

**Forward Plan reference number:** Not applicable

<b>Report title: Corporate Leadership Team Restructure – Draw down from Reserves</b>	
<b>Report to:</b> Councillor Christopher Whitbread – Chancellor for Essex and Cabinet Member with responsibility for Finance	
<b>Report author:</b> Alison Woods: Director, People Business Partnering and Employment Practice and Gavin Jones, Chief Executive Officer	
<b>Date:</b> 19 March 2024	<b>For:</b> Decision
<b>Enquiries to:</b> Ellen Clark, Lead People Business Partner ellen.clark@essex.gov.uk	
<b>County Divisions affected:</b> All Essex	

### **Confidential Appendix**

This report has a confidential appendix which is not for publication as it includes exempt information falling within paragraphs 1 and 2 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended.

## **1. Everyone's Essex**

- 1.1 Everyone's Essex sets out our twenty commitments for the next four years and is focussed on four areas where outcomes really matter for the quality of life for all people in Essex. They are; the economy, the environment, children and families, and promoting health, care and wellbeing for all ages.
- 1.2 The Corporate Leadership Team restructure contributes towards the delivery of Everyone's Essex by creating greater alignment between services which support the delivery of the growing transformation agenda.
  - 1.2.1 This report is seeking drawdown from the Transformation reserves to fund redundancy and pension strain costs associated with the deletion of the Executive Director, People and Transformation post as a result of the proposed Corporate Leadership Team restructure.
  - 1.2.2 Approving the recommendation will contribute towards existing staff savings targets within the council's budget.

## **2 Recommendations**

- 2.1 Agree to the drawdown of the sum in the confidential appendix from the transformation reserve for the purposes of funding redundancy and pension strain costs for the Executive Director, People and Transformation as a result of the Corporate Leadership Team restructure.

### **3 Background and Proposal**

- 3.1 The Chief Executive Officer has proposed changes to the Corporate Leadership team in order to create greater alignment between services and the transformation agenda.
- 3.2 The start of formal consultation for the new Corporate Leadership Structure design which affected the role of Executive Director, People and Transformation started on 19 December 2023 and concluded on 2 February 2024.
- 3.3 The Corporate Leadership Team restructure was approved by the Senior Management Employment Committee on 5 March 2024.
- 3.3.1 The restructure will reduce the number of Executive Directors that report into the Chief Executive Officer by one.
- 3.3.2 The deletion of the role of Executive Director, People and Transformation will give rise to the dismissal of Pam Parkes, by reason of redundancy.
- 3.3.3 The deletion of the role of Executive Director, People and Transformation will release a permanent saving of £236,425 per year, after taking account of all employer oncosts. This will contribute to existing staffing savings targets within the Council's budget.
- 3.4 It is proposed to draw down funding from the Transformation Reserve in 2024/25 financial year to cover the redundancy and pension strain costs associated with the compulsory redundancy.
- 3.5 The implementation of this recommendation does not involve any procurement of goods or services and it does not involve changes to ECC services.

### **4 Links to our Strategic Ambitions**

- 4.1 This report links to the following aims in the Essex Vision
- Develop our County sustainably
  - Connect us to each other and the world
  - Share prosperity with everyone
- 4.2 This report links to the following strategic priorities in the emerging Organisational Strategy 'Everyone's Essex':
- A strong, inclusive and sustainable economy

## 5 Options

- 5.1 Agree to release funding from the Transformation Reserve to fund the redundancy and pension strain costs relative to the deletion of the Executive Director, People and Transformation role. **(Recommended)**
- 5.2 Do nothing **(Not Recommended)**. Employees with two years service or more have a statutory right to redundancy pay if their existing role is no longer required, new roles are proposed, or there are significant changes to the types and numbers of roles in the new structure. Failure to meet these costs would be a breach of this statutory right.

## 6 Issues for consideration

### 6.1 Financial implications

The approval and subsequent implementation of the Corporate Leadership Team restructure has created one redundant position. The estimated cost of this compulsory redundancy (Redundancy and associated pension strain costs) is set out in the confidential appendix and approval is sought to fund this from the Transformation Reserve in 2024/25.

- 6.1.1 The deletion of the role of Executive Director, People and Transformation will release a permanent saving of £236,425 per year, after taking account of all employer oncosts. This will contribute to existing staffing savings targets within the Council's budget.

### 6.2 Legal implications

- 6.2.1 The Council's financial regulations state that all drawdowns from reserves must be approved by the Cabinet Member for Finance.
- 6.2.2 Drawing down of money from reserves does not authorise any dismissal or other employment change.

## 7 Equality and Diversity Considerations

- 7.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:
  - (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
  - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
  - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.

- 7.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).
- 7.3 The Equalities Comprehensive Impact Assessment indicates that the proposals in this report will have a disproportionately adverse impact in respect of ethnicity at a senior leadership level. However, all feasible alternatives have been considered as part of the consultation process and the Council is committed to accelerating delivery of its representative leadership programme which seeks to address underrepresentation in leadership at all levels across the council. on any people with a particular characteristic.

## 8 List of Appendices

- 8.1 Confidential appendix
- 8.2 Workforce Equality Impact Assessment

## 9 List of Background papers

None

<b>I approve the above recommendations set out above for the reasons set out in the report.</b>	<b>Date</b>
<b>Cllr Chris Whitbread Councillor Christopher Whitbread, Chancellor for Essex and Cabinet Member with responsibility for Finance</b>	21 March 2024

In consultation with:

<b>Role</b>	<b>Date</b>
<b>Executive Director, Corporate Services (S151 Officer) Stephanie Mitchener on behalf of Nicole Wood</b>	19 March 2024
<b>Director, Legal and Assurance (Monitoring Officer)  Paul Turner</b>	19 March 2024