams.

Integrated Engineering (including MEICA), Integrated Workforce and Internal Drainage Districts

Overall, there was support for delivering these largely field operational activities from the six terrestrial areas and from an integrated workforce. We therefore intend to continue with the proposal to deliver this work through the six terrestrial areas, with the caveat around MEICA work (see below).

There was some feedback expressing concern over the distribution of posts in the new structure compared with the location of the existing staff. We accept that this is the case, as we have used workload indicators based on focusing our resources on areas identified through the communities at risk register. This may not be the workload that is currently being delivered. We also factored in our need for resources in the right places for our incident response duties. We agree that there needs to be an implementation plan to transition to the new distribution of resources and this will be worked up.

We received feedback expressing concern about the split up of the MEICA team into the six terrestrial place-based team resulting in no resilience as this is a very small team. For example; “*I am very concerned with the proposed structures with regards MEICA in the North. At the present myself and one other colleague asset manage all the assets in the North and some of mid wales*.” We accept this argument and will therefore review the structure with a view to delivering this activity through a single team, servicing all assets in Wales.

We received feedback that there appeared to be a funded post missing from the IDD team in South Wales. We agree, and it has been included.

Land Management

The move of forest operations into the local place-based teams is overwhelmingly supported. Whilst this point has been overshadowed by other feedback through the written channels the support has come through local team meetings.

However, this will require the changes to be managed carefully because of moving this work into the local teams from a national service. Not all staff are experienced in these activities, understand the safety risks and customer requirements, particularly at team leader and manager level. The following quote sums this up. *“I can't realistically see the timber harvesting programme being able to continue uninterrupted with the scale of changes proposed- new roles, new managers, new ways of working, new budget holders all by April!?”*

There were also concerns that the management tier will have too much span of control in the place-based structures with all land and some flood risk management activities. However, the proposed move of the specialist FRM activities into specialist teams will allow this to be resolved.

We also accept that there is a need to refine some of the team structures, (numbers of teams, grades and team sizes) to reflect more detailed workload indicators for each of the six terrestrial areas. This includes some refinements to the integrated engineering and visitor centre teams and the fleet team in the North West. This will be concluded by 1 November 2018.

Other than these revisions to the teams the overall approach will remain unchanged with place-based delivery in all six terrestrial areas.

A detailed implementation plan will be needed, and this should include transitional cross border working to reflect variation in programmes, size and skills of teams, team leaders and managers. Training plans and new protocols will need to be developed. Initially there will need to be mentoring by more experienced staff.

The Head of Business for Land Stewardship will initiate work on the implementation plan to mitigate these risks. This needs to be developed to support new structures running up to and post 1 April 2019.

Monitoring

There is feedback that the splitting into the six terrestrial place-based approach will be less efficient and more difficult to deliver the programme. This is typical of the feedback. “*We don't have sufficient manpower or skills to deliver our operational monitoring, assessment and reporting work in six place-based teams. This model is inefficient and will result in manpower resilience issues, and inflexible and inconsistent delivery*.” There is strong preference that sampling, and monitoring remains a national approach. There is also concern that there is insufficient resource to deliver the programme in some areas, particularly terrestrial monitoring. The feedback is mainly from monitoring staff, through team meetings as well as written responses.

We have considered the options again but decided on balance to retain the six terrestrial place-based approach due to the opportunities that working with other place-based teams will provide. We appreciate that there will be a need for new ways of working to coordinate evidence collection activity. The Head of Business for Knowledge and Evidence is working on the integration and implementation plan to mitigate the risks and ensure that this work continues effectively after 1 April 2019.

Following feedback, we will revisit the balance between Grade 5 and Grade 6 posts in the proposed teams.

In addition, in recognitions of the concerns about the constrained resources for Terrestrial Monitoring (which existed prior to NRW formation) we have secured Programme Board support to provide budget for an additional three posts to support this work and in doing so respond to staff concerns that resources for this activity had been reduced significantly.

4.4 Enabling Services

Business Support Services

Most of the feedback concerned the changes to facilities and fleet management teams. For example:

*“Facilities must be properly recognised, and the much needed staff numbers / time needed to ensure that all of the sites we manage are legally compliant.”*

The concerns reflect the reduction in numbers and the changes in roles in the new structure especially as the changes to our Accommodation portfolio have yet to be finalised. The existing team, delivering these services, proposed an alternative approach, recognising the need for an improved technical focus within the Corporate Assets function. The proposal was cost neutral. Following evaluation, it was agreed that the proposed approach will be adopted. The structure and Role Descriptions set out in the Formal Consultation has been amended to reflect this feedback.

ICT

During consultation several smaller areas of ICT were identified as needing adjustment in regard to grading, role description content and reporting lines. This feedback has been accepted and changes are being enacted. There has been useful feedback around Wiski, and as a result it appears there is a resource shortfall of 2 Full Time Equivalents (FTE’s). We have accepted that these are issues that need to be resolved and are developing options to include these activities in ICT teams. These changes however will have to be cost neutral.

There was also feedback that there are overlapping GIS roles between the Knowledge and Information Team in Evidence, Policy and Permitting. Following investigation, we have concluded that there is no need for any adjustment to the structures. However, there is a need to remove any crossover between the Role Descriptions and the team narratives the activities performed by these posts.

Lastly there were concerns about the structure within the Development and Innovation team in terms of reporting links. We accept this feedback and have reviewed the structure and amended it to address these concerns. These changes will be cost neutral.

Customer, Communications and Information

It is recognised that there are a number of challenges facing the teams within Customer, Communications and Information. We are listening to the excellent feedback and considering how we address these concerns, whilst developing functional ways of working within the new structure and living within the financial constraints that are the reality.

The proposal to reduce the translations service from 3 FTE to 1 has resulted in feedback that this is unsustainable, as per the quote from consultation.

*“Having one single translator or even a shared post is unrealistic and impractical”.*

We have therefore examined this proposal again to look at other options such as sharing with other public bodies to ensure we are sustainable in the long term and can meet our legal requirements. We have concluded that the work required in reviewing this service cannot be undertaken in the timescales we have available. Therefore, we propose to introduce 2 fixed term posts as an interim measure whilst a review can be completed.

Feedback was received on the level of the SIRO support post within the structure. Following review of the role description and future ways of working, the post will remain at the same level.

Procurement

There was positive feedback from the Formal Consultation concerning the move of the Purchase Order Processing team, and Grants and Partnership team, to Procurement. It was the general view that joining Procurement, would better facilitate the application of common standards and advice across all the service. As demonstrated by the below extract, there were also concerns expressed in the Formal Consultation over the challenges around the changes to some posts and the reductions in staff. *“Although aware of the cost constraints that I have worked within to develop a new structure for the future, I am concerned that there needs to be more flex in the structure moving forward in order to accommodate shifts in demand for procurement resources”.*

It was also recognised that there is limited capacity to take on any new work, should for example the Welsh Government National Procurement Service reduce, and their work move to other public bodies.

We accept these concerns and have revisited some of the posts and the structure to provide a better focus in line with some of the feedback. The structural changes will be cost neutral.

People Management

Apprehension was expressed regarding the level of resourcing within the People Management function, in particular around the delivery of Learning and Development objectives within the organisation. The comments received have been assessed in regard to service delivery, and agreement has been made to adjust the grade and reporting line of the current Learning and Development post.

The grade change reflects an increase and change in responsibilities for Learning and Development delivery, and the reporting line change reduces the span of control that was considered to be a far too broad level of responsibility for the People Management Team Leader.

Commercial

Timber Marketing and Support. There is concern that this team that will form part of the new Commercial Department in Enabling Services has been reduced in size to a point where it will not be able to deliver their core activity. We accept that this is a concern and having viewed a revised proposal to increase numbers and address commercial compliance, changes to the structure will be made for 1 November 2018.

Organisation Development

There were comments and concerns in the feedback covering the scope and level of the posts in this new team in NRW. We accept that these posts have a very important role in providing the lead in the future development of our people and teams. We accept the feedback and have reviewed the Roles Descriptions to ensure that this team works at the right level influencing the whole of NRW. There has been some redesign including amendment of grades for these post, but to ensure that the changes are cost neutral an adjustment in the number of posts was required.

Internal Audit

Feedback was focused on the Role Descriptions of the Manager and Team Members, with concern about the representation aspects of the posts and how they support each other. The Team Members are more junior and so at their proposed grade would not be expected to take on activities that focus on high level audit related strategic issues. We accept that the Internal Audit Manager does need more support from their team members, along with improved resilience within the team, and therefore have increased the grade of one of the team members to reflect that.

Legal

There was feedback challenging the move to two teams in the Legal Department. We have reviewed this proposal and have decided that there is no new evidence that this will not deliver greater resilience and allow specialisms to be maintained.

Corporate Strategy and Development

There is feedback expressing concern that this new Directorate will lead on areas that other teams currently lead on. We have reviewed this and conclude this is not the case, but it is clear that we need a better narrative to provide clarity on how they interface with other Departments and that the work of the posts in this Directorate are clear.

Concern has been expressed about the reduction of resource for Welsh Language and EDI as the proposal merges two roles. In response to this concern, we have increased the influencing responsibility and accountability of the role as EDI and WL must have a higher profile and importance in teams and across NRW. This new role will be an influential force in ensuring EDI and Welsh language become part of how we work as we continue to develop our culture

Finance

There was feedback received regarding the number of Business Finance Analyst roles and the lack of an FTA Project Accountant post to cover ongoing organisational change projects. Following review, it was recognised that a short term FTA for a Project Accountant would be an appropriate change, and an unfunded pressure bid will be submitted. Three of the Business Finance Analyst roles in the structure will remain at the same grade. The additional Business Analyst is required for Income and Charge Analysis, which is currently having to be undertaken within higher graded roles.

4.5 Evidence Policy and Permitting

The majority of the feedback from Evidence, Policy and Permitting (EPP) staff were queries seeking clarity on specific posts and activities, and on the change process itself. The following quote generally reflects the feedback. “*Whilst I am concerned with some of the proposed design and capacity in Operations, on the whole I think EPP design seems ok.”* There was little feedback expressing any concerns with the overall EPP structures, and the queries that were raised have generally already been considered in developing the structures. We do not therefore propose to make any changes to the overall structures set out in the formal consultation. The change process aspects are covered in Section 6.

There is feedback concerning the ‘end-to-end’ process in some areas of our work, and about the relationship and work splits with teams in different departments in EPP, for example between Natural Resource Management (NRM) Policy and Regulation and Permitting as well as the relationships with other Directorates (Operations and Enabling Services.) For example, on monitoring, site-based regulation, and on flood risk technical services. These are consistent with the feedback from Operations staff and are covered in the Operations section of this document. The design teams in the separate Directorates, plus where appropriate the Heads of Business and Heads of Service, have been considering this feedback collectively where appropriate and have made some changes (see the Operations section).

There is some feedback on the relative size of teams and split of activities in the new Land Stewardship department. This has been reviewed by the EPP design team. This will be cost neutral.

Some possible gaps were highlighted in some activities, with the risk that information and decisions are not taken or not taken in the right places. Comments included that it is not always clear where the “missing work” had gone. Had it been missed, moved or stopped? We are double-checking all points raised in this category to ensure that nothing has been missed. We have already made some changes to some posts and agree that we need to examine all the Role Descriptions to ensure we have included all the right information in them.

If an activity has been moved or stopped, then we need to be sure that this is clear in the narratives, and we will therefore examine these and revise as appropriate. Similarly, there are comments about our collective capacity to deliver the work we are tasked with, and the need for clarity on what is reduced and what is stopped. Again, this reinforces the need for the narratives to be clear in these areas and to re-emphasise that the Service Plans should only reflect the resources we have. Also, with any new structure we will need new ‘ways of working’ and clarity on how activities and services are delivered. Whilst ways of working have been and are clearly part of the thought process in arriving at structures, they have yet to be fully developed to the detail required to ensure we are operationally ready for Day 1 implementation. This is work in progress.

**5.0 Response to Role Descriptions**

There was a significant amount of feedback concerning a wide range of issues on Role Descriptions. Those that were sent in through the Organisation Design inbox were logged with the other feedback. We responded to these directly, also sending them to the relevant Design Teams for their consideration. We are grateful for the input from staff in this area.

The feedback ranged from simple queries concerning inconsistency of grading, suggestions for reformatting of the Part A, and helpful suggestion for amendments to the content of the Part A of the Role Description.

In addition, there were a few new clauses for inclusion in Part B that we were unable to include in all the draft Role Descriptions. They covered our responsibilities to deliver the sustainable management of natural resources and finance. These clauses had previously been agreed with the Trade Unions through partnership working. They will be included in the final versions used in the Change Programme.

From the feedback the future approach to managing incidents particularly the proposed new incident clauses, caused concern. These were included so that staff had sight of the posts that may have the higher-level requirements included in them at a future time. We thought that this was the most transparent approach to this issue. Although we tried to be clear that the work on incidents was a separate parallel project, we still received some feedback. We have reiterated this in the FAQ’s and agreed with Trade Union partners that this is a separate project. We will not address any of the concerns in this response and have passed these over to the Incidents Review Project. For those Roles Descriptions where incidents have been included in Part A we will review these and remove if not appropriate at this time.

There were comments on the job titles used in the Role Descriptions. The hierarchy of job titles we used to populate the Role Descriptions allowed us to differentiate between the grades and the management and technical hierarchies. This was a significant step to create a consistent approach to grading and Role Descriptions across the organisation. We have developed an approach to constructing job titles that will be applied to all posts during the Change Programme. This will allow more descriptive job titles to be developed but in a consistent manner. These will be far more useful in communicating with customers.

There was a lot of concern about the generic nature of the Role Description with much of the feedback focused on the lack of specialist skills or other detail contained in the narratives. We accept that there is a need to review some Role Descriptions and ensure that we do have the right skills set out in them so that they can deliver the requirements of that post. This is a significant change for NRW and will be the first time that all staff have a consistent approach to their Role Descriptions and so is a major milestone in bringing together all legacy arrangements into a new NRW approach. We acknowledge that this change in approach is different and may cause concern.

There was feedback that there was a need for a glossary of terms to support the creation and interpretation of Role Descriptions. A glossary of terms for the Change Programme was agreed with the TU and has also been published on the intranet alongside the consultation documentation, so staff can understand some of the terminology used. Therefore, this has been addressed during the consultation.

We accept that we need to ensure that staff understand the relationship between Performance and Development Plans and Role Descriptions and how they work as a package. We therefore aim to develop NRW policy, procedures and guidance on the creation and use of these documents, so staff understand how they work together.

Overall, we will retain the current approach to Role Descriptions but will revise where helpful feedback provides evidence that changes are required.

**6.0 Response to Change Policies and Procedures**

There has been significant feedback on the Change Programme, with concerns raised over a range of elements of the procedure including matching, ring fencing, appeals, and the Redeployment and Redundancy policy and programme. Also, concern was raised about how the procedure copes with a redesign and changes in posts and grades.

In response, the People Management process as set out in the proposal indicates that each step (in the Key Steps for Managing Change document) could be entered and exited by the whole organisation before the next step can commence e.g. the major step between the matching and expression of interest step. This would mean that some areas may need to pause while others with a larger volume complete their exercise. This is to ensure fairness of opportunity for all displaced staff at each stage of the process right across the organisation to run each stage in parallel across CHIGs. Within each key step, each CHIG is responsible for timely communications to the staff within that work area and will notify CHIB of any formal communications to be released

We accept this is a difficult process but that we need to have procedures that are quick, fair and legal. In development of the change process we set up a working group with the Trade Unions (TU) before the Formal Consultation to examine and develop the proposed process and procedures. That group continues to monitor issues and tries to resolve them. Some possible changes have already been agreed and others are under discussion.

6.1 General Background to Process Design

NRW is undergoing change as part of it’s Organisation Design Programme to better deliver its future aims and purpose. This redesign may lead to redeployment with the potential for redundancies because of a change in the type of skillsets and resource required in future roles to support delivery of the organisation’s aims.

Formal consultation was undertaken on the structural changes, and the proposed process for populating this new structure. The change element of the full process itself covers two stages: job-matching and then expression of interest. Having worked with the Trade Unions, in partnership, throughout the process design phase prior to consultation, the proposal covered a process based around grade as the central premise. This ensures that NRW honours its contractual obligations to staff, to employ them at a particular pay and grading. Any change of this grade would effectively be a change to the contractual relationship between NRW and the individual concerned. Promotion is always awarded via open and fair competitive means, and therefore is not a factor within a change process per se.

NRW also has legal obligations as part of redundancy protocol, whereby it is required to consider suitable alternative employment for any displaced staff (at their substantive contractual grade) as part of attempting to avoid redundancy situations. This protocol follows the formal change process steps and uses the NRW Redeployment and Redundancy policy as the final stage of the overall process.

We have agreed with the Trade Unions to work in partnership to consider and redesign elements of the process where feedback from staff and the TU themselves has identified a need to. However, this will be undertaken within the legal and contractual parameters as outlined above; and subsequently throughout the implementation stage of the process.

We have taken each main issue or theme relating to the People Management workstream of the consultation process, through all channels for feedback and responded below.

6.2 Change Implementation Group (CHIG) Terms of Reference

The consultation feedback indicates that staff would like more detail on how the CHIGs makes decisions. Chiefly around:

* how the correct business intelligence will be provided to the CHIGs to inform the matching process.
* mapping (posting) of people to roles, and how they will properly consider the needs of the business and the needs of the individual to ensure fairness.
* The transparency and consistency, in terms of information used and decisions made.

In response:

* Business intelligence will be provided to the CHIG during the matching phase from the Leadership or Management team member that can give the most relevant information around the role content and context. This is expected to be a different person for each area of the business and may need to draw on Team Leader input as well. It will be for the business to identify the most appropriate person.
* The posting exercise will require business support to the CHIG to help them in considerations. For those roles that have been matched but may be based in different locations, information on any personal circumstances disclosed in 1:1 from those successful individuals will be shared with the CHIG in order that any priorities for particular locations are given all due and necessary consideration.
* It is for the business to determine where the roles are to be based, and then the CHIG to work with the business area to ensure posting is fair and based on individual needs, as well as individual knowledge of particular areas. The intention will be to reduce the need for staff to relocate or travel long distances wherever possible. The People Management workstream will consider with the TU whether more definite decision-making detail is needed for CHIGs around what needs to be taken into account, and how to balance priorities.
* The process prescribes what information is to be used by job-matching panels. As roles are being matched and not people, it is not appropriate to use Performance and Development Plans, (PDP) or performance reports. There will be set record-keeping logs for all CHIGs and job-matching panels to complete with regards to decisions made, and all the information must flow into the CHIB (Change Implementation Board) so there is an overarching view of all progress across NRW in one place, with the standards of record-keeping being prescribed and overseen by CHIB.
* Inevitably there will be situations that crop up throughout implementation that are unique to an individual or role, and are not prescribed for, and these must be considered on a case-by-case basis. The TU are involved throughout implementation as they form part of the CHIG and also have representation on the CHIB. We will consider any precedent or policy/process interpretation and ensure that any decision made on application is then applied consistently across the 4 CHIG groups for any similar circumstances.

6.3 Sequencing of Change Steps

Feedback indicates there is concern that some CHIGs may progress quicker than others, leading to advantages and disadvantages in some cases in relation to access to vacant roles.

In response, the People Management process as set out in the proposal indicates that each step (in the Key Steps for Managing Change document) is entered and exited by the whole organisation before the next step can commence. This will mean that some areas may need to pause while others with a larger volume complete their exercise. This is to ensure fairness of opportunity for all displaced staff at each stage of the process right across the organisation to run each stage in parallel across CHIGs. Within each key step, each CHIG is responsible for timely communications to the staff within that work area and will notify CHIB of any formal communications to be released.

6.4 One-to-Ones (1:1’s)

Concerns were fed back on exactly when information from 1:1’s held during the consultation period would be shared and with whom.

All the information gathered as part of the 1:1 process during consultation is held and stored securely within People Management Change team. At the point that a CHIG has identified successful individuals to match to roles and needs to run a posting (mapping) exercise across locations, then People Management will check if those individuals have disclosed any information during the 1:1 that would be relevant for the CHIG to take into consideration. 1:1 information is held by Staff RES ID number, so if staff are moving into roles across Directorates, they can still be identified from this RES ID and the relevant information passed to the new CHIG to consider.

As TU raised in their response, within the consultation documentation there is a provision outlined that staff can request as many 1:1 sessions with their line manager as they feel they would want. It was mandatory to offer at least one session to staff during the consultation period, but these should continue throughout the process of change where staff want to receive support from their line management. There is no requirement to feed in all further 1:1 information, unless it may fundamentally change something previously declared or notified, e.g. a change of individual circumstances through moving home; a newly diagnosed medical condition covered by the Equality Act provisions.

Once we reach the point of any staff entering the Redeployment and Redundancy step of the process, then there would need to be a more detailed 1:1. The NRW Redeployment and Redundancy policy outlines what is expected in those 1:1 sessions at this point in the process where staff are considering redeployment or redundancy.

6.5 Matching Process and Guidance

Feedback has shown a request for more detail on the matching process and associated guidance, including the use of Job Families (JF) and General Role Profiles (GRP) in that matching process.

Taking this feedback on board, the People Management Change team is undertaking a review with the TU to ensure this matching process fully uses the information available within NRW to streamline the process and addresses the concerns raised by staff over Job Family and GRP differences. We are revisiting the scoring mechanism that is familiar within NRW having been used previously and will also review the thresholds applied to key criteria as prescribed in the current proposed process detail.

Job matching will use the relevant Contribution Statements or other documents used at the time, including the detail of any upheld appeals or grievances that led to grade changes as a result of reconsideration of the case through the JE process.

Work continues on this, and any changes as a result will be published and notified to staff before implementation phase. Any grievances already in train will also be concluded and the information made available to CHIGs prior to the commencement of implementation phase with job-matching as the first key step.

6.6 Appeals Process

Consultation feedback has highlighted staff concern over the timeline for submission of appeals.

This initial proposal of notification of appeal within 2 days was on the basis that information does not need to be gathered by the appellant, as it is held centrally within the CHIB at an organisational level, and therefore readily available in terms of process applied to the appeal panels considering the case.

Following feedback from staff, we reviewed the timeline with the TU and have agreed an increase. The guidance has been amended as follows:

On receipt of their notification of the expected matching outcome, staff, if they wish to raise an appeal, should do so within the stated window. This will be 7 calendar days from the receipt of the notification. The CHIG must communicate this to all staff who are eligible to appeal and must also confirm receipt of any appeal received within the timeframe specified. The time to resolve the appeals will depend on the nature of the appeal raised but would typically be within 10 working days from its receipt.

6.7 Expression of Interest and Ringfencing

A number of concerns were raised through consultation regarding the flexibility within the Expression of Interest (EOI) process for the business to make a case for applying a ringfence for EOI submissions from a discrete group of staff only. This feedback came from two perspectives, firstly around the possibility for promotion, and secondly unfairness if this would actually be the case.

The inclusion of this flexibility was initially considered from a Board request with the TU supporting this approach. The default position that ringfences would not be applied, as NRW has both legal and contractual obligations to honour on a level transfer basis, particularly where some redundancies may occur because of change.

Open and fair recruitment is the default method for staff to apply for promotion opportunities and change is not the mechanism to apply this by other means. Anyone submitting an EOI for a post either within a ringfence or not, must be satisfied they have the specified skills knowledge and experience to do the job as described.

People Management Change Team and TU have reviewed the feedback further with a view to retaining the use of flexibility for ringfencing where a strong case is made by the business to do so and where application of any such ringfence would not disadvantage other displaced staff as a result. Use of ring fences must be agreed by a CHIG in conjunction with the CHIB to ensure fairness and consistency of application.

Any further change to this part of the process will be communicated to staff ahead of implementation.

6.8 Pay Protection

There have been many queries on individual’s pay protection terms in relation to their options through the Job Evaluation (JE) process, and how those protections would continue to apply or not through change steps.

As detailed in the FAQ on this element, NRW agreed to continue an individual’s JE protection in line with the decision they made in JE should they secure a role through job-matching or EOI steps of the change process.

Any staff choosing to apply for vacancies outside of the change process will have the JE protection applied as agreed at the time of the implementation of JE.

If staff enter the Redeployment and Redundancy step however, the Redeployment and Redundancy Policy overrides this, and delivers six months’ pay protection for any individual securing a post through Redeployment and Redundancy. This is because staff may choose to take a lower graded role as alternative employment rather than suitable alternative employment at the same grade, and therefore protecting that pay for six months is reasonable and ensures we do not end up with an unaffordable staffing position in relation to the grading of posts, with lengthy protections for staff deciding to take lower graded posts, and equal pay issues on a long-term basis.

However, NRW remain open to considering any individual cases where unforeseen circumstances occur through any stage of the process, affecting pay protections as a result.

6.9 Voluntary Exit Scheme

We have been working with Trade Unions to identify the most suitable time when a Voluntary Exit Scheme (VES) could be offered. The discussions have recognised:

* The potential changes to terms that may be announced by Cabinet Office
* The timing of the scheme so it allows NRW to understand the full ramifications of letting staff go and whether we need their knowledge and skills elsewhere.

Once these discussions are concluded and agreed we will share the outcome with staff.

6.10 Fixed-Term Contracts

There has been feedback concerning the status of staff in NRW appointed on fixed-term contracts. Much of this has been related to confusion between staff in time-limited roles (referred to internally as FTA roles) rather than staff on fixed-term contracts, where their contract of employment with NRW has an end date at which they would leave the organisation.

This is a legal perspective, as staff holding fixed-term contracts do not accrue redundancy rights until they have worked for the organisation for 2 years. Therefore, the use of fixed-term contracts to cover roles leading up to a change programme is a recognised legitimate means of a business preserving its future roles for those staff with redundancy rights (permanent staff and FTA with over 2 years’ service) and therefore avoiding redundancies wherever possible.

6.11 Staff Wellbeing

There has been much feedback received about ensuring the overall wellbeing of staff throughout the consultation period itself, and also as we approach implementation through to 1 April 2019 launch date.

NRW is committed to supporting the wellbeing of all staff and is providing support for individuals throughout this period. We have employed temporary change support specialists to do this. To date there has been limited take-up of initial sessions relating to management support, more recently however support such as interviewing skills has had a better response from staff. NRW are encouraging staff to feed in to the Change Support team should there be particular support mechanisms or training that they feel would be beneficial which is not covered through the current support provision.

Notwithstanding these support mechanisms NRW staff have access to the Employee Assistance Programme (EAP) service provided by Care first. Staff can access this support directly on a 24/7 basis should they feel they need more personal support. We have made Care first aware that numbers of calls may increase over the next six months to ensure they have sufficient capacity to provide an effective service.

As we move through implementation, NRW will need to continue to deliver its remit, but it is expected that managers and Leadership Team will enable their staff to participate fully in the process in order to secure roles in the future structure.

There is much work being undertaken for readiness for day one in the new structure and also the cultural aspects around #TeamNRW where we consider the values and behaviours that we want in our workplace, building this culture and taking us forward into the new structure and the NRW of the future. There will inevitably be structural issues and ways of working to embed post launch, and the Leadership Team are tasked with supporting this to develop in their services and places in the future. In particular where staff take on new or significantly different roles they will need to be supported to ensure that they have development plans in place over a reasonable period to develop the skills and knowledge that they need.

**7.0 Summary of our Responses**

In summary the main points in the response on design that we have made following the feedback are:

* Cynefin/NRM teams – These teams have taken significant cuts following the reduction of GiA. We accept that this reduction will impact on their ability to deliver their outcomes. We have decided to increase the posts by making 30 of the 50 fixed term posts permanent and thus provide additional resource in these teams.
* Site Based Regulation – Following feedback we have agreed that the decision on whether to have integrated or have standalone teams for the regulated industry and waste regulation activities will be made locally. This will allow the local conditions to influence the local approach. We have also acted on the Waste Once in Operations proposal; the main feedback relates to the Flytipping Action Wales (FTAW) activities. We have redesigned into two teams, one which will focus on FTAW, and the other on specialist waste regulation activities.
* FRM – Following feedback we have agreed that the specialist teams of flood risk asset systems, flood risk analysis, flood incident management, water resources and hydrology, and hydrometry and telemetry will not be split six ways. We have made changes from the consultation proposal and moved to a twice in Wales structure. The remaining operational flood risk management will be delivered from the six terrestrial areas.
* Enforcement – We carefully considered the feedback which did not support the proposal in the Case for Change. We have decided to continue with the move to a place-based approach. We do agree with feedback that to make this work better the environmental crime posts for fisheries and waste should be moved into NRM/Cynefin and form part of the same team.
* We carefully considered the feedback on the proposal to move monitoring to the six terrestrial areas. We accept that it will be challenging to deliver these activities this way but decided that the benefits of delivering these from place were sufficient to continue with this proposal.
* Integrated Engineering, Workforce and Internal Drainage Districts – Overall, there was support for delivering these largely field operational activities from the six terrestrial areas and from an integrated workforce. A strong case was made that the MEICA work cannot be undertaken in this way. We accept the argument and have brought this work back together as a single team.
* Land Management – Whilst there is support for the proposals in the Case for Change the risks in moving forest operations from a Once-in-Wales service to place-based are recognised. This will need careful management to support staff and Team Leader’s and Managers post implementation.
* Energy Delivery Team – we have agreed to retain the proposed structure to separate the overarching strategy and governance activity into the Commercial department and place the project management and delivery into the operations structure.
* Role Descriptions. We received a lot of very useful feedback on the content of the Role Descriptions. These have been sent onto the Design Teams for consideration and where accepted, actioning. These changes will be part of a revised set of Role Descriptions that will be used in the Change Programme.

There has been significant feedback on the proposed Change Programme, with concerns raised over a wide range of elements of the procedure including matching, ring fencing, appeals, and the Redeployment and Redundancy policy and programme. We accept this is a complex process and there are a range of matters that potentially complicate how the process is deployed.

* We have responded positively to issues raised, however it is important that we have procedures that are timely to apply, fair and legal.
* In development of the change process we set up a working group with the Trade Unions to examine and develop the proposed process and procedures. That group will continue to review and resolve the issues identified through consultation ahead of implementation
* We will propose changes around specific issues raised, e.g. appeal timeline, reassurance on process of posting staff to matched roles, how we more effectively use generic role profiles and job families as role identifiers for matching, and the key governance requirements for CHIGs and the CHIB to ensure an effective change process.
* Any changes to the process will be communicated to staff ahead of commencement of implementation.

We believe that we have given full and thoughtful consideration of the consultation feedback and where we have agreed changes these have now been incorporated into a new version of the Organisation Design. This will be the one used for implementation.

We recognise that not all feedback has resulted in changes and this will be disappointing to those staff who made the case for a change, however we believe that the principles set out to ensure we focus delivery on place and change the way we work to do this, means that, in those instances, we have retained the proposed structures.

**8.0 Appendices**

Only Available on Intranet

**Appendix 1:** NRW Case for Change 2018 Report of Findings (the “Canta Report”)

**Appendix 2:** Summary of queries submitted to the OD inbox

**Appendix 3:** Analysis of feedback on main themes

**Appendix 4:** TU Response