
REORGANISATION OF COUNCIL MANAGEMENT SERVICES

Responsible Cabinet Member – Councillor John Williams, Leader of the Council
Responsible Director – Ada Burns, Chief Executive

Purpose of Report

1. To propose changes to the organisational structure of Darlington Borough Council and to advise Council of the outcome of consultation on these proposals.

Background

2. The current organisational arrangements within the Council have served us well; since the last major review in 1999, the Council has continued to improve its performance and has secured and retained its top rating from the Audit Commission.
3. However over this period the role of local Government has been shifting, away from a dominant focus upon the direct delivery of public services, to a diverse range of activities aimed at enhancing the prospects and quality of life of both place and people.
4. Service delivery remains a significant and vital area of activity, but even here there has been a shift towards more commissioned services and towards greater personalisation than in the past. Working with a wide range of strategic and operational partnerships has moved centre stage, and with the approach of the new inspection framework, Comprehensive Area Assessment (CAA), local authorities will be judged upon the overall economic, social and environmental performance of the area they serve.
5. In the main the Council has been successful in adapting to these changes and getting behind them to improve our offer to the public of Darlington. Where necessary we have made structural changes, for example with the creation of Children's Services Directorate, but generally the focus has been on incremental rather than major structural change.
6. The Organisational Development Strategy, Leading Edge, agreed by Council/Cabinet in July of this year, set out the areas where further improvement is required in order to ensure that Darlington remains well positioned to respond to future opportunities and challenges.
7. It looks ahead to the role of the local authority over the coming five years, with exciting opportunities to develop the place shaping role, to continue to improve the quality of public services and to enhance accountability and public involvement in the direction the town takes.
8. The strategy acknowledges the key challenges, some of which are already very familiar to us – efficiency targets driving enhanced commissioning and shared service partnerships, alignment and probably in some areas integration across the full range of public services, from health to policing, a stronger focus on a dynamic two way relationship with the citizen and key stakeholders such as business, and a stronger focus on delivering where appropriate

at sub-regional level.

9. Within this picture of development it has become apparent that there is a need to make structural changes to the organisation, and this report deals with these and seeks Council's approval to proceed.

Detail

10. There are two main strands to the case for change; improving our capacity to exercise influence and engage externally to achieve our ambitions, and secondly, ensuring that our own business is as streamlined and efficient as it can be.
11. While there are significant financial challenges facing the Council the proposals are not intended in themselves to generate savings within the revenue budget.

Enhancing Capacity

12. While it is too early to envisage in any detail the shape of future arrangements, it does seem clear that the development of City Region arrangements; collaboration in those areas (planning, transport, regeneration and economic development) that make most sense to plan and organise at sub-regional level, will to a greater extent shape what each Council does, with officers engaged in commissioning, in research and in partnership work across the sub-region. There is an existing weakness in our capacity for this sort of sub-regional working that needs to be addressed as the agenda grows. At the local level and feeding into sub regional and national opportunities we need to enhance engagement with businesses in Darlington, and better promote our offer to those elsewhere considering relocation.

Streamlining the Business

13. Our current departmental structures bear the hallmarks of past policies, such as CCT, and of successive efforts to reduce spending. As a consequence, we have some areas of duplication or splits that do not serve our current needs well. A key example here is waste, where disposal is the responsibility of one department and collection is the responsibility of another.
14. The demands of the Medium Term Financial Planning (MTFP) process have over years resulted in an unequal eroding of management and operational capacity that is now creating particular pressures on service delivery. This is particularly felt in Development and Environment but also present within other departments.

Other Issues

15. There are other issues that Corporate Management Team (CMT) has sought to address within this review. These include the need to consolidate our cultural services, our services for children and families, our approach to the voluntary sector, and the pressing demands of climate change.
16. At the same time and with one eye to the approach of the CAA, the CMT have looked at ways to draw together those partnership functions that serve the "place shaping" role of local authorities. In other words, developing stronger links between support to the Local

Strategic Partnership (LSP) and our sub regional economic partnership activities.

Retirement of Director of Development and Environment

17. The ability to deliver the proposed structural changes across the Council has been facilitated by the forthcoming retirement of the Director of Development and Environment who will leave the Council at the end of October.

Proposals

18. In summary, it is proposed :

- (a) To consolidate and rationalise the main operational functions of the Development and Environment Directorate by moving these to Community and to Corporate Services, and
- (b) To enhance our strategic regeneration and economic development remit with the creation of a second Assistant Chief Executive role and the positioning of these functions in the centre of the organisation.

19. The changes to the functional responsibilities of each member of the Corporate Management Team are as follows:

20. Transfer of Functions/Services Currently Undertaken By Development and Environment

(a) Transfers to Community Services

Building Design Services - reporting to the Assistant Director (Technical Services)

Engineering and Highways - as part of a new Division with direct reporting to the Director of Community Services

Countryside - reporting to the Assistant Director (Environmental Services)

Waste Management - reporting to the Assistant Director (Environmental Services)

Cemeteries and Crematorium Management - reporting to the Assistant Director (Environmental Services)

Museums, Tourist Information Centre and commercial Markets Management - as a part of a restructured Leisure and Arts Division. NB Tourism strategy and the strategic 'policy' direction for the markets will be the responsibility of a newly formed Assistant Chief Executives Division under Town Centre Management.

(b) Transfers to Corporate Services

Public Protection - as part of a new Division with direct reporting through the current Assistant Director (Public Protection) to the Director of Corporate Services, except markets, cemeteries and crematorium.

Building Control - reporting to the Assistant Director (Public Protection)

Estates and Property - reporting to a restructured post of Assistant Director (Corporate Services)

(c) **Transfers to Chief Executive's Department**

Economic Development, Economic Regeneration, Planning, Transport and Policy, Tourism Strategy and Town Centre Management, Business Engagement and Climate Change - as part of a new Division under a restructured post of Assistant Chief Executive.

(d) **Administrative/Support Services**

All administrative/support services have been disaggregated and employees will transfer to either Corporate, Community or the Chief Executives Department, in accordance with the services they support and as notified at individual discussions. Where options are available to transfer to more than one service area individual preferences/skills and experience will be taken into account in any final decision. The Service Development Manager will become part of the Policy Unit in Chief Executive's with the Service Development Officer joining Community Services.

21. Other Changes to Functions/Services

In addition to reallocating the functions/services undertaken by Development and Environment, there is further restructuring work ongoing in the following areas:

(a) **Community Partnerships Team – Community Services**

To support the implementation of the Council's new Community Engagement Strategy some employees within the Community Partnerships team currently employed within Community Services will transfer to the Chief Executives Department reporting to the current Assistant Chief Executive. The remainder of the team will stay within Community Services reporting to the Assistant Director (Finance and IT).

(b) **Capital Projects**

As part of the Capital Projects Review underway at present the roles in relation to capital programme management currently undertaken in three departments are being examined and may result in proposals for some degree of integration at a future date.

(c) **Leisure and Arts Division – Community Services**

Proposals are being developed to restructure the Leisure and Arts Division into a new Culture Division, which will involve changes to duties and responsibilities for some staff. Further consultation will take place when the proposals are finalised.

(d) **Children's Services**

The Youth Service and Early Intervention and Youth Offending teams transferred from Community Services to Children's Services with effect from 1st September 2007. The

Youth Service is placed under the Partnerships Division and the Early Intervention and Youth Offending Team is part of the Children and Families Division. Within Children's Services generally, a number of functions and services have recently been realigned at Assistant Director level. Assistant Directors in the department will now be looking at their Divisional Structures to ensure they meet service delivery and improvement requirements. Any proposed changes will be consulted upon in due course.

(e) Corporate Services

Structures within Corporate Services are being looked at as part of the changes that would occur as a result of the Darlington Stockton Partnership. These include a restructured post at Assistant Director in the form of an Assistant Director (Corporate Services) with a new post of Business Strategy Manager within that Division. Customer Services will become part of the Town Hall and Democratic Services team within the Legal Division. Human Resources will also be restructured and proposals have been submitted for consultation to relevant staff and trade unions along with the proposals on the partnership with Stockton.

- (f) The diagram attached at **Appendix One** illustrates the shape of the Council should these proposals be agreed. The recommended date for implementation is 1 November 2007. A separate report to this Council is recommending the necessary changes to the Scheme of Delegation to give effect to the proposals within this report.

Outcome of Consultation

22. In accordance with statutory requirements and Council policies, there has been formal and informal consultation with the workforce and the trade unions. These have included informal sessions to brief and take questions on the proposals, detailed discussions amongst the management teams affected and the establishment of an electronic mail box for written submissions.
23. Overall the contractual staffing implications arising out of the restructure proposals are minimal and the responses have mainly centred around capacity and service delivery issues. There are two main strands to the points raised:-
- (a) Firstly, some staff feel that important operational linkages and relationships within Development and Environment will be damaged if the services are spread across two departments.
- (b) Secondly, some staff are concerned that there is insufficient understanding of the services which they deliver within the department it is proposed they move to.
24. These are important points and CMT has given them serious consideration. In terms of the first issue, there is a strong recognition that the direction of Government inspection regimes and, more importantly, the needs of residents, demands a collective shared responsibility for high performing services. A key thrust of the HR Strategy is to build and strengthen 'Team Darlington'.
25. In terms of the second issue, whilst such anxiety is understandable, each member of CMT has a solid track record of assuming responsibility for new areas of service. Particular effort

will be made to integrate new teams and support knowledge sharing. In fact, whilst there have been concerns raised, other staff have expressed enthusiasm for building closer links with other complementary services.

26. In any event assurance has been given to employees and UNISON that we will review any ongoing concerns in relation to capacity and service delivery within the first twelve months of implementing the changes. Given these assurances UNISON have confirmed their agreement to the proposals.

Appointment of Assistant Chief Executive

27. As detailed in paragraph 20(c) responsibility for Economic Development, Economic Regeneration, Planning, Transport and Policy, Tourism Strategy and Town Centre Management, Business Engagement and Climate Change all transfer to the Chief Executive's Department, as part of a new Division under a restructured post of Assistant Chief Executive. The main responsibilities of the new role are very similar to the existing role of Assistant Director, Development and Regeneration, but there are additional responsibilities. The post of Assistant Director Development and Regeneration does not appear within the new structure. The Head of Paid Service is satisfied that the post holder is capable of taking on the additional duties and responsibilities of the new post. It is, therefore, recommended that the current Assistant Director Development and Regeneration be appointed to the post of Assistant Chief Executive (Regeneration). If Council agree this proposal, the appointments process will then be completed by asking all Cabinet Members to ratify the appointment in accordance with the appointment procedure for Chief Officers.

Financial Implications

28. The overall impact of the proposals on an ongoing basis is cost neutral, however, there may be the need to manage some transitional costs of the review. Some of the additional posts are funded from Planning Delivery Grant and, clearly, as with other posts funded in this way, they need to be managed within the funding stream.

Legal Implications

29. This report has been considered by the Borough Solicitor for legal implications in accordance with the Council's approved procedures. There are no issues which the Borough Solicitor considers need to be brought to the specific attention of Members, other than those highlighted in the report.

Section 17 of the Crime and Disorder Act 1998

30. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is not considered that the contents of this report have any such effect.

Council Policy Framework

31. The issues contained within this report are required to be considered by Council.

Conclusion

32. The report details the need for the organisation to respond to changes in priorities and new opportunities in accordance with Leading Edge, the Organisational Development Strategy. The proposals have been the subject of extensive consultation and have secured the agreement of Unison. Early implementation will enable the changes to be embedded and teams to refocus their attention on the delivery of key public services.

Recommendation

33. Council are requested to :-
- (a) Approve the implementation of the Departmental restructuring arrangements as set out in paragraphs 20 and 21 of this report
 - (b) Vary the appointments procedure for Chief Officers to allow the current Assistant Director Development and Regeneration to be appointed to the post of Assistant Chief Executive (Regeneration) subject to any objection by Cabinet Members.

Reasons

34. The recommendations are supported by the following reasons :-
- (a) The need for the Council to be able to respond effectively to changing demands and priorities.
 - (b) The need for the Council to organise its business as efficiently and in as streamlined a way as possible.

Ada Burns
Chief Executive

Background Papers

There are no background papers to this report

AB : Extension 2010

Appendix One

