

Slough Borough Council

Report To	Employment Committee
Date:	19 September 2024
Subject:	Property & Assets Senior Level Restructure
Chief Officer:	Pat Hayes Executive Director – Regeneration, Housing & Environment
Contact Officer:	Peter Hopkins – Director Property & Assets
Wards:	All
Exempt:	NO
Appendices:	Appendix 1 - Property & Assets Senior Restructure Consultation Paper

1. Summary and Recommendations

- 1.1. This report sets out the changes to the Property & Assets Senior structure and new line management changes post implementation and appointment to the Heads of Service roles as part of the Council's Senior Structure in September 2023.

Recommendations:

Employment Committee is recommended to:

- (a) *Note the update on the Property & Assets Senior Restructure*
- (b) *Recommend to Full Council (29th September)*
 - I. *Approve the redundancy package for the post holder in the Group Manager Building Manager role.*

Reason: Following the appointment of the new permanent Director of Property & Assets, the post holder has been undertaking a review of the staffing structure required for the Council going forward. This has resulted in identifying that the Group Manager Building Services position is not required going forward.

Commissioner Review: Commissioners have reviewed the report and have no comments.

Introductory paragraph

- 1.2. With the new Director of Property & Assets in place, stabilising the rest of the department senior management team is critical in establishing long term stability for the Council and improving the Council's financial position. Under the Council's Senior Management Restructure approved by full council in September 2023, Phase One saw two new Heads of Service positions created in the Property & Assets department.
- 1.3. With the two Head of Service positions being successfully recruited to, Phase Two of the Property & Assets Restructure can proceed. As a result, a new senior

management structure has been created and consulted on and this has led to the post of Group Manager Building Manager no longer being required.

Options Considered

- 1.4. The Council could decide to not proceed with any further restructure or the creation of the new posts that have been consulted on. However, this will mean a greater reliance on maintaining Interim/contracting capacity at day rates that would exceed the costs of filling these posts on a permanent basis. including allowances for on costs. The current cost for retaining four Interim Senior Managers based on a 46-week payment equates to £0.619m.
- 1.5. The current permanent establishment base for the Senior position beneath the Heads of Service is £0.302m. This compared to the recruitment of the new positions to complete the Phase Two restructure, including overheads would be £0.270m p.a. A general saving of circa £0.030m p.a. Post implementation of Phase Two, the Phase Three restructure will seek to balance out the establishment benefits and savings that help drive financial stability for the Council.
- 1.6. By not proceeding with the Phase Two element as presented the Council will continue to incur circa an additional £0.349m p.a. on Interim employees.
- 1.7. The Head of Paid Service has confirmed that they have seen approved these proposals and that the wider and future Phases will clearly establish the wider benefits and establishment savings.

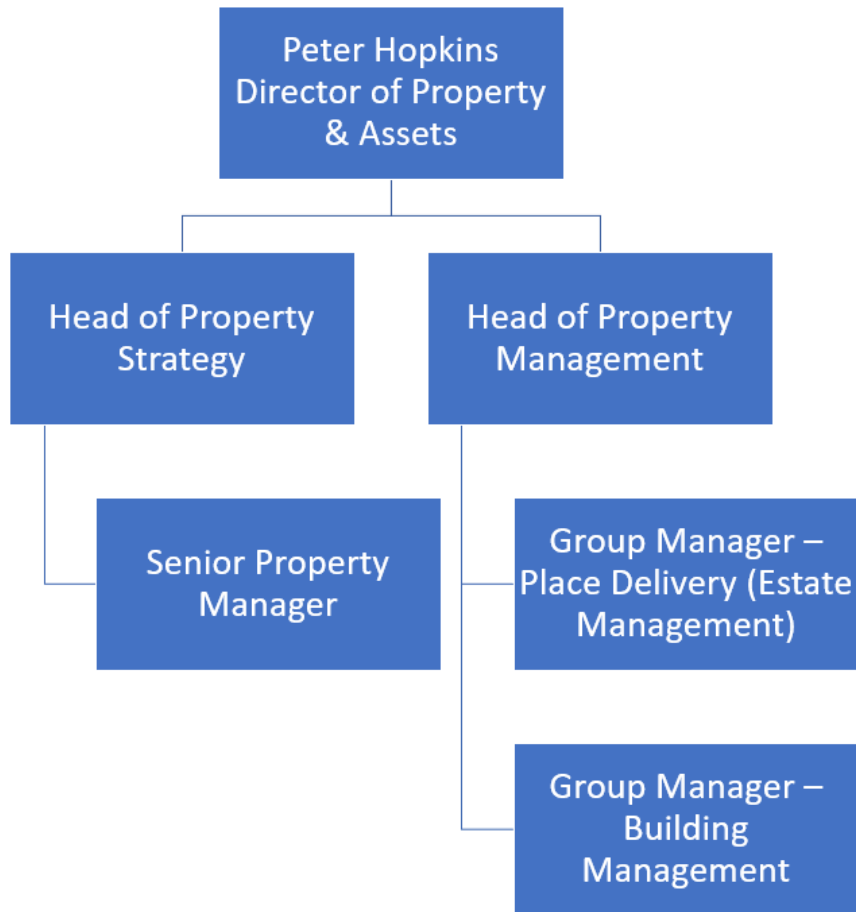
Not Recommended

- 1.8. The new structure meets the new Director's direction of travel and supports the council in having staff technically qualified for the newly created management positions. The completion of the Phase Two senior restructure will then allow the Director and the new Heads of Service to move into a planned Phase Three restructure of the team underneath the new positions being created.
- 1.9. This Phase Three restructure will set the Council up for moving to a full corporate landlord model, addressing some of the Council's failures of the past, including poor record keeping, lack of technical specialism and over reliance on consultants and interim support.

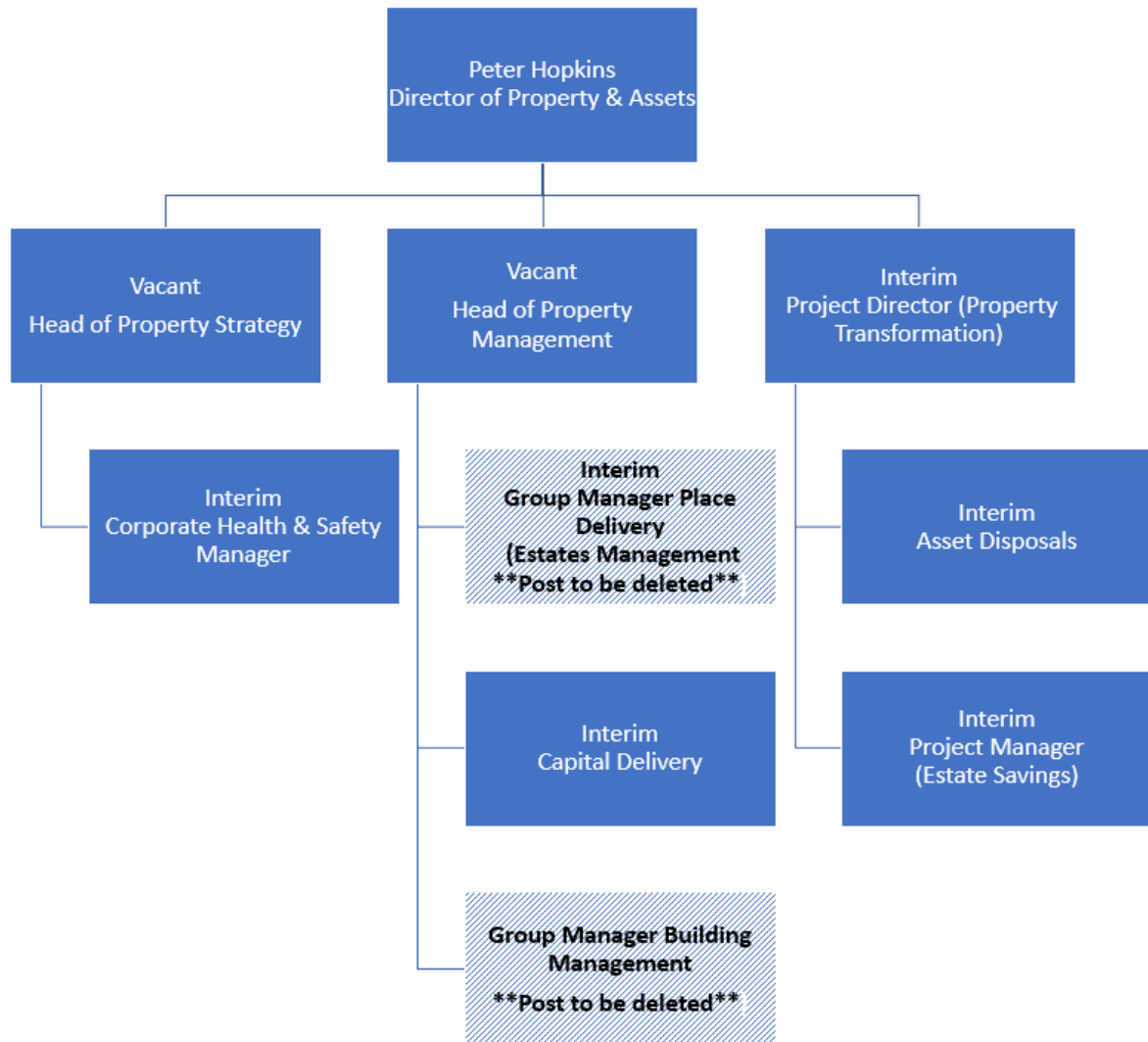
Recommended

Background

- 1.10. As articulated in the Council's Corporate Plan, the Council is on a long-term path to recovery, however, to deliver this, there is a need for a permanent senior structure within Property & Assets that reflects industry practice by reintroducing functional job descriptions related to the span of responsibility within the roles. This is to ensure that the Council has the correct technical capability to support the activities required to support front line activities and optimise the property portfolio.
- 1.11. The existing Property & Assets Structure, prior to the Council's Senior Management Structure implementation in September 2023 was as follows:



- 1.12. Post arrival of the permanent Director of Property and Assets, a decision was taken to realign the management structure of the Corporate Health and Safety Team from within the Human Resources Department and align to under the new Director of Property and Assets.
- 1.13. The Interim structure inherited by the new permanent Director of Property and Assets was as follows:

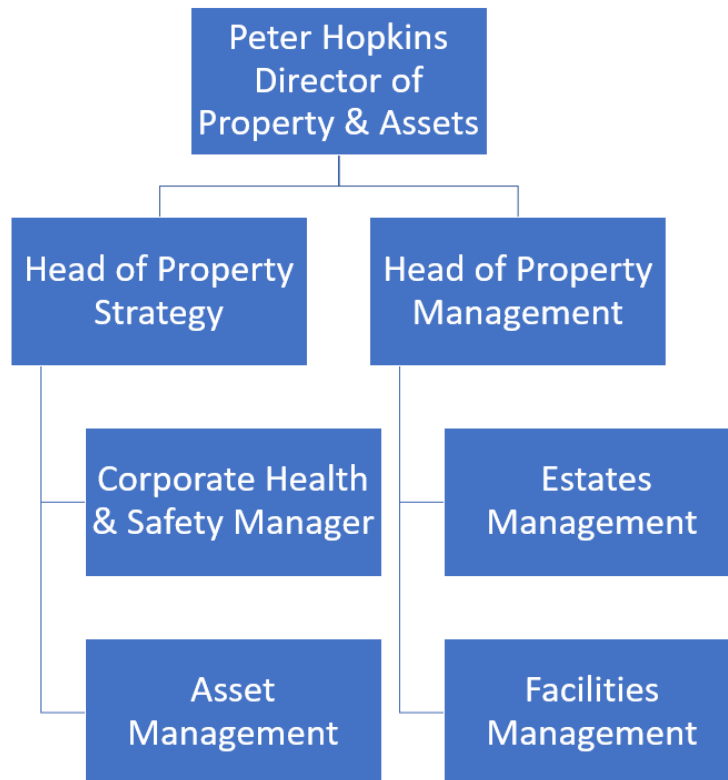


1.14. The permanent Director of Property and Assets having now reviewed the interim structure has proposed the following changes to be implemented:

- Providing clarity under the two heads of service clear distinction between Strategic and Operational Management.
- With the movement of Corporate Health & Safety from Human Resources to Property in May 2024 it has been necessary to incorporate and ensure that the functions between statutory corporate responsibility and the legislation for building compliance are clearly separated to ensure the Council has clear lines or accountability established.

1.15. The proposed re-alignments within Property & Assets will address under resourcing issues and provide the council with clear skills across the new key technical disciplines below:

- Corporate Health & Safety Manager
- Asset Management,
- Estates Manager
- Facilities Manager



- 1.16. Following a robust recruitment programme over the summer for the two heads of Service position the Head of Property Strategy position has been accepted and will start in September 2024. The Head of Property Management position has been offered and the role formally taken up from the 1st of January 2025.
- 1.17. The previous Group Manager positions do not fulfil the new permanent Director of Property & Assets direction of travel and therefore have been deleted, so that permanent staff who are technically qualified and are subject matter experts.
- 1.18. The role of Group Manager Place Delivery (Estates Management) is currently being filled by an Interim Manager. The Group Manager for Building Management subject to approvals, the individual's last day of service will be the 30/10/2024.

Implications of the Recommendation

2. Financial implications

- 2.1. The proposed new senior management structure is critical to stabilising the service and improve service delivery. The new structure is fully funded from existing approved service budget which includes MTFs 2024/25 savings from the deletion of Group Manager Building Management post. The savings formed part of the 2024/25 Budget Report approved by full Council on 7th March 2024. The approval of the proposed redundancy and the deletion of the post will confirm the delivery of the savings. The total redundancy costs of £192k (which include pension strain) will be funded from the corporate restructure reserve.

3. Legal implications

- 3.1. The rules governing recruitment and appointment of staff are set out in the Constitution. This includes the rules for appointment of chief officers, which includes the need for elected members to decide on these appointments, except when an interim is being appointed pending permanent recruitment. The MHCLG statutory

Directions give powers to the appointed DLUHC Commissioners to make decisions on senior officer recruitment for the top three tiers of the organisation. All other recruitment decisions, including those decisions where the commissioners decide not to exercise their power are made by the Chief Executive, as Head of Paid Service, or an authorised officer.

3.2. Part 3.6 of the Council's Constitution sets out the Scheme of Delegation to Officers. This confirms that executive directors are responsible for re-organising staff within their directorates, subject to budgetary implications and consulting with trade unions on staff organisational changes. This is subject to compliance with internal HR policies and procedures, as well as the reserve powers of the MHCLG commissioners set out above. HR procedures require restructure proposals to be considered at a corporate level and for early HR, legal and finance involvement. For significant restructures, assumed to be at least 20 redundancies or decisions to outsource or insource services, Cabinet approval for the service restructure is required.

3.3. The Localism Act introduced duties in relation to transparency in pay policies and arrangements. The guidance associated with this legislation states that due to public interest in the level and frequency of severance payments being made in particular to senior officers, to ensure that decisions to spend local taxpayers' money on large payoffs are subject to the appropriate level of accountability, local authorities should offer full council the opportunity to vote before packages over £100,000 are approved. The redundancy package contained are limited to contractual entitlement, although in appropriate circumstances the individual may be permitted to be paid in lieu of notice, which may be considered over and above contractual entitlement and therefore constitute special severance.

4. Risk management implications

4.1. There is an inherent level of risk with any restructure, including whether it has the expected impact on performance, service delivery and efficiencies. One key risk area is to whether or not it will be possible to recruit to the proposed new structure though pointing at a successful recruitment for the Head of Service posts should help mitigate the risk that prospective candidates will see stability forming with new permanent senior staff in place.

4.2. An additional risk is ensuring operational continuity during the senior management restructuring is crucial for maintaining the organisation's efficiency and effectiveness. By implementing a robust risk management framework, potential disruptions can be identified and mitigated proactively. By developing contingency plans to address any interruptions in workflow, ensuring that critical functions remain uninterrupted, and maintaining clear communication channels with all employees. By prioritising operational continuity, the organisation can navigate the restructuring process smoothly, minimising any negative impact on day-to-day operations and maintaining a stable environment for both staff and stakeholders.

5. Environmental implications

5.1. There are no environmental implications arising out of this report.

6. Equality implications

6.1. The management restructuring must consider the Equality Implications to ensure compliance with the Equality Act 2010. This involves assessing the impact of the restructuring on all employees, particularly those with protected characteristics, to prevent any form of discrimination, harassment, or victimization.

- 6.2. An Equality Impact Assessment (EIA) has been undertaken so that the organisation can identify potential inequalities and take proactive measures to address them. As the team was mainly made up of interims, the changes have only impacted one individual, who expressed an interest in voluntary redundancy.
- 6.3. In recruiting to the new structure, the Council will consider how to encourage applications from those with protected characteristics currently under-represented in the team. This approach not only fosters a more inclusive and equitable workplace but also enhances the organisation's reputation and compliance with legal obligations. Ensuring equality in the restructuring process is essential for promoting fairness and advancing equality of opportunity for all employees and prospective new employees.
- 6.4. **Corporate Parenting Implications**
- 6.4.1. There are no Corporate Parenting implications associated with this report.
- 6.5. **Procurement implications**
- 6.5.1. There are no procurement implications arising out of this report.
- 6.6. **Workforce implications**
- 6.6.1. The Group Manager Building Management role is redundant, and the post holder has been consulted and is supportive of the redundancy. The post holder is entitled to contractual redundancy payments.
- 6.6.2. The HR Directorate is reviewing a number of policy and procedure, to manage organisational change. A future update will be provided to Employee Committee.
- 6.7. **Property implications**
- There are no Property implications arising out of this report.
7. **Background Papers**
- None