

South Ayrshire Council

**Report by Chief Executive
to Leadership Panel
of 13 March 2018**

Subject: Review of Management Structure

[Appendices 1 to 5](#)

1. Purpose

- 1.1 The purpose of this report is to outline proposals for revised third tier and Chief Officer administrative support arrangements to reflect the changes at Chief Officer level agreed by Council on 14 December 2017.

2. Recommendation

2.1 It is recommended that the Panel:

- 2.1.1 **approves the revised staffing and structural arrangements in respect of third tier managers, as outlined in attached Appendices 1 to 4;**
- 2.1.2 **approves the revised staffing and structural arrangements in respect of Chief Officer administrative support, as outlined in attached Appendix 5;**
- 2.1.3 **agrees that further work should be undertaken to identify the necessary fourth tier manager arrangements as a result of changes at Chief Officer and third tier level for consideration by the Leadership Panel in June 2018; and**
- 2.1.4 **agrees that further work should be undertaken to evaluate the benefits of integrating procurement, contract and commissioning services from the Health and Social Care Partnership with the Council's Procurement service for consideration by the Leadership Panel in June 2018.**

3. Background

- 3.1 The Council, at its meeting on 14 December 2017, agreed changes to Chief Officer structural arrangements and agreed that work should be undertaken to identify the third and fourth tier manager arrangements which are necessary as a result of these changes.
- 3.2 It has also been necessary to review administrative support arrangements for Chief Officers to reflect the 3 FTE reduction and revised structure.

4. Proposals

- 4.1 Within the available timescales, it has been possible to review third tier arrangements and recommend a revised structure which better reflects the Chief Officer structure and Council priorities, as outlined in the Administration's Programme for Effective Governance and the Council's revised Council Plan. Proposals in this respect are outlined in Appendices 1 to 4.
- 4.2 However, the necessary review of fourth tier management arrangements will require more time and, therefore, it is recommended that proposals in this respect are continued and reported to Leadership Panel in June 2018.
- 4.3 Administrative support arrangements for Chief Officers have, however, been reviewed, and proposals in this respect are outlined in Appendix 5.
- 4.4 A summary of the proposals for both of these areas is provided below:

	<i>Current</i>	<i>Proposed</i>	<i>Net Reduction</i>
Third Tier Managers	27.0 FTE	23.0 FTE	4.0 FTE
Chief Officer Administrative Support	11.0 FTE	9.0 FTE	2.0 FTE

5. Legal and Procurement Implications

- 5.1 There are no legal implications arising from this report.
- 5.2 There are no procurement implications arising from this report.

6. Financial Implications

- 6.1 The proposals relating to Chief Officer Administrative Support will result in a saving of £77,859.

The proposals will result in a total saving of £259,092, however, a number of budget savings agreed at the Council meeting on 1 March 2018 assumed changes to third tier structure arrangements of around £114,000, so the net additional saving arising from this review is £145,092; it may be necessary to utilise some of this additional saving to create additional staffing resources at fourth tier level (and potentially below) to address current gaps and emerging demands. Any severance costs arising from the changes will be met from the corporate fund set aside for that purpose.

7. Human Resources Implications

- 7.1 The proposed changes, as summarised in Appendices 1 to 5 and will reduce the Third Tier Manager and Chief Officer Administrative Support arrangements by 4.0 FTE and 2.0 FTE respectively.
- 7.2 The proposed changes will be implemented in accordance with the Council's Managing Workforce Change Framework.

8. Risk

8.1 *Risk Implications of Adopting the Recommendations*

8.1.1 While there may appear to be a risk arising from a reduction in managerial capacity, this is largely within back-office and support activities and any change in this respect will be mitigated by improved and streamlined systems and processes; better support data and intelligence allowing managers to be more empowered and self-sufficient; and anticipated changes at fourth tier level and below. There is no discernable risk in the reduction in Chief Officer administrative support; this largely reflects the reduction at that level agreed in December 2017.

8.2 *Risk Implications of Rejecting the Recommendations*

8.2.1 Rejection of the recommendations will result in unnecessary costs and impact on the Council's ability to deliver the priority objectives of the new Council Plan.

9. Equalities

9.1 Equalities Impact Assessments (EQIAs) have been carried out on the proposals contained in this report, which identified no negative equality impacts. The EQIAs are attached as [Appendix 6](#).

10. Sustainable Development Implications

10.1 ***Considering Strategic Environmental Assessment (SEA)*** - 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.

11. Options Appraisal

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

12. Link to Council Plan

12.1 The matters referred to in this report contribute to the Council strategic objective of 'Effective Leadership that Promotes Fairness' and within that to the outcome 'Ensure the Council is structured to make the best use of resources'.

13. Results of Consultation

13.1 There has been no public consultation on the contents of this report.

13.2 Consultation has taken place with Councillor Douglas Campbell, Portfolio Holder for Corporate, Strategic and Community Planning, and the contents of this report reflect any feedback provided.

13.3 Consultation has taken place with officers whose remits are directly affected by the changes, and the proposals have also been shared with Trade Union representatives.

14. Next Steps for Decision Tracking Purposes

14.1 If the recommendations above are approved by Members, the Chief Executive will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Leadership Panel in the ‘Council and Leadership Panel Decision Log’ at each of its meetings until such time as the decision is fully implemented:

Implementation	Due date	Managed by
Implement the revised structural arrangements	31 May 2018	Chief Executive/ Head of Employee and Customer Services
Submit a report to the Leadership Panel outlining fourth tier manager arrangements	June 2018	Chief Executive/ Head of Employee and Customer Services
Submit a report to the Leadership Panel outlining the findings of considerations to integrate procurement, contracts and commissioning activities from the Health and Social Care Partnership with the Council’s procurement service	June 2018	Chief Executive/ Head of Employee and Customer Services

Background Papers **Report to South Ayrshire Council of 5 October 2017 – [A Programme for Effective Governance 2017-22](#)**

Report to South Ayrshire Council of 1 March 2018 – [Council Plan 2018-22](#)

[Framework for Managing Workforce Change](#)

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