

**FALKIRK COUNCIL**

**Subject: SERVICE RE-DESIGN**  
**Meeting: FALKIRK COUNCIL**  
**Date: 12 November 2014**  
**Author: CHIEF EXECUTIVE**

**1. INTRODUCTION**

- 1.1 As Members are aware, the implementation of the new health and social care integration arrangements result in some of the most fundamental changes to the structure of public services in some years. Members agreed at the meeting of Council on 14 May 2014 that I should report on the impact of these changes on the remaining services of the Council.
- 1.2 The purpose of this report is to provide such information and to seek agreement from Members on the way forward for Falkirk Council.

**2. IMPLICATIONS FOR FALKIRK COUNCIL**

- 2.1 By changing the way the Council delivers and governs adult health and social care, there is a need to assess the implications on those functions of Social Work which will remain with the Council and, in turn, the impact this may have on the Council as a whole.
- 2.2 In summary, the functions of Social Work which are likely to transfer to the health & social care integration body corporate model include the majority of adult care services. In the main, these services are delivered through the Community Care Division of Social Work Services. The functions remaining with the Council broadly include:
  - Children & Families services;
  - Criminal Justice;
  - Money Advice.
- 2.3 At present, Social Work has an establishment of c1260 FTE employees. Whilst work is progressing to refine the number of employees directly affected by health and social care integration, it may be beneficial for Members to know that there are currently c920 FTE employees within the functions of community care. Within the health & social care integration body corporate model, which has been agreed by Members as the appropriate model for the Falkirk partnership, these employees will remain employed by Falkirk Council. Decisions on the strategy and future direction of the areas within which these employees work will, however, be undertaken and agreed by the Integration Board and in turn delivered through direction from the integration Chief Officer. Equally, the Head of Service role with responsibility for such adult services would also remain employed by the Council but would take direction from the health & social care integration Chief Officer. Given the potential implications for the community care workforce, consideration must be given to the current structure and whether it remains fit for purpose following implementation of the integration arrangements.

- 2.4 It is clear that such changes will impact on the size of the current Social Work Service in terms of the functions for which it is directly accountable, the budget responsibility and the employees in post to deliver such functions (potentially c340 FTE). Whilst the functions remaining with the Council are important and high risk services, a Service of this size and diversity would appear incompatible with the remaining structure of the Council.
- 2.5 In considering the implications for the Council, there are a number of other factors which should be taken into account. In particular, the Council's Director of Education post is currently vacant. This has been filled on an acting basis in order to provide Members with additional flexibility in considering options when reviewing the implications of health and social care integration. There are clear linkages between Education Services and the remaining functions of the Social Work Service.
- 2.6 I can also advise Members that the Director of Social Work Services has indicated that she intends to retire from the Council in spring 2015. In addition, the Head of Educational Support and Improvement has confirmed his retirement from the Council with effect from 31 December 2014. This will result in three senior vacancies in these critical services. Members will also be aware that the Director of Social Work is also the Council's Chief Social Work Officer.
- 2.7 Within the integration model, there remains a need for the Council to retain the role of the Chief Social Work Officer within any structural arrangements. This individual should have direct access to advise both Members and Corporate Management Team on all social work issues. The individual should also have a link to the new Integration Board which will govern the body corporate model, to ensure they too receive appropriate advice. Such a requirement must be considered within any structural arrangements. There is no specific requirement for the post to be at Director level, but it should be at a reasonable level of seniority and there should be deputising arrangements in place to cover such a role.

### **3.0 OPTIONS FOR CONSIDERATION**

- 3.1 Given the agreement by Members to receive a report on the implications for the Council, officers have given consideration to the range of options which may be available to Members in responding to health and social care integration. For this purpose, a number of factors were taken into account including the following areas:
- Any revised structure must continue to meet statutory requirements. Included in this is the requirement for the Council to maintain the role of the Chief Social Work Officer, enabling that officer to fulfil their statutory role;
  - Structure arrangements must be efficient and effective. Given the Council's current budgetary position, and the financial savings of c£40m which require to be achieved over the next 3 years, if the Council is to consider reviewing its structure, any revised arrangements should cost no more than the current model and should ideally result in savings;

- Structure arrangements should avoid duplication, particularly between the work of the Council and the work of those services which are in the integrated model. The Council should, however, maintain an ability to ensure that integration arrangements are delivering effective services for the people of Falkirk;
- The structure design should be logical and customer friendly;
- The structure should be designed in a way which enables the Council to continue to deliver its Corporate Plan.

- 3.2 In reviewing the current structure, officers assessed three main options, taking into account the benefits and issues relating to each. These are provided at Appendix 1 for Members' consideration. The Council's current Service structure is attached as Appendix 2a which shows the chief officer posts within the structure (for information, some Directors have Service Managers reporting directly to them too) and Appendix 2b which shows the functions; for Members' information.
- 3.3 Whilst all of the options have varying degrees of merit, Option 2, which promotes the integration of social work and education functions, provides the greatest level of synergy with the factors outlined in paragraph 3.1. This would result in the creation of a Children's Service. It is considered that there are now sufficient areas of joint working between both social work and education to merit further integrated working and indeed this would benefit these services in moving forward with current and emerging areas of work such as GIRFEC, the Children's Commission and the Early Years Collaborative.
- 3.4 Whilst the structure options presented have no direct implications for employees other than Chief Officers, Option 2 would require a review of service design and arrangements below Head of Service level, to ensure effective operational integration. Such work would require to be undertaken in consultation with relevant Trade Unions and employees.
- 3.5 Members will also be aware of the current national review of criminal justice services. The full implications of this have still to be assessed. It is suggested that, pending the receipt of such information, Criminal Justice remains within the Council rather than the body corporate and, as appropriate, information will be reported back to Members in order that further consideration, as required, can be given to any implications which may arise from the outcome of the national review.
- 3.6 Taking these factors into account, Members are asked to give consideration to each of the structure options and consider the most appropriate way forward for the Council.
- 3.7 Subject to the requirements of any decision taken by Members, work will commence on the operational structure which sits below that of Head of Service in order to support the successful delivery of functions within any structure model agreed by Council. To enable this, consultation will take place with relevant Trade Unions and employees to develop the appropriate operational structures.

- 3.8 Depending on the structure model agreed, there may be a requirement to make appointments to a Director and a Head of Service level post(s). Members are therefore asked that in agreeing an option, they give authorisation to the Appointments Committee to make suitable appointments, in accordance with the Council's normal policies, to fill any resulting vacant Chief Officer post(s) to ensure effective implementation of any structure model agreed. Appropriate slotting and matching arrangements will however be applied for current chief officers as appropriate.
- 3.9 Communication will also be undertaken with relevant employee groups to advise them of any decision on the structure model and options for operational arrangements.

#### **4. OTHER IMPLICATIONS**

- 4.1 Given the changes inherent within the structure options presented to Members, there are potential implications for the remaining functions of the Council. For example, if Members were to decide that Social Work and Education should be integrated within a single Service, Members may wish to consider the other Services of the Council within this context in order to provide a balanced structure. If this work is considered appropriate, a review of options will be undertaken and reported back to Members for consideration.
- 4.2 Relevant to this and as reported to Members in February 2014, there are also a number of Business Transformation projects currently being progressed by officers. The examples of initial workstreams provided to Members in February 2014 included:
- Further developing e-procurement;
  - Better efficiency in methods of internal re-charging;
  - Integration of HR and Payroll functions;
  - Review of cleaning services.
- 4.3 All projects are progressing with the aim of delivering efficiencies in service delivery. In particular, the project which reviewed the options to integrate the HR and Payroll functions of the Council has now concluded. This identified that if these functions were to be integrated within the current HR and Customer First Division, there were a number of operational efficiencies which could be achieved, together with savings of c£70k. As such, this change in reporting arrangements has now been implemented. A number of other such projects have also been identified and are being progressed by Services.
- 4.4 All such changes and work being progressed will be taken into account, if Members agree that they would wish to give consideration to achieving a balanced structure across the Council.
- 4.5 Given such changes, including any which Members may agree with regards to social work and education, there is likely to be a need to review the number and remit of Chief Officers. As part of the voluntary severance arrangements agreed by Council at the February 2014 budget meeting, expressions of interest were requested from Chief Officers to determine who may potentially be interested in leaving through severance up to and including March 2017.

As a result, some expressions of interest have been received. Subject to such cases meeting the criteria set out in the Severance Policy, as amended by Council in February 2014, the applications from such officers will be considered and, if by granting them it provides additional flexibility and supports changes to structure arrangements for the Council, an offer will be made.

## **5. RECOMMENDATION**

### **5.1 It is recommended that Members:**

- (a) Agree the structure model to be implemented with regards to social work and education as a result of the impact of the changes arising from health and social care integration;**
- (b) Note the requirement for further consultation with Trade Unions and employees on the determination and implementation of operational structure arrangements within any revised model;**
- (c) Agree to provide the Appointments Committee with delegated authority to make Chief Officer appointment(s) to any resulting vacant post(s), as required, to implement any new model;**
- (d) Agree whether further consideration should be given to the remaining Services of the Council as a result of any new model for social work and education;**
- (e) Note the integration of the HR and Payroll functions within the current HR & Customer First Division as detailed in paragraph 4.3; and**
- (f) Note the receipt of severance applications from Chief Officers and that these will now be considered as outlined in paragraph 4.5;**

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**CHIEF EXECUTIVE**

Date: 20 October 2014

Ref: MP/KA

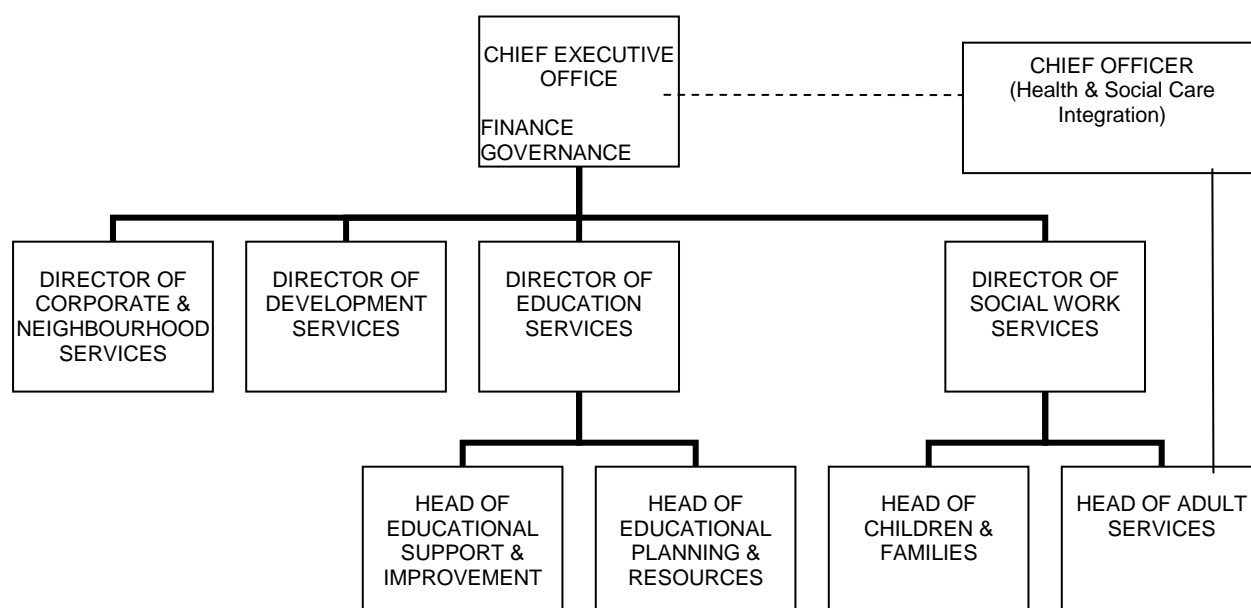
Contact Name: Mary Pitcaithly, Ext 6002

## **LIST OF BACKGROUND PAPERS**

None.

## Appendix 1

### Status Quo



### Changes

The status quo retains the current structure with Social Work and Education remaining as separate Services. Whilst the Head of Adult Care would continue to report to the Director of Social Work within this structure, they would essentially be taking direction for the functions of adult care from the Chief Officer.

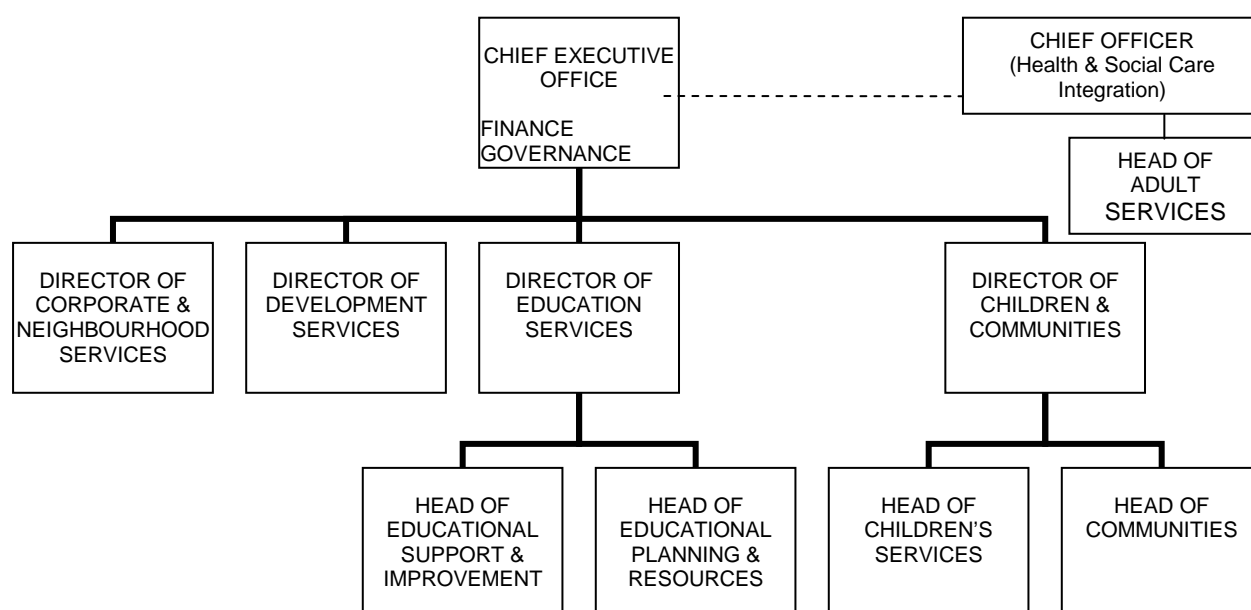
### Benefits

This structure offers minimal change and ensures effective oversight of all social work functions. It also ensures the role of the Chief Social Work Officer is fully covered.

### Issues and Risks

- This structure would not be in the spirit of the health and social care integration legislation, as there would be a lack of clarity and accountability between the role of the Director of Social Work and the role of the Chief Officer.
- There is a high potential for duplication and tension between the posts of the Director of Social Work and the Chief Officer.
- The status quo does not provide a clear reporting structure for employees within adult services, nor does it provide the public with a clear and customer friendly structure design in light of the new integration arrangements.
- This structure does not take advantage of the potential options for change which better promote integrated working between both social work and health, as well as between social work and education; particularly on areas of integrated working such as the GIRFEC agenda.

## Option 1



## Changes

Under this option Social Work and Education would remain separate with Social Work being renamed and delivering the current Children and Families, and Criminal Justice Services, as well as Community Learning and Development. There would be scope to add further to the functions contained within a 'communities' remit. Whilst the Head of Adult Care would remain employed by the Council, they would report on a day-to-day basis to, and take direction from, the Chief Officer.

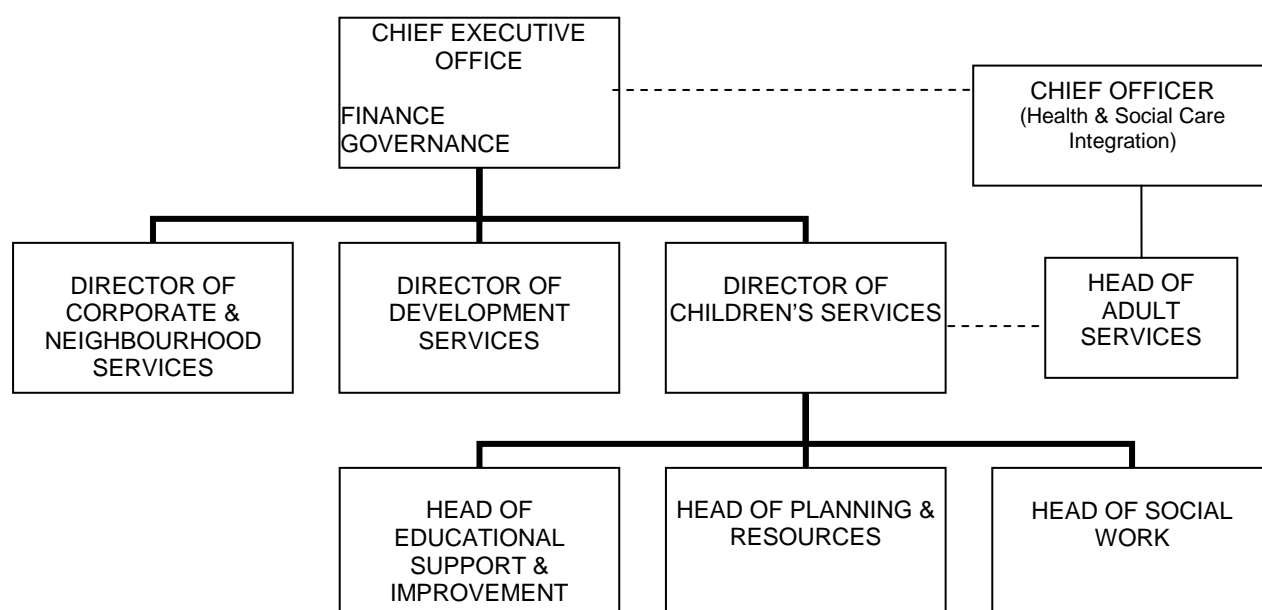
## Benefits

This structure is in the spirit of the health and social care integration legislation. It has some changes for employees although limited, and ensures effective oversight of all remaining social work functions. It also ensures the role of the Chief Social Work Officer is fully covered.

## Issues and Risks

- The Children & Communities Service is still a relatively small Service with regards to scope, diversity and accountability, in the context of the Council's wider structure.
- The design retains four Services with four Directors, and does not take advantage of the opportunity to achieve efficiencies.
- This structure does not take advantage of the potential options for change which better promote integrated working both between education and social work.

## Option 2



## Changes

Under this option, Social Work and Education Services would integrate into a single Service. The Head of Social Work would be responsible for all Social Work functions remaining with the Council. Whilst the Head of Adult Care would remain employed by the Council, they would report on a day-to-day basis to, and take direction from, the Chief Officer. Given the wider role of the Director of Children's Services, there could be a clear link between this role and the Head of Adult Services.

## Benefits

- This structure is in the spirit of the health and social care legislation, providing clarity and clear accountability between the role of the Director of Children's Services and the role of the Chief Officer.
- This structure offers a leaner management structure by removing one Director post within the Council's structure, whilst still retaining appropriate professional lead officers.
- The role of the Chief Social Work Officer (CSWO) can be undertaken by either the Director of Children's Services (if Social Work qualified) or by the Head of Social Work. The CSWO would report to Members on CSWO matters and have access to CMT. Deputising arrangements would require to be implemented and, if the CSWO was the Head of Social Work, deputising may require to be at Service Manager level (if the Director appointed was not from a Social Work background).
- This structure supports integrated working between the current social work and education functions. It also provides combined support for the work of the Children's Commission, as well as for other joint areas of work inherent in, for example, the GIRFEC agenda.
- It provides a clear structure for both service users and employees.



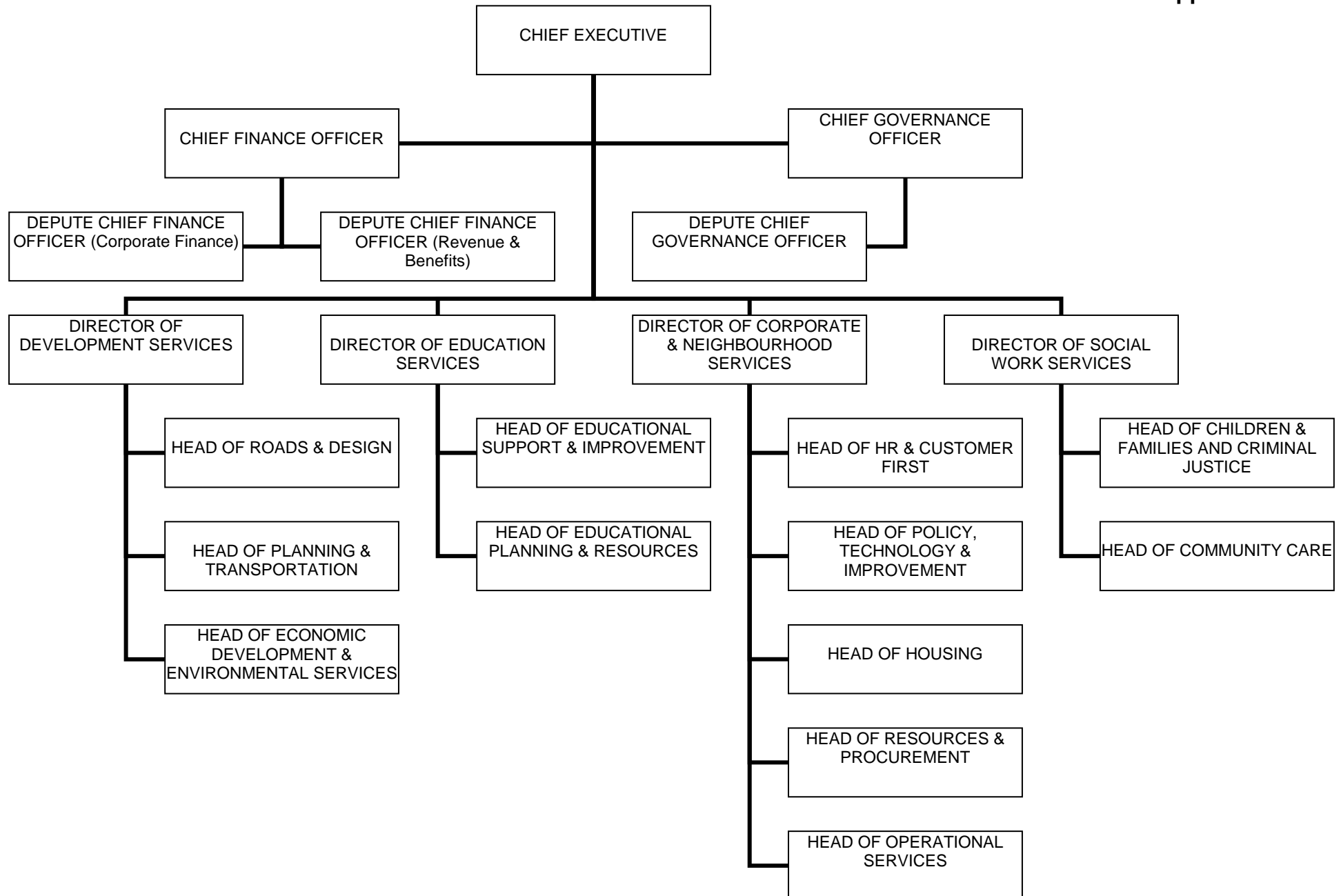
- The integration of social work and education enables better integration of the assets and infrastructure of both Services, potentially generating savings.
- The structure provides a single Head of Service to lead and manage the planning and resources functions of the Service for both education and social work functions, providing added support to social work;
- The structure provides a clearer option for the management of the criminal justice and Mental Health functions.

**Issues and Risks**

- It could be perceived that there is a potential loss of professional leadership given the integration of the current posts of Director of Social Work and Director of Education.
- Consideration will require to be given to the appropriate management arrangements for Community Learning and Development.

## Current Structure: Posts

## Appendix 2a



Chief Executive			
Chief Finance Officer		Chief Governance Officer	
Depute Chief Finance Officer (Corporate Finance)	Depute Chief Finance Officer (Revenue & Benefits)	Depute Chief Governance Officer	
<ul style="list-style-type: none"> <li>Financial Advice</li> <li>Financial Performance</li> <li>Revenue</li> <li>Annual Report &amp; Accounts</li> <li>Revenue Budget Preparation and Monitoring</li> <li>Creditors</li> <li>Treasury Management</li> <li>Insurance</li> <li>Internal Audit</li> <li>Capital Budget Preparation and Monitoring</li> <li>Capital Accounting</li> <li>Pensions Administration and Investment</li> </ul>	<ul style="list-style-type: none"> <li>Council Tax Billing, Collection and Recovery</li> <li>Council House &amp; Lock-Up</li> <li>Rents Billing, Collection and Recovery</li> <li>Non-Domestic Rates Billing, Collection and Recovery</li> <li>Sundry Accounts</li> <li>Direct Debits</li> <li>Housing Benefits</li> <li>Council Tax Reduction</li> <li>Compliance and Investigation</li> <li>Financial Assessments</li> <li>Welfare Reform</li> <li>Cash and Income Management</li> <li>Accountancy Support</li> <li>ICT and Business Support</li> </ul>	<ul style="list-style-type: none"> <li>Solicitors</li> <li>Member Services</li> <li>Corporate Records</li> <li>Registration</li> <li>Print Works</li> <li>Mail Room</li> <li>Children's Panel</li> <li>Committee Administration</li> <li>Licensing</li> </ul>	
<b>Director of Development Services</b> <ul style="list-style-type: none"> <li>Emergency Planning</li> <li>Sustainability Team</li> </ul>	<b>Director of Education Services</b>	<b>Director of Corporate &amp; Neighbourhood Services</b>	<b>Director of Social Work</b> <ul style="list-style-type: none"> <li>Contracts &amp; Commissioning</li> <li>Performance &amp; information</li> <li>Workforce Development</li> <li>Customer Services</li> </ul>
<b>Head of Roads &amp; Design</b> <ul style="list-style-type: none"> <li>Roads</li> <li>Building Design</li> <li>Engineering Design</li> </ul> <b>Head of Planning &amp; Transportation</b> <ul style="list-style-type: none"> <li>Development Management</li> <li>Planning and Environment</li> <li>Building Standards</li> <li>Transport Planning</li> </ul> <b>Head of Economic Development &amp; Environmental Services</b> <ul style="list-style-type: none"> <li>Growth and Investment</li> <li>Asset Management</li> <li>Employment &amp; Training</li> <li>Environmental Health</li> <li>Trading Standards</li> </ul>	<b>Head of Educational Support &amp; Improvement</b> <ul style="list-style-type: none"> <li>Pre-five Education and Care</li> <li>Primary Education</li> <li>Secondary Education</li> <li>Provision for Young People with ASL</li> <li>Psychological Services</li> <li>Quality School Improvement</li> <li>Curriculum Support</li> </ul> <b>Head of Educational Planning &amp; Resources</b> <ul style="list-style-type: none"> <li>Educational Resources</li> <li>Education ICT Systems &amp; Support</li> <li>Education Asset/Property Management</li> <li>Service Policy &amp; Performance</li> <li>Service Forward Planning</li> <li>Customer Communications</li> <li>Community Centres and Community Halls</li> </ul>	<b>Head of Human Resources &amp; Customer First</b> <ul style="list-style-type: none"> <li>Industrial and Employee Relations</li> <li>Recruitment</li> <li>Reward and HR Helpdesk</li> <li>Employee and Organisational Development</li> <li>Health, Safety and Care</li> <li>HR Systems and Development</li> <li>HR Support</li> <li>Customer First (incl Scottish Welfare Fund)</li> <li>Payroll delivery</li> </ul> <b>Head of Policy, Technology &amp; Improvement</b> <ul style="list-style-type: none"> <li>Corporate Policy</li> <li>Community Planning</li> <li>Research and Information</li> <li>External Funding</li> <li>Business Improvement</li> <li>Technology Development</li> <li>IT Network and Infrastructure</li> <li>Corporate and Service IT support</li> <li>Welfare Reform</li> <li>Communication and Participation</li> <li>Design</li> <li>Press and Media</li> </ul> <b>Head of Housing</b> <ul style="list-style-type: none"> <li>Tenancy Management</li> </ul>	<b>Business Support</b> <ul style="list-style-type: none"> <li>Short Breaks Bureau</li> <li>Direct Payments/Self Directed Support</li> <li>Business Continuity</li> <li>Capital Programme</li> <li>Asset Management</li> <li>Service Redesign</li> <li>Project Work</li> <li>Performance and Information</li> <li>ICT Strategy</li> <li>SWIS</li> <li>Child Protection</li> </ul> <b>Head of Children &amp; Families</b> <ul style="list-style-type: none"> <li>Adoption &amp; Fostering</li> <li>Children's Rights</li> <li>Children with Disabilities</li> <li>Contracts</li> <li>Kinship Care</li> <li>Corporate Parenting</li> <li>CP Quality Assurance</li> <li>Looked after Children</li> <li>Residential Services</li> <li>Leaving Care Services</li> <li>Intensive Family Support Service</li> <li>CFIS Board and Development</li> </ul>

		<ul style="list-style-type: none"> <li>• Homeless Services</li> <li>• Housing Needs &amp; Planning</li> <li>• Private Sector Housing</li> <li>• Allocations &amp; Housing Advice</li> </ul> <b>Head of Resources &amp; Procurement</b> <ul style="list-style-type: none"> <li>• Housing Asset Management</li> <li>• Property Management</li> <li>• Corporate Procurement</li> <li>• Performance &amp; Quality Management</li> </ul> <b>Head of Operational Services</b> <ul style="list-style-type: none"> <li>• Waste Services (Collection &amp; Disposal)</li> <li>• Fleet Services</li> <li>• Estates Management</li> <li>• Bereavement Service</li> <li>• Parks and Play Service</li> <li>• Catering &amp; Building Cleaning</li> <li>• Sign Factory</li> </ul>	<ul style="list-style-type: none"> <li>• Connect Services</li> <li>• Prison Based Social Work</li> <li>• Support Accommodation</li> <li>• Groupwork Services</li> <li>• Youth Justice Work</li> </ul> <b>Head of Community Care</b> <ul style="list-style-type: none"> <li>• Care Homes</li> <li>• Community Day Care</li> <li>• Joint Dementia Initiative</li> <li>• Delayed Discharge</li> <li>• Older People Services</li> <li>• Homecare</li> <li>• MECS</li> <li>• Housing with Care</li> <li>• Telecare</li> <li>• JLES</li> <li>• Learning Disability Team</li> <li>• Asset</li> <li>• Day Centres</li> <li>• IMHT</li> <li>• MHO Services</li> <li>• Sensory Centre</li> <li>• Physical Disability Panel</li> <li>• NHS Complex Review Panel</li> <li>• Community Advice Service</li> </ul>
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