



ORGANISATIONAL ASSESSMENT BEST VALUE REVIEW SUB-COMMITTEE

Committee Report

Public

Date of Meeting: 22 February 2002

Title: COMPARATIVE ORGANISATIONAL STRUCTURES

Report of: Town Clerk and Chief Executive

Report reference: TC.44/02

Summary:

As part of the Best Value process this report gives initial information from the District Auditor on the senior management structures of other District Councils and proposes that further comparisons are undertaken with a range of other authorities.

Recommendations:

The Sub-Committee is requested to:

1. Note the District Auditor's report.
2. Indicate which comparative authorities should be approached, from the list in Appendix B in the attached HACAS Chapman Hendy report.

Contact Officer: Peter Stybelski

Ext: 7001

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

1. Introduction

Members will be aware that the Best Value process requires the Authority to consider the 4 'C's:

- Consult
- Compare
- Challenge
- Compete

The report from HACAS Chapman Hendy considered at the last meeting was primarily concerned with the consult and challenge parts of the review. Comparisons must also be made with other appropriate authorities and in this respect, the Town Clerk and Chief Executive asked the District Auditor to assist with this part of the review.

The result is an initial report attached at Appendix A for information. Members will note that the report primarily considers senior management and the comparitors shown are twenty-six district councils in the north of England. Any further information received from the District Auditors will be presented to the meeting.

To augment this research, and to provide a wider picture and comparisons with other 'Historic Cities' and small unitary authorities, the Council's consultant HACAS Chapman Hendy will undertake further comparative work. The brief is attached at Appendix B and the Sub-Committee is asked to agree or amend the list of comparable authorities proposed within the report.

The results will be made available at the next meeting, at which it is intended to draw out broad options for the future structural options for the authority.

Corporate Comments

Comments made by members of the Corporate Management Team are included within the HACAS Chapman Hendy report.

Legal Comments

None.

Staffing/Resources Comments

None.

City Treasurer's Comments

None.

Environmental Implications

None.

Equality Issues

None.

Risk Management Assessment

None.

Crime and Disorder Implications

None.

Recommendation

The Sub-Committee is requested to:

3. Note the District Auditor's report.
4. Indicate which comparative authorities should be approached, from the list in Appendix B in the attached HACAS Chapman Hendy report.

Contact Officer: Peter Stybelski

Ext: 7001

Management Structures in
District Councils: Interim
Report

Carlisle City Council

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DISTRICT AUDIT

Reference	carlisle summary report by DA – Draft Version
Date	January 2002

Main Conclusions

The purpose of this short report is to provide information to Carlisle City Council to support them in their consideration of possible future senior management structures for the authority. Detailed information was collected from 26 districts in the northern region and is set out in the report below. The report also includes detail of a number of authorities which, on the surface, are of comparable size to Carlisle; they have a similar population, a similar sized non-domestic I sector or a similar SSA.

This paragraph sets out our main conclusions from the study.

1. Almost half of the authorities have changed their senior management structures in the last two years.
2. A structure in which most or all chief officers are replaced by Executive Directors who have corporate roles as well as responsibility for managing the performance of a wide range of Heads of Service is becoming increasingly common. (Over half the authorities had Executive Director posts)
3. Authorities with Executive Directors have less senior management posts (3 senior posts including the Chief Executive is the most common number) than authorities with different arrangements.
4. There is substantial variation between authorities in the number of heads of service posts they have. Again authorities with Executive Directors have a smaller number of Heads of Service posts. There is no evidence to suggest that councils with Executive Directors are smaller councils or have less responsibilities.
5. There are wide variations in the way service responsibilities are arranged under particular Directors.
6. Carlisle needs to consider a management structure which reflects recent practice within the field with a smaller number of corporate Executive Directors supported by Heads of Service (current comparative evidence would suggest a number between 10 and 15). In these circumstances the council will need to consider explicitly how the corporate work of the Executive team is to be supported.

Introduction

This detailed report considers management structures at district councils in the Northern region.

Background

Carlisle District Council has made the decision to transfer their housing stock and has requested some support for work to be carried out in respect of the future corporate management structure of the authority. They wish to look at alternative management structures, taking into account what is happening and working elsewhere.

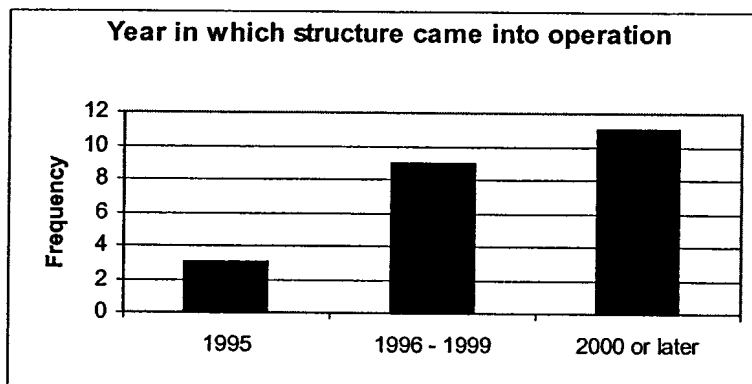
Audit approach

Data has been collected for 26 Northern region District Councils, regarding the structure of the authority. This data has then been analysed, looking at the number of Executive Directors, Chief Officers and Heads of Service and the areas of responsibilities these posts cover.

Using the findings, the structure of those Districts Councils comparable to Carlisle can be noted.

Findings: Size of management team

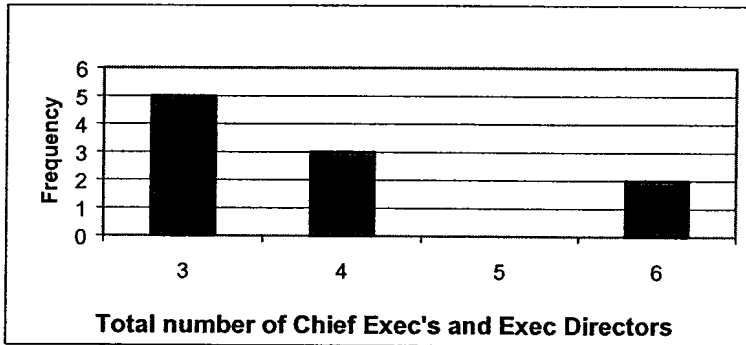
The chart below shows that the current structure has changed since 2000 in almost half of the cases considered. The earliest structural change being in 1995 and the most recent in 2002.



The following charts show the number of senior managers in authorities with Chief Executives and Executive Directors only, Chief Executives and Chief Officers only and those

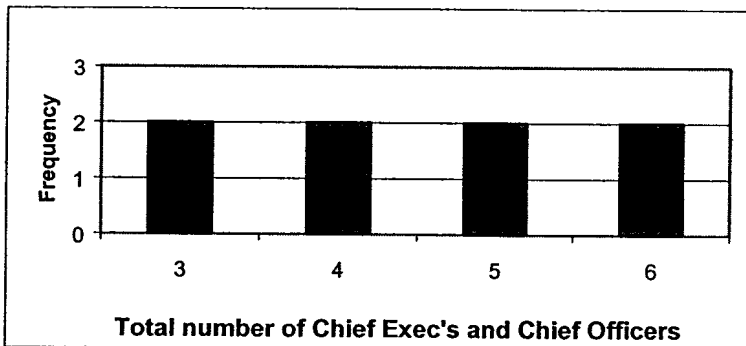
which have both Executive Directors and Chief Officers. If the authority has a Chief Executive but no Executive Directors or Chief Officers a value is not recorded on any chart.

Chart 1: authorities with Chief Executive and Executive Directors only



The above indicates that half of the authorities having a Chief Executive, Executive Directors and no Chief Officers have three senior managers.

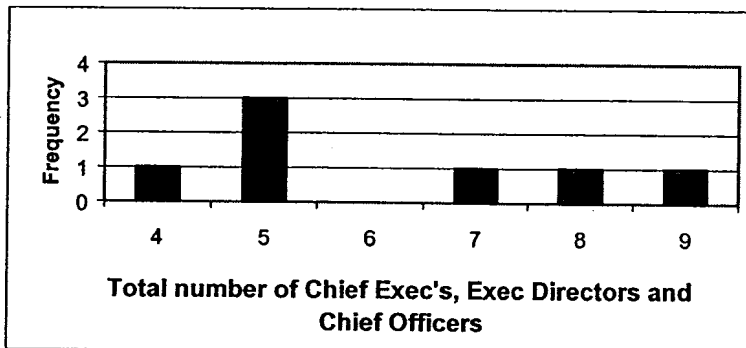
Chart 2; Authorities with Chief Executive and Chief Officers only



The total number of senior managers in this type of authority is more evenly distributed.

The chart below displays the data for those authorities which have both Chief Officers and Executive Directors. Where the total is four, this indicates an authority which does not have a Chief Executive and has three Executive Directors and one Chief Officer.

Chart 3: authorities with Executive Directors and Chief Officers

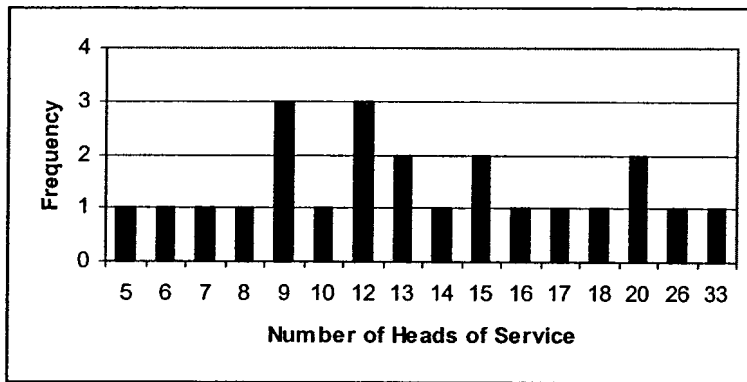


There are seven authorities which have both Executive Directors and Chief Officers.

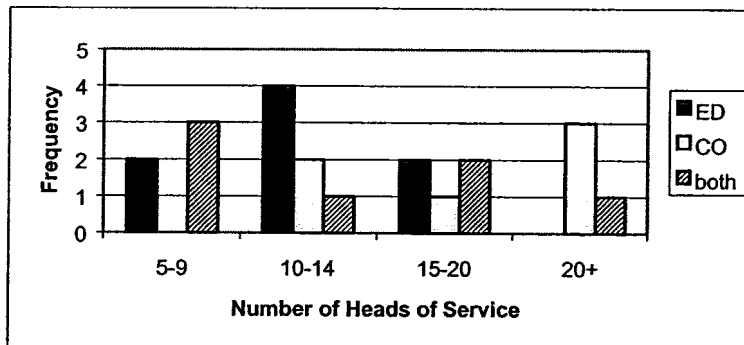
There are two authorities not included in the tables which have a senior structure which consists of a Chief Executive and a number of Heads of Service only.

The total number of Heads of Service in each authority is shown below. The number varies widely and does not appear to have any correlation to the number of Executive Directors or Chief Officers.

Chart 4: All authorities; numbers of heads of service

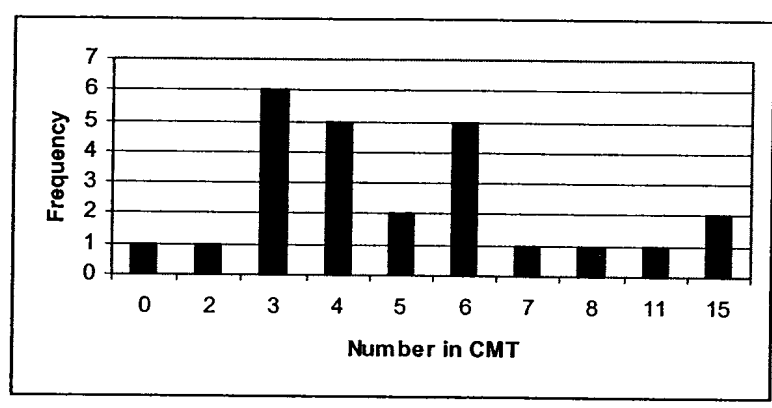


The following chart show how many Heads of Service there are for authorities with Executive directors only, Chief Officers only and those which have both Executive Directors and Heads of Service.

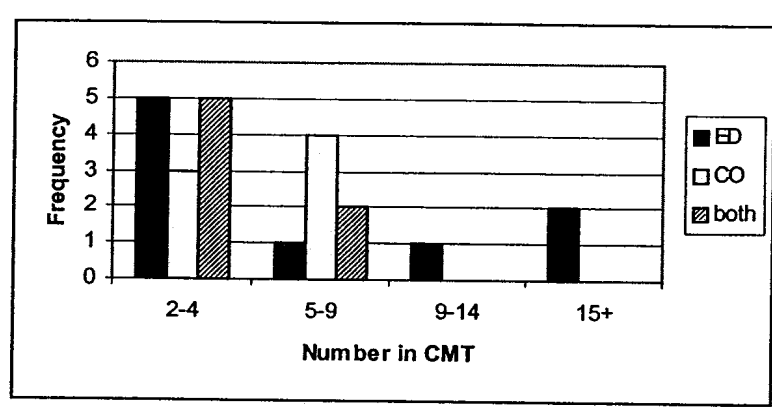


It is suggested by the above chart that those authorities which have Executive Directors and no Chief Officers tend to have fewer Heads of Service and those with Chief Officers and no Executive Directors have more of Heads of Services. The fact that Executive Director authorities have fewer heads of service does not appear to be related to the overall size of these authorities; in fact these authorities have higher standard spending assessments than the others.

The number of members of the Corporate Management Team also varies widely, dependent on the number of Executive Director and Chief Officer posts held. In one case there is no defined CMT at present as a number of Chief Officer posts are vacant. The membership of the CMT comprises of the Chief Executive, Executive Directors or Chief Officers and in some cases the Heads of Service.



Again, the data was split to see whether the number in the CMT depends on whether the authority has Executive Directors, Chief Officers or both.



It is evident from the above chart that those district councils with Chief Officers or both Chief Officers and Executive Directors have smaller CMT's than those which have Executive Directors. The larger CMT's include, not only the Chief Executive and the Executive Directors, but the Heads of Service as well.

Findings: Allocation of responsibilities

There does not appear to be a common structure allocating roles and responsibilities between senior managers within the authorities. Although, in some cases there is one person in charge of all central services, there are many cases where these responsibilities are split

between senior managers or there is shared responsibility. Often finance is a distinct role, separate from the other central services.

The responsibility for housing is either held as a responsibility on its own or alongside the responsibility for planning or environmental health.

Leisure is most commonly held as a single responsibility but in one case the same person also has responsibility for environmental health.

As well as being a sole responsibility, planning is also held as a responsibility alongside the responsibility for environmental health, housing, members services or community services and economic development.

Economic development is not held as a sole responsibility at any of the authorities and is instead held as a responsibility alongside community services and/ or planning.

The responsibility for community services is held as a single responsibility or alongside economic development and/or planning.

Environmental health is held as a responsibility along with planning, leisure or housing as well as a responsibility on its own.

Conclusions

We sought to identify councils which could act as suitable comparators for Carlisle. These were found by considering factors such as: the size of the population, the standard spending assessment, non-domestic rateable value and whether or not housing stock has been transferred. Information was extracted from publicly available general statistics. We also noted which Councils have transferred their housing and which are going to.

District Council	<i>Carlisle</i>	Crewe and Nantwich	Wyre	Allerdale	South Lakeland	Chorley	Chester
Population	102317	114600	105010	95982	103210	97882	117500
NDRV (£'m)	65.173	65.44	42.189	47.587	77.412	43.793	125.534
SSA (£'m)	10.824	10.909	10.193	10.958	10.112	8.835	11.882
Transferred housing stock		Going to	Yes	Yes	Not yet considered	Not yet considered	Yes
Summary of senior Management Structure		Chief Exec. 6 HOS	Chief Exec. 3 ED, 12 HOS	Chief Exec. 3 CO, 14 HOS	Chief Exec. 4 CO, 20 HOS	Chief Exec. 2 ED, 2 CO, 15 HOS	Chief Exec. 2 ED, 12 HOS

DA Head A

DA Head B

CARLISLE CITY COUNCIL

CORPORATE ORGANISATIONAL

BEST VALUE REVIEW

**PROPOSED LIST OF COUNCILS
FOR THE COMPARE STAGE**

1. Purpose of Report

- 1.1 To consider a draft list of authorities to be used for the compare part of this best value review.

2. Background

- 2.1 As this Corporate Organisational Review is being undertaken as a Best Value review there is a requirement as part of the four "C's" to ensure that a comparison is made with the organisations of other local authorities.
- 2.2 This type of review, undertaken within the Best Value regime, is still fairly rare and thus as a first step the District Auditor was requested to provide his thoughts and ideas. A copy of that report has been circulated separately.

3. Report

- 3.1 When considering those factors which make a comparison of this nature reasonable, a number of issues need to be borne in mind – these are:
 - size of population
 - urban nature of Carlisle itself
 - the urban / rural split
 - LSVT
 - the historical nature of the City
 - the regional and sub-regional role
 - new forms of management
 - the type of authority
- 3.2. In Appendix A there is a long list of authorities which were originally considered and which reflected in part some of the above characteristics.
- 3.3. The authorities in the proposed list in Appendix B:
 - are reasonably comparable in population terms
 - are mostly regional or sub-regional centres
 - are largely of historic importance
 - contain a mix of urban and urban/rural aspects
 - incorporate some which have completed LSVT and others not
 - include a range of different approaches to corporate structures

FOR CONSIDERATION

(* Indicates Councils on the proposed list)

Councils which have completed LSVT

Authority	Population
Basingstoke & Dean	149000
Bath & NE Somerset	166200
Bedford	141800
*Blackburn with Darwen	138400
Burnley	89900
*Chester	120700
Chichester	104500
East Staffs (Burton-on-Trent)	102849
Huntingdon	157000
Newcastle-upon-Lyme	123100
*Shrewsbury & Atcham	97421
Spelthorne (Staines)	89190
*Stratford Upon Avon	114700
Telford & Wrekin	151500
Torbay	123000
Windsor & Maidenhead	136500

Councils which are currently undertaking LSVT

(those in brackets are no longer proceeding with stock transfer)

Authority	Population
*Crewe & Nantwich	114164
*(Exeter)	111264
(Harrogate)	145569
Middlesbrough	145843
Oldham	219020
Stockport	291500
*Worcester	95283

Historic Cities

Authority	Population
Cambridge	120646
*Chester	120700
*Durham	90276
*Exeter	111264
*Gloucester	107400
*Lancaster	137000
*Norwich	126200
Oxford	137300
Salisbury	113213
*Worcester	95283
York	178000

Regional & Sub-regional Centres

Authority	Population
Bath & NE Somerset	166200
Bedford	141800
Bournemouth	163396
*Darlington	100501
*Exeter	111264
*Gloucester	107400
*Ipswich	113600
Lincoln	82800
*Norwich	126200
*Preston	134300
Plymouth	260000
Taunton Deane	100300
Truro	85000
*Worcester	95283
York	178000

District Councils with Strategic Directors

Authority	Population
Basildon	166250
Braintree	132294
Broadland	119500
*Chester	117500
Chichester	104000
*Crewe & Nantwich	114600
East Hampshire	112432
East Northamptonshire	74455
East Staffs	102849
Eastleigh	115000
Epping Forest	118000
*Exeter	110964
Great Yarmouth	89900
Harlow	74629
*Ipswich	113900
Kettering	82400
*Lancaster	132500
Mid Suffolk	80415
Newark & Sherwood	104500
Richmondshire	51320
Rushcliffe	104600
Salisbury	113213
Sedgemoor	105000
Shepway	96020
*Shrewsbury & Atcham	97421
South Bedfordshire	110100
South Oxfordshire	128290
*Stratford-on-Avon	114700

Authority	Population
Tamworth	72000
Warwick	124500
Waveney	109590
West Wiltshire	110000
Woking	93500
*Worcester	95283

Small Unitary Councils with Strategic Directors

Authority	Population
Bath & N.E. Somerset (LSVT)	166000
*Blackburn with Darwen (LSVT)	138400
Poole	140800
Telford & Wrekin (LSVT)	151500
West Berkshire (Newbury)	145000

District Councils with area based structures

Authority	Population
*South Somerset	154000

Small Unitaries/Mets

Authority	Population
*Blackburn with Darwen	138400
Bracknell Forest	109648
*Darlington	100501
Hartlepool	90680
Middlesbrough	145843
Poole	140800
Reading	145736
Slough	111000
Torbay	123000

(NB There are no Metropolitan Authorities under 152000)

Authority	Authority Type	Population	Urban/Rural	Comparison	Notes
Carlisle	City (District)	102317	Mixed	Yes (underway)	Yes
Blackburn with Darwen	Unitary	138400	Urban	Yes (2001)	Yes
Chester	City (District)	117500	Mixed	Yes (2000)	Yes
Crewe & Nantwich	Borough	114600	Mixed	Yes (underway)	No (but significant)
Darlington	Unitary	101500	Mixed	No	No (but significant)
Durham	City (District)	90276	Mixed	No	No (but significant)
Exeter	City (District)	110950	Urban	No	Yes
Gloucester	City (District)	109264	Urban	No	Yes
Ipswich	Borough	113900	Urban	No	Yes
Lancaster	City (District)	132500	Mixed	No	Yes
Norwich	City (District)	126200	Urban	No	Yes
Preston	Borough	126082	Urban	No	Yes
Shrewsbury & Atcham	Borough	97421	Mixed	Yes (2001)	Yes
South Somerset	District	154000	Mixed (5 small towns)	Yes (1999)	No
Stratford upon Avon	Borough	114700	Mixed	Yes (1996)	No (but significant)
Worcester	City (District)	93000	Urban	No	Yes