

REPORT TO: POLICY & RESOURCES COMMITTEE - 28TH MARCH 2011

REPORT ON: CITY COUNCIL ORGANISATIONAL STRUCTURE

REPORT BY: CHIEF EXECUTIVE

REPORT NO: 170-2011

1. PURPOSE OF REPORT

1.1 The purpose of this report is to set out a review of the City Council organisational structure. The City Council's organisational structure has not been strategically reviewed since the Council's inception in 1996. In 2009, the appointment of a new Chief Executive, combined with the unprecedented financial situation facing the public sector in general, and the City Council in particular, offered an opportunity to review the corporate structure of the City Council. The Policy and Resources Committee on 23 August 2010 approved the City Council's Changing for the Future programme, and this included 33 projects, one of which was Organisational Restructure. This report represents the conclusion of that review.

2 RECOMMENDATIONS

2.1 The Policy & Resources Committee is asked to:

- i. note and approve the contents of this report;
- ii. note the voluntary early retirements as set out in Paragraph 4.5
- iii. approve the Organisational Structure as set out in Paragraph 5 and Appendices
- iv. note the changes to the City Council Committee structure as set out in Paragraph 5.1, and refer them for final determination to the City Council.

3. FINANCIAL IMPLICATIONS

3.1 The estimated annual savings from the voluntary early retirements referred to in Paragraph 4.5 are estimated to be £480,000. There will be a requirement to look at the management structures of each of the proposed Departments and this may utilise some of these estimated annual savings, but it is envisaged this would be no more than £100,000 per annum, leaving an estimated net annual saving of circa £380,000

4. REVIEW OF THE COUNCIL'S ORGANISATIONAL STRUCTURE

4.1 There are three core principles that have been taken into account when reviewing the organisational structure of the City Council:

- Fit the structure to the organisation strategy
- Form follows function - functional synergy between services
- Efficient operating model for optimum Senior Management structure

4.2 Structure and Organisational Strategy

The Service Prioritisation project within the Changing for the Future programme included a review of all services in terms of their level of fit with the Council Plan core themes. While this project is still not complete, it has provided some analysis that has assisted with the review of the Organisational Structure. The focus here is on outcomes and forming strategic alignments within and between Departments to achieve the vision for the City contained in the Single Outcome Agreement. There is a broad alignment between themes and core services as follows:

Theme	Core Services	Current Main Departments	New Main Departments
A Working City	Planning, Roads, Economic Development	City Development	City Development
Quality of Life/ Social Inclusion	Older People Services, Housing, Waste Management, Land and Grounds Maintenance, Adult Learning and Community Engagement	Social Work, Housing, Leisure & Communities, Dundee Contracts, Waste Management.	Social Work, Housing, Leisure & Cultural Charitable Organisation, Environment
Health	Alcohol and Drugs, Adult Protection, Criminal Justice, Environmental Health	Social Work, Support Services.	Social Work, Environment
GIRFEC	Education, Social Work, Children and Families	Education, Social Work	Education, Social Work
Efficiency	Finance & Asset Management	Finance, City Development	Corporate, Services, City Development

4.3 Form Follows Function

The Changing for the Future programme project Operating Model Redesign has been reviewing support functions carried out in each department and has identified where efficiencies can be achieved through the possible centralisation of these functions. This review has identified examples of functions that are capable of being centralised:

- Asset/Property Management
- Payroll
- IT
- Personnel
- PR/Marketing
- Land management and maintenance
- Customer Contact Centres
- Fleet Management

The objective of this project is to achieve a consistent corporate approach across individual functions and more efficient use of staff.

4.4 Efficient Operating Model for optimum Senior Management structure

A survey of 32 Scottish local authorities' structures demonstrated that the City Council has a much larger number of Chief Officers (and Departments) within their Strategic Management Team than any other local authority in Scotland. This survey identified that following situation pertains at present:

No of Chief Officers/Departments	No of Scottish Local Authorities
3	7
4	6
5	10
6	4
7	4
8	-
9	-
10	1 (Dundee)
	32

It is apparent from the above survey that Dundee City Council has the highest number of Chief Officers/Departments of any Scottish local authority. This survey, while interesting, is not the sole reason for reviewing the organisational structure. In general terms the Strategic Management Team should be a group of chief officers who should act corporately. Finally, there is a high level of duplication between the current 10 departments of the City Council and by rationalising them under a fewer number, these duplications will be eliminated or diminished.

The benefits of a smaller Strategic Management Team are:

- Greater collective corporate responsibility for outcomes and strategies to achieve corporate consistency and efficiency
- reduced cost on senior level posts
- clearer lines of public engagement as one person is responsible for a wider set of related (joined up) operations and expected to make better linkages and remove duplication

4.5 Chief Officers Voluntary Early Retirals and consequences on the Council's Organisational Structure

In order to achieve a reduction in the number of Chief Officers and Departments, the Chief Executive has agreed to a number of voluntary early retiral requests from senior officers. The following senior officers have requested and will have their requests approved from the dates referred to below;

Depute Chief Executive (Support Services)	31March 2012
Assistant Chief Executive	30 June 2011
Head of Waste Management	30 June 2011
Head of Environmental Health & Trading Standards	30 June 2011
Director of Education	30 June 2011

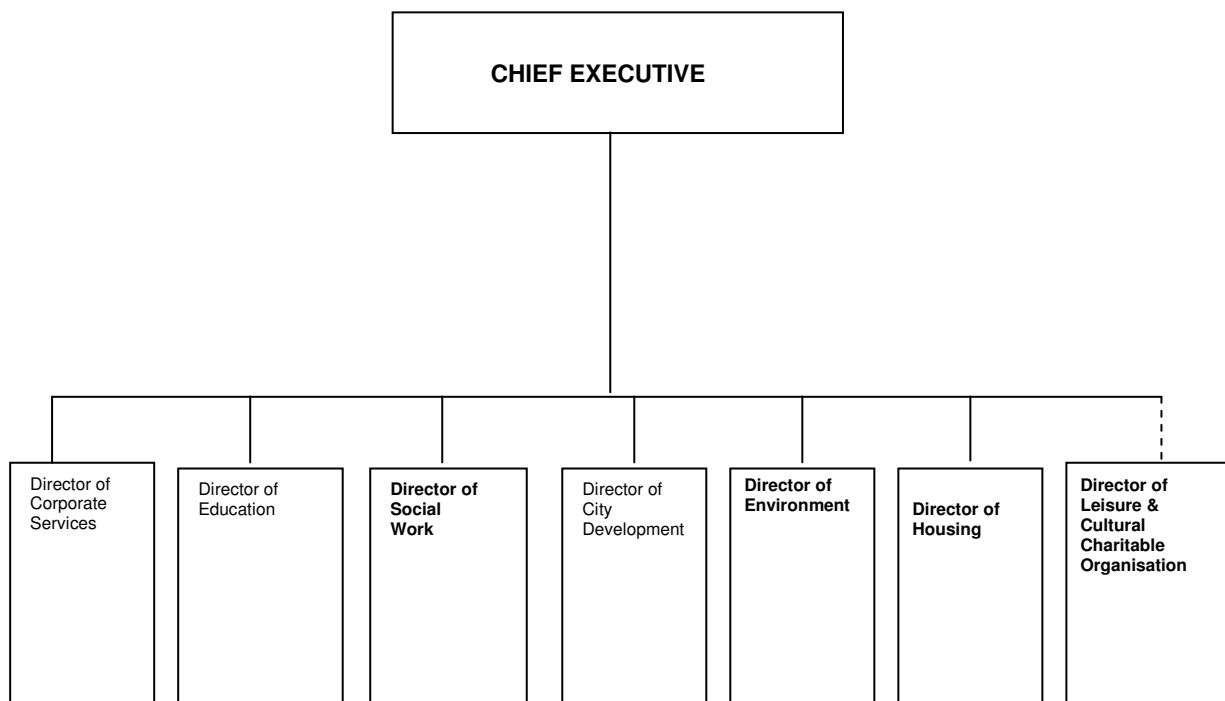
The organisational restructure will take cognisance of these early retirements and any partial or total replacement would be dealt with by internal competitive appointment. It is proposed that the first four posts would not be filled, but the proposed restructuring would allocate the duties of the posts to existing or revised posts, within the new structure. The Director of Education's post will be filled internally.

The current Directors of Social Work, City Developments and Housing would continue in these posts in the proposed new structure. The Director of Dundee Contract Services would be appointed to the post of Director of the Environment Department. The Director of Finance would be matched into the post of Director of Corporate Services from 1 April 2012. Further reports on the management structures of the Departments managed by these officers, will be brought to Committee at the appropriate time. The current Director of Leisure & Communities would be appointed to the post of Managing Director of the new Dundee Leisure & Culture company, but would also have a managerial role in terms of the proposed Communities Division, within the Chief Executive's Department.

5. PROPOSED ORGANISATIONAL STRUCTURE

The above analysis and principles have been considered by the Strategic Management Team, and in conjunction with the output from other projects contained within the Changing for the Future programme, a proposed new Organisational Structure for the City Council has been identified. The details of the proposed new structure are set out below and in the attached appendices.

PROPOSED ORGANISATIONAL STRUCTURE WITH EFFECT FROM 1 APRIL 2012



It should be noted that while this is the proposed structure that will operate from April 2012, and those parts that can be implemented from the 1st July 2011 will be.

The main changes from the current Organisational Structure are as follows:

1. The consolidation of all Support Services, including Finance into a single Corporate Services Department with effect from 1 April 2012.
2. The consolidation of all property related staff and matters into the City Development Department. The main transfer is that of the Architectural Services Division from the Support Services Department into the City Development Department.
3. The creation of the Dundee Leisure and Cultural company and the transfer of the appropriate Leisure & Communities Department services and staff into that company.
4. The creation of the Environment Department, to include all construction services, ground maintenance, waste management, and environmental services. This department would also manage the Council's fleet on a corporate basis
5. The retention of all Community Learning and Development services as a corporate division, within the Chief Executives Department. These services have been recognised nationally as having delivered an effective and comprehensive public facing service, and it was felt important to keep these services together. The synergies with the Chief Executive's social inclusion and community planning services are seen as vital to delivering an improved response to social inclusion and equality. The current Director of Leisure & Communities will continue to manage this Division within the proposed new structure.
6. A City Council Strategic Management Team of 6, excluding the Director of the Leisure & Cultural charitable organisation, although he will also attend as a member of the Team
7. A review of the various community based services such as Anti Social Behaviour Team, Enforcement Teams and Community Wardens will be included as a Changing for the Future project, and the outcome of this project will then be integrated into the proposed new structure at the appropriate time.

5.1 Proposed change to Committee structure

If the proposed Organisational Structure, as set out on Paragraph 5 and the Appendices, is implemented then it is appropriate to review the current Committee structure.

In particular the services delivered by the Leisure & Communities Department are mainly being allocated to the new Leisure and Culture Company, with Parks being allocated to the new Environment Department and Community Learning & Development being allocated to the Chief Executives Department. In essence this would mean that there would be no services for the Leisure, Arts & Communities Committee to administer, and the proposal is that this Committee be dissolved.

The workload and responsibility of the Environment Department warrants a stand alone Committee and it is proposed that there be both a Housing Committee and an Environment Committee, dealing with the matters currently dealt with by the Housing, Dundee Contract Services and Environment Services Committee. It is proposed that the aforementioned Committee be dissolved, and new Housing and Environment Committees be created.

6. POLICY IMPLICATIONS

- 6.1 This report has been screened for any policy implications in respect of sustainability, strategic environmental assessment, anti-poverty, equality impact assessment and risk management. There are no major issues. An equality impact assessment has been carried out and will be placed on the Council website: www.dundee.gov.uk/equanddiv/equimpact/.

7. CONSULTATIONS

- 7.1 The Depute Chief Executive (Support Services), Director of Finance and the other Chief Officers within the Strategic Management Team have all been consulted on this report

8. BACKGROUND PAPERS

None

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CHIEF EXECUTIVE

21 MARCH 2011

Appendix 1**CHIEF EXECUTIVE from 1st July 2011****Corporate Division**

Performance and Improvement

Dundee Partnership/Community Planning

Corporate Improvement

Information & Research

Social Inclusion Policy (Incl. Anti-Poverty)

Health Improvement

National Entitlement Card

Fairer Scotland Fund

Communities Division

Local Community Planning Partnerships

Community Engagement

Community Learning & Development

Community Safety including Wardens

Community Centres and projects

Leisure & Cultural Policy/Monitoring of SLA's

Adult Learning and Literacies

Outdoor Learning

Youth Work

Equalities

CORPORATE SERVICES - SUPPORT SERVICES to 31st March 2012

Health and Safety

City Archives

Committee Services

Electoral Registration and Elections

Licensing

City Chambers

Emergency Planning

Registration of Births, Deaths and Marriages

Keyboard Services

Customer Services

Personnel

Training

General Administration Office

Legal

Members Support

Scientific Services

Marketing and Design

Public Relations

Genealogy Service

plus Corporate Services from Changing for the
Future

CORPORATE SERVICES - RESOURCES to 31st March 2012

Finance General

Finance Revenues

Pensions

Procurement

IT (incl Telephone Services)

Corporate Records Management

EDUCATION from 1st July 2011

Nursery

Primary

Secondary

Dundee Educational Psychology Service

Educational Development Service

School Meals

Special - Bilingual Pupils Support Service

Special - Multi-Sensory Services

Special - Offsite Education Service

Special - School Community Support Service

Quality Improvement Service

School Crossing Patrols

Active Schools

SOCIAL WORK from 1st July 2011

Community Care and Supporting People
Children and Young Persons Protection Committee
(CYPPC)

Children's Services
Adult Protection including Domestic Violence

Finance and Contracts

Strategy, Performance and Support Services

Welfare Rights Team (subject to Changing for the
Future review))

Integrated Childrens Services

Getting it Right For Every Child (GIRFEC)

CITY DEVELOPMENT from 1st July 2011

Building Standards
School Transport
Network Management
Traffic Management
Transportation
Planning
Property Services and Management
Asset Management and Valuation
Economic Development
Road Maintenance
Street Lighting
Bridges and Structures
Infrastructure
Sustainable Transportation
Parking (subject to Changing for the Future review)
Regeneration
Estates
Property Maintenance
City Centre Management
Central Waterfront
Architects
Quantity Surveyors
Building Services
Employability including Employment Disability Unit
(subject to Changing for the Future review)
Climate Change

ENVIRONMENT DEPARTMENT from 1st July 2011

Environmental Health
Trading Standards
Waste Management
Cleaving Services
Land Services
Fleet Management
Warden and Environmental Services
Parks Operation
Environmental Operations
Bereavement Services
Waste Management - Engineering Services
Waste Policy
Dundee Contract Services (Construction)
Enforcement Teams
Outdoor Events
Countryside Rangers Service
Community facilities in parks
Childrens Play Areas
Green Circular
Beach Management
Strategy for Pitch/Play/Sports/Physical
Activity/Public Open Spaces/Parks for All
Asset management for open space

HOUSING DEPARTMENT from 1st July 2011

Housing Management

Lettings

Housing Capital Investment

Anti Social Behaviour Team

Performance & Strategy

Homelessness

Private Sector Services

LEISURE & CULTURAL CHARITABLE ORGANISATION from 1st July 2011

Functions presently provided by Dundee Leisure

Camperdown Wildlife Centre

Sports Development

Golf Courses

Membership Team

Caird Hall

Arts and Heritage

Libraries and Information Service

Marketing & Promotion (Leisure & Communities)

Finance & Staffing (Leisure & Communities)