

**Aberdeen City Council  
Report by Chief Executive  
4 February 2009**

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**Management and Decision Making Structures  
Proposals for Re- Structuring**

**1. Background and Rationale**

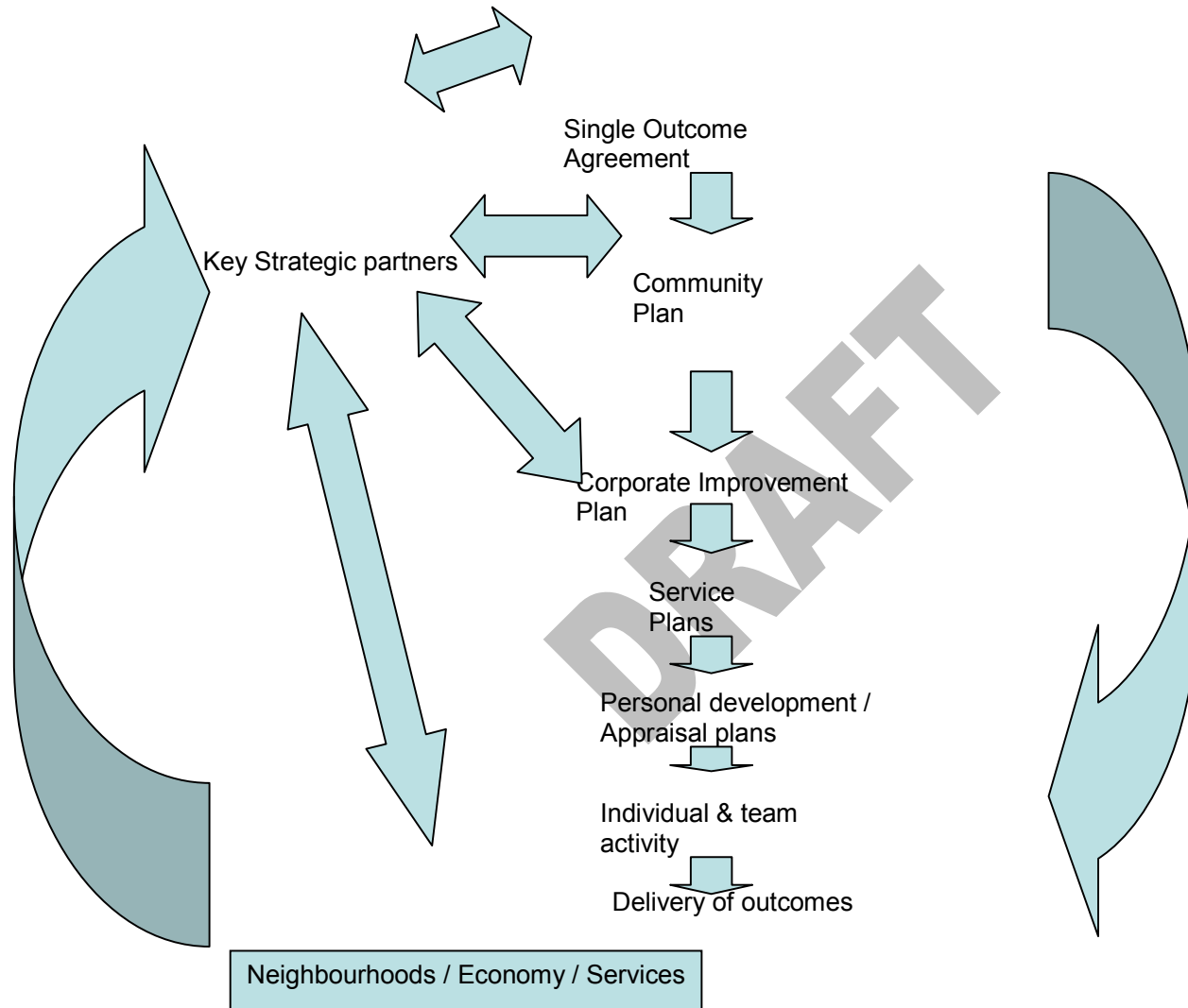
**1.1** The requirement for financial re-structuring and service improvement and recent reports by external audit and inspection agencies, including Audit Scotland have emphasised areas for improvement and development in the performance of Aberdeen City Council. The immediate priorities for the Council are to achieve financial stability; to establish clear roles, responsibilities and accountabilities; to secure sustainable improvement in our services; to secure the delivery of positive outcomes for our communities through our unique roles and responsibilities and through partnership working; to secure positive audit outcomes; to develop and improve the morale and ethos of the Council and, to improve our reputation and the perception of Aberdeen City Council.

**1.2** In bringing forward these proposals, the Chief Executive has reviewed the current arrangements in practice and has developed these proposals having also considered a range of information and views including:

- comments and concerns raised by elected members and the corporate management team;
- comments and issues raised through briefings with 1200+ members of the workforce during December 2008 and January 2009;
- information provided through the interim CEO and Social Work Consultant;
- approximately 160 responses to a voluntary survey on key issues, concerns and priorities
- comments and concerns raised by key strategic partners and the business sector;
- comments and views expressed by the external support group.

- 1.3** The proposals for management re-structuring and a complementary re-structuring of the decision making structures of the council are based upon a need to achieve better outcomes and public value for our communities; a commitment to achieving best value across the board and, the immediate need to establish a clear framework for accountabilities, behaviours, roles and responsibilities for elected members and officers.
- 1.4** The extant arrangements for three areas of governance across the city are costly and over complex and have supported a disjunction between strategic decision making and operational delivery with substantial inconsistencies emerging in the quality and availability of services. The interim management arrangements have brought some clarity but there is an urgent need to rationalise the position and ensure that clear accountabilities exist in all service areas.
- 1.5** The period of initial informal consultation has highlighted concerns across the Council and amongst partners that whilst a significant improvement in governance, delivery and accountability arrangements is required there should also continue to be a committed focus on the wider impact of the city council on the economic and business community and a clear focus on delivery and outcomes in local neighbourhoods.
- 1.6** There is some evidence that the level of knowledge built around the three area model has been helpful however there is significantly more evidence that the focus on three areas has militated against clarity and certainty, accountability and ownership, consistency and standards.
- 1.7** These proposals aim to deliver acceptable levels of accountability and clarity whilst enabling a clear focus to be developed on the delivery of outcomes at neighbourhood level in partnership with our key strategic partners. Above all, the Council must achieve financial stability and sustainability to enable the improvement in performance to follow.

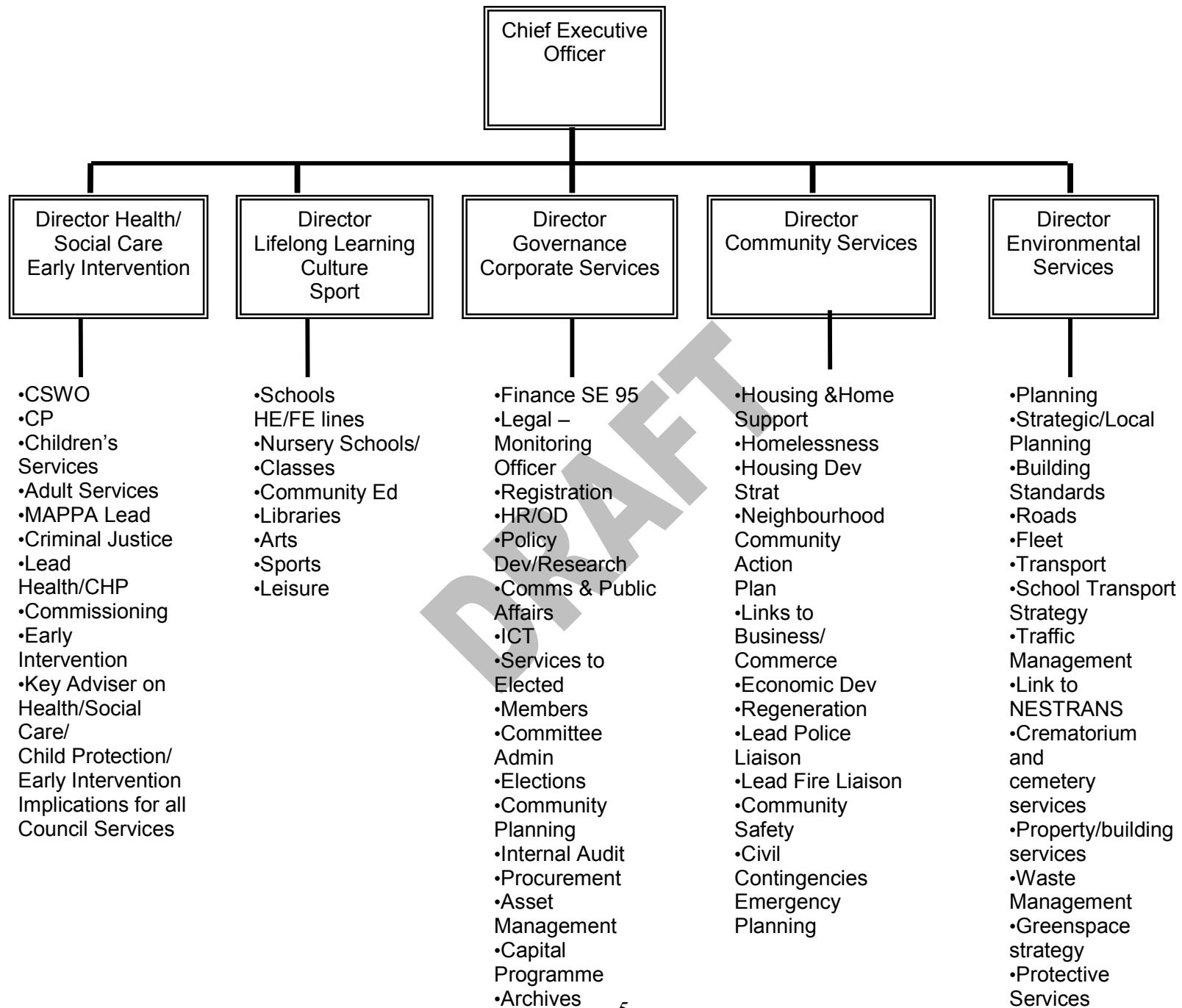
## 2. Business Planning and delivery relationships

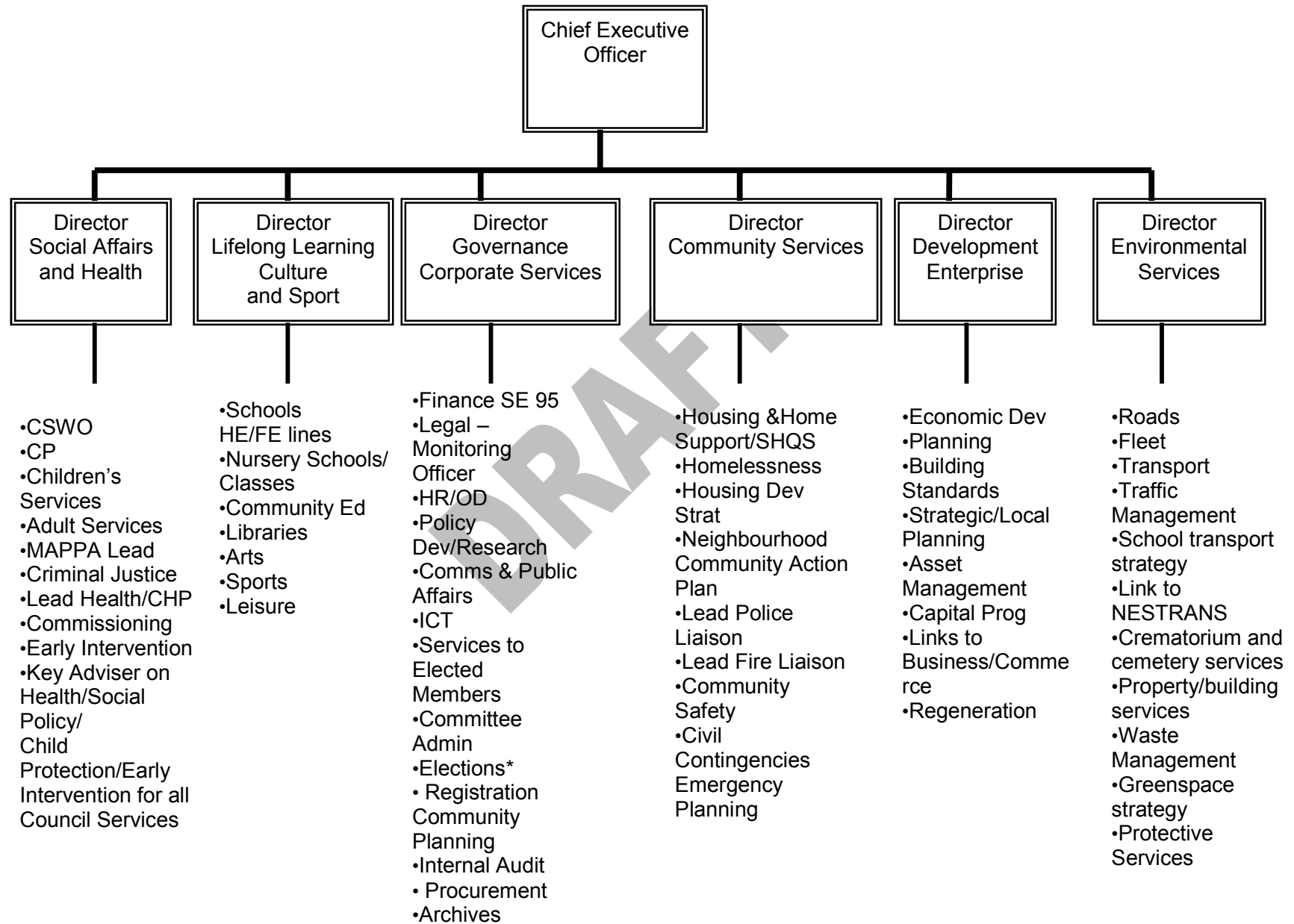


## **Management Models for discussion**

- 3.1** The models for discussion aim to bring about the clarity and accountability that will enable the Council to meet its statutory duties, deliver Best Value and achieve sustainability and stability.
- 3.2** Both models bring a more traditional structure to the management of the Council. This reflects the comments and issues that have been raised to date and also reflects the view of the CEO that the Council at this stage requires to embed and demonstrate stability, capacity, improvement and competence at all levels. Achievement of these key attributes will engender confidence amongst external observers, our constituencies and partners and not least within the Council.
- 3.4** It is proposed that the cost of the new structure should be met from within existing resources. It is anticipated however that the implementation process will require resourcing in terms of recruitment and any consequential severance costs. It is recommended that the schedule for the re-structure should be to appoint the Corporate Directors in the first instance and then move to the second tier, involving the Corporate Directors in refining the arrangements and remits for the Heads of Service within an agreed framework
- 3.5** The statutory roles of Chief Social Work Officer, Monitoring Officer and Section 95 Officer are considered critical and are not recommended to be appointed below second tier.
- 3.6** Models for consideration are shown at **Appendix 1**.

The Dimension Structures are indicative and will encompass all current council services.





#### **4. Proposed timescale for consultation, decision making and Implementation**

Week beginning (W/B) 19/01/09 – initial discussion with Corporate Directors, Leader and Depute Leader.

W/B 26/01/09 – Discuss draft proposals and agree consultation timetable with Administration Groups & Corporate Management Team.

W/B 26/01/09 - Arrange consultation timetable with Opposition Groups; Trades Unions; Heads of Service.

W/B 02/02/09 – Wider consultation with key strategic partners and wider workforce: Health; Police; Fire; VSA; ACVO; Chamber of Commerce; Burgesses; Community Council Forum; City Alliance.

W/E 13/02/09 - Responses to Chief Executive.

W/E 22/02/09 –Chief Executive writes up findings and makes final recommendations.

W/B 23/02/09 – Final Draft Proposals discussed with Administration Groups and Corporate Management Team.

Submit to Council for approval:  
Two Options: 1. Full Council on 25/03/09  
2. Special Council on 18/03/09

Subject to approval at Full Council – move to implementation:

- i) Recruitment of Directors by end June 2009
- ii) Decision making structure to take effect post summer recess 2009

Following appointment of Directors – Heads of Service remits agreed and implementation proceeds.