

Report to: **Special Council**
Date: **25 July 2019**
Title: **Restructure of the Senior Leadership Team**
Portfolio Area: **Leader**
Wards Affected: **All**
Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken:

Immediately following this meeting.

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RECOMMENDATION

That the Council be RECOMMENDED to:-

- 1. Approve the Senior Leadership Team structure, roles and salaries set out in section 3, paragraph 4.5 (Option 4) and Appendix A of this report with effect from 1 September 2019.**
- 2. Request the Chief Executive to review and implement changes to the Extended Leadership Team and pay structure to take account of the new Senior Leadership Team structure, other recent changes in the organisation and benchmarking data by the end of December 2019.**
- 3. Note that the combined restructures will achieve ongoing annual revenue savings estimated to be at least £120,000 per annum (£60,000 per annum for each Council)**

1. Executive summary

- 1.1 This report follows the request of Council at the 21 February 2019 meeting for the Chief Executive to bring a report recommending a new management structure (minute reference 55/18 Review of Staffing Establishment).

<https://mg.swdevon.gov.uk/ieListDocuments.aspx?CIId=151&MIId=1138&Ver=4>

- 1.2 The Council shares its workforce completely with West Devon Borough Council and the costs of the management team are divided between the two Councils.
- 1.3 The Council has been running on an interim structure since February 2018 following the departure of one of the Executive Directors and is currently carrying two further vacancies out of the 5 remaining senior leadership team (SLT) posts. On 14th December 2017 Council agreed a report 'Head of Paid Service Replacement'.(Minute reference 53/17)
<https://mg.swdevon.gov.uk/ieListDocuments.aspx?CIId=151&MIId=491&Ver=4>
- 1.4 There is an urgent need to appoint to a permanent structure to ensure stability, clarity of roles and sufficient capacity to meet the challenges of delivering the objectives of the two Councils.
- 1.5 The recent implementation of the waste collection contract with FCC and the transfer of operational staff has also led to a need to review our operational and contract management requirements.
- 1.6 The report from the Corporate Peer Challenge carried out in November 2018 on both Councils, recommended a review of the management structure to ensure that there is the capacity to fulfil the Councils' ambitions, particularly in relation to place-shaping and financial sustainability. The report also made recommendations in relation to good governance.
- 1.7 This report proposes a Senior Leadership Team structure made up of 5 posts as follows:
 - Chief Executive
 - Director of Customer Service and Delivery
 - Director of Place and Enterprise
 - Director of Strategic Finance
 - Director of Governance and Assurance
- 1.8 It is intended that one of the Directors will also take on the responsibilities of the role of Deputy Chief Executive.
- 1.9 The restructure of the SLT will have an impact on the Extended Leadership Team (ELT) and this report recommends a review of ELT roles, responsibilities and remuneration following the appointments to the new SLT. An indication of savings that are expected to be achieved as a result of the combined changes to SLT and ELT are set out in the report below.
- 1.10 In developing this proposal various options have been considered including making the current interim arrangements permanent, or

reducing the number of roles in the SLT. These options are discussed below in paragraph 4.

- 1.11 A version of this report is also to be considered by the Executive at its meeting on 18 July 2019 and the views of this meeting will be outlined in the published minutes arising from that meeting.

2. Background

- 2.1 South Hams DC and West Devon BC have a long history of working together and first appointed a joint Chief Executive in 2007. In 2010 the Councils appointed a shared management team across both the Councils and in 2014 set out plans for a transformation programme (known as T18) which included a fully shared workforce across both Councils. This joint working and shared workforce has achieved combined annual savings of £6million for the Councils.
- 2.2 In 2015 the two Councils appointed a single new Senior Leadership Team (SLT) to lead the shared workforce and implement the T18 transformation programme. Originally this team consisted of 6 postholders - 2 Executive Directors (Level 1 posts), 4 Group Managers (Level 2 posts) plus the S151 officer. The team was reduced by one member in March 2016 when two of the Group Manager roles were merged and the base budget was adjusted accordingly.
- 2.3 In February 2018 one of the Executive Directors resigned to take up a new role elsewhere. The remaining Executive Director took on both Executive Director roles on an interim basis. Adjustments were made to other SLT roles and to some ELT roles, including the S151 officer taking up her full Level 2 role as Group Manager for Strategic Finance and the allocation of Deputy Chief Executive responsibilities to one of the other Group Managers. Details of the interim arrangements can be found in the 14th December 2017 Council report (Minute 53/17).
<https://mg.swdevon.gov.uk/ieListDocuments.aspx?CId=151&MId=491&Ver=4>
- 2.4 On 21 February 2019 the remaining Executive Director (Sophie Hosking) was confirmed by both Councils as Chief Executive and tasked with bringing forward proposals for a new structure that would address the changing needs of both Councils. At this point a saving of £68k (£34k for each Council) was taken out of the base budget for 2019/20 onwards to account for the reduction from 2 Executive Director posts to one Chief Executive. Members requested that further savings be sought from the restructure proposals.
- 2.5 In May 2019, two of the current Group Managers posts became vacant due to the postholders pursuing new career opportunities. This has left only 3 members of SLT in place out of the original 7 appointed in 2015 to cover all the duties of the senior leadership responsibilities across both Councils. Recruitment to the vacancies

is on hold pending the proposed restructure and this is causing significant pressure on the remaining 3 members of the Senior Leadership Team.

- 2.6 In putting together the proposals for the new SLT structure a number of issues have been considered including:
- i. Recommendations from the recent Corporate Peer Challenge
 - ii. Operational and contract management requirements resulting from the establishment of the new waste contract with FCC
 - iii. Shift in organisational focus since 2015 and the changing priorities of the new Councils
 - iv. The two current Group Manager vacancies
 - v. Government funding and Brexit
 - vi. Benchmarking information from other organisations
 - vii. Value for money
 - viii. Impact on Members, staff, customers and external partners
- 2.7 Corporate Peer Challenge. The report from the Corporate Peer Challenge made particular reference to the Councils' need to become more outwardly focused and engage more with the communities they serve, and with external partners, to achieve their ambitions for housing and economic growth.
<http://mg.swdevon.gov.uk/jelListDocuments.aspx?CIId=149&MIId=1148&Ver=4>
The Councils' current SLT structure is inwardly focused and the restructure provides an opportunity to address this deficit. In addition the Peer report recommends a continued focus on achieving financial sustainability and good governance.
- 2.8 Operational changes. On 1st April 2019 the Council entered into a contract with FCC for the operation of the Council's waste collection and street cleansing services. This involved the transfer of all the operational staff (c.90 employees) who were previously directly employed by South Hams District Council. This has resulted in a significant change of focus within the management team from that of direct employment to contract management and presents an opportunity to make some savings in the wider management team. However, it is also necessary for the proposed structure to recognise the increased importance of effective contract management given the size and value of the new contract. There is also a short term (18 month) management requirement to oversee significant changes to the waste and recycling service.
- 2.9 Change in organisational priorities. Since 2015 there has been a significant change of focus in our organisational activity. Initially the Councils were very internally focused on transforming the

workforce and our ways of working to achieve the savings required to keep the Councils financially viable. The focus then shifted more towards strategic planning (the Joint Local Plan) and commercial activity. Looking ahead, there is a new focus on climate change mitigation as well as taking a stronger and more pro-active role in shaping our communities, particularly in relation to housing and economic development.

- 2.10 Vacant posts. In April and May this year, 2 posts within the current SLT became vacant when the Group Manager for Business Development and the Group Manager for Commercial Services left to take up new roles elsewhere. This provides the opportunity to completely reconsider how the responsibilities of the new SLT are divided up in the new structure. It also gives an urgency to getting the new structure in place as soon as possible as there are currently only 3 SLT members covering the whole workload across both Councils (the Chief Executive and the remaining 2 Group Managers).
- 2.11 Financial settlement and Brexit. We continue to face challenging times and uncertainty in relation to our finances and the impact of the UK's impending departure from the EU and we will require a strong leadership team to meet these challenges. Our current 4 year funding settlement with the government ends this financial year (2019/20) and as yet there is no indication as to what funding arrangements are being proposed for 2020/21 onwards.
- 2.12 Benchmarking with other Councils. A further consideration when putting together the proposals has been a review of the appropriate remuneration for the SLT roles in order to attract and retain the right calibre of staff. Benchmarking information has been gathered for comparison purposes from District Councils locally and nationally and also from other Councils with shared management teams. However it should be noted that there are no simple comparisons as all Councils vary in complexity, size, the range of activities and how their management teams are structured.
- 2.13 Value for money. This is a key consideration for the Councils and by sharing a management team the Councils effectively get the benefit of a strong team of 5 senior managers for half the cost, in addition to the cost savings identified at paragraph 3.5 below.
- 2.14 Impact. The appointment of the senior leadership team affects all Members as the team provides essential support to Members to develop strategy and deliver the Councils' statutory obligations and their aspirations for the communities they serve.
- 2.15 The SLT appointments also impact on all staff as an effective team is crucial to achieve a high performing workforce.
- 2.16 Relationships with partners, our communities and other organisations, and our ability to play our part in the public sector

within Devon, regionally and nationally, is also dependent on the capacity of the SLT.

3. Outcomes/outputs

- 3.1 The desired outcome of the restructure is to have a revised SLT in place in September that will meet the requirements of both Councils. It is anticipated that appointments will be made internally, however should this not be the case, a longer timeframe will be necessary.
- 3.2 Following the appointment of the SLT there will then be a review of ELT and this is intended to be completed and implemented by the end of December 2019. It is expected that the reorganisation of the SLT responsibilities, the likelihood of internal appointments to the SLT posts and the recent changes in operational requirements will give the opportunity to make some further savings from the combined restructures.
- 3.3 Benchmarking of equivalent posts in other organisations along with independent advice from the Local Government Association (LGA) and the resulting salary recommendations is intended to ensure fair and appropriate salaries for the jobs, whilst recognising the additional complexity of working across 2 Councils. This is important in order to attract and retain high calibre officers. However it should be noted that the salaries recommended in this report are at the lowest end of the scales recommended by the LGA following their independent evaluation of the roles and consideration will be given to introducing a link between performance and financial reward in the future. Any performance related pay scheme will be the subject of a separate consultation process.
- 3.4 The benchmarking work has also revealed anomalies in the remuneration of our Extended Leadership team and it is proposed that the ELT review will include re-evaluation of the ELT salary framework.
- 3.5 As mentioned above in paragraph 3.2, it is anticipated that financial savings for both Councils will result from the combined restructures of SLT and ELT. It not possible to predict the exact savings generated until both the SLT and ELT reviews are completed however it is anticipated that it will be in the region of a minimum of £120,000 per annum (approximately £60,000 per annum for each Council – Note the actual split of the saving between both Councils will be calculated in accordance with the shared services apportionments completed annually). This is in addition to the annual £68,000 saving (£34,000 each Council) that has already

been taken as a saving in the Budget process for 2019/20 with regards to the former Executive Director post as detailed in paragraph 2.4 above.

- 3.6 The proposed future structure of SLT is made up of 5 posts as follows:
- Chief Executive
 - Director of Customer Service and Delivery
 - Director of Place and Enterprise
 - Director of Strategic Finance
 - Director of Governance and Assurance
- 3.7 It is intended that one of the Directors will also fulfil the role of Deputy Chief Executive.
- 3.8 There are four key outcomes that need to be achieved by the new proposed arrangements:
- Customer facing: To improve the customer experience by making our services easier to use and more responsive, reducing failure demand and becoming more efficient as a result; this will lead to cost reduction or investment in services.
 - Community facing: To engage with our communities in our strategic planning role with the aim of promoting and supporting appropriate housing development (with a focus on affordable housing), economic growth and resilience, protecting our environment and mitigating against climate change.
 - Financial: To achieve financial sustainability; developing new and existing income streams to support our core functions – through treasury management, investment and development of the Council's assets, selling services, fees and charges and increasing the tax base.
 - Governance and assurance: To make sure we do things properly, ethically and lawfully.
- 3.9 Rationale for a new structure. The Senior Leadership Team (SLT) is responsible for advising and supporting Councillors to set the direction and strategy of the Councils and our communities and for ensuring the delivery of those strategies. The SLT are collectively responsible for: setting the working culture of the organisation; modelling and embedding the IMPACT behaviours; organising our resources to deliver easy-to-use services; ensuring efficient and effective ways of working; strong governance arrangements; good communication and positive relations with our communities; improving the local tax base (housing and business) whilst also finding ways to generate income and decrease reliance on government grant and local taxes.

- 3.10 The Councils have statutory responsibilities to provide various services to our residents, communities and businesses and regulatory responsibilities in respect to various activities in our communities. The other key purpose of the Councils relates to the strategic planning role, shaping our communities and responding to social, economic and environmental requirements. The Councils require a financial strategy to support these objectives. Council funding comes primarily from local taxes (Council tax and Business rates), New Homes bonus (or its replacement) and any income generated by council activities, investment or use of council assets. Underpinning the success of the Councils is effective decision making and committee processes; strong governance and assurance; good contract and project management, and efficient systems and processes.
- 3.11 The proposed new SLT structure will be led by the Chief Executive whose role is to act as principal adviser to the Leaders and all elected Members. Also, as the statutory Head of Paid Service, the Chief Executive provides leadership and direction throughout the organisation. This role is accountable for the performance of the organisation and meeting the Councils' strategic objectives through efficient and effective deployment of resources to ensure that residents receive services of the highest standard.
- 3.12 The 4 directorships are not generic roles. Whilst all 4 Directors will act across all functions of the organisation and across both Councils they will have their own discrete responsibilities and requirements. Individual Directors roles are focused along the following lines:
- 3.13 Strategic Director of Customer Service and Delivery. This post is key to delivery of our statutory services and our regulatory roles as well as some discretionary services. Most of the Councils' employees will report up to this role. The post holder must be a very effective resource manager. The Director will have oversight of most of the Councils' directly delivered services as well as the internal support services. However, whilst directly line managed through this directorate many of the staff will be accountable to other Directors for specific projects or pieces of work. For example, specialists may be assigned to work on a commercial development project for the Place and Enterprise Director, or have tasks to do that fulfil functions sat within Governance and Assurance, or they may be required to carry out work to support the financial strategy. The bulk of the support functions will also report to this director (e.g. IT, HR, technical finance, legal etc). The focus of this role is to improve the customer experience and provide efficient services within the resource constraints. The post holder must have strong management skills particularly in relation to people and performance.

- 3.14 Strategic Director of Place and Enterprise. This role is focused on our communities, housing, economy and commercial strategies, the Joint Local Plan and our response to climate change. Given that our funding is made up of Council tax, business rates and New Homes Bonus it is important to support the provision of much needed and affordable homes through our housing strategy, as well as initiatives that support our economic wellbeing and our local businesses. At the same time the Councils own assets and can act as developer and investor. The Director needs to be able to balance the Councils' commercial interests with the interests of the local communities. The role is also likely to have responsibility for the place-based commercial activities (e.g. Salcombe Harbour and Lower Dartmouth Ferry) as well as responsibility for our relationship with AONB teams. An important aspect to the role is the relationship with external organisations, partners and stakeholders (e.g. the LEP, Homes England, developers and the business sector) to promote the interests of our communities and influence the local, regional and national agenda. A key requirement is to draw in external funding to support place-shaping initiatives. This Director will also have responsibility for the Councils' response to climate change. Great communication and negotiation skills, commercial acumen and the ability to build successful relationships are essential requirements for this role.
- 3.15 Corporate Director of Governance and Assurance. The focus of this role is to ensure that we do things properly, ethically and lawfully and that we have sound governance in place. This key role encompasses the entire decision making processes for Members from start to finish and their scrutiny, audit and assurance functions to ensure that Members are confident in their decision making roles. The Director will have oversight of the Councils' risk and opportunities registers and business continuity arrangements and is also responsible for ensuring vital, Council-wide compliance with regulations for health and safety, procurement, information governance, FOI, Ombudsman and complaints procedures. A critical function of this role will be oversight and management of our major contracts (Waste and Leisure). It is also the responsibility of the role holder to ensure that we have strong, consistent project management applied throughout the organisation. Highly developed organisational skills alongside a methodical and pragmatic approach are key requirements for this role alongside political astuteness and a strong track record of working with Members.
- 3.16 Corporate Director of Strategic Finance (and S151 Officer). Financial sustainability is a critical Council objective. This Director is responsible for developing and reviewing the Councils' Medium Term Financial Strategy with Councillors and other key financial strategies (capital strategy, treasury management strategy, investment strategy etc). The post holder has oversight of the budget setting process and future funding strategies. The Director is also responsible for representing the Council on key financial

issues and policies at a regional and national level – e.g. Business rates policy, national funding formulae, spending reviews etc. This role provides financial assurance across the whole organisation and ensures that financial implications of all policies and proposals are properly considered and tested during the development stages. The Director is responsible for ensuring that the Councils' commercial activities are properly assessed and monitored, risks are identified and mitigation in place. This Director is also the Councils' S151 Officer(Chief Finance Officer). The post holder must be a qualified accountant with a recognised body and will need to have an extensive knowledge of Local Government finance.

- 3.17 Deputy Chief Executive (Additional responsibility). The role of Deputy Chief Executive is a set of duties and responsibilities which will be assigned to a member of the Senior Leadership Team (SLT) and will be in addition to his/her normal duties as a Strategic or Corporate Director. This role will support the Chief Executive and Lead Members and will enable the provision of independent support and advice to both Councils simultaneously where necessary and will deputise for all responsibilities of the Chief Executive in her absence.
- 3.18 Role profiles for each of the proposed new SLT roles are attached at Appendix A.
- 3.19 Evaluation of the above roles revealed that the roles of Director for Customer Service & Delivery and Director for Strategic Finance are not considered to be significantly different to the existing roles of Group Manager for Customer First and Support Services and Group Manager for Strategic Finance respectively. Therefore, should this restructure be agreed it is proposed to appoint the existing postholders in accordance with the Councils Managing Organisational Change policy.
- 3.20 As mentioned above, an independent HR specialist from the Local Government Association has reviewed and evaluated the proposed Director roles, and that of the Chief Executive, and has made recommendations for the salary ranges for all 5 roles. This report proposes using the lowest end of the salary ranges suggested by the LGA advisor.
- 3.21 The LGA senior role job evaluation tool used the following criteria to assess the 5 SLT roles:
- Knowledge requirement
 - Creative thinking required/policy direction involved
 - Impact on People / Organisations
 - Responsibility for resources
- 3.22 The evaluation tool identified that the Customer Service & Delivery and Place & Enterprise roles carry a slightly greater level of responsibility overall and we have therefore designated these roles as Strategic Directors and the remaining two roles (Strategic

Finance and Governance & Assurance) as Corporate Directors.

3.23 Acting upon the advice of the LGA and taking into account factors such as:

- the relationship to the salaries of the Chief Executive and the Directors;
- the market rate for similar roles in other local authorities and associated bodies;
- the added complexity of working across two Councils and comparison with Councils with similar arrangements;
- outcome of the role evaluation

it is proposed that the following salary structure is adopted:

Chief Executive	
Spot salary	Salary
CE	£120,000

Spinal Column Point	Salary pa
D1	£64,000
D2	£68,000
D3	£72,000
D4	£76,000

To reflect the differing levels of responsibility, the following salary ranges are proposed:

Role	Salary range
Strategic Director	D2 - D4
Corporate Director	D1 - D3

3.24 For the duties of Deputy Chief Executive, an additional responsibility allowance of the greater of £8000 pa or 6.5% of the annual salary payable to the Chief Executive will be paid. The payment will not be consolidated and will not attract an annual cost of living increase, however it will maintain a relationship with the Chief Executive's salary in accordance with recommended practice.

3.25 The current cost (as at June 2019) of the Senior Leadership Team (SLT) structure and the Extended Leadership Team (ELT) structure is £1.708 million (this cost is shared across both Councils). The cost of the new proposed SLT and ELT structure is £1.588 million - £0.12 million less.

3.26 It not possible to predict the exact savings generated until both the SLT and ELT reviews are completed however it is anticipated that it will be in the region of a minimum of £120,000 per annum (approximately £60,000 per annum for each Council - Note the actual split of the saving between both Councils will be calculated in accordance with the shared services apportionments completed annually). This is in addition to the annual £68,000 saving (£34,000

each Council) that has already been taken as a saving in the Budget process for 2019/20 with regards to the former Executive Director post as detailed in paragraph 2.4 above.

- 3.27 Some of the savings will be deferred until 2021 in order to meet budget pressures for service changes to waste collection and recycling in both Councils. The Councils could alternatively decide to meet this temporary cost from the Strategic Waste Earmarked Reserve, instead of deferring some of the saving.
- 3.28 There will be a one-off cost pressure if there are any redundancies as a result of the combined restructure which would also delay some of the benefit of the savings achieved, although a payback period would be calculated.

4. Options available and consideration of risk

- 4.1 When developing the proposal a range of different options were considered including:
- Reverting to separate management structures for each Council;
 - Confirming the current interim structure and roles and appointing to the vacant posts against the current job descriptions;
 - Reducing the number of posts or not appointing to one or both of the current vacancies and increasing the scope of the remaining roles accordingly; and
 - Retaining a structure of 1 Chief Executive and 4 Directors but reviewing the responsibilities of roles in order to create a new team that better reflects the current and anticipated requirements of the two Councils.
- 4.2 Option 1: Separate Management Structures. It is not considered feasible to revert to separate management teams for each Council due to the complexity of unpicking the current arrangements and the enormous financial cost to both Councils associated with re-establishing separate arrangements.
- 4.3 Option 2: Confirm interim structure. The option of making the interim structure permanent and recruiting to the current vacancies would not address the recent operational changes resulting from the new waste collection and street cleaning contract. Nor does it take into account the changing priorities of the new Council administrations or the recommendations of the Corporate Peer Challenge.
- 4.4 Option 3: Reducing the number of posts. There are two vacancies in the current interim arrangements and consideration has been given to whether one or both of these vacancies could be taken as savings and a new team established with fewer postholders. Not

appointing to either of the two vacancies, and continuing to distribute the responsibilities amongst the remaining SLT members and some members of ELT, would result in financial savings to the Councils however it is not considered sustainable to continue to operate at this level of resourcing for any longer than is absolutely necessary. There would be significant risks to the effective operation of the Councils and to the well-being of the 3 remaining members of the team. Not appointing to one of the vacancies could generate a smaller financial saving but there would be a significant risk that the Councils would not have the capacity at a senior level to effectively meet their statutory duties or their commitments to their communities.

- 4.5 Option 4: Developing a new team that meets the Councils' requirements. This option recommends developing a senior leadership team that has the capacity to meet the Councils' needs and addresses the four key requirements outlined in paragraph 3.8. It is proposed that the team will comprise of the Chief Executive and 4 Directors – details and role profiles can be found at Appendices A and B. This option will meet the recommendations of the Corporate Peer Challenge, the changes to the organisations' operational requirements and the changing priorities and focus of the Councils. It will provide capacity, resilience and expertise at the appropriate level within the organisation. The proposal will increase the current cost of SLT by approximately £22,500 (4.4%) but will reduce requirements within the ELT which will result in an overall saving of £120,000 (7%) on the current arrangements. This is the recommended option (Option 4).
- 4.6 Consultation. All current members of SLT and ELT have been consulted on the proposals including the process for appointing to the posts. The consultation has also been posted on the staff intranet for all staff. A copy of the consultation document can be found at Appendix B. In response, questions were raised about role responsibilities, salary levels and the differentiation between the Strategic and Corporate Directors, the recruitment process and the timing of the proposed ELT restructure. We do not propose to make any significant changes but we have clarified with consultees the points raised and we have made minor changes to the role profiles.
- 4.7 The Head of HR practice has also consulted with our recognised Unions through the Joint Consultative Committee.
- 4.8 Leaders and Deputy Leaders of both Councils have been consulted during the development of the proposal.
- 4.9 Independent advice has been provided by the senior HR specialist at the LGA concerning the development and evaluation of the role profiles, and the benchmarking and recommendations relating to salaries.

5. Proposed Way Forward

- 5.1 It is proposed that the Councils approve Option 4 and agree the SLT structure, roles and salaries as set out in section 3 of this report and Appendix A.

6. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance		<p>The proposal is in accordance with the Councils Managing Organisational Change policy and compliant with all relevant employment law legislation, including the Equality Act 2010</p> <p>The Head of Paid Service is responsible for staffing arrangement of the Council. However, it is considered appropriate that the Council considers the proposals within this report given that it concerns a senior management restructure which is significantly different from the current arrangements.</p> <p>Both Councils need to agree the restructure proposals; in the event that common agreement cannot be reached alternative proposals will need to be considered.</p>
Financial implications to include reference to value for money		<p>The proposal will increase the current cost of SLT by approximately £22,500 (4.4%) but will reduce requirements within the ELT which will result in an overall saving of a minimum of £120,000 (7%) (being approximately £60,000 each Council) on the current arrangements.</p> <p>This is in addition to the annual £68,000 saving (£34,000 each Council) that has already been taken as a saving in the Budget process for 2019/20 with regards to the former Executive Director post as detailed in paragraph 2.4 above.</p> <p>Some of the savings will be deferred until 2021 in order to meet budget pressures for service changes to waste collection and recycling in both Councils. The Councils could alternatively decide to meet this temporary cost from the Strategic Waste Earmarked Reserve, instead of deferring some of the saving.</p> <p>There will be a one-off cost pressure if there are any redundancies as a result of the combined</p>

		<p>restructure which would also delay some of the benefit of the savings achieved, although a payback period would be calculated.</p> <p><u>Value for money.</u> This is a key consideration for the Councils and by sharing a management team the Councils effectively get the benefit of a strong team of 5 senior managers for half the cost, in addition to the cost savings identified at paragraph 3.5.</p>
Risk		<p>Risk 1: That one of the Councils does not agree the proposal or that one Council proposes amendments that are not supported by the other Council.</p> <p>Risk 2: that the Council proposes one of the other options in paragraph 4 which would incur delay and further costs and not support the needs of the organisation.</p> <p>Risk 3: That it is not possible to make an internal appointment to the SLT roles resulting in the need to look externally which would incur cost and significant delay.</p>
Supporting Corporate Strategy		This proposal supports all 6 themes of the corporate strategy.
Comprehensive Impact Assessment Implications		
Equality and Diversity		The proposed selection process is non discriminatory and in line with usual practice.
Safeguarding		None
Community Safety, Crime and Disorder		None
Health, Safety and Wellbeing		None
Other implications		None

Supporting Information

Appendices:

Appendix A – Proposed new SLT role profiles

Appendix B – Copy of consultation document

Background Papers:

Council – 14th December 2017 – Head of Service Replacement

Council – 21st February 2019 – Establishment Review

Executive - 14th March 2019 – Peer Challenge Action Plan