

Report of the Director of Governance and Head of HR

Achieving Efficiencies and Pensions with Exit Discretions

Summary

1. It is proposed that Staffing Matters and Urgency Committee (SMU) receive a paper in March, to consider proposals to make efficiency savings across the Corporate Management Team (CMT) structure.
2. However, prior to receiving this report, a member of CMT has come forward and requested to be considered for early retirement.
3. The report and business case attached considers this request and provides Members with the necessary information upon which to make an informed decision.

Background

4. In December 2018, SMU agreed to a revised structure for Customer and Corporate Services. This has been partly implemented, the Director of Governance is in post, however the Director of Finance post has not been established yet due to the ongoing absence of the Chief Executive.
5. SMU during 2019 agreed the interim arrangements to cover the Head of Paid Service function and have regularly reviewed this decision.
6. The current administration has asked for options to be considered to deliver efficiencies from within the Corporate Management Team and to ensure that services are delivered against the Council's priorities in the Council Plan.
7. Whilst it would be normal practice to come to SMU with a proposed structure we have had a request from a member of CMT to be considered for early retirement.
8. This request is included in Annex A, and is exempt from the public session because it contains information relating to an individual (Local Government Act 1972, Schedule 12a).

9. As a member of the team has come forward to be considered for early retirement, it is believed that this should be given serious consideration, as this will enable the options to be considered in a more timely manner and allow the efficiencies to be achieved at an earlier point and which may mitigate the potential for compulsory redundancy in this area.
10. The Head of HR, Director of Governance and the acting / interim S151 Officer, have considered the proposal and looked at a potential structure going forward. It is anticipated that a minimum £50,000 per annum can be made in efficiencies and this will be published in due course.

Option

11. To consider and approve the attached business case for early retirement with pension discretion.

Budget

12. The initial review of the budget based on a high level review of the structure would make efficiencies of around £50,000 per annum.

Consultation

13. Consultation will be in line with the City of York Council's Transformation Policy. In addition as the proposed restructure affects statutory position Staffing Matters and Urgency Committee are engaged. Trade unions have been notified.

Council Plan

14. Restructuring will contribute to delivering the Council Plan and its priorities, enabling the Council to remain proactive and fit for purpose for the future.

Implications

Financial

15. There are financial implications to be considered. The full details of the retirement option is considered within the private business case. The costs can be accommodated within existing budgets.
16. The proposed structure will make efficiencies of around £50,000 per annum.

Human Resources (HR)

17. There are a number of HR implications. The Council's transformation policy must be adhered to during the process to ensure fair and equitable treatment of all staff affected.

Equalities

18. There are no equalities implications at this time, however, the Council needs to have due regards to the public sector equality duty, which will be kept under review.

Legal

19. Pursuant to the Council's constitution, SMU is empowered to exercise all functions concerning staffing matters other than specific circumstances relating to the Council's statutory officers (Head of Paid Service, Monitoring Officer and S151 Officer). These specific circumstances relate primarily to the appointment and dismissal of the statutory officer which are prescribed for in the constitution as follows:
 - a. If a statutory officer is made redundant this has to go to Full Council for approval, under section 4D of the constitution as redundancy is a form of dismissal – 5.4 "additional rules apply in respect of any proposed dismissal of the Section 151 Officer or the Monitoring Officer. Full Council must approve any decision to dismiss either of these Officers".
 - b. Approval has to be obtained on exit payments for any officer which is over £100k (inc pension strain cost). The Council needs to be aware that there will be public and press interest in such payments and to mitigate, where possible, the direct impact on this.
20. In this instance, these provisions do not apply as a member of CMT is seeking early retirement.
21. The Council must ensure that its employment policies and procedures are followed so as to avoid any future legal challenge.

Crime and Disorder, Information Technology and Property

22. There are no identified implications.

Risk Management

23. The timing of any restructures is key as we have had an approach to consider early retirement then it seems appropriate to carry out this activity now.
24. This is a key area of the Council and integrated into the members, along with active public involvement. There will be public interest and we have to ensure the confidentiality of staff involved in the restructure is maintained even to the pressure of outside parties.

Recommendations

25. It is recommended that the Committee:
- i) Agrees to the retirement request as attached in Annex A.
 - ii) Request to receive the proposed structure for CMT in March 2020.

Reason: To allow efficiencies to be made across the CMT structure.

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Chief Officer Responsible for the report:

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Director of Governance

Report X **Date** 30/01/2020
Approved

Specialist Implications Officer(s):

Wards Affected: All X

For further information please contact the author of the report

Annexes:

Annex A – Confidential Business Case

Abbreviations:

CMT – Corporate Management Team
SMU - Staffing Matters and Urgency Committee