

RESPONSE RE COMMENTS ON FINANCE AND RESOURCES SENIOR MANAGEMENT SERVICE REVIEW/ RESTRUCTURE

- 1) Allocation of Costs associated with Create Value, Add Value and Enable. The costs have been allocated based on a judgement as to whether the posts deliver functions that are front line (Create Value) , Supervisory (Add Value – one removed from the delivery of front line) or Support (Enabling). The split we presently have, accepting that posts may have altered slightly which may make a minor impact on the % allocation is :

TOTAL FOR BDC - CREATE / ADD / ENABLE				
	CORE	SUPPORT	TOTAL	%
CREATE VALUE	2,324,848	277,134	2,601,982	38%
ADD VALUE	988,207	438,774	1,426,981	21%
ENABLE	903,686	1,827,394	2,731,081	40%
TOTAL	4,216,741	2,543,302	6,760,043	

TOTAL FOR RBC - CREATE / ADD / ENABLE				
	CORE	SUPPORT	TOTAL	%
CREATE VALUE	4,927,829	455,523	5,383,353	43%
ADD VALUE	2,949,197	324,767	3,273,964	26%
ENABLE	1,311,750	2,413,699	3,725,449	30%
TOTAL	9,188,777	3,193,989	12,382,765	

- 2) Costs associated with the proposed Business Case :

The maximum costs associated with the proposed structure are approximately £195k following the final pension estimate and redundancy calculation from the County Council. Based on any pension strain payable over a 3 year period and with the unsuccessful candidate being made redundant from 31st October, the costs would be :

2013/14 – maximum £63k (cost of redundancy offset by savings from deleted post). The maximum cost for each Council is £31.5k and the Bromsgrove cost will be funded from the reserve currently available for restructures. The potential cost at Redditch will be met from further savings from transformational activity across the Council.

2014/15 – minimum net saving to Redditch £11k, saving to Bromsgrove £38.5k assuming that the costs for Bromsgrove are met from reserves

2015/16 – minimum net saving to Redditch £11k, saving to Bromsgrove £38.5k

2016/17 – saving to both Councils of £38.5k (total of £77k realised)

It is accepted that despite the current financial climate it is important to develop structures that meet the strategic purposes and deliver longer term savings.

- 3) There are 2 separate Strategic Purposes; Help me be financially independent and Help me Find somewhere to live in my locality. It is agreed that within the strategic purpose relating to financial independence there are a number of measures that directly link to housing but

as the intervention in housing is still under review and in pilot form is proposed that the new post is responsible for the leading the team and developing the relationship with the housing services to ensure that the measures are in place to support the customer and improve their financial independence and skills and education (also part of this strategic purpose).

- 4) Financial Management ; the current structure does not have a direct link between S151 Officer and the Deputy post. With the changing environment in financial planning it is important to not have the link between these posts diluted. Over the last 12 months it is apparent that Heads of Service tend to liaise with either S151 or Deputy and this can lead to confusion if the Head of Finance has to provide advice too. It is my opinion as S151 that the proposed approach will provide a more focused structure in the financial management of the organisation combined with reducing costs associated with enabling the Councils.
- 5) HR & OD – the report clearly explains the rationale for moving HR&OD to the Head of Transformation. This is to ensure that the staff going through change have the support and direction to manage the changes they face and that this support is led by the Head of Service responsible for the transformation.
- 6) Customer Service : the Head of Customer Service post is deleted in the proposed structure and this reflects the changes to the role and the need to link the strategic purpose to the structure. The link to Housing debt is important and it is anticipated that this will continue to be developed in the future.
- 7) This is a genuine mistake and the Job Descriptions should be headed across the 2 organisations and I apologise that this was not picked up. Is there an issue that you would raise whereby the inconsistencies you have pointed out would affect the substantive position in respect of the potential redundancy.
- 8) In relation to wider consultation. I have directly consulted with those potentially at risk of redundancy and the recognised trade unions, and in addition I have circulated the proposed structure to relevant 4th tier managers as I felt this was appropriate.