CLACKMANNANSHIRE COUNCIL

Report to: Clackmannanshire Council

Date of Meeting: 27 June, 2019

Subject: Organisational Redesign: Update

Report by: Chief Executive

1.0   Purpose

1.1.   The purpose of this report is to update Council on progress with implementing the organisational redesign it agreed as part of the 2018/19 Budget approved on the 8th March 2018. The report aims to provide information on the broader framework and context within which activity has been taken forward since August 2018.

2.0   Recommendations

It is recommended that Council:

2.1.   Endorses the Organisational Redesign Framework as detailed in Exhibits 2 and 3

2.2.   Notes the progress to date against key elements of the framework as detailed in Exhibit 5.

3.0   Considerations

3.1.   In March 2018, Council agreed a new organisational redesign. The redesign established a new managerial structure based on three new service delivery portfolios: People; Place and Partnership and Performance. Committee structures have also been aligned with this managerial structure since August 2018. Work to progress other aspects of the senior management restructure is now well progressed and have been the subject of separate reports to Council.

3.2.   The focus of Council updates since August 2018 has primarily been on the implementation of the management restructure. This has been prioritised given the urgency to recruit to the new management positions and to deliver the financial savings agreed as part of these proposals. Alongside this activity, however, there has been a considerable amount of work undertaken and

planned to allow the Council to deliver service and financial sustainability in the medium to long term. This paper aims to provide a context and framework against which this activity can be reported.

3.3.   Separately on this Council agenda is a report on the Council's Best Value Assurance Progress report. The report recognises the positive progress being made and additionally recognises that the Council still has a challenge to meet in delivering sustainability. The framework which follows provides a basis on which the progress acknowledged by Audit Scotland can be evaluated as well as illustrating in more detail some of the highlights of the tangible activity implemented to date.

3.4.   The framework and activity set out in this paper is complementary to, and aligned with, the Council's Transformation Strategy which was agreed in March 2019 and is set out in Exhibit 1 below. The Council's Transformation Strategy focuses on 'what ' we need to do whilst the Framework proposed in this paper is focused on the 'how' we will deliver innovation and transformative change.

Exhibit 1: Transformation Strategy
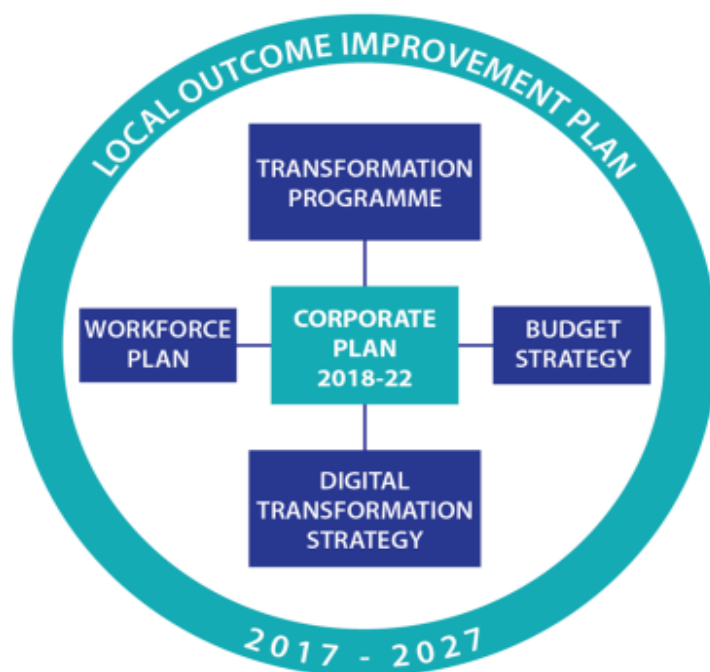
Organisational redesign framework

3.5.   Exhibit 2 below sets out the broad phases of activity to move the Council from where it was 12 months ago to achieving sustainable public service delivery in the medium to longer term.

Exhibit 2: Organisational redesign phases

3.6.   The framework proposes four key phases which need to be progressed to allow the Council to deliver medium to long term service and financial sustainability. The phases are not intended to be sequential but run concurrently. The rationale for this approach is that even as the arrangements for embedding a sustainable transformation culture and capacity are being developed and implemented, alongside this activity, it is necessary for the Council to meet its year on year financial challenges and set a balanced budget. Additionally, the council needs to be able to demonstrate that it is meeting key milestones and learning from its investment on the path to securing sustainability.

3.7.   The four phases are as follows:

-   **Creating the conditions**: This phase is about creating the conditions for sustainable change. It focuses on ensuring that alongside delivering business as usual, the Council is investing in its people for the future. It also requires investment in building the Council's internal systems, strategies and frameworks and in building effective stakeholder relationships with local partners, national agencies and our communities. This activity is underpinned by a streamlined and focused vision and priorities which clearly recognises the need for change.

-   **Developing the Team**: This phase prioritises embedding a positive and empowering culture which supports the Council's vision for change. Our communities and service users are at the heart of everything we do and our culture embodies this priority. This phase continues to develop effective stakeholder relationships and evidence these through positive collaborative arrangements across the range of services the Council delivers. This phase also recognises the need to continue to support our workforce with focussed leadership and skills development.

- **Releasing the potential**: This phase reflects the establishment of effective and empowered teams which are confident in delivering both operational service delivery and innovative proposals for change. The network of empowered teams is supported by a positive #Team Clacks culture where innovation and learning are embraced and supported.

- **Sustainability**: This phase is characterised by effective delivery of the Council's agreed outcomes and priorities. Over time it is anticipated that, whilst ensuring that the Council continues to meet all of its statutory duties, performance data will show a prioritisation of investment in those areas agreed by Council. The aggregation of the Council's service delivery models will be sustainable in both delivery and financial terms.

3.8. Exhibit 3 summarises the key aspects of the framework by each phase of development and investment. This model is not intended to be an exhaustive representation of all the investment and activity required but rather to provide a broad thematic framework against which activity can be reported and monitored.

Exhibit 3: Key thematic drivers
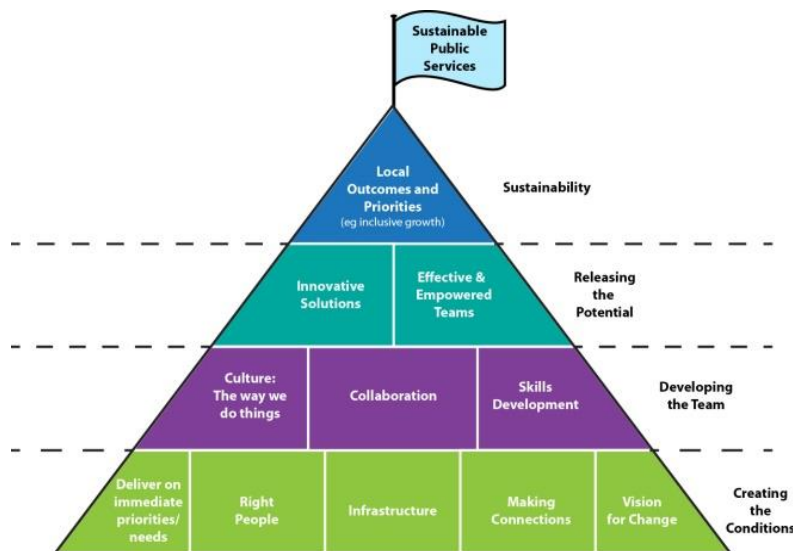
3.9. Given the Council's financial challenge, a key consideration is the pace at which sustainability can be delivered. Understandably, expectation about the pace and scale of innovation is high. Exhibit 4 compares two approaches:

- **Reactive (orange line):** This approach reflects an expectation that innovative solutions are delivered at pace. This approach would provide for minimal investment in creating the culture and skills necessary to deliver sustainable change. It is proposed that after an initial period of success, the levels of innovation are unlikely to be sustained or reach the level desired and/or required to deliver sustainability.

- **Planned (blue line):** This approach reflects a period of initial investment in creating the capacity and conditions required for sustainable change. There is an initial and more modest level of change which increases significantly as skill, capacity and confidence grows. The organisation's culture is transformed and innovation represents 'business as usual'. The organisation is more resilient and adaptive to change and levels of innovation are sustained.

Exhibit 4: Building sustainable capacity for change and innovation
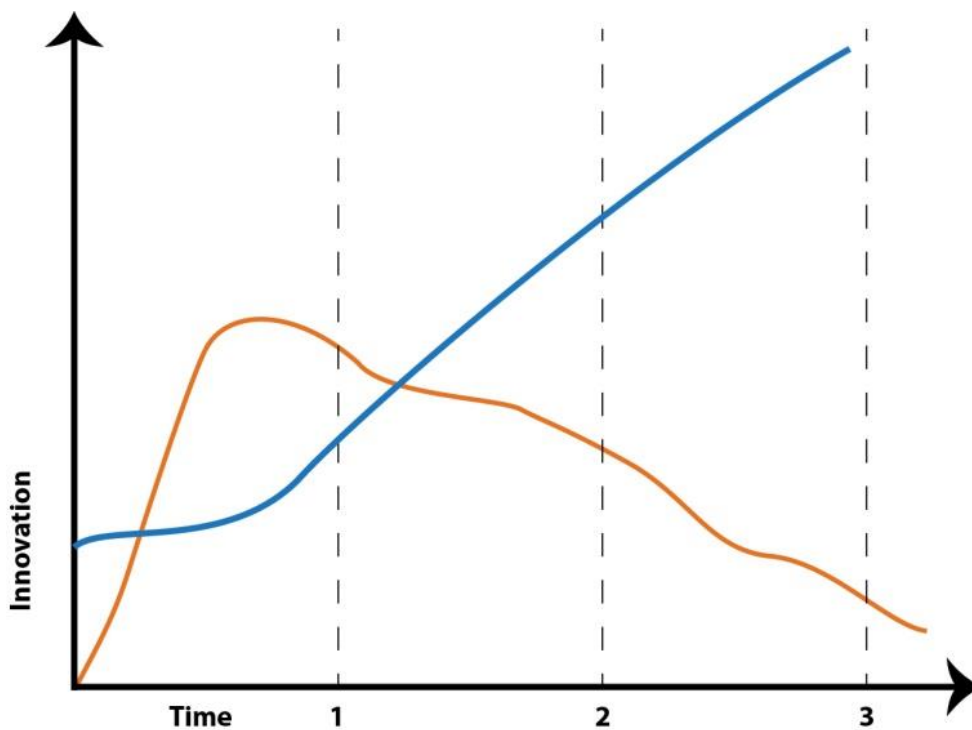
3.10. In reality, it is likely that the Council's path will need to be somewhere between these approaches to allow us to release the financial benefits that will be required year on year. However, as far as possible it is the aim that the planned approach is followed to provide the necessary investment and create the conditions for sustainable change. By adopting this approach it is also envisaged that the risk of poorly developed or ineffective proposals is mitigated/minimised.

3.11. The Best Value Assurance Progress report indicates that positive progress has been made since August 2018. Exhibit 5 overleaf captures some of the key aspects that have been progressed against the key phases and themes set out in exhibits 2 and 3 above. This demonstrates the principle established in paragraph 3.6 of the range of concurrent activity that is being progressed.

Exhibit 5: Progress against Organisational Redesign Framework: Highlights

Phase	Activity theme	Highlights of work to date
Creating the Conditions	Deliver on immediate priorities/needs	• Balanced Budget 2019/20 • City Region Deal: Full Deal • Improve visibility: Roadshows and briefings on Culture, values and change, new Corporate Plan • By-election • European Parliamentary Election • Health and Social Care Partnership Service and Financial sustainability • Chief Officer Group relaunch and conference: Protection
	Right People	• Appointment of Chief Executive and Strategic Directors • Appointment of Statutory Officers • Design of Senior Manager roles • Specialist capacity: Transformation and CRD
	Infrastructure	• Transformation Strategy • Digital Strategy • Workforce Strategy • Establishment of Programme Governance Board • Reinvigorating Communications: internally and externally
	Making connections	• Collaborative work with Improvement Service: PMO joint appointment • Collaborative work with Scottish Enterprise: CRD PMO appointment • Forth Valley CEs meetings to review opportunity to develop joint business cases progressed • Forth Valley Regional Economic Partnership proposals: funding from SG to develop • Federation of Small Businesses, Clacks Business and FV Chamber of Commerce Engagement to review and improve arrangements for Business engagement
	Vision for Change	• New Corporate Plan: Streamlined priorities: Be the Future • Aligned LOIP
Developing the Team	Culture: the way we do things	• New corporate Values: Be the Future • Staff Survey baseline: collaborative action planning with TUs and staff • Development of Employee Voice initiatives
	Collaboration	• Collaborative models to increase capacity/skills: Improvement Service and Scottish Enterprise • CRD: work with Scottish Enterprise to develop strategy 'rocket' to frame ambition • Clacks Effect work: potential options for wider collaboration on issues re disproportionate public sector resource need and scale factors
	Skills Development	• New PRD process • Leadership development in place: extended SLG • Planned Senior Leadership Forum following recruitment
Releasing the potential	Innovative solutions	• City Region Deal: Primrose Street • Developing public service focus with partners • Partnership work with CTSI: food and waste initiatives • Collaborative service delivery: Internal Audit; Street Lighting
	Effective and empowered teams	• Management Charter and Action plan for extended Senior Leadership Group • Significant refresh and new workforce policies e.g. carers, menopause, various Health and Safety
Sustainability	Local outcomes and Priorities	•

3.12   As work is taken forward, further regular updates will be provided to Council, aligned with the work and progress of the Programme Governance Board.

4.0   Sustainability Implications

4.1.   N/A

5.0   Resource Implications

5.1.   Financial Details

5.2.   The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate.   Yes ☐

5.3.   Finance have been consulted and have agreed the financial implications as set out in the report.   Yes **X**

5.4.   Staffing

6.0   Exempt Reports

6.1.   Is this report exempt? No

6.0   Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1)   **Our Priorities** (Please double click on the check box ☑)

Clackmannanshire will be attractive to businesses & people and
ensure fair opportunities for all   ☐
Our families; children and young people will have the best possible
start in life   ☐
Women and girls will be confident and aspirational, and achieve
their full potential   ☐
Our communities will be resilient and empowered so
that they can thrive and flourish   ☐

(2)   **Council Policies** (Please detail)

7.0   Equalities Impact

7.1   Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?   Yes ☐   No ☐

8.0   Legality

8.1   It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers.   Yes

9.0   Appendices

9.1   Please list any appendices attached to this report. If there are no appendices, please state "none".

None

10.0   Background Papers

10.1   Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)

Yes ☐ (please list the documents below)   No ☐

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Approved by

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