

ANGUS COUNCIL

6 DECEMBER 2018

CORPORATE MANAGEMENT STRUCTURE

REPORT BY MARGO WILLIAMSON, CHIEF EXECUTIVE

ABSTRACT

This report outlines the proposed operational management structure for Angus Council from 1 April 2019.

1. RECOMMENDATION

It is recommended that the Council:

- (i) agrees the proposed change to the operational management structure for the Council as outlined in the report;
- (ii) agrees to reinstate the position, Head of Legal and Democratic Services, deleted previously in Report 418/17; Appendix 1;
- (iii) agrees to delete two Strategic Director posts on the appointment of the Depute Chief Executive; Appendix 1;
- (iv) agrees to the recruitment process outlined at paragraphs 4.10 and 4.12 for the appointment of Depute Chief Executive and Head of Legal and Democratic Services;
- (v) agrees to redesignate the Tier 2 posts of the organisation currently known as Heads of Service to Service Director. This change better reflects the responsibilities and accountabilities of the Tier 2 roles, now Service Leaders (Tier 3) are all in post - Report 417/17 Managers' review; and
- (vi) notes that these proposals will result in savings of approximately £31,000 p.a. but will incur one-off severance costs as outlined in the financial implications section.

2. ALIGNMENT TO THE ANGUS LOCAL OUTCOMES IMPROVEMENT PLAN/CORPORATE PLAN

2.1 This report contributes to the following local outcome(s) contained within the Angus Local Outcomes Improvement Plan 2017 - 2030 and the Corporate Plan 2017 to 2022:

- We want Angus to be a 'go to' area for businesses.
- We want Angus Council to be efficient and effective.

3. BACKGROUND

3.1 Report 131/17 (March 2017) outlined the need to keep the Council's Management Structure under review. It identified the growing expectation of collaboration and partnership across boundaries. It highlighted the aspects of public sector reform and the requirement in future to keep the structure responsive both geographically in response to regional change and in terms of current delivery models.

- 3.2 Report 131/17 identified '**Any change made now is likely to require further change over the next two to three years**'. The implementation of this report on approval will be April 2019.
- 3.3 Report 418/17 rationalised management structures below Strategic Director and created a streamlined layered management structure. As of April 2019 this will have been in place for one year and is working reasonably well. The review below Strategic Director retained the Heads of Service role and created the role of Service Leader. There are 22 Service Leaders across the Council. They make up the Council's Senior Leadership Forum. Currently, Heads of Service oversee the work of a number of Service Leaders. To fully reflect the role of the empowered Service Leader, it is proposed, at no cost, to redesignate the title Head of Service, to service Director to better reflect the strategic contribution required of those in the current Head of Service role.
- 3.4 In Angus Council, we are fully engaged in a significant change agenda which includes the commitment: **We will be a better, stronger, more sustainable but smaller organisation by 2020**. This report proposes a change to the management structure which does not create increased headcount and with the delivery of a small saving.
- 3.5 Report 418/17 outlined a revised Head of Service and Management Structure. This met with the principles outlined in Report 131/17 but did not review the top tier position of the organisation; the number of Strategic Directors.
- 3.6 The two Strategic Directors have supported the Chief Executive in strategic leadership of the Council. They have led services: People and Place. On completion of the management review below Strategic Director and with the learning development undertaken by managers on attitude, behaviours, values and skills in a 'one council' approach, the split in workforce between People and Place directorates is contrary to that way of working. The focus of the work of the Council will continue to be economy, people and place, as set out in the Council Plan but the workforce will be led holistically. The leadership of these areas are key to all members of the corporate leadership team. The Depute Chief Executive would be responsible for all aspect of operations, ensuring alignment and efficient delivery of outward facing services to achieve the outcomes we have identified as a Council. The Depute Chief Executive would have the role of creating a positive, innovative climate and culture in services using a strategic commissioning lense, enabling a step change in options appraisal, transparency, insight and decision making.
- 3.7 Report 418/17 removed the post Head of Legal and Democratic Services on the retirement of the post holder. The Chief Finance Officer took on additional duties to absorb the legal and democratic leadership role. The challenge and workload for our legal services since the retirement, and the additional work for our Chief Finance Officer has prompted further consideration of the resource and skill base in senior management. There is an option to increase staffing in legal services but this would increase management at a time when we have said we will be a smaller organisation. An alternative is to fund the post, Head of Legal and Democratic Services from the deletion of one Strategic Director post. This change would alleviate workload and support capacity in two key teams: legal and finance. Capacity and leadership within these two functions is vital to the delivery of the transformation required across the Council.
- 3.8 Councils in Scotland are required to have four statutory officers excluding the Chief Executive: Chief Finance Officer; Chief Social Work Officer, Chief Education Officer and Monitoring Officer. Statutory officers have specific duties as set out in legislation and discharge this role as part of their wider responsibilities within their council. They have an important, independent role in promoting and enforcing good governance and for making sure Council complies with legislation. The retirement of the previous Head of Legal and Democratic Services saw the statutory role of Monitoring Officer delegated to Service Leader (Tier 3). This has impacted on overall capacity throughout the Legal and Democratic Services team.

- 3.9 There is an option to redesignate the role of Monitoring Officer to one of the Strategic Directors but this is a role usually held by a qualified solicitor due to the specific nature of the role. The Monitoring Officer role was established as a result of the Local Government and Housing Act 1989. The monitoring officer is responsible for advising councillors about the legal position of proposed actions. It is not possible to redesignate the role of Chief Finance Officer to one of the Strategic Directors because neither is a qualified accountant: a requirement of the role.

4. PROPOSALS

- 4.1 Angus Council currently employs two Strategic Directors as top tier managers and deputies to the Chief Executive. Neither undertake the position of any of the Statutory Officers, specifically for the purposes of this report, the role of Monitoring Officer for the Council. This role is usually carried out by a qualified solicitor.
- 4.2 The Corporate Leadership Team comprises two Strategic Directors, Chief Officer for the Health and Social Care Partnership, seven Heads of Service and the Service Leader for Legal and Democratic Services.
- 4.3 This Report proposes a change to one Depute Chief Executive, a Chief Officer for the HSCP and eight service Directors. These posts and titles are included in Appendix 1.
- 4.4 The management structure changes proposed are as follows:-
- 4.5 **Chief Executive** – The focus of the Chief Executive will continue to be ‘**Corporate Leadership, Partnership, Growth and Transformation**’. The portfolio will comprise: economic development and regional growth; governance; strategic policy, transformation and public sector reform. Finance and Legal and Democratic Services will form part of this portfolio on approval of the recommendations.
- 4.6 **Depute Chief Executive** – The focus of the Depute Chief Executive will be the performance and delivery of **effective and efficient operational services** for Angus Council. The portfolio comprises all front line service areas. The Depute Chief Executive will ensure the work in different services is coordinated, ensuring there is proper management of resources, high quality, consistent customer service and overall high performance. They will have a specific attitude and approach to leading the workforce in partnership with the people of Angus.
- 4.7 Report 418/17 created Tier 3 Service Leader posts. These are enhanced roles with leadership accountabilities. Heads of Service largely have a range of portfolios and are specifically charged with directing the business of these areas. It is therefore proposed as a result of the work done on report 418/17 and implemented over this year that these posts are redesignated from Head of Service to service Director. The Chief Executive Chairs the Corporate Leadership Team of Tier 2 leaders and will continue to do so.
- 4.8 Appendix 1 outlines the top two tiers of management and their operational reporting arrangements based on the recommendations in this report Appendix 2 shows the existing senior management structure for information/comparison. The proposals mean the same number of senior management posts as currently but configured differently to better meet the needs of the Council in future.
- 4.9 Recruitment for the Depute Chief Executive and the Head of Legal and Democratic Services posts should begin on approval of this report. The proposed arrangements according to Angus Council’s Managing Change Programme are as follows:

4.10 **Post of Depute Chief Executive**

Under the terms of the Council's procedures for filling posts, the Depute Chief Executive vacancy would, in the first instance, be subject to restricted internal recruitment. As such, applications for this post would be restricted to the two current Strategic Directors.

Should the post not be filled during this process it will then move immediately to be advertised to an unrestricted field. If this were to happen other changes to the management structure may be advised and would be subject to another report.

- 4.11 Reducing this tier of management from two to one will result in redundancy and severance costs for at least one of the current postholders. Individuals will be supported through Angus Council's Managing Change Policy.

4.12 **Post of Head of Legal and Democratic Services**

This is a new post and not subject to a match from any existing staff. This post would be advertised nationally to an unrestricted field. The post of Service Leader – Legal & Democratic Services would be retained to deliver the increase in capacity and resilience required in that area at this time.

5. **FINANCIAL IMPLICATIONS**

- 5.1 The proposals in this report taking into account the reduction in the number of Strategic Director posts to one Depute Chief Executive and for the reinstatement of a Head/Director of Legal & Democratic Services are shown in the table below.

- 5.2 The Depute Chief Executive grade would be the same as the current Strategic Directors (CO51) and the post of Head/Director of Legal & Democratic Services grade would be the same as existing Heads/Directors of Service (CO38). There are no ongoing or severance costs associated with the proposed change in the title of Head of Service to Service Director.

Table – Financial Implications

Proposal	Impact £000
Saving from reduction in 2 Strategic Director posts to 1 Depute Chief Executive	146
Cost of Head/Director of Legal Services	115
Net Saving to Council Budget	31

- 5.3 The proposals in this report would accordingly deliver an ongoing saving of £31,000 p.a. This saving will be reflected in the Council's future revenue budgets.

- 5.4 Paragraph 4.11 above outlines that severance costs will arise as part of moving from two Strategic Directors to a single Depute Chief Executive. It is not possible to confirm the value of such severance costs at this point ahead of the recruitment process but these could be significant depending on individual circumstances.

- 5.5 The Council set aside funds within General Fund balances for severance costs in setting the 2018/19 revenue budget. As at 31 October 2018 some £1.9m still remains available from this source. Severance costs incurred as a consequence of this report would be one-off in nature and would accordingly be funded from this source.

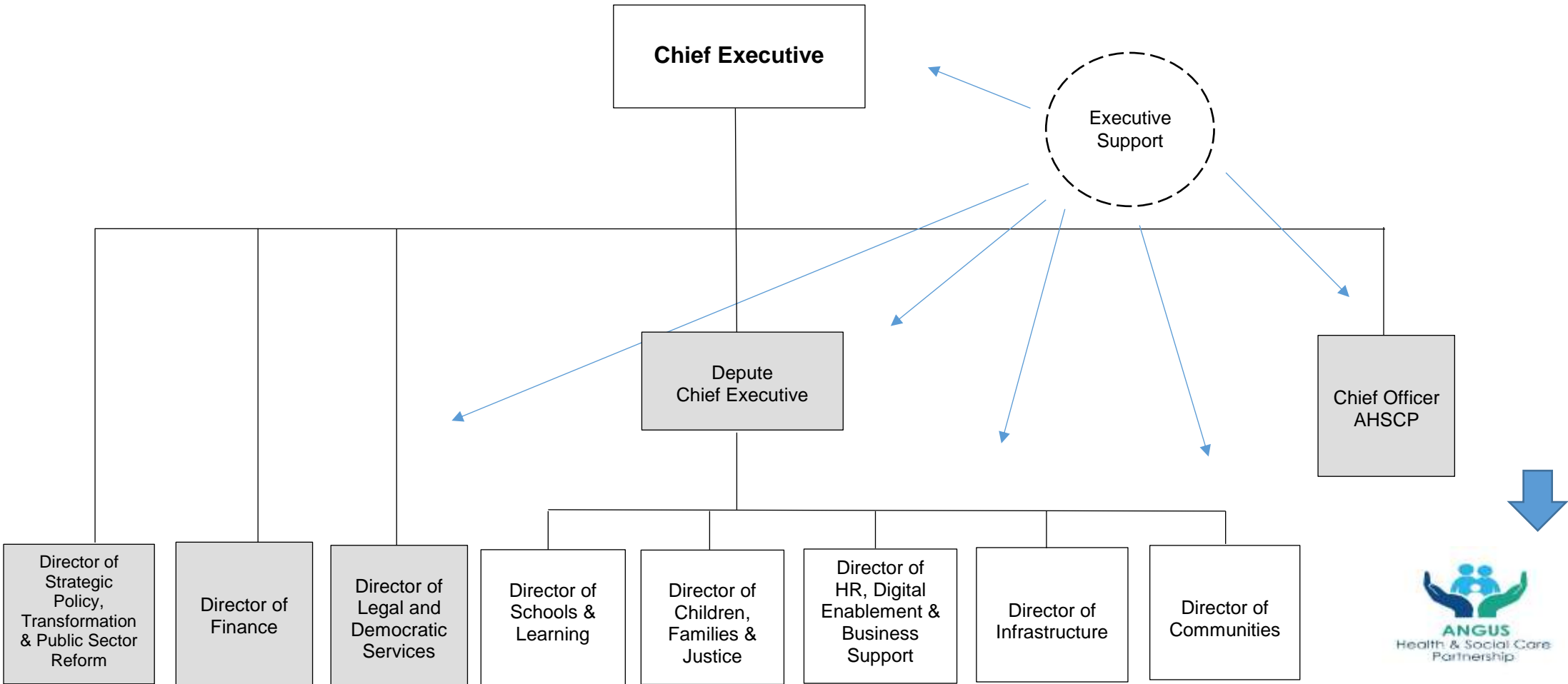
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Appendices:-

Appendix 1 – Proposed Structure - April 2019

Appendix 2 – Current Structure – November 2018

DRAFT PROPOSED STRUCTURE – APRIL 2019



CURRENT STRUCTURE (NOVEMBER 2018)

