

## South Ayrshire Council

### Report by Acting Executive Director – Resources, Governance and Organisation to South Ayrshire Council of 13 February 2014

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**Subject: Resources, Governance and Organisation - Staffing and Structural Arrangements**

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#### 1. Purpose

- 1.1 This paper outlines the proposed approach for the next phase of organisational structural change within Resources, Governance and Organisation.

#### 2. Recommendation

- 2.1 **Members are asked to approve the revised staffing and structural arrangements as outlined in the attached Appendices.**

#### 3. Background

##### 3.1 *Introduction*

The Raising Our Ambitions for South Ayrshire report, agreed by Council on 27 September 2012 ([link](#)), among other things, revised service configurations and management arrangements at Chief Officer level and recognised the need to review and redefine management remits and staffing arrangements at other levels across the organisation. The subsequent implementation of Raising Our Ambitions resulted in the relocation of a number of managers and services/ parts of services across Directorates, and it is considered appropriate to amend structures, particularly at management levels, to properly reflect this new way of working and organisational change which must be delivered against a backdrop of significant financial challenges. It is crucial that appropriate structures are in place to deliver transformational change across the Council.

##### 3.2 *Strategic Drivers*

- (1) Since that report, a number of other evolving and emerging issues require further structural changes to ensure the Council's workforce reflects the service requirements and remains affordable and fit for future purpose. These include: increasing scrutiny; refocused Council priorities; changing service demand; increasing legislative pressures; and budget decisions.
- (2) The recent budgets for 2013/14 and 2014/15 and the proposals for years 2015 to 2017 reflect the fact that, with 62% of our net expenditure committed to employee costs, among other things, changes to staffing arrangements will be necessary in order to achieve the necessary efficiency savings.
- (3) The proposed structures have been designed to support these strategic drivers and, in addition, will assist the Directorate to deliver the Council's strategic objectives and will contribute to achievement of the identified efficiency savings within the 2013/14 and 2014/15 financial years. It is fully anticipated that there will be further

scope for development as considerations in relation to business process improvements and the application of technology are progressed.

### 3.3 **Operational Drivers**

In addition to the above, a number of changes were made at earlier points which created opportunities for efficiencies by removing duplication, exploiting technology, improving service integration, streamlining working arrangements, and avoiding unnecessary costs, but which, to date, have not been fully realised. For example, reconfiguration of services from a devolved Directorate to centralised model; implementation of technical solutions; establishment of 'one-stop-shop' customer service centres; and revised business models.

## 4. **Proposals**

4.1 There is no single or simple solution to overcoming the myriad of challenges facing the Council – the response and actions are being altered and tailored to reflect specific issues. Likewise, there is no uniform approach to achieving the associated necessary structural and staffing changes, which will include amending duties and responsibilities, deleting existing jobs, creating new jobs, and adjusting where and when activities are carried out.

4.2 The necessary changes arising from this process do not constitute a significant reduction in the overall number of jobs available, to the extent that employees will have no alternative but to leave the organisation. There is likely to be a job for everyone who wants one. However, since, by necessity, changes are required that maximise the delivery of front line services and eliminate unnecessary costs, in a number of cases, the jobs that currently exist are different to those required for the future in terms of remit, location, or grade, and, in implementing the revised structural arrangements, statutory rights will be assured for all staff, including severance arrangements.

Management are confident that, where jobs are deleted and new ones created, there will be limited detrimental impact on earnings and, obviously, in any such cases, preservation arrangements contained within the Managing Change policy will apply for a year. However, it should be noted that the Trade Unions have expressed concern at the potential for any reduction in earnings.

4.3 Appendices 1 to 3 detail existing and proposed structures along with a summary of post changes for:

- Legal and Democratic Services;
- Employee and Customer Services; and
- Policy, Community Planning and Public Affairs;

4.4 These proposals generate a total saving of around £555,000. These savings have already been incorporated in the budgets approved for financial years 2013/14 (both specific identified savings and a share of the corporate saving against staffing) and recently for 2014/15.

4.5 The terms of the Council's Managing Change policy will apply, as appropriate, including the redeployment of displaced employees to suitable alternative jobs. However, it should be noted that employees can refuse such an offer if the alternative job is deemed to be 'unsuitable' and if this refusal is reasonable. In such a situation, the employee will be entitled to the appropriate severance payments and benefits.

4.6 As in previous exercises, every effort is being made to maximise employment opportunities, safeguard jobs and minimise any compulsory displacement of staff and as part of this process, expressions of interest have been sought for voluntary severance in areas where there is potential staff displacement.

## **5. Resource Implications**

### **5.1 *Financial***

Financial costs can be met from within existing budgets. The savings identified contribute to delivering approved budget efficiencies for the years 2013/14 and 2014/15.

### **5.2 *Legal***

Not applicable.

### **5.3 *Human Resources***

As outlined above and detailed in [Appendices 1 to 3](#).

## **6. Risk**

6.1 Risks are currently being managed within the operational activities of the Directorate.

## **7. Equalities**

7.1 An Equalities Impact Assessment has been carried out on this topic and the equalities implications and mitigating actions are as set out in [Appendix 4](#).

## **8. Sustainable Development Implications**

8.1 This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

## **9. Options Appraisal**

9.1 An options appraisal has not been carried out in relation to the subject matter of this report.

## **10. Link to Council's Priorities/ Improvement Programme**

10.1 The proposals contained in this report outline the performance in terms of the Directorate's financial resources which forms an integral part of the achievement of the Council's Corporate and Directorate plans and Improvement Programme.

## **11. Results of Consultation**

- (1) There has been no public consultation on the contents of this paper.
- (2) Consultation has taken place with Councillor Robin Reid, Portfolio Holder for Resources and Performance.
- (3) Consultation has taken place with Trade Union representatives and with all staff within the affected services.

**Background Papers**

**Report to South Ayrshire Council of 27 September 2012**

[https://www20.south-ayrshire.gov.uk/ext/committee/CommitteePapers2012/South%20Ayrshire%20Council/27Sep12-sac-RaisingOurAmbitions.doc\(Aq10\).pdf](https://www20.south-ayrshire.gov.uk/ext/committee/CommitteePapers2012/South%20Ayrshire%20Council/27Sep12-sac-RaisingOurAmbitions.doc(Aq10).pdf)

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