

FALKIRK COUNCIL

Subject: COUNCIL MANAGEMENT STRUCTURE
Meeting: FALKIRK COUNCIL
Date: 23 June 2010
Author: CHIEF EXECUTIVE

1. INTRODUCTION

- 1.1 Members will recall that as part of budget deliberations, Council agreed a revised Service structure and asked that the management structure be reviewed to facilitate the full implementation of the new Service structure.
- 1.2 This report provides Members with a revised management structure for consideration and seeks approval to implement this.

2. BACKGROUND

- 2.1 At the budget meeting on 10 February 2010, Council agreed to take a number of steps to reduce employee related expenditure by c£2m. Work on this is progressing well and a number of actions have been taken. This includes the voluntary severance trawl through which c100 employees have accepted severance resulting in savings of c£1.1m in 2010/11 with further savings on-going. For Member's information, it should be noted that 2 Chief Officers, Ann Carnachan from Education Services and Jim Littlejohn from Finance Services, have left the Council through this exercise. In addition, Alex Jannetta, Director of Finance Services, intends to take early retirement with his last working day being in December, as does Sue Selwyn, Head of Culture and Lifelong Learning who will leave the Council in December. A fifth Chief Officer, David Cunningham, Head of Payroll and Pensions, will also take flexible retirement at the end of August. It has been made clear to employees and Trade Unions that the option to apply for voluntary severance remains available and any future applications will still be considered with a view to releasing further savings.
- 2.2 In addition, Council agreed to implement an interim structure reducing the number of Services initially from 6 to 5, with further work to be done on the option of creating a Trust which could, if approved, result in a further reduction. As a result of this decision, it was agreed that the senior management structure of the Council would be reviewed to enable full implementation of the revised Service structure. Council also asked for this review to contribute up to c£0.6m of savings towards the overall target of £2m as detailed above.
- 2.3 For Council's information, the remaining savings to achieve the c£2m were to be realised from other initiatives such as vacancy management arrangements, a reduction in expenditure on overtime and a reduction in other aspects of employee related

expenditure. Work is progressing in all such areas and I am confident that the £2m of overall savings can be achieved in 2010/11.

3. REVIEW OF MANAGEMENT STRUCTURE

- 3.1 In respect of the Council's senior management structure, I was specifically asked to review this and to achieve c£0.6m of savings through this exercise. In undertaking this work, I have been mindful of previous discussions on this subject where in summary, Members were of the view that any such review should achieve a reduction in bureaucracy, greater efficiency and a greater concentration in front line services. Members also wished best value and good employee relations practices to be taken into consideration.
- 3.2 Detailed work has now been undertaken in consultation with Corporate Management Team and consideration has been given to the various options available. The type of structure which will best help the Council address some of the current challenges has also been taken into account. With this in mind, I have attached a proposed structure as Appendix 1a and 1b to the report. Appendix 1a shows the posts only, whilst 1b details the primary functions for which each post will be responsible. This reflects and supports the implementation of the Service structure approved by Council in February 2010.
- 3.3 It should be noted that I have not shown Community Services on this structure but instead have shown the current structure for this Service as Appendix 2. Members will be aware that in February 2010, officers were asked to undertake work on the option of a Community Services Trust. As such, I consider it inappropriate to make any conclusions on the management structure for Community Services until such work is complete and has been shared with Members for their consideration. I anticipate that a report on this matter will be presented to Members after the summer recess.
- 3.4 In addition, Members will have noted above that Alex Jannetta, Director of Finance will be leaving the Council through early retirement. The proposed structure for Finance which will remain based within the Chief Executive Office is interim, to allow stability until such times as Alex leaves the Council. Once a new Chief Finance Officer is appointed, they will be offered the opportunity to review the interim structure to ensure it is fit for the future challenges which lie ahead. If this results in changes, these will be reported to Members and to ensure good employee relations practice, reflected in revised job descriptions and associated job sizing as described in Section 4 below.
- 3.5 For ease of reference, I have attached the current management structure as Appendix 3. Members will note that the number of Chief Officer posts (including the one vacant post in Community Services) has reduced from 29 to 21 representing a reduction of c30%.
- 3.6 Members will be aware that the previous best value audit commented on the management capacity of the Council. I am confident however, that the proposed structure is fit for purpose to support the challenges facing local government in the current climate. In designing the structure I was also very mindful of the c£0.6m of savings to be achieved from the re-design and consider the proposed structure to be the best possible option which enables this level of savings. There will however, be a need to review the management capacity and arrangements below Chief Officer level. I have provided information on this in Section 4 below.

- 3.7 As part of this exercise, I have also consulted both Trade Unions and relevant employees using the letter which I have attached as Appendix 4 for Member's information. The consultation period closed on 8 June 2010, by which time I received 17 responses including 2 from the EIS. The responses were broadly supportive. Some have questioned the capacity of senior management going forward and the impact this will have. It is recognised however, that a level of savings must be achieved in designing the new management structure and this can't be done without an impact on the number of posts at this level. A summary of the responses are attached as Appendix 5 for Member's information.
- 3.8 Members will also recall their decision to consider the transfer of the Sign Factory from Corporate & Neighbourhood Services to Social Work Services as part of the re-design of the structure. I can advise that consultation has now been undertaken with both the employees of the Sign Factory and relevant Trade Union representatives. Discussions have also taken place with managers in both Services and the advice of the Chief Social Work Officer has been taken into consideration.
- 3.9 Comments from employees and their representatives suggest that there are no objections to the proposed move. Questions have however, been raised by employees about what it may mean for Sign Factory employees to be part of the Social Work Structure.
- 3.10 This has been discussed by managers from both services. In looking at such matters, a current lack of clarity about the implications arising from the implementation of the Work Choices programme has been identified. At this present time and as previously reported, it is unclear how the funding from the Department of Work and Pensions provided for supported employment will be affected and whether there will be changes to this model of supported employment. Discussion has also taken place on the recent publication of "A Working Life for all Disabled People. The Supported Employment Framework for Scotland". This is an important national strategy document which advocates a model of supported employment involving a staged approach, whereby individuals progress through to sustainable employment in integrated work settings.
- 3.11 The implication of this new strategy need to be carefully assessed both in relation to the operation of the Council's Sign Factory, Employment and Training Unit and ASSET, an employment service for people with learning disabilities currently located within Social Work Services. In relation to ASSET, work is already underway to identify how this service can be strengthened to enable more people to achieve the ultimate goal of paid employment, in keeping with the recommendations from the last SWIA performance inspection. The recently published national strategy encourages Community Planning Partnerships to ensure that supported employment provision is delivered in an integrated way and that strategic decisions are taken about how resources are allocated. It is important that work is undertaken to assess how the Council and its partners can respond to this challenging agenda. There is a very real risk that structural change at this point in time could distract from the resources required to take forward this more comprehensive and integrated piece of work. This will also involve the Community Planning Partnership. It is therefore suggested that no change is made to existing management arrangements in relation to the Sign Factory at this point in time. It is proposed that instead, further work be carried out as detailed above including consultation with the Sign Factory employees, relevant Trade Unions and service users of other employment

services as appropriate to these wider developments. A more detailed report on such matters will be presented to the appropriate Committee in due course.

4. IMPLEMENTATION OF REVISED STRUCTURE

- 4.1 Subject to Council agreeing the proposed management structure, there is a need to put arrangements in place to implement the changes in accordance with good employee relations practices and in compliance with legislation. The actions required are outlined below for Member's consideration.

Appointment Process

- 4.2 There is a need to conduct an appointment process to fill the posts in the revised management structure. Council has already given a commitment to the Trade Unions that it will conduct this exercise in a manner consistent with best practice in employee relations. In this regard, HR advice has been obtained as has advice from both the Council's internal and external legal advisers, on the most appropriate method of undertaking this exercise which will comply with Council policy and employment legislation. Taking this advice into account, it is recommended that a process of slotting and matching be used to fill the posts within the revised structure. This approach is consistent with previous practice in the Council, reflects the commitment to the Trade Unions of best practice in employee relations and significantly reduces the risk of legal challenge.
- 4.3 Under this process, where the majority of an employee's existing post is contained in a new post and there are no other employees that can make such a similar claim on the new post (i.e., the new post does not also contain the majority of someone else's current post), the employee would be slotted into that new post.
- 4.4 Where however, the majority of an employee's existing post is contained in a new post which is at a similar level to which they are currently operating and there are other employees that can make a similar claim on the new post (i.e., the new post also contains the majority of someone else's current post), the employee would be matched to that new post along with others who have a similar claim. In such circumstances, employees would be invited to register an interest in any relevant posts and to submit an application using an agreed format. Thereafter, any appointment would be made by a competitive interview process against agreed selection criteria between those who have been matched and expressed an interest in the post. Given these are Chief Officer posts, the competitive interview process would be undertaken by the Council's Appointments Committee.
- 4.5 In practice, this process will require job descriptions for the new posts to be developed. For those jobs which are changing, there will be a need to 'size' the posts as a percentage of the Chief Executive's salary, to ensure they are being paid at an appropriate level. In addition, the impact of any re-grading exercise needs to be considered in respect of the wider scope of senior management posts to ensure compliance with equal pay legislation. To ensure objectivity and given the equal pay implications of this work, it is proposed that this be undertaken by an external specialist in this area. This will be done as soon as possible to ensure the slotting and matching exercise can be completed timeously with the aim of providing a degree of stability at a senior management level as well as a pay

structure which is sustainable and can take account of any future changes at Chief Officer level. The outcomes of this exercise will be reported back to Members.

- 4.6 Consideration also needs to be given as to whether those officers who have been undertaking acting posts at Chief Officer level are eligible to be included in the slotting and matching exercise. It is considered that the most equitable and fair approach is to include in this exercise anyone who has been acting into a post at Chief Officer level for 2 or more years. It would be open to Council to take the view that those acting as Chief Officers would not be eligible to be considered but this would seem inappropriate given the length of time that some of the posts have been occupied on an acting basis.
- 4.7 Subject to this being agreed, it should be clarified that there will still be some posts which require to be filled through the normal recruitment process. In particular, the posts of Director of Social Work, Depute Chief Governance Officer and Head of Operational Services would be subject to advert as no one is contracted to these posts on either a permanent basis or an acting basis for more than 2 years. It is therefore recommended that as soon as appropriate job descriptions are developed and the 'sizing' process complete, the Appointments Committee be convened to make appointments to these posts on a permanent basis.
- 4.8 To take an approach which is different to the above would require all posts on the new structure to be subject to open competitive interview. This would not be good employment practice, it would have a poor effect on morale and be inconsistent with previous practice. It could also cost the Council a significant amount of money as a result of Tribunal claims. The current limit on unfair dismissal compensation is £76,700 per affected employee and can be increased if any of the discrimination strands can be incorporated in the claim. Claims of such magnitude could negate any savings being achieved from the structure review process. As such, it is recommended that a process of slotting and matching be used as detailed above, which significantly reduces if not avoids the possibility of such claims being raised.
- 4.9 It should be noted that the Acting Director of Law and Administration and the Director of Finance have been appointed by the Council to a number of statutory offices, principally those of monitoring officer and chief finance officer, but also to various other proper officer functions required by statute. Additionally, they perform the functions of Clerk or Treasurer to all of the Joint Boards in the case of the Acting Director of Law and Administration and one in the case of the Director of Finance. The Acting Director is also the Clerk to the Licensing Board. The Council's standing orders, scheme of delegation, financial regulations and contract standing orders also assign specific functions to these two posts. In light of this, it is proposed that at the stage that an appointment is made to the posts of Chief Finance Officer and Chief Governance Officer, each office, role or function currently associated with the posts of Director of Finance and Director of Law and Administration should transfer to the new post until further decision by the Council.

Conditions of Service

- 4.10 In reviewing the management structure, consideration has also been given to the conditions of service on which Chief Officers are appointed. At present, there are differences between Chief Officer conditions and those of other employee groups across the Council. In this respect, Members will be aware that the conditions for SJC, Craft and Teaching employees have been the subject of review in the past 4 years. As a result,

the only remaining employee group who require to have their conditions reviewed is Chief Officers.

- 4.11 With this in mind, it is proposed that with the aim of achieving a level of consistency across all employee groups, Chief Officers' conditions should be aligned to those currently in place for SJC and Craft employees. In practice, this approach will mean that Chief Officers are retained within the SJNC for Chief Officials bargaining group, but would have their pay determined at a local level (as at present) and local discretionary conditions aligned to those of SJC and Craft employees. If this were to be agreed, the main areas of change are detailed in the following table.

CONDITION	CURRENT CHIEF OFFICER CONDITION	PROPOSED NEW CONDITION (BASED ON SJC CONDITIONS)
Annual Leave	27 days irrespective of length of service	26 days rising by one day per year to 31 days after 5 years, plus a further 2 days after 10 years giving 33 days for those with 10 years continuous local government service
Annual Leave Year	1 st October to 30 th September	1 st January to 31 st December
Public Holidays	11 fixed days plus 3 floating	8 fixed days
Working Hours	35 hours	37 hours

- 4.12 It should be highlighted that Chief Officers and Trade Unions have been consulted on the proposed changes. The consultation closed on 8 June 2010, by which time I had received 6 responses including one from a Trade Union. The general feedback is outlined below.

- Annual Leave and Public Holidays: whilst the total number of days annual leave and public holidays remain the same for those with 10 or more years continuous local government service, a new employee with less than 10 years service will receive fewer days holiday than they would at present. The feedback has questioned whether this will impact on existing employees and I can confirm that as there are no Chief Officers with less than 10 years continuous local government service, this will not impact on existing employees.
- Working Hours: Members will recall that SJC employees who were working 35 hours prior to the introduction of the 37 hour working week received 2 hours protection on implementation of single status. The feedback has asked whether this protection would be offered to Chief Officers. Whilst this would ideally be a fair approach, circumstances have changed in respect of the financial and equality risks of such an option to the Council. This was reflected in the decision Council took regarding Craft conditions where Members will recall that whilst the issue of hours did not affect Craft employees, there were a small number who were in detriment due to their salary changing. No protection was offered to these employees due to the equality risks and the financial consequences of such risks. There is equally a question about the longer term sustainability of the current protection in hours being received by some SJC employees which requires to be reviewed to ensure compliance

- with equality legislation. With this in mind and given such risks, it is suggested that protection is not offered to Chief Officers in respect of the change in working hours.
- Flexi-time: Flexi-time was not part of the consultation but some of the responses have suggested that as with SJC employees, this should be made available to Chief Officers. It should be clarified however, that there are other Chief Officers who have advised that they do not wish to have this option. Equally, given the hours that most Chief Officers work, it is unlikely that they will be able to take advantage of the benefits of the flexi-time scheme. Chief Officers' current conditions require them to work flexibly to fulfil the duties and responsibilities of the post. As such, these officers already have a degree of flexibility in their posts which accommodates the needs of the Council as well as the providing flexibility for the employee. It is suggested however, that if a Chief Officer wishes to apply for flexi-time, they can do so in line with arrangements for SJC employees. This does not automatically mean that it will be granted, but as with SJC employees, their manager will consider whether it can be accommodated within their post. Irrespective of such arrangements, Chief Officers will continue to be expected to be flexible in their work patterns to accommodate the needs and requirements of their post.
- 4.13 Taking the above into account, I would recommend that Council agree to amend Chief Officer conditions, as detailed in paragraphs 4.11 and 4.12. In implementing the revised conditions Chief Officers will, on implementation of the slotting and matching exercise, be sent a revised contract with their new job title to reflect the revised management structure. This will include an amendment to conditions and will be for voluntary acceptance by Chief Officers. Should a situation arise where a Chief Officer refuses to accept the revised conditions, it will be necessary to serve a statutory notice of the change, providing an appropriate length of time for such notice to be implemented. With this in mind I would aim to implement the new conditions as soon as possible, but this may require to be on a staggered basis if some officers require me to provide statutory notice of the changes.

Second Phase of Review

- 4.14 As detailed above, if approved, the revised management structure reduces the number of Chief Officer posts by c30%. It must be recognised that this will undoubtedly have an impact on the roles, responsibilities and accountability, as well as the skill and knowledge base of some managers. With this in mind and to ensure appropriate management capacity at the correct levels, Directors will be undertaking a second phase of this review by considering their management structure below Chief Officer level to determine whether this is fit for purpose and meets the Council's future requirements.
- 4.15 In undertaking similar work, some Councils have gone down the route of creating new management posts below Chief Officer level in order to ensure appropriate management capacity. It is fully recognised however, that given the financial context in which local government is currently working, such an option must only be used in very limited circumstances and that the overall aim of this second phase must be to further identify additional employee related savings whilst ensuring the Council has the appropriate management capacity. With this in mind, Services will ensure jobs are re-designed as appropriate, to meet the Council's requirements. There could however, be situations where it is necessary to ask some managers to assume additional responsibilities over and above those which they already have. This will be done in consultation with the employee and their Trade Union representatives as appropriate.

- 4.16 To enable this to happen and to ensure compliance with equal pay legislation, it will be necessary to assess the impact on job grades where the manager's remit changes. As Members will be aware, managers' jobs have been evaluated using the SJC job evaluation scheme. At present the top grade is Grade M. To allow flexibility in widening the responsibilities of some posts rather than creating new posts, it is considered appropriate to create a new Grade N which will ensure individuals are paid appropriately. As detailed above, this would allow some managers to be given additional responsibilities over and above those which their colleagues on grade M have, and would ensure appropriate capacity at a senior management level without creating new posts. Indeed in some cases, it may also facilitate a reduction in the number of posts. It should be noted that the cost of implementing this option is minimal and initially estimated to be c£730 per employee whose grade changes, based on an existing salary at the top of Grade M.
- 4.17 Taking this into account, the proposed grading structure is attached as Appendix 6 for Members' information. An equality impact assessment has been undertaken which confirms that there are no significant equality issues in implementing a new Grade N. Subject to Council's approval of this approach, Trade Unions will be contacted with a view to taking forward the review of managers below Chief Officer level as well as the implementation of Grade N within the pay structure of the Council. In conducting this review, Directors may be required to make use of the Severance Policy and will do so in consultation with relevant Convenors as appropriate.

Implementation

- 4.18 It is clearly within the interests of all concerned for the review of the Chief Officer management structure to be completed and implemented as soon as possible. With this in mind and subject to Council approving this report, I would aim to develop job descriptions, complete any necessary job 'sizing' work and undertake the slotting and matching exercise as quickly as possible. In addition, I would seek Council's approval to convene an Appointments Committee which would have delegated power to make appointments to the posts of Director of Social Work, Depute Chief Governance Officer, Head of Operational Services and any posts which require to go through a matching exercise. This will be done as soon as the necessary preparatory work is complete.
- 4.19 In respect of the other Service structure changes agreed by Council in February including the transfer of Economic Development to Development Services and Licensing to Law & Administration, subject to the management structure being approved, I would propose that these be formally transferred with effect from Monday 5 July 2010.

5. FINANCIAL IMPLICATIONS

- 5.1 As detailed above, Council requested that c£2m of employee related savings be made from the budget. I have outlined in section 2 the work that has been done to achieve this target, which I am confident we can meet. In doing so, the savings which can be achieved from the proposed management structure contained at Appendix 1 is c£0.6m. This represents a c30% reduction in posts at Chief Officer level.
- 5.2 As identified at section 4, subject to the Chief Officer structure being approved and implemented, further work will be done to review the next tiers of management with a view to achieving further additional savings. To facilitate this, it is proposed that a new Grade N be implemented, which will help accommodate the need for some managers to take on board additional and changed responsibilities.

6. RECOMMENDATIONS

6.1 It is recommended that Council:

- a) Approve the revised management structure as detailed at Appendices 1a and 1b of the report;
- b) Note the position in relation to Community Services;
- c) Note the interim nature of the Finance structure;
- d) Note the position in relation to the Sign Factory as detailed in paragraphs 3.8 to 3.11 and request that the recommended further work be undertaken and reported to Committee as appropriate;
- e) Approve the appointment process and preparatory work for implementation of the revised structure as detailed in paragraphs 4.2 to 4.6 of the report and the transfer of functions detailed in paragraph 4.9 to the new posts of Chief Finance Officer and Chief Governance Officer;
- f) Agree that an Appointments Committee be called at an appropriate stage in the implementation and provided with delegated authority to make appointments to those posts outlined in paragraphs 4.7 and 4.18 of the report;
- g) Approve the implementation of the proposed changes to Chief Officer conditions as detailed in paragraphs 4.11 to 4.13 of the report and provide the Chief Executive with delegated powers to implement these in line with good employee relations practice as well as legislation;
- h) Note the work to be undertaken as part of a second phase to this review which will be aimed at realising further savings;
- i) Approve the introduction of a Grade N on the SJC pay structure as detailed in the amended pay structure attached as Appendix 6 to the report;
- j) Agree that subject to the management structure being approved, the transfer of Economic Development to Development Services and Licensing to Law & Administration will be given effect from 5 July 2010.

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CHIEF EXECUTIVE

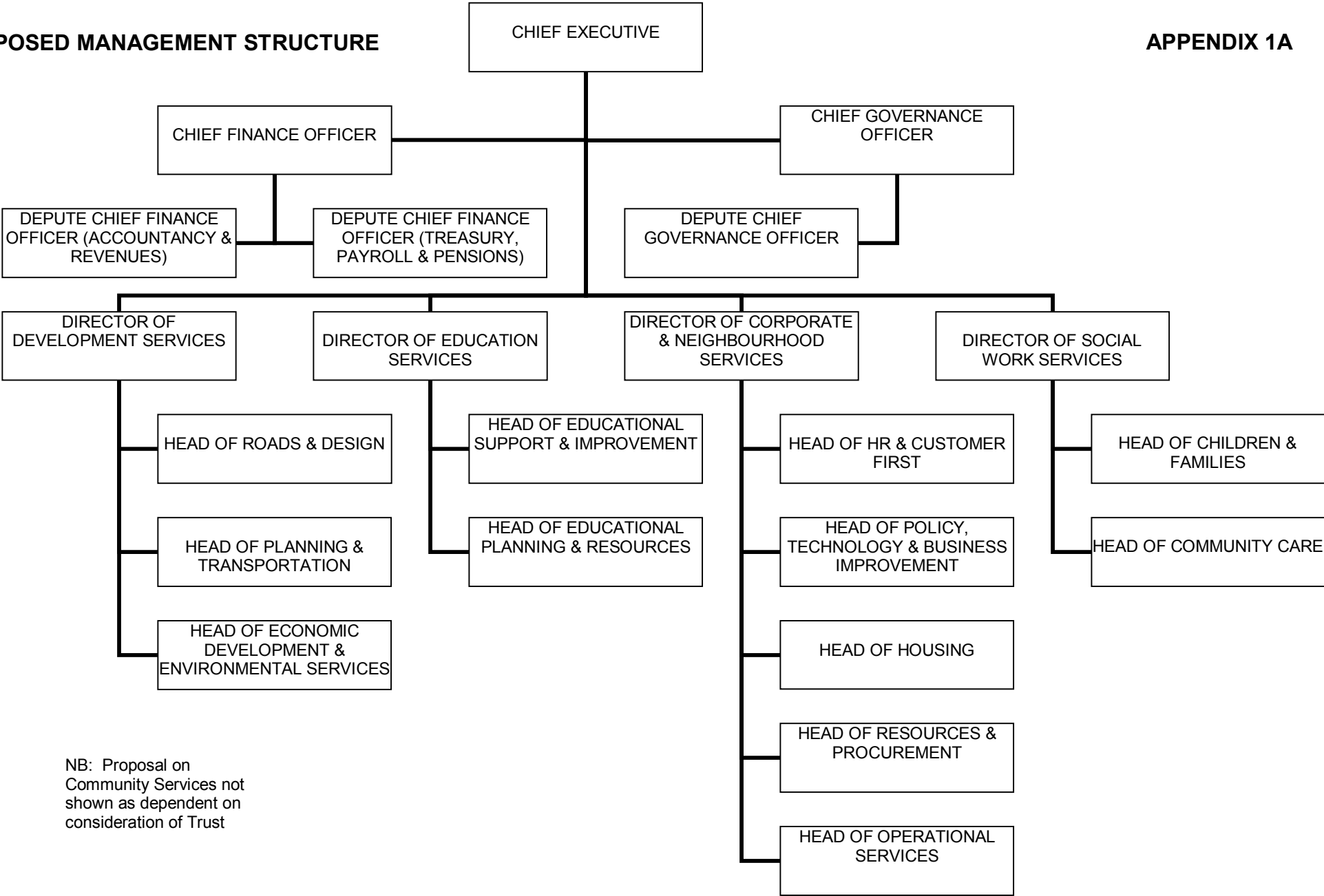
Date: 15 June 2010
Ref: KA/MP
Contact Name: Mary Pitcaithly, Chief Executive, Extn 6002

LIST OF BACKGROUND PAPERS

None.

PROPOSED MANAGEMENT STRUCTURE

APPENDIX 1A



PROPOSED MANAGEMENT STRUCTURE

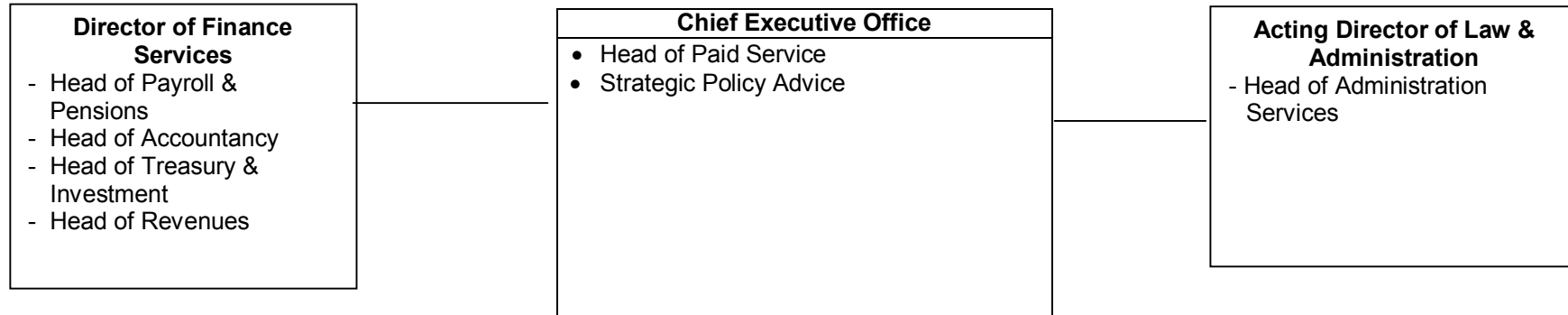
APPENDIX 1B

Chief Executive			
Chief Finance Officer		Chief Governance Officer	
Depute Chief Finance Officer (Accountancy & Revenues)	Depute Chief Finance Officer (Treasury, Payroll & Pensions)	Depute Chief Governance Officer	
<ul style="list-style-type: none"> Financial Advice Financial Performance Revenue Accountancy Annual Report & Accounts Creditors Council Tax Council House & Lock-Up Rents Non-Domestic Rates Sundry Accounts Housing & Council Tax Benefits Income Management 	<ul style="list-style-type: none"> Capital Accountancy, Finance and Monitoring Treasury Management Insurance Internal Audit Payroll Pensions 	<ul style="list-style-type: none"> Clerk to Council Clerk to Joint Boards Corporate Records Democratic Services Election Administration Legal Services Licensing Members' Services Monitoring Officer Printing Services Registration Services 	
Director of Development Services <ul style="list-style-type: none"> Emergency Planning Sustainability Team 	Director of Education Services	Director of Corporate & Neighbourhood Services	Director of Social Work <ul style="list-style-type: none"> Contracts & Commissioning Performance & information Workforce Development Customer Services
Head of Roads & Design <ul style="list-style-type: none"> Roads & Development Roads Maintenance Building Design Engineering Design Facilities Management Head of Planning & Transportation <ul style="list-style-type: none"> Development Planning Development Management Building Standards Transport Planning Head of Economic Development & Environmental Services <ul style="list-style-type: none"> Business Support Strategic Projects Asset Management Employment & Training Unit Tourism Consumer Protection Food & Safety Regulation Environmental Protection 	Head of Educational Support & Improvement <ul style="list-style-type: none"> Pre-five Education and Care Primary Education Secondary Education Provision and Support for Young People with ASL Psychological Services Quality School Improvement Curriculum Support Head of Educational Planning & Resources <ul style="list-style-type: none"> Educational Resources Education ICT Systems & Support Education Property Management Service Policy & Performance Customer Communications Service Forward Planning 	Head of Human Resources & Customer First <ul style="list-style-type: none"> Human Resources Organisational Development Customer First Head of Policy, Technology & Business Improvement <ul style="list-style-type: none"> Corporate Policy ICT Community Planning Communications Head of Housing <ul style="list-style-type: none"> Tenancy Management Homeless Services Housing Needs & Planning Private Sector Housing Allocations & Housing Advice Head of Resources & Procurement <ul style="list-style-type: none"> Housing Asset Management & Investment Housing Property Maintenance Corporate Procurement Housing Performance & Quality Management Head of Operational Services <ul style="list-style-type: none"> Waste Services (Collection & Disposal) Fleet Services Estates Management Catering & Building Cleaning 	Head of Children & Families <ul style="list-style-type: none"> Adoption & Fostering Child Protection Children with Disabilities Community Services for Offenders Court and Probation Looked After Children Multi Agency Public Protection Arrangements Prison Based Social Work Unit Residential Care Support for Vulnerable Children, Young People and their Families Throughcare and Aftercare Youth Justice Head of Community Care <ul style="list-style-type: none"> Adult Support and Protection Assessment & Care Management Care and Support at Home Community Advice Day Services Housing with Care Joint Service Provision MECS Mental Health Residential Care Services for Vulnerable Adults and People with Disabilities

Director of Community Services
Head of Culture and Lifelong Learning <ul style="list-style-type: none">•Community Learning & Development•Cultural Services•Library Services•Parks & Recreation•Sport & Leisure <p>(Head of Leisure Services post on establishment but currently vacant)</p>

CURRENT MANAGEMENT STRUCTURE

APPENDIX 3



COMMUNITY SERVICES	DEVELOPMENT SERVICES	EDUCATION SERVICES	CORPORATE & NEIGHBOURHOOD SERVICES	SOCIAL WORK SERVICES
Director of Community Services <ul style="list-style-type: none"> - Head of Leisure Services - Head of Culture & Lifelong Learning 	Director of Development Services <ul style="list-style-type: none"> - Head of Environmental & Regulatory Services - Head of Planning & Transportation - Head of Roads & Design - Head of Economic Development 	Director of Education Services <ul style="list-style-type: none"> - Head of School Improvement - Head of Educational Support - Head of Educational Resources 	Director of Corporate & Neighbourhood Services <ul style="list-style-type: none"> - Head of Business Services - Head of Estates Management - Head of Facilities Management - Head of Housing Management - Head of Resources, Needs & Planning - Head of Human Resources - Head of Policy & Performance Review - Head of ICT 	Director of Social Work <ul style="list-style-type: none"> - Head of Children, Families & Criminal Justice - Head of Community Care



Falkirk Council
Chief Executive Office

Enquiries to: Mary Pitcaithly
Direct Dial: 01324 506002
Date: 25 May 2010

To: All Service Directors
All Heads of Service
All Service Unit Managers
All Headteachers
Recognised Trade Unions
Copy placed on intranet

Dear Colleague,

COUNCIL MANAGEMENT STRUCTURE

As you may be aware, Elected Members agreed to changes to the service structure for the Council following consultation last year with employees and Trade Unions. The next step in this process is to agree a senior management structure which will support the delivery of Services.

In previous considerations, Council were of the view that any revised management structure should achieve a reduction in bureaucracy, greater efficiency and a greater concentration on front line services. More recently, Council also agreed that a saving of c.£600k should be achieved as part of this process and these objectives have been taken into account in developing a proposed management structure.

Detailed work has now been undertaken in consultation with Corporate Management Team, and consideration has been given to the various options available. The type of structure which will best help the Council address some of the current challenges has also been taken into account. With this in mind, I have attached a proposed structure on which I would appreciate your comments; for ease of reference I have attached a chart showing post titles only, and a separate chart showing the functional areas for which these posts will have responsibility.

It should be highlighted that whilst the charts show Community Services, this is an interim position dependent on the work being undertaken on the option of a Community Services Trust. This will be the subject of a separate report to Council. In addition, it should be noted that consultation is being undertaken with Sign Factory employees and the proposal to transfer the Sign Factory to Social Work Services is reflected in these charts.

It is recognised that the proposed structure will have implications for the scope of responsibility of some Directors and Heads of Service. Subject to the outcomes of this consultation and this remaining the case, the impact this may have on grades and salary levels will be referred to Council for consideration.

In any restructuring exercise, consideration also needs to be given to the recruitment process that will be adopted and Council has given a commitment to carry out this in a manner consistent with best practice. The approach which will be recommended to Council will be slotting and matching and this is consistent with previous practice in the Council.

Under this process, where the majority of one employee's existing post is contained in a new post, the employee would be slotted into that new post without the need for competition or interview. Where however there is more than one employee in this situation, the employees would be matched to the post and an appointment made by a competitive interview process.

I am aware however that there are a number of temporary arrangements currently in place within the Senior Management Structure. With this in mind and given the length of time that some of the posts have been occupied on this basis, it is suggested that this will include those who have served in an acting position for more than a 2 year period. This approach will be recommended to Council.

I would be grateful if you would consider the issues raised in this letter. Your views are an important part of the process and will be taken into account in the development of the report to Members.

I intend to submit a report to Council on 23 June 2010, outlining the proposed senior management structure, for Elected Members' consideration. With this in mind, I would be grateful if you can provide me with any feedback by 8 June 2010. Feedback can be submitted to me or to the Head of Human Resources, Karen Algie at karen.algie@falkirk.gov.uk.

Yours sincerely

A handwritten signature in black ink, appearing to read 'May Pitcairly', with a stylized, flowing script.

CHIEF EXECUTIVE

CONSULTATION ON PROPOSED MANAGEMENT STRUCTURE SUMMARY OF RESPONSES

SUMMARY OF RESPONSES	COMMENTS ON RESPONSES
Community Services: Questions raised about the structure of the Service given the uncertainty that currently exists due to the work being done on the option of a Trust.	This will be addressed within a separate report to Council once the work on the option of a Trust is complete.
Corporate & Neighbourhood Services: The number of Heads of Service within the proposed structure was questioned. An issue was also raised in relation to IT with the feeling that it's not represented properly in the job title of the Head of Service assuming responsibility for this.	It must be recognised that the Service is reducing by 3 Heads of Service and to reduce this further would not be sustainable in the longer term. In respect of ICT, the job title of the Head of Service has been amended to include the word 'technology' with reference to ICT.
Development Services: Comments were made on the new configuration of the service functions although there was no consensus within responses on an alternative.	It is considered that the proposed structure for the Service is the most appropriate design available to enable effective delivery of services.
Education Services: Questions were raised about the capacity of 2 Heads of Service to undertake the proposed roles within Education.	The proposed structure has been developed in full consultation with the Director of Education who has shared this with her team and she is confident that it provides the Service with sufficient capacity at a senior management level.
Finance: Comments were made on the longer term structure within Finance as well as the location of payroll services which could potentially merge with HR.	This matter has been addressed within the body of the report.
Law & Administration: Questions were asked about the functions of this service and whether FOI and Data Protection are within these.	These functions are not changing from their current service locations.
Social Work Services: The stand alone Social Work Service was again welcomed although a question was raised about the dedicated support the Service will have relating to finance and resource management with a suggestion of an additional Head of Service for such functions.	It is recognised that additional support of the nature being suggested and based within the Service may be of assistance. Consideration will be given to such an option during the second phase of the review (see section 4 of the report) and whether this can be accommodated within existing management levels.
Waste Management: It was suggested by respondents that Waste Strategy be merged with other sections of Waste Management.	This will be referred to the relevant Directors and further consideration will be given to this on implementation of the new structure.

APPENDIX 6

REVISED GRADING STRUCTURE

Grade A	Grade B	Grade C	Grade D	Grade E	Grade F	Grade G	Grade H	Grade I	Grade J	Grade K	Grade L	Grade M	Grade N
2.	5.	13.	22.	30.	37.	45.	54.	62.	69.	76.	83.	90.	97.
£12,019	£12,578	£14,160	£16,186	£18,231	£20,237	£22,822	£26,044	£29,324	£32,584	£36,134	£40,146	£44,545	£49,312
3.	6.	14.	23.	31.	38.	46.	55.	63.	70.	77.	84.	91.	98.
£12,192	£12,752	£14,353	£16,417	£18,501	£20,565	£23,131	£26,430	£29,825	£33,085	£36,693	£40,764	£45,220	£50,024
4.	7.	15.	24.	32.	39.	47.	56.	64.	71.	78.	85.	92.	99.
£12,385	£12,945	£14,565	£16,668	£18,732	£20,835	£23,478	£26,854	£30,250	£33,548	£37,272	£41,342	£45,895	£50,794
	8.	16.	25.	33.	40.	48.	57.	65.	72.	79.	86.	93.	100.
	£13,138	£14,816	£16,919	£19,080	£21,163	£23,845	£27,240	£30,713	£34,069	£37,812	£41,960	£46,590	£51,525
	9.	17.	26.	34.	41.	49.	58.	66.	73.	80.	87.	94.	101.
	£13,350	£15,028	£17,170	£19,350	£21,491	£24,192	£27,664	£31,156	£34,571	£38,391	£42,596	£47,303	£52,314
	10.	18.	27.	35.	42.	50.	59.	67.	74.	81.	88.	95.	102.
	£13,543	£15,221	£17,440	£19,658	£21,780	£24,558	£28,108	£31,639	£35,111	£38,969	£43,252	£47,979	£53,083
	11.	19.	28.	36.	43.	51.	60.	68.	75.	82.	89.	96.	103.
	£13,716	£15,491	£17,691	£19,928	£22,166	£24,925	£28,494	£32,103	£35,651	£39,510	£43,908	£48,712	£53,891
	12.	20.	29.		44.	52.	61.						
	£13,967	£15,704	£17,961		£22,436	£25,292	£28,957						
		21.				53.							
		£15,935				£25,658							