



Clackmannanshire Council

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**GENERAL SERVICES REVENUE BUDGET 2014/2015 - APPENDIX G**

# Review & Reconfiguration of Chief Officer Structure

Report by Chief Executive  
February, 2014



## **1.0 Purpose**

- 1.1 The purpose of this report is to review the effectiveness and efficiency of the Council's chief officer structure and to bring forward proposals for reconfiguration and realignment to ensure that the management infrastructure at that level is more fit for purpose. The proposals, if approved, will result in a reduction of two chief officer posts from the senior management establishment.

## **2.0 Recommendations**

- 2.1 It is recommended that Council agrees:

- a) the chief officer organisational structure set out at paragraph 5.2 of this report;
- b) approves the main responsibilities of chief officers as set out in this report;
- c) approves the recruitment process for the post of Depute Chief Executive as set out in paragraph 5.7 of this report and nominates elected members to sit on the Appointments Committee;
- d) agrees to fill one of the two vacant Head of Service posts as set out in paragraph 5.13i of this report and to approve the recruitment process for the other as set out in paragraph 5.13ii;
- e) notes and endorses the approach to leadership and management development which the Chief Executive is taking forward as set out in section 6 of this report;
- f) notes that, subject to the approval of 2.1(a) and 2.1(b), consequent proposals to change the Council's Standing Orders and consequent amendments to the Council's Scheme of Delegation will be brought to the next meeting of Council.

## **3.0 Background**

- 3.1 The Council last amended its Chief Officer structure in January, 2010, when the number of Head of Service posts was reduced by 5FTEs and the job profiles of the three Director posts (as existed at that time) were amended to incorporate revised areas of responsibility. The aims of that reconfiguration were to:

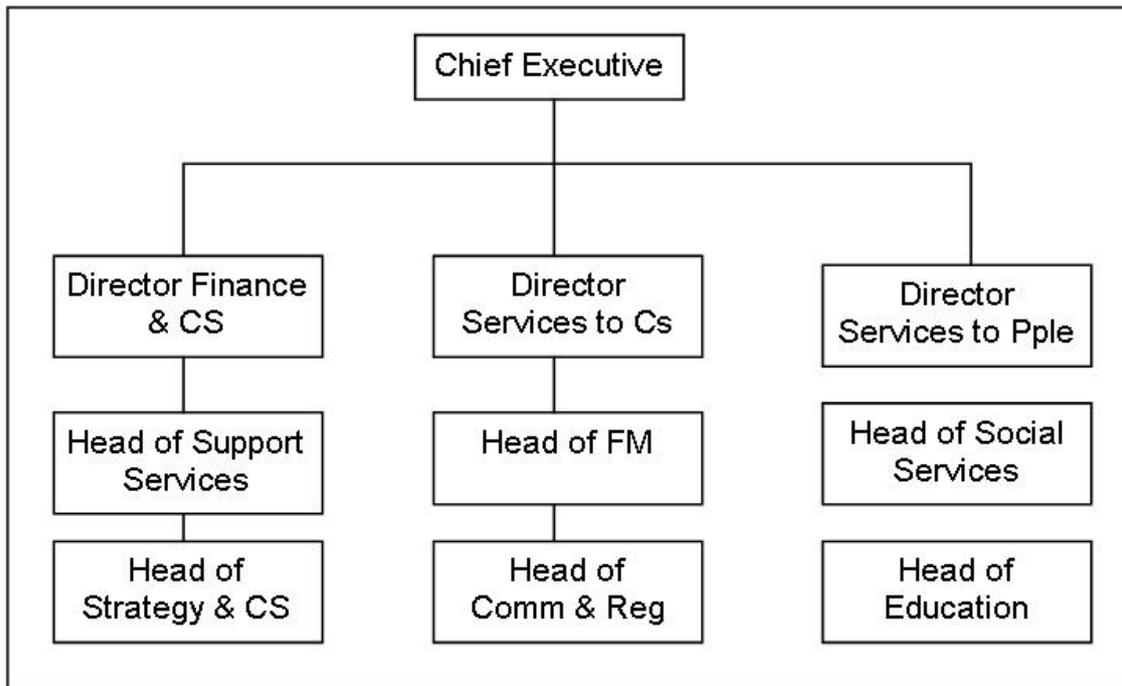
- consolidate some functions which were at that time organised across more than one service;
- closer align other functions under a single Head of Service/Director; and
- provide clearer accountability for corporate/community planning priorities.

- 3.2 This resulted in the structure set out in Figure 1 on the next page.

- 3.3 A number of changes in the Council's operating context have led to incremental changes in that structure, viz:

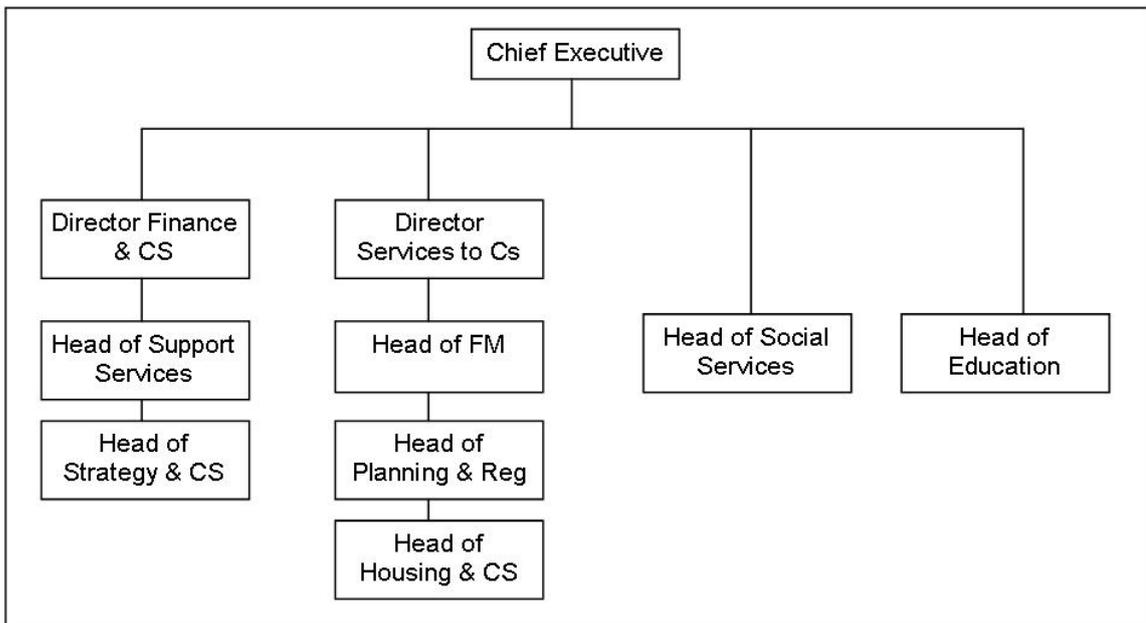
- i) the departure of the Director of Services to People;
- ii) the agreement to enter into shared services with Stirling Council; and
- iii) Council's decision to establish the post of Head of Housing & Community Safety.

**Figure 1:** Chief officer structure agreed at 2010



3.4 The current structure, therefore, has evolved into that set out in Figure 2 below.

**Figure 2:** Current chief officer structure



3.5 There are a number of issues associated with this structure which mean that the organisation is not as effective and fit for purpose as it needs to be giving current and future contexts. These issues are set out in the next section of this report.

## 4.0 Contexts & Issues

4.1 The environment of local government is constantly changing. Since the last time the Council reviewed its chief officer structure, a number of issues have come to the fore which increase the requirement for and demands on strategic and corporate management capacity. These issues include:

- the Council's need to transform its business (recently articulated through *Making Clackmannanshire Better*) to improve outcomes and performance while reducing costs;
- increased requirements on local authorities and their partners to integrate and collaborate (as expressed through the recent changes in SOAs);
- greater momentum of the public sector reform agenda such as the impending legislation on health and care integration and the deepening of locally determined shared services (education and social services).

4.2 Having reviewed the existing chief officer and management structure, certain issues have been identified which do not optimise strategic and corporate management capacity to support the current and future demands on the Council.

4.3 These are:

a) asymmetrical structure and unequal accountabilities in that:

- with the deletion of the post of Director of Services to People and the establishment of shared social work and education services, the chief officer structure is imbalanced
- the various chief officer roles have uneven accountabilities and spans of control, with some heads of service reporting to a Director, some to the Chief Executive
- because the Director posts have direct responsibility for services, the accountability of other tiers of service management is lessened
- the functional responsibilities of Heads of Service are too unevenly distributed (Appendix 1 shows the current distribution);

b) that because the Director posts retain direct responsibility for services, the postholders' capacity to engage in strategic and corporate management is limited and the ambition of the 2010 reconfiguration to provide clearer accountability for corporate/community planning priorities has had limited success;

c) there are no consistent arrangements for deputising for the Chief Executive; currently, the Directors deputise, usually on an alternate basis. While this operates satisfactorily for short periods and in respect of *ad hoc* issues, it does not promote clarity and continuity of authority or accountability.

4.4 Beyond those specific structural issues, there is also a broader need to provide development for chief officers and service managers to ensure they have appropriate strategic and corporate managerial skills, in addition to any professional and technical skills, to contribute effectively to taking forward the challenging agenda which faces the organisation.

## 5.0 Proposals for Reconfiguration of Chief Officer Structure

### Rationale

5.1 Given the context of local government and the issues identified about the existing chief officer structure, it is proposed to realign the chief officer structure so that there is:

- strengthened strategic and corporate management capacity;
- better balance brought to the structure at Head of Service level;
- enhanced effectiveness and accountability of all chief officers and service managers; and
- improved business continuity in the absence of the Chief Executive.

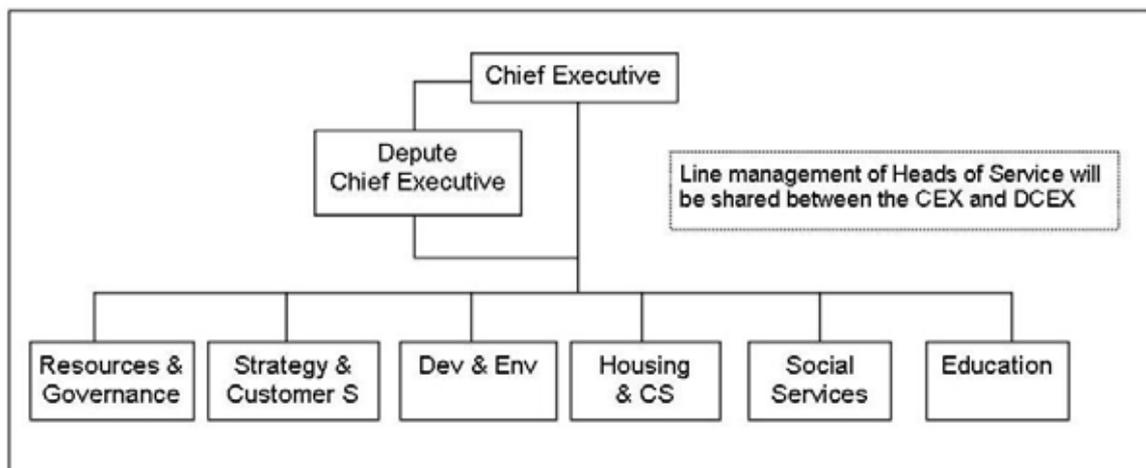
### Proposals

5.2 The proposals to amend the chief officer establishment, therefore, are to:

- a) delete the two existing Director posts from the establishment;
- b) delete one Head of Service post from the establishment;
- c) establish a post of Depute Chief Executive; and
- d) have a limited realignment of the functional responsibilities of Heads of Service

so that the revised chief officer structure would be as set out in the diagram below.

**Figure 3:** Proposed chief officer structure



5.3 Specific details of the above proposals are as follows:

### Directors/Depute Chief Executive

5.4 Given the issues described in section 4 of this report, the role of Director as originally configured, and also as amended in 2010, is less relevant now to the needs of the Council and to the broader roles which are expected of Heads of Service, the remits of which include key responsibility for service and corporate management.

- 5.5 There are significant agendas facing the council which the entire group of chief officers needs to take ownership of and accountability for. Removing the Director tier, will greater empower the other management tiers and enhance their accountability.
- 5.6 In tandem with this, the creation of the role of Depute Director will provide dedicated chief officer resource to drive the transformational change which the organisation requires. The overall role of the post would be to work with the Chief Executive on the leadership, management and governance of the Council, providing strategic and corporate capacity, leading specific corporate initiatives and deputising for the Chief Executive as required.
- 5.7 It is proposed that the post of Depute be recruited to from within the Council, with applications being ring-fenced to existing Directors. This would be an elected member appointment via an Appointments Committee which would have the following political balance:
- SNP - 3 members
  - Labour - 2 members
  - Other - 1 member.

#### Heads of Service

- 5.8 There are currently two vacancies at Head of Service level (Community & Regulatory and Facilities Management) and a further post will be vacant after March 2014 (Support Services).
- 5.9 All vacancies are scrutinised when they arise to ascertain whether they present any opportunities for efficiency and/or effectiveness gains. Having reviewed the current and forthcoming vacancies in that context, and in the context of the wider chief officer review, it is proposed that one of these three posts is deleted and the responsibilities of some of the remaining six Heads of Service posts are realigned.
- 5.10 Appendix 2 shows the proposed broad functional responsibilities under each Head of Service. The proposed changes can be summarised as follows:
- *Maintenance & Hard FM - moves into Housing & Community Safety from FM*
  - *Environment - moves into Development & Environment from FM*
  - *Revenues & Payments (part) - moves into Housing & Community Safety from Support Services (renamed Resources & Governance)*
  - *Assets & Soft FM - moves into Resources & Governance from FM.*
- 5.11 These changes will have two main benefits:
- i) they will provide enhanced alignment of related services and further opportunities for service integration and stream-lining; and
  - ii) they will provide a more even balance of functional responsibility across all the Head of Service posts.

- 5.12 In addition, the proposed realignment will allow an opportunity to review the service manager and team leader structures below Heads of Service for fitness for purpose

and it is anticipated that further streamlining and efficiencies will be possible at those tiers in due course.

5.13 In terms of recruiting to the vacant Head of Service posts (Head of Resources & Governance, Head of Development & Environment), it is proposed that:

i) the chief officer who is not appointed to the Depute Chief Executive post (ref paragraph 5.7) is offered the most appropriate of the two vacant Heads of Service post; were that offer not accepted, the vacant post would be advertised openly and recruited to by an Appointments Committee which would have the same political balance described in paragraph 5.7;

ii) the other Head of Service vacancy is advertised openly and recruited to by an Appointments Committee which would have the same political balance described in paragraph 5.7.

## **6.0 Other Issues - Leadership & Management Development**

6.1 While leadership and management structures are important, arguably more important are leadership and management cultures. As stated at paragraph 4.4, it is also crucial that individuals who have management responsibility are performing effectively at that level and that they have the requisite strategic and corporate managerial skills, as well their professional and technical skills, to enable them to contribute effectively to taking forward the challenging agenda which faces the organisation.

6.2 The Council's recently approved People Strategy has among its objectives:

- ensuring consistent, effective leadership and management across the organisation; and
- ensuring our people are appropriately skilled to meet their business objectives.

6.3 In order to take these objectives forward, a corporate Leadership & Management Development programme has been established.

6.4 The programme consists of three pathways: Service Managers, Team Leaders and Talent Development. Within each pathway, development areas have been identified based upon the Council's policies, procedures and competency framework, live issues identified by officers and review of best practice.

6.5 The learning objectives of each pathway are as follows:

### **1 - Service Manager's Pathway**

- Setting clear strategic direction
- Focussing on delivery and outcomes
- Getting the best from people
- Developing a culture of innovation and improvement
- Achieving success through working in partnership

### **2 - Team Leader's Pathway**

- Delivering consistent and effective management across all services

- Meeting governance and legislative requirements
- Establishing minimum and consistent standards of people management

### **3 - Talent Development Pathway - Succession Planning**

This pathway will be developed in 2014-15. Its aim is to identify and develop management and leadership potential, to ensure the Council attracts and retains talented individuals and has sufficient internal capacity to address future workforce requirements.

6.6 Topics and outcomes for the Service Manager and Team Leader pathways are set out in Appendix 3 to this report.

6.7 In addition, an approach to Chief Officer development and performance has been established which comprises the following collective and individual elements:

- 360 feedback exercise
- annual performance review and development
- coaching/individual development
- leadership and management objectives (set out in the Chief Officer Team Action Plan - this is a background paper to the report)
- objectives as set out in service Business Plans.

### **7.0 Other Issues - Consequent Amendments to Standing Orders & Scheme of Delegation**

7.1 If the Council approves the proposals to realign the chief officer structure, there will be consequent changes in Standing Orders at SO 5.1 which sets out the political responsibilities of some elected members as they relate to Council services and policy areas.

7.2 Specifically:

a) the Council Service area assigned to the Council Leader would change from 'Support Services' to 'Resources & Governance'; and

b) the Council Service areas assigned to the Convenor of Enterprise & Environment would change from 'Facilities Management' and 'Development & Regulatory' to 'Development & Environment'

7.3 As per SO 20.7, standing orders can only be changed when there has been an indication at Council that proposed amendments will be brought before the next meeting.

7.4 In relation to the Scheme of Delegation, if Council approves the proposals in this report, there will be consequent changes to reflect the new structure, including:

a) amendments to the sections on delegations to officers (Directors and Heads of Service) and to take account of the deletion of the Director posts and the establishment of the post of Depute Chief Executive; and

b) amendments to the remit of the Enterprise & Environment Committee (5.6(1)) to incorporate responsibility for 'environment' and 'assets' and to remove responsibility for 'facilities management'.

7.5 Proposed detailed changes to the Scheme of Delegation further to Council approval of this report would also be brought to the next Council meeting.

## **8.0 Conclusions**

8.1 The Council's Corporate Plan recognises that it is good practice to, *"examine management structures to ensure that these are fit for purpose and as effective and efficient as possible"*. In addition, a Corporate Plan priority is to *"embed a corporate philosophy to the management of all services."*

8.2 All services are reviewing service configuration on an ongoing basis to ensure fitness for purpose in the changing contexts of the public sector, local government and the needs and priorities of the organisation itself. The chief officer structure and organisation needs to be subject to similar scrutiny and evolution.

8.3 The current chief officer structure needs to be reconfigured to best position the organisation to take forward the future agenda and the proposals in this paper:

i) represent a streamlining of the structure which will strengthen strategic capacity and enhance chief officer accountability;

ii) will facilitate a stronger emphasis on managerial performance and leadership development;

ii) offer a potential saving of around £180,000 in chief officer management costs with the potential for more savings at lower management tiers.

## **9.0 Sustainability Implications**

9.1 The proposals in this report aim to improve and build organisational capacity.

## **10.0 Resource Implications**

10.1 *Financial Details* - the proposals in this paper offer potential savings of around £180,000 through the deletion of two chief officer posts.

10.2 *Staffing* - this report proposes a reduction in the chief officer establishment of two posts from 10 to 8.

## **11.0 Exempt Reports**

11.1 This report is not exempt

## **12.0 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 )

The Council is effective, efficient and recognised for excellence

✓

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

People Strategy

Relevant employment policies

**13.0 Equalities Impact**

13.1 Initial EQIA has been carried out and there is disproportionate disadvantage or inequity.

**14.0 Legality**

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

14.2 Under the Scheme of Delegation, the Chief Executive is charged with making *"proper arrangements for the strategic management of the Council"* and for reviewing *"how efficient and effective our management [and administrative] systems are."*

14.3 The Support Services Manager has been consulted on these proposals as required by the Scheme of Delegation paragraphs 7.6 and 7.18. The Governance Manager has also been consulted.

**15.0 Appendices**

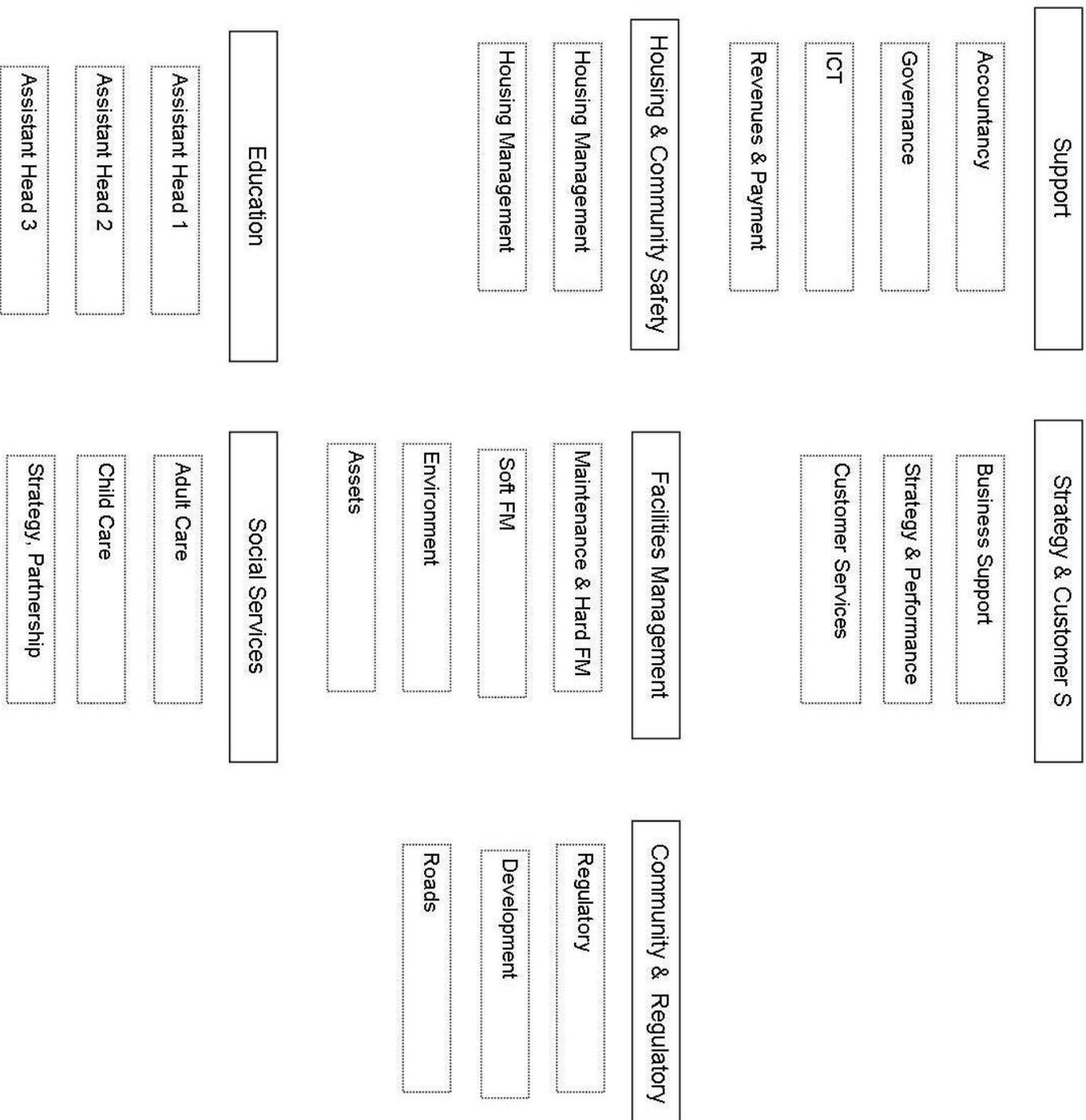
1 - Current Chief Officer Structure

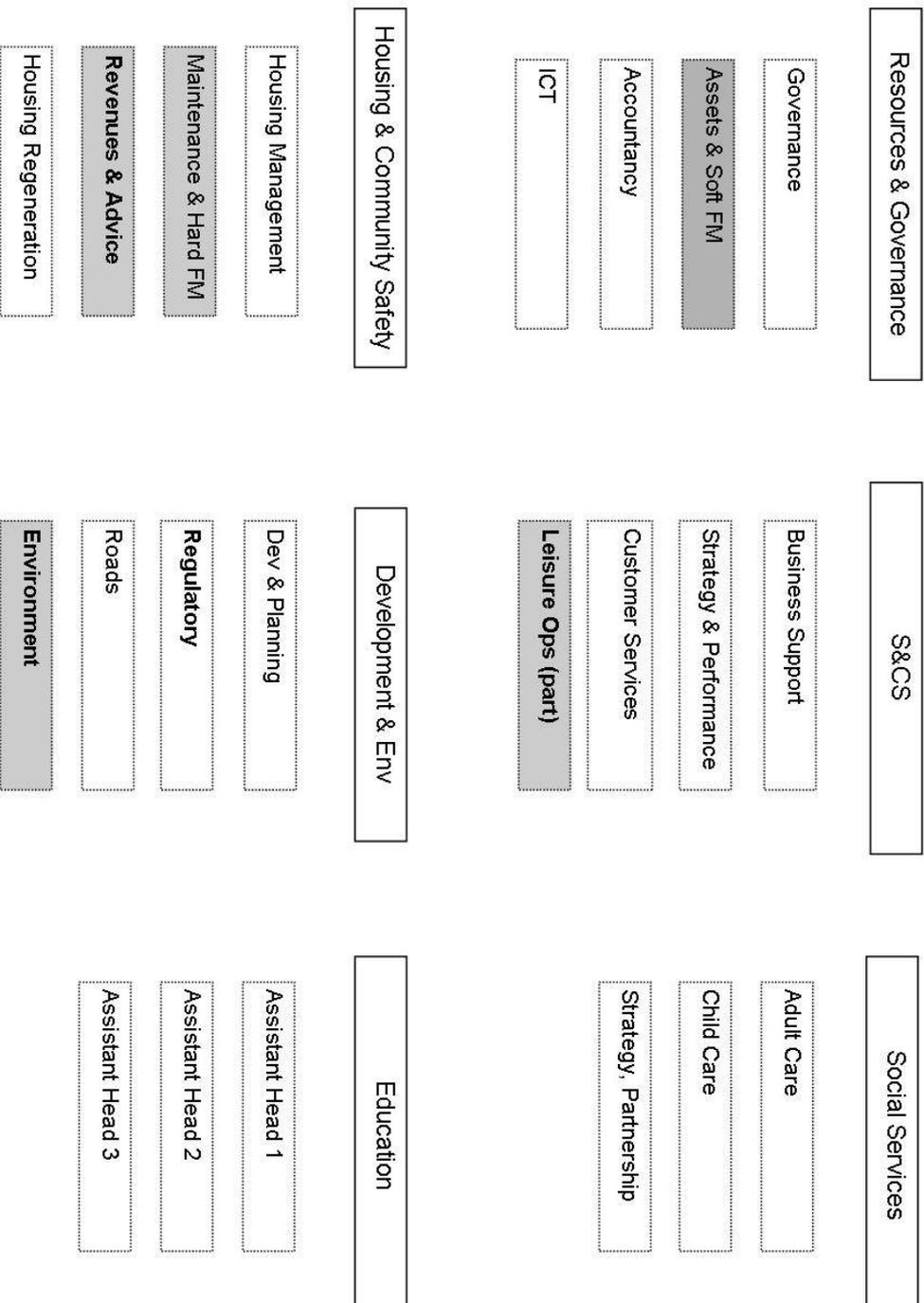
2 - Proposed Chief Officer Structure

**16.0 Background Papers**

16.1 Have you used other documents to compile your report?

Report to Council January, 2010  
Chief Officer Team Action Plan





Shaded areas highlight proposed transfers  
 Some service area names to be finalised  
 Some leisure support placement in structure to be finalised

Service Managers' Pathway - Topics & Outcomes

L&D Topic	Learning Outcomes
Leading Successful Change	<ul style="list-style-type: none"> <li>• Develop skills to build a compelling vision for change</li> <li>• Understand the impact of change on people and the organisation</li> <li>• Lead staff constructively through change</li> </ul>
Strategies for Influencing	<ul style="list-style-type: none"> <li>• Identify strategies for influencing at different levels</li> <li>• Understand, assess and utilise appropriate influencing styles</li> </ul>
Working in a Political Environment	<ul style="list-style-type: none"> <li>• Become better equipped to engage effectively in the political environment</li> </ul>
Financial Management & Governance	<ul style="list-style-type: none"> <li>• Assess budgets based on financial data to support organisational objectives</li> <li>• Evaluate financial proposals for expenditure submitted by others</li> <li>• Understand the roles and responsibilities relating to good governance</li> </ul>
Strategic Thinking & Visioning	<ul style="list-style-type: none"> <li>• Identify and analyse Council and Service Strategies</li> <li>• Understand your role in leading your service to meet strategic outcomes</li> <li>• Align systems, people and goals to strategy</li> <li>• Adapting to change/changing strategies.</li> <li>• Understanding the business - Quality Management/demand and failure demand.</li> </ul>
Safety for Senior Executives	<ul style="list-style-type: none"> <li>• Understand the responsibilities of Senior Managers</li> <li>• Leading health and safety within the organisations</li> </ul>
Partnership working, and collaboration	<ul style="list-style-type: none"> <li>• Understand the need for a step-change in partnership working</li> <li>• Create and maintain effective partnerships</li> <li>• Understand and apply collaborative intelligence</li> </ul>
Strategic Project Management	<ul style="list-style-type: none"> <li>• Understand the responsibilities of, and relationships between key project roles</li> <li>• Identify key challenges in project delivery</li> </ul>
Developing Talent	<ul style="list-style-type: none"> <li>• Understand strategic talent management</li> <li>• Anticipate and identify strategic development needs</li> <li>• Coach and support Team Leaders in developing others</li> </ul>

## Team Leaders' Pathway - Topics & Outcomes

<b>Topic</b>	<b>Outcome</b>
Orientation & Workshop Effective Time Management	<ul style="list-style-type: none"> <li>• Introduction and clarification of commitment</li> <li>• Identify and manage issues relating to time management and delegation</li> <li>• Apply time management tools and techniques to your role</li> <li>• Understand planning, prioritising and goal setting</li> </ul>
Managing Absence and difficult conversations	<ul style="list-style-type: none"> <li>• Applying the Council's absence management policy and procedures</li> <li>• Managing short and long term absence</li> <li>• Managing difficult conversations</li> </ul>
Managing discipline & grievance	<ul style="list-style-type: none"> <li>• Select and apply the best course of action to address performance issues</li> <li>• Identify and understand methods and approaches to support individual performance</li> </ul>
Equalities for Managers	<ul style="list-style-type: none"> <li>• Understand and apply the manager's role within equality and diversity</li> <li>• Effectively utilise the Council's EQIA toolkit</li> </ul>
Managing Safely	<ul style="list-style-type: none"> <li>• Understand and apply the principles of managing safely within the organisation</li> </ul>
Finance & Procurement	<ul style="list-style-type: none"> <li>• Identify and utilise financial controls</li> <li>• Construct and critique financial proposals</li> <li>• Understand the benefits of strategic procurement</li> <li>• Review the impact of poor procurement practice</li> </ul>
Performance Management	<ul style="list-style-type: none"> <li>• Identify and agree performance objectives</li> <li>• Assess performance and provide feedback</li> <li>• Understand performance support for improvement</li> </ul>
Project Management for Managers	<ul style="list-style-type: none"> <li>• Plan and manage key project elements</li> <li>• Achieve project success through people</li> <li>• Analyse and manage risks</li> </ul>
Performance Review & Development	<ul style="list-style-type: none"> <li>• Identify and agree performance targets and objectives with individuals</li> <li>• Manage difficult conversations within the appraisal process</li> <li>• Support staff to improve their effectiveness</li> </ul>
Community Engagement and Consultation	<ul style="list-style-type: none"> <li>• Understand the differences between engagement and consultation</li> <li>• Create and maintain effective partnerships</li> <li>• Understand proactive approaches</li> <li>• Understand best practice guidelines</li> </ul>
Leading and Managing Teams	<ul style="list-style-type: none"> <li>• Understand team dynamics and the team cycle</li> <li>• Assess your effectiveness as a Team Leader</li> <li>• Recognise and utilise motivational techniques</li> <li>• Managing personalities</li> </ul>
Developing Talent	<ul style="list-style-type: none"> <li>• Assess abilities and capabilities of current staff</li> <li>• Align team development with service strategies</li> <li>• Developing and coaching staff</li> </ul>

