

FALKIRK COUNCIL

Subject: SERVICE RE-DESIGN
Meeting: FALKIRK COUNCIL
Date: 31 March 2015
Author: CHIEF EXECUTIVE

1. INTRODUCTION

- 1.1 At the meeting of Council on 12 November 2014, Members agreed to implement a new Children's Service by integrating the Social Work functions remaining with the Council following the changes resulting from Health & Social Care Integration, with the Education functions of the Council. Steps are underway to implement this new Service and the Appointments Committee have now appointed Robert Naylor to the post of Director of the Service. The post of Head of Education is now being progressed by the Appointments Committee.
- 1.2 In addition, Members agreed that a review of the remaining Services of the Council should be undertaken. This decision was supplemented by the decision taken at the meeting of Council on 11 February 2015, at which it was agreed that in reporting back to Council on this action, I should present a proposal which reviews the Services in a way which achieves savings.
- 1.3 The purpose of this report is to present a Service structure option to Members for consideration, which subject to Members' decision, will be presented to appropriate employees and Trade Unions for consultation.

2. BACKGROUND

- 2.1 Members will recall that the Service structure of the Council has reduced over the years since 1996 when Falkirk Council was formally established at the last re-organisation. At that time, the Council operated through 12 separate Departments. This structure remained fundamentally unchanged until September 1998 when a re-structuring exercise reduced the number of Services to 9. A further review of Service structures in 2000 reduced the number of Services to 7. Council also agreed changes to Law & Administration Services in 2006 and a further change in 2008 resulting in 6 substantive Services with Law & Administration being part of an operational Chief Executive Office.
- 2.2 From 2009 to 2010, further reviews resulted in the current structure being created which reduced the number of Services to 4, with Governance (formerly Law & Administration) and Finance becoming part of a wider operational Chief Executive Office, with their own Chief Officers; and Falkirk Community Trust being created in 2011. The review in 2010 saw changes to Service structures which resulted in a reduction of Chief Officers from 29 to 21, representing a c30% reduction, and recurring savings of c£0.500m.

2.3 It is important to consider such information in the current review of the Service structure and to reflect on the degree of change within some Services since 1995; some of which have been affected by each of the Service structure reviews. Thought must also be given to the impact this has had both in respect of service delivery and in terms of the level of continual change experienced by some employees.

3. PROPOSED STRUCTURE ARRANGEMENTS

3.1 As outlined above, Members requested that I provide an option on Service structures which takes cognisance of the changes resulting in the new Children's Service, and identifies savings which can contribute to the overall budget savings. For Members' information, I have provided the current Service structure at Appendix 1 of this report.

3.2 In undertaking this work, I have considered a number of factors, some of which were outlined in my report of 12 November 2014. These are:

- Any revised structure must enable the Council to continue to meet its statutory requirements;
- Structure arrangements must be efficient and effective. Given the Council's current budgetary position, and the financial savings of c£46m which require to be achieved over the next 3 years, if the Council is to consider reviewing its structure, any revised arrangements must result in savings, as agreed by Council on 11 February 2015;
- Structure arrangements should avoid duplication, whilst ensuring that effective services are delivered 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.

3.3 In reviewing the Service structure, I have not undertaken any review of the new Children's Service given Members' decision on 12 November 2015 to create this Service with a new Director and three Heads of Service: Head of Social Work, Head of Education and Head of Planning & Resources. However, I have considered the structure arrangements within other Councils, as well as good practice in delivering services on the scale of those delivered by the Council.

3.4 Taking such matters into account, I am proposing that the Council consolidate the number of Services to three and remove the need for a separate operational Chief Executive Office. A proposal which sets out the functional structure to facilitate such change is provided as Appendix 2 of this report. This proposal creates three Services which will have Directors with a diverse and multi-functional range of responsibilities, as well as corporate and strategic responsibilities. It also reflects good practice for an organisation of the Council's size, as well as structures in place within a number of other Councils. It should be noted that the functions listed are subject to change, in line with any budget decisions taken by Members at the meeting of Council on 11 February 2015.

3.5 This structure has been designed to support the Council through the challenges which lie ahead in delivering effective services with reducing budgets. It will provide the Council with a strong core leadership team at officer level, whilst aligning a number of different functions within single structures to create the necessary synergies to deliver direct front line services and efficiencies in the back office.

- 3.6 If Members agree in principle to this change in structure arrangements, an appropriate consultation exercise will be undertaken involving relevant officers and Trade Unions on the functional structure. In addition, I will seek views to assist me in determining the appropriate senior officer structure required to support the implementation of these arrangements.
- 3.7 It is recognised that Members wish such arrangements to achieve savings which will contribute to the budget savings of the Council. With this in mind, following the consultation outlined above, I will report back to Members on the outcomes of this and present a senior officer structure which supports the functional arrangements, and achieves an appropriate level of savings over the period of the budget strategy. These savings will be in addition to the previous savings achieved by the removal of senior officer posts as outlined in paragraph 2.2 of this report.
- 3.8 In relation to Children's Services, the functions are as previously presented to Members on 12 November 2014 and work is currently underway to determine the appropriate functional split across the three Heads of Service. This exercise will be further informed on commencement of the new Director of the Service.

4. RECOMMENDATION

- 4.1 It is recommended that Members:
- (a) note the work undertaken to review the Service structure arrangements;
 - (b) agree in principle to the proposed functional structure attached at Appendix 2, for further consultation with relevant employees and Trade Unions; and
 - (c) agree to receive a further report on the outcome of the consultation exercise together with a senior officer structure to support this which generates appropriate savings.

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CHIEF EXECUTIVE

Date: 23 March 2015
Ref: MP/Structure
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LIST OF BACKGROUND PAPERS

None.