

CHIEF EXECUTIVE DEPARTMENT
REPORT FOR THE EXECUTIVE DIRECTOR OF FINANCIAL SERVICES
FEBRUARY 2021

PROPOSED SENIOR MANAGEMENT RESTRUCTURE

1. Introduction

Two drivers have prompted consideration of structural change within the Chief Executive's Department:-

- (a) The on-going requirement to make significant savings over the next three years, consistent with the terms of the current ER/VR policy, and
- (b) A pressing need to address the demographics of the senior team and put in place robust succession planning arrangements.

This paper proposes a number of severances, facilitated by a service reform programme, designed to achieve the above two objectives.

2. Proposal Summary

- (a) It is proposed that the post of Solicitor to the Council and Director of Governance is made redundant, its functions being merged with the responsibilities of a number of senior officers within the Department.
- (b) It is proposed that the post of Principle Adviser to the Chief Executive is made redundant and that its function be merged with the Governance function to create the new role of Head of Performance and Governance.
- (c) It is proposed that the post of Solicitor to the Council and Monitoring Officer is subject to a bump redundancy and a post of Legal Manager deleted.
- (d) It is proposed that the post of Head of HR is subject to a bump redundancy and a post of Strategic HR Manager deleted.

In terms of payback the above will be presented as a package providing an overall payback period of 1.32 years.

3. Posts of Solicitor to the Council and Director of Governance/Principle Adviser to the Chief Executive.

The post of Solicitor to the Council and Director of Governance will be made redundant, effective from 13th April 2021. The Principle Adviser to the Chief Executive will leave under ER/VR terms on the 31st of July 2021.

Regarding the first post, it is proposed that its responsibilities in terms of all legal and associated Monitoring Officer roles be merged with the post of Head of Legal and Administration. In addition this post will assume responsibility for the overall management of the SIT Team. This justifies the re-grading of that post to G12 and the creation of a new post title of Solicitor to the Council and Monitoring Officer. The Governance responsibilities will be merged with the post of Principle Advisor to the Chief Executive, renaming that post Head of Performance and Governance, while the H&S responsibilities will be merged with the post of Head of HR.

The Principle Adviser to the Chief Executive post will be made redundant and the new post of Head of Performance and Governance will be created by merging that role with the Governance function, given the close alignment of these two functions. Restricted advertisement within the two functions

will result in the deletion of a Grade 10 post. In addition, the OD function will be merged with the role of the Head of HR.

In consequence, it is proposed to delete 1 G13 post, and re-grade a G11 post to G12. In addition it is proposed to restructure 1 G11 post, filling it with a current G10 post, which post will then be deleted. In effect, therefore, a G13 and a G10 will be deleted but at a cost of a G11 to G12 regrading and an, in effect, regrading of a G10 to G11.

In establishment terms therefore, 2 posts are being deleted and 2 posts re-graded.

Both actions will take place in 2021/22 and provide the following savings:-

Sol Council & Dir Governance Principle Adviser to CEX

Severance Date	13/04/2021	31/97/2021
Annual salary (with Employer's Costs)	£158,618	£127,516
20/21 post Severance Salary Remaining	£158,618	£85,010
Redundancy Cost	£95,000 (cap applied)	£54,554
Cost of Strain	-	£137,213
Regrading Cost- in year	£15,259	£15,620
Total 2021 cost	£110,259	£207,387
Net 20/21 Cost/Saving	£48,359 saving	£122,377
On-going Net Saving	£143,359	£104,085
Pay Back Period	-	1.17

Taken together, this represents a cost of £74,018 and an on-going saving of £247,444, providing a pay-back period of 0.3.

4. Post of Head of HR

The post of Head of HR will be subject to a bump redundancy effective from 31/12/2022 filled via restricted advertisement, the post of the successor then deleted. This is consistent with an objective of reducing the number of G10 (2) and G11 (3 + 2 indirect) posts within the senior HR structure. It should be noted that an HR specific service reform will be produced consistent with furthering this aim. Replacement with a G11 would provide no re-grading cost but replacement with a G10 has been assumed in this proposal to represent the most cautious financial position.

The following saving is achieved:-

Severance Date	31/12/2022
Annual salary (with Employer's Costs)	£127,516
22/23 post Severance Salary Remaining	£31,879
Redundancy Cost	£56,435
Cost of Strain	£89,511
Regrading Cost – in year	£5,857
Total 2022/23 cost	£151,803
Net 22/23 Cost/Saving	£119,924
On-going Net Saving	£104,085
Pay Back Period	1.15

In establishment terms a G10 post is being deleted. The action will take place in financial year 2022/23.

5. Post of Solicitor to the Council and Monitoring Officer

The post of Solicitor to the Council and Monitoring Officer will be subject to a bump redundancy, effective from 11/09/2023 filled via restricted advertisement, the post of the successor then deleted. This provides an opportunity for succession planning, allowing sufficient time for development to be provided to current Legal Managers so that one of them can operate effectively at this level. A re-grading cost from G10 to G12 must, therefore, be taken into account. It should be noted that a further service reform affecting legal services and the administration service will take place to further the aims of achieving additional savings and facilitating succession planning.

The following saving is achieved:-

Severance Date	11/09/2023
Annual salary (with Employer's Costs)	£142,775
23/24 post Severance Salary Remaining	£71,387
Redundancy Cost	£53,613
Cost of Strain	£189,249
Regrading Cost – in year	£16,974
Total 2023/24 cost	£259,836
Net 23/24 Cost/Saving	£188,449
On-going Net Saving	£109,837
Pay Back Period	1.7

In establishment terms a G10 post is being deleted and the action will take place in financial year 2023/24.

It is further proposed that in late 2022 the Chief Executive Officer will take early retirement on the grounds of efficiency. This presents a cost of **£349,095**. However, it is further proposed that the current vacant post of Executive Director of DRS is deleted providing a saving of **£191,292**

6 Conclusion

The above proposals represent a total cost of **£731,486** with an on-going saving figure of **£652,658**. This provides a pay-back period of **1.12** years. Overall a G13 and 3 G10 posts are being deleted.