

**CANNOCK CHASE COUNCIL**  
**COUNCIL**  
**22 DECEMBER 2008**  
**REPORT OF CHIEF EXECUTIVE**  
**BUDGET 2009-10 to 2011-12 AND SENIOR MANAGEMENT REVIEW –**  
**AUTHORITY TO ISSUE REDUNDANCY NOTICES**

1. **Purpose of Report**

- 1.1. To seek necessary authority to issue redundancy notices arising from the Senior Management Restructure proposed by the Chief Executive.

2. **Recommendation(s)**

- 2.1 The Council recommends:
1. That the Chief Executive (or anyone so authorised by him) be authorised to consider on behalf of Council all responses to all consultations arising from the proposed Senior Management Restructure undertaken in connection with the Council's Budget setting process for 2009-10 to 2011-2012;
  2. That the Chief Executive (or anyone so authorised by him) be authorised to issue any redundancy notice(s) on or after 4 January 2009 arising in connection with the proposed Senior Management Restructure;
  3. That the Chief Executive (or anyone so authorised by him) be authorised to withdraw any redundancy notice(s) issued on or after 4 January 2009 in connection with the proposed Senior Management Restructure as considered necessary and appropriate following a full report to Council on the proposed Senior Management Restructure; and
  4. That the Chief Executive establish and convene(s) the Appointments Panel consisting of 5 Members (with all Group Leaders upon request notifying the Chief Executive of details of their respective party nominees) in order that all relevant and applicable appointments arising from the Senior Management Restructure can be made.

3. **Conclusions and Reason(s) for the Recommendation(s)**

- 3.1 Earlier on the agenda, Council is considering a provisional budget. As part of proposals to address the Council's budget deficit, Council is being recommended to agree to the issuing of redundancy notices (in this financial year) to all applicable and relevant employees potentially affected by Senior Management Restructure proposed by the Chief Executive.
- 3.2 The Council is currently undertaking a consultation exercise with all employees affected by the proposed Senior Management Restructure. Such consultation is intended to conclude on 21 December 2008.
- 3.3 In order to ensure that all options are available to assist the Council address its financial deficit, authority is required by the Chief Executive to:
- (i) consider and evaluate, on behalf of Council, any responses received from all employees engaged in the said consultation exercise; and
  - (ii) subject to the consideration and evaluation of the responses mentioned in (i) above, issue redundancy notices to all relevant employees as deemed appropriate and necessary.
- 3.4 It is intended that Council will consider the approval of the proposed Senior Management Restructure on 21 January 2009.
- 3.5 In the event that the Senior Management Restructure is amended or otherwise varied, authority is sought by the Chief Executive to withdraw any redundancy notices issued under paragraph 3.3(ii) above.
- 3.6 In light of the proposed Senior Management Restructure involving Chief Officers (as defined by the Council's Scheme of Delegations), authority is sought for the Chief Executive to make such arrangements as necessary to establish and convene the Appointments Panel (in accordance with the approved Terms of Reference) so that any relevant and applicable appointment can be made.
4. **Key Issues**
- 4.1 All key issues are set out above.

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Report Author Details: (name, title and extension number)	

**Section 1**

**Background**

- 1.1 Earlier on the agenda, Council is considering a provisional budget. As part of proposals to address the Council's budget deficit, Council is being recommended to agree to the issue of redundancy notices (in this financial year) to all applicable and relevant person(s) potentially affected by the proposed Senior Management Restructure being undertaken by the Chief Executive.
- 1.2 The Council is currently undertaking a consultation exercise with all employees affected by the proposed Senior Management Restructure. Such consultation is intended to conclude on 21 December 2008.

**Section 2**

**Details of Matters to be Considered**

- 2.2 In order to ensure that all options are available to assist the Council address its financial deficit, authority is required by the Chief Executive to:
  - (i) consider and evaluate, on behalf of Council, any responses received from all employees engaged in the said consultation exercise; and
  - (ii) subject to the consideration and evaluation of the responses mentioned in (i) above, issue redundancy notices to all relevant employees as deemed appropriate and necessary.
- 2.3 It is intended that Council will consider approval of the proposed senior management restructure on 21 January 2009.
- 2.4 In the event that the Senior Management Restructure is amended or otherwise varied, authority is required for the Chief Executive to withdraw any redundancy notices issued under paragraph 3.3(ii) above.
- 2.5 In light of the proposed Senior Management Restructure involving Chief Officers (as defined by the Council's Scheme of Delegations), authority is sought for the Chief Executive to make such arrangements as necessary to establish and convene the Appointments Panel so that any relevant and applicable appointment can be made.

**Section 3**

**Contribution to CHASE**

Contribution to CHASE will be considered as part of the anticipated report to Council on 21 January 2009.

**Section 4**

**Financial Implications**

- 4.1 An amended budget timetable has been introduced for 2009-10 to 2011-12 with Cabinet at its meeting on 20 November 2008 recommending a consultation budget for consideration by Cabinet.
- 4.2 The draft budget includes savings arising from a senior management structure and in order to ensure savings are implemented as early as possible it is proposed to issue redundancy notices pending determination of redundancies as part of a comprehensive report in relation to the restructure.
- 4.3 The proposals, and hence potential redundancy costs, are still out for consultation with final proposals, together with severances costs being detailed in the report to Council on 21 January 2009.
- 4.4 The Draft General Fund Revenue Budget considered by Cabinet on 20 November 2008 included a potential reserve of £800,000 to meet the upfront severance costs arising from the overall saving measures required by the Council and this is believed to be sufficient to meet such costs
- 4.5 The actual severance cost of senior management structure proposals together with costs arising from measures delegated to the Chief Executive will be reflected in the final Budget proposals recommended by Cabinet to the Budget Setting Council meeting in February 2009.

**Section 5**

**Human Resource Implications**

- 5.5 The senior management restructure is one strand of a number of trade union and employee consultations currently in progress in relation to the annual budget setting process. The Council is observing the statutory requirements in respect of trade union consultation and appropriate and timely notifications have been submitted to the Department for Business, Enterprise & Regulatory Reform as required under redundancy legislation. All of those employees identified as potentially directly affected by the Senior Management Restructure have been identified and offered appropriate consultation during this period.

**Section 6**

**Legal Implications**

- 6.1 The Council is obliged to consider and apply its Redundancy Policy and follow all relevant legal redundancy procedures and practices.
- 6.2 In order that necessary legal obligations and duties can be followed and discharged by the Chief Executive on behalf of Council within the timetable intended by the Council, delegated authority is required as detailed within this report.

Section 7

Section 17 (Crime Prevention)

7.1 There are no Section 17 Implications arising from this report.

Section 8

Human Rights Act Implications

8.1 There are no Human Rights Act Implications arising from this report.

Section 9

Data Protection Act Implications

9.1 There are no Data Protection Act Implications arising from this report.

Section 10

Risk Management Implications

10.1 Failure to follow correct procedures and practices whether legal or arising from Council policy could expose the Council to liability and adversely impact upon the Council's ability to address the financial deficit.

Section 11

Equality and Diversity Implications

11.1 All employees affected by the proposed Senior Management Restructure must be treated equally and fairly.

Section 12

Other Options Considered

N/A

Section 13

List of Background Papers

None

Annexes

None