

Classification: Open	Decision Type: Non-Key
--------------------------------	----------------------------------

Report to:	Cabinet	Date: 06 November 2024
Subject:	Review of the Council's Delivery Model and Voluntary Exits Approvals	
Report of	Cabinet Member for HR & Corporate Affairs	

Summary

The Council is managing a very challenging budget situation. To support the development of savings options for 2024/25, the Council's standing Voluntary Exits Policy was highlighted to staff. This report seeks approval for those applications which must be constitutionally approved by the Cabinet and/or where costs exceed £100,000 and must therefore be approved by Council.

Recommendation(s)

Cabinet is asked to:

1. Agree the deletion of the post of Assistant Director (Operations) with effect from 31 October 2025 and the departure of the current postholder via Voluntary Early Retirement.
2. Agree the deletion of the post of Joint Head of Communications, Engagement & Marketing with effect from 1 April 2025 and the departure of the current postholder via Voluntary Severance.
3. Recommend to Council that the Voluntary Early Retirement of the Group Engineer (Street Lighting & Operations) is approved.
4. Recommend to Council that the Voluntary Early Retirement of the Head of Homelessness & Housing Options is approved.
5. Thank the Assistant Director (Operations), Joint Head of Communications, Engagement & Marketing, Group Engineer (Street Lighting & Operations) and Head of Homelessness & Housing respectively for their contribution to the Council and people of Bury over their time with the Authority.

Reasons for recommendation(s)

The proposals in this report make a budget saving which will support the council's financial position in 2024/25.

Alternative options considered and rejected

None.

Report Author and Contact Details:

Name: Lynne Ridsdale
Position: Chief Executive
& Place Based Lead
E-mail: l.ridsdale@bury.gov.uk

Name: Sam McVaigh
Position: Director of People and Inclusion
Department: Corporate Core
E-mail: s.mcvaigh@bury.gov.uk

1. Background

- 1.1 The Council is facing a challenging budget situation with a financial deficit of circa. £30m to manage over the next three years. In support of budget savings, staff have been reminded of the Council' standing Voluntary Exits Policy, in particular senior managers, on the basis that approved organisation design principles allow for increases in spans of management control in many service areas.
- 1.2 The corporate organisation design principles were approved in 2021, as part of the corporate transformation strategy. The principles define a "6x6" organisation structure as the norm, i.e. a maximum of six tiers of staff with minimum management spans of control of six direct reports and a maximum of ten. Significant progress has been made in the implementation of this structure, including through the integration of the Finance and Corporate Core departments; restructures within the Children and Young People's department and the integration of housing services. Whilst the vast majority of the organisation is aligned with these principles in terms of tiers, overall ratios still, however, indicate the opportunity for some further efficiencies in relation to spans, particularly at management level.
- 1.3 This report seeks approval for the voluntary exits which may be supported but require Cabinet and/or Council approval to progress.

2. Voluntary Exits

- 2.1 The Council has a standing Voluntary Exits Policy which brings together the various mechanisms for employees exiting the organisation through Voluntary Early Retirement, Flexible Retirement and Voluntary Severance. The policy sets out clear financial and operational criteria for the consideration of applications.
- 2.2 In considering applications Executive Directors are asked to:
Take a rounded view considering, for example, the following:
 - *Whether there is any detrimental effect on service delivery*
 - *If there is available alternative work at the lower grade (if stepping down is requested)*
 - *That the arrangement is fair and equitable to other team members*

- *If it may help to avoid redundancies and the associated strain on pension fund costs and redundancy payment costs*
- *If it enables the transfer of skills/knowledge*
- *If it would be advantageous to the employee's wellbeing and the service.*

2.2 The majority of exits are covered by a lump sum voluntary severance payment but, for staff age 55 or over, the Voluntary Early retirement (VER) provisions of the policy apply and pension release is also triggered contractually, as follows:

Members of the Local Government Pension Scheme (LGPS) aged 55 or over who have 2 or more year's membership can apply to draw voluntary early retirement benefits in cases of the efficiency of the service or redundancy with no added years but no actuarial reduction.

Applications must result in a financial saving to the Council which must be demonstrated in the Business Case. All associated costs including severance payment and capital costs must be paid back in 3 years.

2.3 The cost of all severance payments must be funded directly by the Department in-year; the capital cost related to the early release of pension benefits is funded from the allocated sum held centrally with the Greater Manchester Pension Fund (GMPF). This sum is allocated annually with any underspend rolled forward for three years.

2.4 In the majority of cases, supported applications may be approved by the Cabinet Member for HR and Corporate Affairs. However, in line with the Council's Constitution and the Localism Act respectively, applications concerning staff at Deputy Chief Officer level or above must be approved by the Council's Cabinet and those with exist costs exceeding £100,000 must be agreed by Council. Four such applications are presented below for consideration.

2.5 Assistant Director (Operations)

2.5.1 This post is a Deputy Chief Officer and one of two Assistant Directors within the Operations Department (graded at Chief Officer Band E) providing leadership to the Commercial Services, Engineers & StreetScene, Waste & Transport and Wellness Services. The proposal is to agree to the postholder's VER, provisionally with effect from 31 October 2025. The extended leave date accounts for the need for a significant handover period and transition to new operating arrangements.

2.5.2 The intention is that the Assistant Director role is disestablished upon the postholder's departure with the existing four Heads of Service taking on the strategic responsibilities of the post amongst them and reporting directly to the Executive Director (Operations).

2.5.3 Agreeing the postholder's VER and deletion of the post will generate savings of £110,557 (net of required funding to reconfigure the structure at Head of

Service level). In accordance with the Voluntary Exits Policy the costs associated with release are to be 'paid back' within three years. This criterion is met through the above proposal.

- 2.5.4 The postholder has over 46 years' service with Bury in several roles. He began his career as an Architectural Technician and later played a central role in the regeneration and development of Bury's parks and countryside towards achieving Green Flag status and leading successful Bury in Bloom campaigns. He has also played a crucial role in the development of the wider leisure and wellness offer. Over the years, he has secured multi million pounds of external investment in outdoor spaces, play areas and sports facilities. He makes a professional point of always being available for advice to officers, elected members and residents, including managing out of hours Muslim burials and supporting the delivery of high profile and hugely successful events such as the Bury 10k, Tour of Britain and the Olympic torch relay through Bury. The postholder would always be the first to say that any success is down to the dedicated council teams and volunteers involved.
- 2.5.5 Members are asked to agree the deletion of the post of Assistant Director (Operations) at the point of the postholder's departure.

2.6 Joint Head of Communications, Marketing & Engagement

- 2.6.1 This post is a Deputy Chief Officer and provides leadership to the communication, engagement and marketing services for the Council and Bury Locality on behalf of NHS Greater Manchester. The post is funded equally by the Council and NHS Greater Manchester.
- 2.6.2 The Council is presently reviewing its communications strategy and delivery arrangements, which provides an opportunity to agree to the postholder's Voluntary Severance request with effect from 1 April 2025
- 2.6.3 There is a requirement through the Voluntary Exits policy that the costs associated with release are 'paid back' within three years. The minimum annual saving here will be £10,052 through a reduction in seniority of any new role reflective of changes in responsibility and accountability, including the recent transfer of community engagement away from this post. 50% of this saving relates to the Council element of the role meeting the 'pay back' requirements.
- 2.6.4 The postholder has managed the Council and NHS Greater Manchester communications and customer services strategy and delivery over the past five years in a challenging context, including throughout the pandemic.
- 2.8.5 Members are asked to agree the deletion of the post of Joint Head of Communications, Marketing & Engagement and to determine new arrangements at that point, in consultation with NHS GM.

2.7 Group Engineer (Street Lighting & Operations)

- 2.7.1 This post (Grade 16) provides professional leadership to the operation of street lighting in Bury. The proposal is to agree the postholder's Voluntary Early Retirement with effect from 12 February 2025.
- 2.7.2 The total budget for the post is £66,077 and the proposal is to retain an element of this budget (£26,000) to enable a revision of roles within the StreetScene function to ensure delivery is not impacted. This will also allow for an Apprentice role to be created to support continuity and workforce planning within the team.
- 2.7.3 The total costs of agreeing the release of this postholder are £103,044 (£28,093 severance and £75,044 capital cost related to the early release of pension benefits). Agreeing the postholders VER and deletion of the post will generate savings of £40,077 (net of required funding to reconfigure the structure within the Street Lighting function). There is a requirement through the Voluntary Exits Policy that the costs associated with release are 'paid back' within three years and this criterion is met through the above proposal.
- 2.7.4 The postholder has over 37 years' service with Bury and has contributed to the Council through both his work in Street Lighting and as a Trade Unionist and advocate for Disability inclusion.
- 2.7.5 Members are asked to commend the proposed VER for the Group Engineer (Street Lighting & Operations) to Council for approval.

2.8 Head of Homelessness & Housing Options

- 2.8.1 This post (SM2) provides professional leadership to the Council's Homelessness and Housing Allocations function. The proposal is to agree the postholders Voluntary Early Retirement with effect from 1 February 2025.
- 2.8.2 The total budget for the post is £78,445 and the proposal is to retain an element of this budget (£16,000) to enable a revised management arrangement for Homelessness and Housing Options which seeks to take the opportunity of the transfer of the Council's landlord function in-house to better integrate these functions.
- 2.8.3 The total costs of agreeing the release of this postholder are £188,756 (£10,320 severance and £178,436 capital cost related to the early release of pension benefits). Agreeing the postholders VER and deletion of the post will generate savings of £63,445 (net of required funding to reconfigure the structure within the Homelessness and Housing Options function). There is a requirement through the Voluntary Exits policy that the costs associated with release are 'paid back' within three years. This saving will realise £190,335 payback in three years.
- 2.8.4 The postholder has over 7 years service with Bury and over 30 years' experience across the local government and housing sector. He has contributed significantly to the transformation of the homelessness function in Bury during his time at the Council.

2.8.5 Members are asked to commend the proposed VER for the Head of Homelessness and Housing Options to Council for approval.

3. Conclusion

3.1 The above proposals support the delivery of the Council's budget strategy for 2025/26 through the generation of a total of £219k in savings. It is important to recognise that, through these changes, the Authority will lose significant skill and expertise. Clear handover and transition arrangements will therefore be critical and are factored into the leave dates proposed. Members are also asked to recognise the postholder's contributions to the borough and public service more broadly.

Links with the Corporate Priorities:

These proposals seek to support the Council in ensuring it has the right structure and capacity in place to deliver against the Corporate Plan and LET'S Do It Strategy going forwards.

Equality Impact and Considerations:

The proposals do not affect Council policy and are delivered within the scope of the agreed Voluntary Exits Policy which has been subject to a full Equality Impact Assessment.

Environmental Impact and Considerations:

No negative impacts identified.

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
The proposed changes remove capacity and experience necessary to organisational delivery	The proposed departure dates and future structural arrangements have been designed to mitigate this risk.

Legal Implications:

The Supplementary Guidance (Openness and Accountability in Local Pay) supplements the existing pay accountability guidance published in February 2012 which requires Local authorities to present details of any severance package paid to an officer where the value of the package exceeds £100,000. In accordance with the Council constitution approval of the severance package is subject to agreement by Council.

Financial Implications:

The one-off costs of the proposals will be met from existing budget provision and the ongoing revenue savings have been reflected in the updated medium term financial strategy also on this agenda.

Appendices:

None

Background papers:

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
VER	Voluntary Early Retirement
VS	Voluntary Severance