

ANGUS COUNCIL

SCRUTINY AND AUDIT COMMITTEE – 21 APRIL 2015

REVISED STRUCTURE FOR GOVERNANCE SERVICE

REPORT BY JANINE WILSON, SERVICE MANAGER - GOVERNANCE

ABSTRACT

This report presents for members information the management decision on a revised structure for the Governance service with the Chief Executive's Unit

1. RECOMMENDATION

It is recommended that the Committee note the management decision to implement a revised structure which reflects the changes to the functions and roles that have developed over the past year in relation to supporting the council change agenda. The new structure realigns staff roles to maintain a risk proportionate internal audit and counter-fraud resource while allowing additional resources to be allocated to supporting change, transformation, scrutiny and governance.

2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/COPORATE PLAN

This report supports the council and services in the delivery of all local outcomes contained within the Angus Community Plan and Single Outcome Agreement 2013-2016.

3. BACKGROUND

The current organisational structure of the governance service splits the staffing resource into three areas – Internal Audit, Benefits Fraud and Risk & Insurance – with no specific resource to support the Service Manager in her wider change, governance and scrutiny roles (Appendix 1).

The changed role of the Service Manager and her wider governance function (in terms of support and input to the corporate change programmes and leading the council DELTA lean programme), together the decision to retain the Benefits Fraud team as a Corporate Counter-Fraud Team (taken as part of the 2015-16 budget setting process), provides an opportunity to review the resource allocations across the various functions of the service. The opportunity has also been taken to amend the service title and a number of post titles to better reflect duties and responsibilities.

4. NEW STRUCTURE

The outcome of the review has resulted in the revised structure shown in Appendix 2. Staff in each of the teams were consulted throughout the review.

The major change to the structure is in relation to Internal Audit where one of the senior posts has been moved to support the wider change, governance and scrutiny functions of the service. It is important that, from this committee's perspective, assurance is given that this technical reduction in the internal audit headcount does not leave the council light in terms of resource to deliver what is a statutory service. To provide this assurance the following points should be noted:-

- a) The Audit Manager has been consulted in the development of the structure and is comfortable that the resources and support arrangements in place are adequate for him to maintain a quality internal audit service proportionate to the council's risk.
- b) There will be a reduction to the contingency required in the 2015-16 Internal Audit plan, as some of the consultancy work will be picked up by the Senior Governance and Consultancy Officer and the Counter-Fraud team will either lead or support any

investigation work on a case-by-case basis. This additional resource that can be called on also reduces the non-delivery risk of the audit plan.

- c) An additional 10 days of resource have been obtained from Scott-Moncrieff as part of the contract re-negotiation.
- d) Risk management advice and support will also be available to Internal Audit as required, giving a far more holistic service.

The structural revision has allowed for the provision of specific resource to the wider change and governance responsibilities of the function which include the now statutory Annual Governance Statement process; specific support to the scrutiny review process including assisting review lead officers, panels and panel chairs; and support for the development, management and delivery of DELTA lean programmes and other change and transformation initiatives which are taken forward on an internal consultancy basis.

5. FINANCIAL IMPLICATIONS

The revised structure has required a change to a number of roles and these changes require to be considered under the Council's grading policies. It is not envisaged that there will be any financial implications as a direct result of this report.

6. EQUALITIES IMPLICATIONS

The issues contained in this report fall within an approved category that has been confirmed as exempt from an equalities perspective.

7. CONSULTATION

The Head of HR, IT and Organisational Development and the Audit Manager have been consulted in the preparation of this report.

8. CONCLUSIONS

The revised structure takes account of the changes that have been happening over the last year to eighteen months in terms of the service's evolving internal consultancy responsibilities around change, transformation and Lean. In addition, it reflects the changed focus in terms of providing a whole service that contributes to and supports in its different ways, the council's change and transformation agenda, whilst still maintaining Internal Audit's independence and necessary compliance role.

NOTE: No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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List of Appendices:

1. Governance service – Old structure
2. Governance and Consultancy service – new structure