
Place Directorate restructuring costs

Committee considering report:	Council
Date of Committee:	4 May 2021
Portfolio Member:	Councillor Hilary Cole
Date Portfolio Member agreed report:	7 April 2021
Report Author:	Susan Halliwell
Forward Plan Ref:	C4059

1 Purpose of the Report

This report seeks the authority for redundancy payments to be made that may result from the internal recruitment process to fill the new Service Director, Development & Regulation post identified within the Senior Management Review 2019.

2 Recommendation

- 2.1 Council is asked to authorise the redundancy payments detailed within this report and included in the Part II paper.

3 Implications and Impact Assessment

Implication	Commentary
Financial:	<p>The breakdown of the total estimated cost of potential redundancies as calculated at 31 August 2021 in Appendix 1, and totals £285,870. The costs will be met through the Council's restructuring reserve, and will be cost neutral in line with the proposals set out in the Senior Management Review 2019.</p> <p>Employees who are members of the Local Government Pension Scheme (LGPS) will automatically be paid their pension (with no reduction and no enhancement in the amount due) if they are aged 55 or over on the date that their employment ends due to redundancy.</p> <p>The figures presented at the 'worst case' scenario and assumes that none of the employees can be redeployed into alternative employment within the Council.</p>

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Human Resource:	There are human resource implications associated with this report and the recruitment process is being implemented in accordance with the Council's Organisational Change Policy.			
Legal:	Under the Council's Constitution the power to issue notice to an employee to cease employment by reason of redundancy sits in this circumstance with the Executive Director. However the power to authorise any associated redundancy payment (and early retirement costs where appropriate) rests with the Full Council due to the possible costs involved.			
Risk Management:	None.			
Property:	There are no property implications arising from this report.			
Policy:	As noted above the recruitment into the Service Director post and subsequent implications are being conducted in accordance with the Council's Organisational Change Policy.			
	Positive	Neutral	Negative	Commentary
Equalities Impact:				
A Are there any aspects of the proposed decision, including how it is delivered or accessed, that could impact on inequality?		X		
B Will the proposed decision have an impact upon the lives of people with protected characteristics, including employees and service users?		X		
Environmental Impact:		X		

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Health Impact:		X		
ICT Impact:		X		
Digital Services Impact:		X		
Council Strategy Priorities:		X		
Core Business:		X		
Data Impact:		X		
Consultation and Engagement:	The introduction of the Service Director, Development & Regulation post was included in the extensive Senior Management Review consultation that took place in Spring 2019, and further consultation in the summer of 2020. The implementation of the new post was put on hold in the autumn of 2020 until the new Executive Director (Place) was appointed in January 2021.			

4 Executive Summary

- 4.1 West Berkshire Council undertook a Senior Management Review in 2019 that proposed the establishment of the Place Directorate, including the creation of an Executive Director (Place) and two Service Director posts. In the summer of 2020 a further consultation took place on the establishment of two Service Director posts reflecting the two new departments Environment and Development & Regulation. The establishment of these two departments will enable the Council to be in a strong position to take advantage of the significant opportunities West Berkshire has in shaping our communities both now and in the future, enabling it to grow whilst protecting and enhancing its natural assets.
- 4.2 The recruitment into the Service Director, Environment was completed in 1 April 2020, but the recruitment process for the Service Director, Development & Regulation was paused in autumn 2020 until the appointment of the new Executive Director (Place). This appointment has now taken place and the Council has restarted the recruitment process to fill the vacant Service Director post with a view to the new Development & Regulation department being established by 1 September 2021. The appointment into this post will support the Council in ensuring it has the correct leadership and capabilities within the Directorate to delivery on the Council's ambitions.
- 4.3 Once the internal recruitment process has been completed for the Service Director role, the Head of Planning & Development and Head of Public Protection posts will be

deleted from the organisational structure. As a consequence there may be redundancy costs the Council will incur if the members of staff cannot be redeployed. This paper seeks approval to authorise those redundancy payments should the need arise.

5 Supporting Information

Introduction

- 5.1 The purpose of this report is to set out the potential redundancies that may occur by 31 August 2021, as a result of the recruitment into the Service Director, Development & Regulation post and to seek approval from Full Council to make the redundancy (and if appropriate, retirement) payments associated with the possible staffing changes.
- 5.2 The information contained within this report has been sourced from information held by HR, Finance and Payroll.
- 5.3 The information presented is the maximum possible cost to the Council, which may reduce if redeployment opportunities arise in the Directorate or in the Council as a whole between now and 31 August 2021. It should also be noted that the proposal is cost neutral in line with the agreed Senior Management Review 2019.

Background

- 5.4 West Berkshire Council undertook a Senior Management Review in 2019 that proposed the establishment of the Place directorate, including the creation of an Executive Director (Place) and two Service Director posts. In the summer of 2020 a further consultation took place on the establishment of two Service Director posts for two new departments, Environment and Development & Regulation. The establishment of these two departments reflect the significant opportunities West Berkshire has in shaping our communities both now and in the future, enabling it to grow whilst protecting and enhancing its natural assets.
- 5.5 The recruitment into the Service Director, Environment was completed in 1 April 2020, but the recruitment process for the Service Director, Development & Regulation was paused in autumn 2020 until the appointment of the new Executive Director (Place). This appointment has now taken place and the Council has restarted the recruitment process to fill the vacant Service Director post with a view to the new Development & Regulation department being established by 1 September 2021.
- 5.6 The internal recruitment process has been started on the 15 March 2021. Once this process is complete the Head of Planning & Development and Head of Public Protection posts will be deleted from the Council's establishment. Whilst the Council may incur redundancy and pension costs, the end result will be cost neutral in any event.

Proposal

- 5.7 It is proposed that the estimated total financial payments detailed in the Part II report are approved totalling a maximum of £285,870. The cost of which will come from the Council's restructuring reserve, but will be overall cost neutral as a consequence of deleting two posts.

Redundancy Process

- 5.8 The internal process is currently underway so it is not possible at this stage to be completely accurate on total costs, therefore the highest potential redundancy costs have been set out in the Part II report. The actual cost could be reduced if redeployment is possible to other posts within the Directorate or Council as a whole. This would reduce the need for any redundancy payment.
- 5.9 Officers who are placed at risk of redundancy will be offered support to identify suitable alternative employment.

6 Other options considered

- 6.1 The Council has a number of significant place shaping opportunities in the short and medium term including:
- a) Shaping and delivering growth through West Berkshire's new Local Plan, supporting the transition to zero carbon growth
 - b) Responding to the transformational changes proposed to the planning system through Government's Planning for the Future White Paper
 - c) Ensuring West Berkshire's economy rebounds from the COVID-19 pandemic and incentivising inward investment
 - d) Accelerating the delivery of affordable housing, in particular progressing the option of establishing a Housing Company
 - e) Developing new, refreshed shared services for Public Protection, seeking to identify new opportunities that benefit local residents and businesses.
- 6.2 The establishment of the Development & Regulation department and recruitment into the Service Director, Development & Regulation post will provide the leadership and drive the Council needs to respond to these opportunities and set West Berkshire in a strong position for good place making.
- 6.3 Consideration was given to not proceeding with the implementation of the Service Director post. This option was ruled out as there was a clear business need to ensure that the new Department could function efficiently and effectively to respond to the opportunities detailed in para. 6.1.
- 6.4 Consideration was also given to delaying the implementation of the Service Director post. This option was not considered viable due to the need to ensure that the new Department can respond to the opportunities detailed in para. 6.1 in a timely manner, and to ensure the services are functioning efficiently and effectively. These aspects coupled with the need to meet current business need (even more so now in light of the impact and learnings following Covid-19) would mean delaying the implementation could leave the Council exposed.

7 Conclusion

- 7.1 The Council has a significant opportunity to lead on the place shaping agenda for West Berkshire, ensuring it recovers from the COVID-19 pandemic whilst aligning with the Council's priorities of supporting economic growth, addressing climate change and planning our communities of the future. As a result it is paramount to implement the

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final stages of the Senior Management Review by recruiting into the Service Director, Development & Regulation post to ensure the Council has the correct leadership and capability to deliver on the Council's ambitions.

Background Papers:

None

Subject to Call-In:

Yes: No: X

- The item is due to be referred to Council for final approval ☒
- Delays in implementation could have serious financial implications for the Council ☐
- Delays in implementation could compromise the Council's position ☐
- Considered or reviewed by Overview and Scrutiny Management Committee or associated Task Groups within preceding six months ☐
- Item is Urgent Key Decision ☐
- Report is to note only ☐

Wards affected: N/A

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