Council

Notice of Meeting

Monday 29 February 2016

2.00 p.m.

The Council Chamber
Elizabeth House
Church Street
Stratford-upon-Avon

Members of the Council are requested to attend

Chairman: Councillor Mike Gittus
Vice-Chairman: Councillor Susan Adams

Councillors:

G Atkinson  J Harris  D Pemberton
J Barker    M Howse  P Richards
P Barnes   T Jefferson  D Riches
M C Brain  D Kendall  K Rolfe
T Bromwich J Kerridge  C Saint
M Cargill  C Kettle
A Crump    S Lawton
B Dalla Mura C Mills
J Fojtik    P Moore
J Fradgley L Organ
M Giles    A Parry
S Gray    E Payne

For further information about this agenda
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NOTES

Notice of Webcasting of Meeting

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If members of the public do not wish to have their image captured they should contact Member Services on 01789 260245 who will make alternative seating arrangements.

Public Participation

Members of the public may ask questions of Members of The Cabinet or Committee Chairmen at meetings of the Council at the specified point in the proceedings with, each questioner to be allowed no more than three minutes. No more than fifteen minutes in total will be allowed for this purpose.

In accordance with the Council’s Constitution, question(s) may only be asked if notice has been given by delivering it in writing or by electronic mail to the Chief Executive no later than midday two clear (working) days before the day of the meeting. Each question must give the name and address of the questioner and must name the Member of the Council to whom it is to be put.

At any one meeting no person may submit more than two questions and no more than two such questions may be asked on behalf of one organisation.

The Chief Executive may reject a question if it:

• is not about a matter for which the Council has a responsibility or which affects the District;
• is defamatory, frivolous or offensive;
• is substantially the same as a question which has been put at a meeting of the Council in the past six months; or
• requires the disclosure of confidential or exempt information.

Recording of meetings by Press and the Public

Recording, filming and photography at meetings of the Council, which members of the public can attend is allowed as long as proceedings at the meeting are not disrupted. Recording is not allowed when the meeting has agreed to formally exclude the press and public due to the nature of business discussed. To minimise disturbance to others attending the meeting please switch your phone or other mobile device to silent mode.

Unless agreed otherwise in advance, recording and reporting must take place from the public seating area and should be overt and focused on those speaking at the meeting, not other members of the public.
Chairman’s Welcome

1. Apologies for Absence

2. Disclosures of Interest

Members are reminded that, unless they have been granted a dispensation, if they have a Disclosable Pecuniary Interest in any matter as defined by Regulations made by the Secretary of State where the interest is theirs, their spouse’s or civil partner’s, or is an interest of somebody with whom they are living as a husband or wife or as if they were civil partners, they may not participate in any discussion of or vote on the matter and must also leave the room for the duration of the matter. They must also disclose the interest if it has not yet been entered on the Authority’s register unless it is a sensitive interest.

3. Minutes (Pages 1 - 22)

To confirm and sign the Minutes of the meetings held on 14 December 2015 and 25 January 2016.

Items for Reference by the Council

4. Announcements

To receive any announcements from the Chairman of the Council, the Leader of the Council and/or the Chief Executive.

5. Membership of the Council

Studley with Sambourne Ward

To report

1. receipt of a letter from Councillor Nick Moon resigning as District Councillor for the Studley with Sambourne Ward;

2. that the bye-election for the vacancy was to be held on Thursday 25 February 2016; and

3. the name of the Councillor duly elected at the bye-election.

The Chairman to welcome the newly elected Councillor to the meeting

6. Public Participation (Questions by the Public)

To receive questions from the public to members of The Cabinet or Committee Chairman, notice having been given in accordance with Council Procedure Rules.
Matters for determination by the Council

To determine the following items referred to the Council from Committees.

The Council's Budget 2016/17

7. Statements

The Leader of the Council to make a statement to the Council regarding the Council’s budget and the level of Council Tax for 2016/17.

*(NOTE: On the invitation of the Chairman, a representative of the Liberal Democrat Group on the Council will also be invited to make a statement on behalf of that Group.)*

Following the statements, the Chairman to move the following:

‘That Council Procedure Rule 16.5 (When a Councillor may speak again) be waived to allow one nominated member from each Group to speak more than once on the budget related items.’

The Cabinet - 15 February 2016

To consider the following budget related items from the meeting of The Cabinet held on 15 February 2016.

*(NOTE: For Agenda items 8 and 10 Members are asked to bring to the meeting their copies of the papers contained in the Agenda for The Cabinet meeting held on 15 February 2016. If any Member requires a further copy please contact Committee Services in advance.)*

8. Minute 774 - Revenue and Capital Budgets 2016/17  *(Pages 23 - 34)*

To consider the recommendations from The Cabinet contained in Minute 774 of its meeting held on 15 February 2016.

The Cabinet - 29 February 2016

9. Senior Management Restructure  *(Pages 35 - 76)*

To receive a paper on the Senior Management Restructure incorporating the views of the Employment & Appointments Committee and The Cabinet.

The Cabinet - 15 February 2016

10. Minute 775 - Treasury Management Strategy 2016/17  *(Pages 77 - 78)*

To consider the recommendations from The Cabinet as contained in Minute 775 of its meeting held on 15 February 2016.

The Cabinet - 29 February 2016

To consider the following budget related item from the meeting of The Cabinet to be held on 29 February 2016.

*(NOTE: For Agenda item 10 Members are asked to bring to the meeting their copies of the paper contained in the Agenda for The Cabinet meeting to be held on 29 February 2016.)*
11. Minute * - Prudential Indicators
   To consider the recommendations from The Cabinet as contained in Minute * of its
   meeting held on 29 February 2016.

12. Council Tax 2016/17
   Having considered the foregoing items, the Leader of the Council to move the formal
   recommendations concerning the level of Council Tax for 2016/17 and associated
   matters.

   (NOTE: Copies of the formal recommendations, incorporating the final
   precepts of Warwickshire County Council, Warwickshire Police Authority, the
   District Council and the respective Parish/Town Councils will be circulated at
   the meeting.)

The Cabinet - 15 February 2016

13. Minute 776 - The Delivery of Shared Services by Cherwell, South Northamptonshire and Stratford-on-Avon District
   (Pages 79 - 80)
   District Councils.
   To consider the recommendations from The Cabinet as contained in Minute 776 of its
   meeting held on 15 February 2016.

Matters for noting by the Council

14. Committee Reports - For information only
   To receive the reports of the following meetings of Committees held on the dates
   indicated below. An electronic link to these documents has been sent to all Members
   and they are available on the Council website.

   1. Audit and Standards Committee – 11 January 2016
   2. Employment & Appointments Committee – 2 December 2015 and 15 February
      2016
   3. Overview and Scrutiny Committee – 23 December 2015, 6 January and 3
      February 2016
   4. Regulatory Committee – 4 December 2015

15. Urgent reports
   There are no items to report under this heading.

Other items

16. Questions
   To receive any questions (restricted to a maximum of 2 per Councillor) submitted by
   Councillors, in accordance with Council Procedure Rules.

   Copies of the questions and the answers will be circulated at the meeting.

17. Questions to the Leader
   The Leader to receive any questions from Councillors, in accordance with Council
Procedure Rules, as below:

a) Up to 30 minutes will be allowed at each meeting;

b) A Councillor is permitted to speak for no more than three minutes;

c) A Councillor may ask no more than two questions, with each question to be taken in turn;

d) Questions must relate to the work of the District Council; and,

e) No question shall be allowed if it relates to a question asked at the same meeting.

18. Notice of Motion(s) Update

<table>
<thead>
<tr>
<th>Notice of Motion</th>
<th>Action</th>
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<tbody>
<tr>
<td>Coventry and Warwickshire Local Enterprise Partnership proposed by Councillor Moorse and seconded by Councillor Fradgley at the Council meeting held on 14 December 2015.</td>
<td>The Notice of Motion was referred to The Cabinet at its meeting held on 18 January 2016. The Cabinet deferred consideration of the Motion to await a further report from the officers – anticipated March 2016.</td>
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19. Motions on Notice

Notice of the following Motion(s) has been received in accordance with Council Procedure Rules.

(1) Shared Services with Warwick District Council

The following motion will be proposed by Councillor Moorse and seconded by Councillor Fradgley.

Following the report on shared services to Cabinet on 15th February 2016 it is clear that yet another attempt at cutting costs by sharing services with other Councils is being abandoned.

Council notes with concern that this is the third such attempt by this administration and that all three attempts have largely failed.

Noting the requirement in the budget papers for further cost savings from 2018 and that the 2010 Corporate Peer Review stated that, ‘Stratford should therefore continue to work closely with Warwick, which many still see as its natural partner’, Council requests the Leader to approach Warwick District Council, who are also under financial pressures, to try to negotiate a cost saving scheme of shared services with that Council.

In accordance with Council Procedure Rules, the Chairman to report that the Motion, once proposed and seconded, will be referred to The Cabinet for consideration and report without debate.

20. Urgent Business

To consider any business which, in the opinion of the Chairman, is urgent in accordance with the provisions of Section 100B (4) of the Local Government Act 1972.
21. Potential Property Transaction
To consider the recommendations, if any, from The Cabinet meeting scheduled for 29 February 2016.

Please note: The next meeting of the Council is scheduled to take place on Thursday 17 March 2016
COUNCIL
14 December 2015

MINUTES

Held at Council Chamber, Elizabeth House, Stratford-upon-Avon
Meeting commenced: 2.00 p.m. meeting ended: 4.20 p.m.

Present: The Chairman of the Council (Councillor Mike Gittus) in the Chair

COUNCILLORS

S Adams       B Dalla Mura       J Kerridge       D Pemberton
G Atkinson    J Fojtik          C Kettle         P Richards
J Barker      J Fradgley        S Lawton         D Riches
P Barnes      M Giles           C Mills          K Rolfe
M C Brain     S Gray            P Moore          C Saint
T Bromwich    J Harris          L Organ          P Seccombe
M Cargill     M Howse           A Parry          S Thirlwell
A Crump       T Jefferson       E Payne          C Williams

Apologies: Councillors D Kendall, N Moon and R Vaudry

618. Disclosures of Interest

Councillors Fojtik and Moore declared non-pecuniary interests in that they were members of Amnesty International.

619. Minutes

The Minutes of the meetings held on 12 and 19 October 2015 were confirmed and signed.

620. Minutes - Planning Committee (Cross Boundary)

The Minutes of the Planning Committee (Cross Boundary) meeting held on 26 November 2015 were confirmed and signed.

621. Announcements

The Chairman of the Council gave the following announcements:

1) Councillor Adams, the Vice-Chairman, had attended two services at Coventry Cathedral on his behalf.

2) His attendance at the Side by Side outside theatre production at Leamington Spa, which had been a remarkable concert.

3) He had visited many Santa’s Grottos, and the letters from children to Father Christmas were a reminder that often the smaller things are what the children asked for and not always the more expensive presents.

The Leader of the Council gave the following announcement:
1) He thanked the Chairman of the Council for allowing an item of urgent business in regard to the Alexander Hospital in Redditch to be discussed (Minute 639 refers).

The Chief Executive gave the following announcements:

1) The Core Strategy submission had been completed on Friday 11 December 2015 and documentation would be available to Councillors imminently.

2) The resignation of Councillor Dalla Mura from Planning Committee East, and that Councillor Bromwich would be his replacement.

3) Substitutes for Employment and Appointments Committee would be Councillor Moore for the Liberal Democrats and Councillors Cargill and Jefferson from the Conservatives, in addition to the Portfolio Holders if it fell within their remit.

The Chairman of the Council concluded the announcements with his congratulations to Councillor Seccombe on his becoming a candidate for the upcoming Police and Crime Commissioner elections.

622. Public Participation (Questions by the Public)

The following item was dealt with under this heading:

1) Dr Penny Freedman (Chair of Stratford Amnesty Group) asked:

‘Syrian Refugees.

Local Council officials here have been very ready to identify the potential problems presented by admitting refugees - accommodation, social, medical, educational and language needs - but less ready to solve the problems, and many of us find that very frustrating. Given that Stratford is a prosperous area with a very active voluntary sector, which could offer practical, social and language support to refugees, will the Council put out an appeal to individuals and voluntary organisations to establish the level of support on offer and then make use of that support?’

Councillor Riches (Enterprise, Housing & Revenues Portfolio Holder) responded as follows:

At a meeting of the Council’s Cabinet on the 7 September 2015 it was agreed that the Council would engage with partners to lend its support to help Syrian refugees.

The main emerging issue related to the provision of housing where the following commitments were made:

- That the Council would work with the relevant agencies and local partners (i.e. Orbit) to discharge its housing obligations in providing accommodation for those claiming asylum.
- For those dispersed to Stratford District, the Council will explore a range of housing options including consideration of housing cost...
support to enable refugees to access accommodation. The Council has already received a petition to house 50 families.

- A register of landlords who would consider the use of their property for a refugee family is being compiled. The Council has already received 2 offers of accommodation. This initiative was also promoted at the Landlords Forum on the 23 September 2015.

On the 5 October 2015 a Syrian Refugee Resettlement meeting took place in Birmingham to provide an update on the Syrian Vulnerable Persons Relocation Scheme, identify national ‘good practice’ and discuss next steps. The meeting was arranged by the West Midlands Strategic Migration Partnership.

It was confirmed that the Syrian Resettlement Programme was set up in 2014 and had previously focused upon people with high need. However, the scope has been broadened and it is expected that currently the programme will cater for 20% people with complex needs and 80% general needs.

From registration to the point upon which a Local Authority receives all the relevant information currently takes around 42 days but the turnaround is improving. A unit cost funding model has been developed for year 1; further detail is awaited for year 2 and beyond. The guidance includes a description of post arrival services and general requirements.

Local Authorities were asked to complete a questionnaire which confirms participation in the resettlement programme and what numbers could be accommodated.

However, at the meeting on the 15 October 2015, it was agreed between Coventry and Warwickshire Local Authorities that they would adopt a sub-regional approach rather than provide individual responses. This approach was supported by the West Midlands Strategic Migration Partnership. Nuneaton and Bedworth Borough Council have agreed to take the lead.

Given that the main issue is housing related, Nick Cadd, Housing and Communities Manager, has been identified as the Council’s lead person on the housing element of the Syrian refugee crisis. The meeting between Coventry and Warwickshire Councils and the West Midlands Strategic Migration Partnership is scheduled to take place on the afternoon of Friday 18 December 2015.

In addition to the officer work, Councillor Saint, the Leader of the Council, attended a briefing at the Local Government Association in London on 22 October 2015 that was attended by many Leaders and addressed by Richard Harrington MP, the Home Office Minister responsible for dealing with the Syrian Refugee issues. Whatever the difficult situations for the refugees, the matter of admissions to this country is under the control of the Home Office with whom we must work. Key messages coming from that briefing were:

- There have been sufficient offers of accommodation to resettle the Government target of 1,000 families this year.
- The Government will work with Local Authorities, not individuals because of issues like child protection.
The Home Office is working with Councils to establish reasonable costs of resettlement in this country and make funding available to Councils.

The Home Office will broaden the number of Councils that the Government are working with, but acknowledge that circumstances vary across different parts of the country.

The Minister stressed that the refugees should not be dispersed too thinly, else they will feel vulnerable and isolated.

Although there have been calls for a specific number of families to relocate to each Local Authority, it is too early to make any firm commitment until the Warwickshire authorities have determined the preferred approach. In addition, this approach will be informed by the level of support which is available to refugees. Coventry City Council has expertise in this area and will be able to help shape the approach which will undoubtedly involve voluntary sector partners.

It should be noted that in Stratford District, unlike all the other Warwickshire Authorities, the Council is not a housing provider and relies upon RSL’s e.g. Orbit to provide social/affordable housing. With regards the private sector, three landlords have so far volunteered to provide accommodation but none of these have been checked to establish whether they are suitable to take refugees.

In addition, Stratford District is a very rural area which may not provide the best infrastructure for refugees where transport for example could be a major issue.

Finally, a Motion has been tabled by Councillor Fojtik and Councillor Moorse and this will be discussed at the Council meeting today where members will be able to debate the issue.

In response to a supplementary question on the urgency of this issue, Councillor Riches responded that he agreed that there was an absolute urgency and that this issue would be addressed later in the meeting.

623. Independent Remuneration Panel

Consideration was given to the report that detailed further recommendations of the Independent Remuneration Panel following a review of Members’ Allowances.

The Leader of the Council proposed that Members agree to implement the recommendations, with one proviso, which was to not back date the increase to the basic allowance, but to introduce it in the new financial year, 2016/17, and this was seconded by Councillor Moorse.

Accordingly, it was

RESOLVED:

That changes to the Members’ Allowances Scheme be updated as appropriate, taking into account the Independent Remuneration Panel recommendations following its review with the exception of the increase to the basic allowance not being back dated but taking effect in the new financial year 2016/17, and to authorise the Monitoring Officer to amend
the Constitution accordingly.

624. Minute 478 - Notice of Motion - Southern Park and Ride

Consideration was given to the recommendation of The Cabinet as contained in Minute 478 (2015/16).

Accordingly, it was

RESOLVED:

That the Notice of Motion be supported and the possibility of a Southern Park and Ride be examined and considered in future negotiations involving the relief road.

625. Minute 479 - 2015/16 Treasury Management Strategy Mid-Year Review

Consideration was given to the recommendation of The Cabinet as contained in Minute 479 (2015/16).

Accordingly, it was

RESOLVED:

That the 2015/16 Treasury Management Strategy Mid-Year Review be approved.

626. Minute 481 - Review of Transportation - Stratford-upon-Avon

Consideration was given to the recommendation of The Cabinet as contained in Minute 481 (2015/16).

On being put to the vote, the motion was declared carried, with 4 abstentions.

Accordingly, it was

RESOLVED:

That the report be noted and that the Council continues to proactively work with neighbouring authorities to identify potential transport improvements for the District.

627. Minute 504 - Code of Conduct - Determination Procedures

Consideration was given to the recommendation of the Audit and Standards Committee as contained in Minute 504 (2015/16).

Accordingly, it was

RESOLVED:

That the Determination Procedures be amended to the following effect:

(1) That to be selected as a member of a Determination Panel a Councillor must have:
a. completed a training session provided or facilitated by the Monitoring Officer within the previous 12 months; and

b. attended a briefing session on the Determination Procedures prior to the Hearing of an individual case.

(2) That co-opted Parish Council Members (in addition to members) of the Audit and Standards Committee should be eligible to be selected as members of the Determination Panel in all cases;

(3) That, if the subject of the complaint is a District Councillor, there should be a minimum of one District Councillor on the Determination Panel;

(4) That, if the subject of the complaint is a Parish Councillor, there should be a minimum of one Parish Council Member on the Determination Panel;

(5) That if a member or prospective member of a Determination Panel has a personal or professional conflict of interest in relation to a complaint, they must have no involvement or no further involvement in dealing with that complaint. Any conflicts identified during the course of a matter will be managed appropriately by the Monitoring Officer;

(6) That one of the two Independent Persons shall act as an adviser to a Determination Panel in every case, to be selected by the Monitoring Officer in consultation with the Chairman of the Audit and Standards Committee; and

(7) That the Monitoring Officer be authorised to make any necessary and consequential changes to the Determination Procedures in accordance with the above recommendations.

628. Minute 507 - Calendar of Meetings

Consideration was given to the recommendation of the Audit and Standards Committee as contained in Minute 507 (2015/16).

Accordingly, it was

RESOLVED:

(1) That the Calendar of Meetings for 2016/17 be agreed; and

(2) That the Calendar of Meetings for 2017/18 be provisionally approved to assist the Council with its forward planning.

629. Minute 508 - Members Planning Code of Good Practice

Consideration was given to the recommendation of the Audit and Standards Committee as contained in Minute 508 (2015/16).

The Chief Executive agreed to a request that a register be implemented to record any meetings that Councillors attended with applicants or other interested parties. In accordance with this, an Information Sheet to be produced
by the Monitoring Officer to give guidance on the procedure to include advice on what was to be regarded as ‘significant’.

Accordingly, it was

**RESOLVED:**

(1) That the wording of paragraph 5 of the Members’ Planning Code of Good Practice be amended;

(2) That authority be given to the Monitoring Officer to make the amendments to the document, which forms a part of the Council’s Constitution; and

(3) In accordance with the above preamble, officers to draw up guidelines and to circulate an Information Sheet to Councillors.

### 630. Minute 558 - Review of Housing Strategy 2015-2020

Consideration was given to the recommendation of The Cabinet as contained in Minute 558 (2015/16).

Following a debate, it was

**RESOLVED:**


### 631. Minute 564 - Local Council Tax Reduction Scheme 2016/17

Consideration was given to the recommendation of The Cabinet as contained in Minute 564 (2015/16).

Accordingly, it was

**RESOLVED:**

(1) That having considered the options outlined in the report the Local Council Tax Reduction Scheme remain unchanged for 2016/17;

(2) That the provision for additional support for war pensioners and the war disabled be continued;

(3) That the maximum period upon which a Local Council Tax Reduction Scheme claim could be backdated be limited to four weeks, in line with the current Housing Benefit scheme;

(4) That the national welfare benefit uprating be applied to the 2016/17 Local Council Tax Reduction Scheme; and

(5) That it be recognised that the Local Council Tax Reduction Scheme needed to change for long term sustainability and to this end undertake evidence gathering for a potential change in 2017/18.

*A short adjournment was taken at this point in order to allow Members to read the Minutes circulated from The Cabinet meeting earlier that day.*
632. **Community Infrastructure Levy - Submission of Revised Draft Charging Schedule**

Consideration was given to the recommendation of The Cabinet as contained in Minute 615 (2015/16).

Accordingly, it was

**RESOLVED:**

1. That the representations on the Submission Draft Charging Schedule as made under Regulation 17 of the Community Infrastructure Levy Regulations (as amended) be received and noted;

2. That the Submission Draft Charging Schedule be endorsed and submitted for independent examination in accordance with the requirements of Section 212 of the Planning Act 2008 and Regulation 19 of the Community Infrastructure Levy Regulations (as amended); and,

3. That in making these decisions the Council confirms that it had complied with the requirements of Part 11 of the Planning Act 2008 and the Community Infrastructure Regulations and had used appropriate available evidence to inform the Submission Draft Charging Schedule.

633. **Planning and Housing Policy Unit Budget 2015/16**

Consideration was given to the recommendation of The Cabinet as contained in Minute 616 (2015/16).

Accordingly, it was

**RESOLVED:**

That the sum of £90,000 be transferred from General Fund Balances to the Policy Unit budget to finance additional costs to be incurred in 2015/16 in respect of the re-opened examination in public.

634. **Committee Reports - For information only**

By individual resolutions, the Minutes of the undermentioned meetings on the dates indicated were received and adopted:

Audit and Standards Committee – 9 November 2015

Overview and Scrutiny Committee – 21 October 2015

The Cabinet – 12 October*, 19 October**, 2 November and 30 November 2015

*the recommendations contained in the Minutes were considered at an Extraordinary Meeting of the Council held on 12 October 2015.

**the recommendations contained in the Minutes were considered at a meeting of the Council held on 19 October 2015.
635. Questions

Q1. Councillor Fradgley asked:

Noting the decision by The Cabinet to spend £90,000 on trying to repair the lights on the Tramway Bridge, will the Portfolio Holder please tell me:

- what degree of confidence do they have that the repairs will be successful, what is the anticipated life of the repaired lights and what technical evidence does the Portfolio Holder have to support this estimate?
- how much do they expect to recover from those involved in the original installation and can they confirm that they expect any shortfall to be paid for from the public purse?

Councillor Organ (Finance and Physical Resources Portfolio Holder) responded as follows:

This matter is the subject of a call-in request that is due to be considered by the Overview and Scrutiny Committee later this month, and it would be inappropriate for me to comment further until that process has been completed.

Q2. Councillor Rolfe asked:

On 3 December Cherwell District Council and South Northamptonshire Council jointly advertised two senior posts – Director, Strategy and Commissioning and Director, Commercial Development.

No mention was made in the advertisements of Stratford.

Does this mean that Stratford has yet again ‘missed the boat’ on opportunities to save costs through sharing services with other Councils?

Councillor Thirlwell (Partnerships Portfolio) responded as follows:

Cherwell District and South Northamptonshire Councils have run a Joint Management Team for some time and have decided to restructure that team. This will create posts in their new internal officer hierarchy and these are the positions that have been advertised.

Stratford-on-Avon District Council continues to work in shared services according to the arrangements approved by this Council. No new boat has been missed.

We continue to look for new opportunities for shared service working.

Q3. Councillor Moorse asked:

On 30 November the Portfolio Holder for Environmental Services agreed on behalf of this Council to sign up to the Coventry and Warwickshire LEP Planning Protocol.

This committed this Council to, inter alia,

- ‘deliver a pre-application service free of charge for employment (B Class) sites only, excluding residential, retail and leisure uses’.
‘prioritise all employment (B class) applications, excluding residential, retail and leisure uses’.

This decision was justified on the grounds that it is consistent with Key Objective 1 of the Corporate Strategy – a flourishing local economy.

Tourism and the associated leisure activities contribute significantly to this District’s economy.

Would the Portfolio Holder please tell me how relegating important parts of our local economy to second class status for planning purposes is expected to encourage local businesses? (Class B excludes hotels, restaurants, leisure and retail uses).

**Councillor Pemberton (Environmental Services Portfolio Holder) responded as follows:**

This matter is the subject of a call-in request that is due to be considered by the Overview and Scrutiny Committee later this month, and it would be inappropriate for me to comment further until that process has been completed.

In response to a supplementary question, Councillor Pemberton reiterated that he was in the process of preparing a response for the upcoming Overview and Scrutiny Committee meeting.

**Q4. Councillor Rolfe asked:**

This Council is one of the poorest performers in the country for the proportion of major planning decisions that are overturned on appeal. As at September this year only 12 Councils had a worse record.

Does the Portfolio Holder agree that this poor performance is likely to be connected with this Council’s regular refusal to defend at appeal decisions made by its Planning Committees?

**Councillor Pemberton (Environmental Services Portfolio Holder) responded as follows:**

No, do not agree that this position is connected with the Council’s regular refusal to defend reasons for refusal. There will be many reasons why planning decisions are over-turned by a Planning Inspector and Members have been receiving the full text of all Appeal Decisions for many months, in addition officers have been holding regular appeals briefing sessions and so Councillors are very well placed to form their own view on this.

Please let me explain to Councillor Rolfe the procedure for dealing with reasons for refusal of planning applications: If an appeal is lodged it is usual for the Council to seek legal advice on the soundness of the reasons which have been used. Where this advice indicates that these reasons either in part or in full are unsound and unlikely to be successful at defending the decision at the appeal, the Council must by law reconsider its approach. The Council cannot at this stage change the reasons or supplement the case with new reasons for refusal which had not been agreed by the Planning Committee. The options for the Council at this stage are limited to either defending these reasons or not and the Council is required to make this decision as swiftly as possible and to advise the appellant in order to reduce expenditure in preparing for the appeal hearing.
Clearly this decision may also limit the Council’s direct costs as well as those of the appellant. Although the issue of costs is not one which many Councillors and residents wish to hear raised in the wake of a decision to refuse an application, the Council must be responsible with the public purse in this and all other respects and I hope Councillor Rolfe is not advocating an alternative approach be taken in this regard.

In response to a supplementary question, Councillor Pemberton reiterated that he did not agree that this Council was one of the worst performing Councils in regard to the proportion of major planning decisions overturned on appeal.

Q5. Councillor Fradgley asked:

In the Core Strategy draft June 2015, pages 19 to 20 set out the strategic objectives of this Council on which the Strategy is based. Item 10 states, ‘the value of tourism to the District will have increased substantially, initially by 25% during the period 2011 -2015 ...’

Will the Portfolio Holder please tell me what progress has been made against this 25% target?

Councillor Riches (Enterprise, Housing and Revenues Portfolio Holder) responded as follows:

The commentary in the Core Strategy aligns to the aspirations of the Tourism Strategy 2011-2015 which included data included in the Tourism Economic Impact Assessment (TEIA) 2009. This assessment stated that there were 4.9 million visitors to Stratford on Avon District. The 2014 TEIA stated that there were 6.1 million trips (new terminology) which equates to a 25% increase.

It should be noted that the Tourism Strategy 2011-2015 has now been superseded by the Destination Management Plan (DMP) 2015-2025.

The DMP is a shared statement of intent to manage a destination over a stated period of time and is supported by Visit England. The DMP confirms the significant economic benefits provided by tourism which attracts a direct spend of £299 million and supports around 7,000 jobs.

It is also worth noting that due to the support of Shakespeare’s England, Stratford upon Avon has been selected by Fodor’s Travel, the leading name in travel recommendations for almost 80 years on as a destination on Fodor’s 2016 Go List by their editors. Their annual Go List highlights 25 can’t-miss spots around the world that should be on every traveler’s radar for the next year.

Stratford-upon-Avon is the only destination in the UK to appear on this list!

Partners featured in the link above include: the RSC, SBT, Shakespeare’s Schoolroom & Guildhall, The Arden, Compton Verney and Shakespeare Birthday Celebrations.

In response to a supplementary question in regard to the level of support to be given to Robin Tjollie’s replacement at Shakespeare’s England, and following thanks expressed to Robin for his hard work, Councillor Riches agreed that this support would be continued.
Q6. **Councillor Moorse asked:**

It is understood that the County Council do not intend to continue renting Winton House from this Council. In looking at future options for these premises will the Portfolio Holder examine the possibility of turning the building into affordable housing?

**Councillor Organ (Finance and Physical Resources Portfolio Holder) responded as follows:**

The County Council lease on Winton House still has some time to run and has recently been extended. If the lease arrangements change the possibility of using Winton House for affordable Housing will be considered.

Q7. **Councillor Barnes asked:**

On 23 February 2015 I proposed and Cllr Moorse seconded a motion to Council that 'the Planning Service and Planning Policy Team liaise with the utmost urgency with the [South Warwickshire NHS] Foundation Trust with a view to establishing as soon as possible a means by which valid S106 claims can be made by the Foundation Trust and that such S106 agreements should now be included on all appropriate current and new planning applications and at any forthcoming planning appeals'.

As a result on 16 March The Cabinet agreed to introduce an interim policy that ‘an additional S106 contribution be sought on every application for residential development approved subject to a S106 agreement, where the South Warwickshire NHS Foundation Trust had sought a contribution, subject to the Head of Environment and Planning being satisfied that such a contribution would be CIL compliant’.

In a decision on 3 December relating to APP/J3720/W/15/3004380 - Land at Arden Heath Farm, Stratford upon Avon - a Planning Inspector decided: 'Para 43. I am therefore persuaded by the evidence before me that the NHS contribution would satisfy the tests in the CIL regulations and the NPPF'.

Would the Portfolio Holder please confirm that they now consider that the tests laid down in the Interim Policy have been met and that such contributions should continue to be included in planning recommendations when requested by the Foundation Trust.

I have been ensuring that claims have been included in all major applications since The Cabinet introduced the Interim Policy, so would the Portfolio Holder please also tell me the value of all such claims made to date on planning permissions granted and on applications in process or at appeal?

**Councillor Pemberton (Environmental Services Portfolio Holder) responded as follows:**

I can confirm that the Council has been and will continue to apply the approach which was agreed by The Cabinet on the 16 March 2015 which Councillor Barnes has referred to in his question. Whilst the Appeal Inspector’s decision in relation to the health contribution arising from the Arden Heath development is welcome, some caution is needed. The Inspector has also identified that the NHS Trust evidence was unchallenged during the appeal and so has not been
tested. In addition there is a Judicial Review hearing later in December where the NHS Trust evidence is to be tested and the Appeal Inspector makes reference to this in his final paragraph when he states:

‘...Notwithstanding this conclusion, in the event that the Courts subsequently reach a different conclusion on very similar facts and this decision is accepted via the Resolution of Disputes Provision in the S106 agreement, I accept that the specific provision may be used to exclude the contribution such that it may not be enforced.’

In other words, if the NHS Trust evidence is not supported at the Judicial Review hearing, it may not be secured through the S106.

In order to provide Councillor Barnes with the specific amounts of contribution he is seeking, a manual search of all the relevant decisions and agreements issued since March is required and it has not been possible to complete this search ahead of Full Council. Consequently I shall supply him with this information separately.

On a final note, whilst I appreciate that Councillor Barnes is very active within his own constituency, I must challenge him over his statement where he says: ‘I have been ensuring that claims have been included in all major applications since......’

If it is that Councillor Barnes has been involving himself in applications which fall within my Ward I would appreciate being shown the courtesy of being approached by Councillor Barnes in the first instance and I suspect all other Ward Members share this expectation.

In response to a supplementary question, Councillor Pemberton reiterated that all Members work on behalf of their residents and would be expected to be informed if another Member became involved in applications within their Ward.

636. Questions to the Leader

Councillor Rolfe
Councillor Rolfe enquired why the pre meetings to Planning Committees were not made public and that comments had been received that indicated that these were construed by the public as predetermining applications.

Councillor Saint responded that these meetings were Chairman’s Briefing meetings where any key issues that were likely to arise were discussed and that no debate on applications took place. In addition, Councillors should make their own decision on whether they felt they had predetermined an application in any way.

Councillor Cargill, as Chairman of Planning Committee West, concurred that the Chairman’s Briefing meetings were designed to tease out any technical issues that may arise during the consideration of the application.

Councillor Fojtik
Councillor Fojtik raised a question on the reduction in staff leading to spare space within Elizabeth House and whether it was now fit for purpose and would it be beneficial to move to a building with modern facilities.

Councillor Saint in responding indicated that the Council was constantly looking at innovative ways of using the building.
Councillor Rolfe
Councillor Rolfe enquired whether Councillors at Planning Committees commenting that matters had 'been discussed earlier' gave the wrong impression to the members of the public.

Councillor Saint reiterated his earlier comments in that a Member would need to consider whether they had predetermined any application.

Councillor Moorse
Councillor Moorse enquired why, when he had been informed by the Coventry and Warwickshire Local Enterprise Partnership (CWLEP) that all bids were confidential until such time as the successful bids were announced, Councillor Saint had listed bids from other Councils in the press.

Councillor Saint responded that whilst it was a struggle to gain information from CWLEP, as a member of the CWLEP Board, if information was available then he was able to publish an informed view.

Councillor Fojtik
Councillor Fojtik, following his congratulations on the food bank contributions, raised a question on whether next Christmas would see less people relying upon such assistance.

Councillor Saint responded that with improving opportunities and housing for residents he would expect to see less use of the food bank.

Councillor Cargill
Councillor Cargill made a statement on volunteering at its best and gave as an example the local community spirit shown at the recent DIY SOS project in Bidford-on-Avon.

637. Notice of Motion(s) Update

A Notice of Motion update on a site for a bus station in Stratford-upon-Avon was noted.

638. Motions on Notice

Coventry and Warwickshire Local Enterprise Partnership

The following Notice of Motion was proposed by Councillor Moorse and seconded by Councillor Fradgley:

'Figures released by the County Council show that across Coventry and Warwickshire 'expressions of interest' to the Coventry and Warwickshire Local Enterprise Partnership for the recent funding round for infrastructure and development projects totalled £522 million for some 66 projects.

Stratford-on-Avon District Council submitted one bid for £500,000.

Council is disappointed that only one bid for funds was made, bearing in mind the significant need for infrastructure improvements in the district.
Funds from various sources often become available at short notice and Council believes that it is important that Stratford is able to respond quickly with appropriate bids for funds wherever possible.

Council therefore requests The Cabinet to draw up urgently a list of priority infrastructure projects and to carry out the necessary research on those projects to allow them to be submitted for funding bids at short notice. (In current terminology, ‘shovel ready’).

In accordance with Council Procedure Rules, the Chairman to report that the Motion, having been proposed and seconded, stood referred to The Cabinet for consideration and report.

Refugees

The following Notice of Motion was proposed by Councillor Fojtik and seconded by Councillor Moorse:

‘Council requests that Stratford-on-Avon District Council take a lead nationwide to take in at least eight families by the end of January 2016 across the Stratford District for refugees that are in camps in Lebanon and Jordan who have endured terrible conditions for the last couple of winters.

This is a very urgent matter as winter approaches and we need to make it known to the Government that the Council is committed to playing its part forthwith. Council notes that if Stratford’s action in housing eight families in the District was replicated across Councils all over the country then the Government commitment of 20,000 would be found easily and quickly.

It is certain many local people would support the Council in taking this humanitarian stance to house just a few of these desperate people to save their lives for them and their families. Council wishes to show the Government that residents of Stratford are prepared to help right now to take refugees and set an example to other local authorities to follow this lead.

In accordance with Council Procedure Rules, the Chairman reported that the Motion would be debated at the meeting.

Councillor Fojtik then addressed the meeting in support of his motion and proposed that Stratford-on-Avon District Council take the lead in Warwickshire in this regard. Councillor Moorse formally seconded this proposal with the query as to whether the end of January 2016 was attainable.

An amendment was then tabled by Councillor Riches and seconded by Councillor Pemberton which read:

Stratford-on-Avon District Council recognises the desperate plight of the refugees that are in camps in Lebanon and Jordan and who have endured terrible conditions for the last couple of winters.

The Council confirms its willingness to play its part to support the Government meet its commitment of 20,000 admissions to the UK and underlines its commitment launched at The Cabinet meeting of 7 September 2015 (Minute 315 refers).
The Council recognises that relocating up to a dozen refugee families to be housed in this District would be a welcome humanitarian stance. We believe that such action should not impact on the rehousing of local families in need, but be part of the anticipated in-migration into the District, identified in the evidence base for the local plan.

Council is to work with the Home Office to secure the resettlement of up to a dozen refugee families in this District and ensure that funding is available for the support that they need to settle into their new community.

At this juncture, Councillor Riches put forward a proposal that the Council commit to take twelve families, rather than eight, and this was unanimously carried.

Following the Leader of the Council’s endorsement that the amendment would strengthen and support the original motion as long as it was sensitively carried out, the proposed amendments were carried unanimously.

A further amendment, which was unanimously carried, was proposed by Councillor Moorse and seconded by Councillor Fojtik and read:

- The sub regional group be informed of Stratford’s willingness to accommodate twelve families and of the desire to move urgently on this;
- The necessary resources are made available to the housing department to identify and check the suitability of accommodation for those twelve families;
- That an update of the meeting on 18 December 2015 be provided to all Councillors as soon as practical.

Councillor Moorse then requested that action be taken to take in the families by the end of January 2016, which Councillor Riches stated could not be guaranteed, but he did commit to ensuring feedback from the meeting with the Home Office to be held on 18 December 2015 to all Councillors by 7 January 2016.

Accordingly, it was

**RESOLVED:**

1. That Stratford-on-Avon District Council recognises the desperate plight of the refugees that are in camps in Lebanon and Jordan and who have endured terrible conditions for the last couple of winters;

2. That the Council confirms its willingness to play its part to support the Government in meeting its commitment of 20,000 admissions to the UK and underlines the commitment given at The Cabinet meeting of 7 September 2015 (Minute 315 refers);

3. That the Council recognises that relocating up to a dozen refugee families to be housed in this District would be a welcome humanitarian stance. We believe that such action should not impact on the rehousing of local families in need, but be part of the
anticipated in-migration into the District, identified in the evidence base for the local plan;

(4) That the Council would work with the Home Office to secure the resettlement of up to a dozen refugee families in this District and ensure that funding is available for the support that they need to settle into their new community;

(5) That the sub regional group would be informed of the Council’s willingness to accommodate twelve families and of the desire to move urgently on this;

(6) That the necessary resources are made available to the housing department to identify and check the suitability of accommodation for those twelve families; and

(7) That an update of the meeting on 18 December 2015 be provided to all Councillors as soon as practical.

639. Urgent Business

The Chairman had agreed, in accordance with Section 100B (4) of the Local Government Act 1972, to allow this item of business to be considered at the meeting in view of the urgent need for a response. Councillor Saint informed the meeting that the Alexandra Hospital in Redditch had been put in special measures. Accordingly, a response had been issued by Redditch and Bromsgrove Councils and Councillor Saint proposed the following motion, which was seconded by Councillor Adams, the Council’s South Warwickshire Foundation Trust (SWFT) representative:

That Council notes the recent unacceptable events not only at The Alexandra Hospital but across the whole of Worcestershire Acute Hospitals Trust (WAHT) and endorses the action by the Local MP, Karen Lumley, that we understand is supported by Nadhim Zahawi, to request that the Secretary of State, NHS England and the Trust Development Authority investigate the breaking up of the WAHT as soon as possible, abandon the ongoing Acute Services Review and allow other high performing Trusts to provide healthcare services in Worcestershire.

On being put to the vote, the motion was declared carried, with 1 abstention.

Accordingly, it was

RESOLVED:

That Council notes the recent unacceptable events not only at The Alexandra Hospital but across the whole of Worcestershire Acute Hospitals Trust (WAHT) and endorses the action by the Local MP, Karen Lumley, that we understand is supported by Nadhim Zahawi, to request that the Secretary of State, NHS England and the Trust Development Authority investigate the breaking up of the WAHT as soon as possible, abandon the ongoing Acute Services Review and allow other high performing Trusts to provide healthcare services in Worcestershire.
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COUNCIL
25 January 2016

MINUTES

Held at Council Chamber, Elizabeth House, Church Street, Stratford-upon-Avon
Meeting commenced: 4.00 p.m. meeting ended: 7.25 p.m.

Present: The Chairman of the Council (Councillor Mike Gittus) in the Chair

COUNCILLORS

S Adams  J Fojtik  S Lawton  K Rolfe
G Atkinson  J Fradgley  C Mills  C Saint
J Barker  M Giles  P Moorse  P Seccombe
P Barnes  S Grey  L Organ  S Thirlwell
M C Brain  M Howse  A Parry  R Vaudry
T Bromwich  T Jefferson  E Payne  C Williams
M Cargill  D Kendall  D Pemberton
A Crump  J Kerridge  P Richards
B Dalla Mura  C Kettle  D Riches

Apologies: J Harris

Altered Order

In the interests of the efficient conduct of the business, items were considered in a different order from that set out in the agenda. These minutes represent the order in which they were considered.

The Chairman stated that he had received correspondence from Councillor Giles in regard to the West Midlands Combined Authority item along with her apologies and that the Chief Executive would read out the statement at the appropriate time in the meeting.

722. Disclosures of Interest

The Chief Executive informed Councillors that those who were also members of Warwickshire County Council, Parish or Town Councils, were entitled to participate.

Councillor Seccombe declared a non-pecuniary interest in that he was a candidate in the forthcoming Police and Crime Commissioner elections.

723. Public Participation (Questions by the Public)

At the Chairman’s invitation, the following members of the public spoke in support of the West Midlands Combined Authority item:

1) Karen Wild (BID Manager, Stratforward Business Improvement District Ltd)

2) Denys Shortt OBE (Chairman & CEO, DCS Group)

3) Philippa Rawlinson (Director of Operations & Marketing, The Shakespeare Birthplace Trust)
4) Elizabeth Dixon

5) Lise Evans (Corporate PR, Shakespeare’s England)

6) Catherine Mallyon (Executive Director, Royal Shakespeare Company)

724. West Midlands Combined Authority

Consideration was given to a motion proposed by Councillor Howse and seconded by Councillor Jefferson to approach the West Midlands Combined Authority (WMCA) to become a non-constituent member, thereby rescinding a previous decision of Council on 12 October 2015, when it decided against becoming a non-constituent member.

Councillor Vaudry raised a point of order in regard to Points 2.3 (Draft Governance Review and Scheme), 2.4 (Financial contributions) and 2.5 (Business Rate Pool), and clarification was sought from the Chief Executive, who stated that Points 2.3 and 2.4 were correct as noted in the report, however Point 2.5 was not to be included for consideration.

By agreement with Councillors Howse and Jefferson, the proposer and seconder of the Notice of Motion, the figure for subsequent years was confirmed at £25,000.

The options open to the Council were:

1. that the Council approach the WMCA with the aim of becoming a non-constituent member; or

2. that the Council does not approach the WMCA.

If the Council proceeded with option 1, then it was requested to:

(a) endorse the governance review in Appendix 1 and the draft governance scheme in Appendix 2 of the report for the meeting held on 12 October 2015;

(b) agree to provide a financial contribution of £10,000 in 2015/16 followed by an annual contribution of £25,000.

The Chief Executive then read out the statement from Councillor Giles as noted above.

In accordance with Council Procedure Rules, Councillor Atkinson proposed that a recorded vote be taken, and this was seconded by Councillor Kerridge. Following further debate the vote was taken, resulting as follows:

22 votes for the proposal, namely: Councillors Atkinson, Barker, Barnes, Brain, Cargill, Crump, Fojtik, Fradgley, Howse, Jefferson, Kendall, Kerridge, Mills, Moorse, Organ, Pemberton, Richards, Riches, Rolfe, Saint, Thirlwell and Vaudry.

11 votes against the proposal, namely: Councillors Gittus (Chairman), Adams (Vice-Chairman), Bromwich, Dalla Mura, Gray, Kettle, Lawton, Parry, Payne, Seccombe and Williams.
Accordingly, it was

**RESOLVED:**

1) That the resolution of Council of 12 October 2015, Minute 412, be rescinded;

2) That the Council supports the Government’s policy to devolve more decision making and spending from Whitehall to the West Midlands Combined Authority. In the absence of any credible alternative the Council now believes that the benefits from becoming a member are greater than the risks in remaining outside;

3) That the Council approaches the West Midlands Combined Authority to request to become a non-constituent member of the said authority, to agree and secure the right terms for continued membership and give us a ‘seat at the table’ and influence over decisions and strategy. This will both protect our sovereignty and help secure our economic and social future;

4) That the budgetary requirement for non-constituent members of £10,000 for this year be met from revenue balances for 2015/16, and £25,000 for subsequent years be included as part of the budget making proposals for 2016/17 onwards; and

5) That the Council endorse the governance review and draft governance scheme as detailed in the Appendices of the report.

A short adjournment was taken at this point.

Councillor Giles arrived at the meeting at this point.

Councillors Barnes and Bromwich left the meeting at this point.

**725. Urgent Business - Planning Committee (Cross Boundary)**

Planning Committee (Cross Boundary)

The Chairman had agreed, in accordance with Section 100B (4) of the Local Government Act 1972, to allow this item of business to be considered at the meeting in view of the requirement to re-assess and endorse, as appropriate, the resolution of the Planning Committee (Cross Boundary) on 26 November 2015 in respect of application 14/03579/OUT by the end of February 2016.

Consideration was given to the terms of reference for the Planning Committee (Cross Boundary) to enable it to re-assess and endorse as appropriate a planning permission granted on 26 November 2015 for a development at Long Marston Airfield, in light of the subsequent calculation of the Council’s Five Year Housing Land Supply figures.

The options open to Council were to either:

1. expand the terms of reference for the Committee; or

2. decline to expand the terms of reference.
Accordingly, it was

RESOLVED:

That further to the resolution of Council on 19 October (Minute 448 refers), the terms of reference for the Planning Committee (Cross Boundary) shall enable it to re-assess and endorse as appropriate the resolution of the Planning Committee (Cross Boundary) on 26 November 2015 in respect of application 14/03579/OUT.

726. Exclusion of the Public

On the motion of the Chairman, it was

RESOLVED:

That, pursuant to Section 100A (4) of the Local Government Act 1972 (as amended), the public be excluded from the remaining business of the meeting in view of the fact that the nature of the proceedings will be such that, if the public were present, there would likely be disclosure to them of exempt information under Paragraph 3 of Part 1 of Schedule 12A to the said Act (as amended).

727. Potential Property Transaction

Consideration was given to a proposal for a potential land transaction that had been made to the Council and agreed at The Cabinet meeting held on 25 January 2016 (Minute 721 2015/16 refers).

The options open to the Council were to either:

1. reject the proposal; or
2. agree in principle to the proposal.

_Councillor Howse left the meeting at 6.50 p.m._

_Councillor Fradgley left the meeting at 6.55 p.m._

Following a proposed amendment by Councillor Rolfe which was seconded by Councillor Organ that was subsequently withdrawn, and on being put to the vote with 1 Councillor abstaining and 1 Councillor against, the recommendation from The Cabinet was agreed, and it was

RESOLVED:

That the principle of undertaking a land transaction be agreed, subject to undertaking actions that cover the points raised in Minute 721 from The Cabinet (2015/16).
A meeting of The Cabinet was held on 15 February 2016 at which the following item had been considered and referred to the Council for determination.

Copies of the relevant report are available from Committee Services (telephone 01789 260245; email committeemanagers@stratford-dc.gov.uk).

Minutes

Minute 774 - Revenue and Capital Budget and level of Council Tax

Councillor Chris Saint – Leader of the Council

Under the provisions of Minute 690 (2016/17) The Cabinet had endorsed the Council’s Draft Medium Term Finance Strategy and a five year budget plan for public and stakeholder consultation.

Further to the published report for this meeting, additional papers were circulated to The Cabinet which had been produced to respond to funding announcements from Government on 10 February 2016 in relation to Disabled Facilities Grants and the final Local Government Settlement. The additional papers also provided the results of the budget consultation exercise and included a revised Capital Programme Appendix 4 and a revised Appendix 6 (part 1 & 2).

In respect of the consultation undertaken, feedback from the following was presented to the meeting:

- Public Consultation – the results of the questionnaire sent to households in the District. It was noted that at 89% of those surveyed had indicated that they considered the Council offered value for money;

- The findings of the Budget Review Task and Finish Group which had met on 12 and 26 January 2016 as reported to the Overview and Scrutiny Committee (OSC) held on 3 February 2016; and

- Business Consultation through the Non Domestic Rate Payers Consultative Forum meeting held on 2 February 2016.

Under the draft budget proposals The Cabinet endorsed:

a) budget amendments, as identified in Appendix 6 of the additional report and amended in the table below (produced as an Appendix to these minutes);

b) an increase in the level of Council Tax for 2016/17 within the Medium Term Financial Plan;
c) the proposed level of fees and charges as identified in Appendix 5 to the report; and,

d) the submission of the provisional Non-Domestic Rate contributions to the Department for Communities and Local Government (DCLG) in Appendix 7 to the report.

**Table 1 – Revised Medium Term Financial Plan 2016/17 to 2020/21**

<table>
<thead>
<tr>
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<th>2016/17 £'000</th>
<th>2017/18 £'000</th>
<th>2018/19 £'000</th>
<th>2019/20 £'000</th>
<th>2020/21 £'000</th>
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<tbody>
<tr>
<td><strong>Net Expenditure</strong></td>
<td>13,607,721</td>
<td>13,261,651</td>
<td>13,477,911</td>
<td>13,516,491</td>
<td>13,414,191</td>
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<td><strong>Contribution to/(from) Reserves</strong></td>
<td>465,834</td>
<td>265,385</td>
<td>(1,418,172)</td>
<td>(1,422,001)</td>
<td>(1,490,872)</td>
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<td><strong>Net Budget Requirement</strong></td>
<td>14,073,555</td>
<td>13,527,036</td>
<td>12,059,894</td>
<td>12,094,640</td>
<td>11,923,319</td>
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**Net Budget Requirement**

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<th>2016/17 £'000</th>
<th>2017/18 £'000</th>
<th>2018/19 £'000</th>
<th>2019/20 £'000</th>
<th>2020/21 £'000</th>
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<tr>
<td><strong>Revenue Support Grant</strong></td>
<td>1,117,334</td>
<td>491,400</td>
<td>111,545</td>
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<tr>
<td><strong>Rural Services Delivery Grant</strong></td>
<td>297,269</td>
<td>240,031</td>
<td>184,639</td>
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<td><strong>Transition Grant</strong></td>
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<td>61,228</td>
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<td><strong>Business Rates Retention</strong></td>
<td>2,749,000</td>
<td>2,785,580</td>
<td>2,813,436</td>
<td>2,841,570</td>
<td>2,869,986</td>
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<td><strong>New Homes Bonus</strong></td>
<td>3,041,175</td>
<td>3,057,558</td>
<td>1,920,957</td>
<td>1,843,136</td>
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In considering the report, The Cabinet was required to address corporate governance issues as required under the provisions of the Local Government Act 2003. These are summarised as follows:

**Adequacy of reserves**
The Chief Financial Officer had a duty to report on the adequacy of the proposed financial reserves when the budget was being considered. The desired level of revenue balances remained unchanged for 2016/17 and beyond at £2m, however the position would be reviewed over the coming months.

Robustness of Estimates

The Chief Financial Officer had a specific duty to report on the robustness of estimates in the budget proposals when the budget was being considered. The Cabinet acknowledged that a rigorous process and timetable had been followed throughout the budget setting process this year and all key assumptions used had been reviewed and scrutinised as part of the process.

In the opinion of the Council’s Section 151 Officer, the budget presented was a balanced budget over the five year period and remained challenging but deliverable.

The options open to The Cabinet were to approve or amend any of the proposals.

In considering the paper, The Cabinet acknowledged that the Council had undertaken a comprehensive review of the Medium Term Financial Strategy to arrive at five year budget plan that met the corporate priorities.

Accordingly, it was

RECOMMENDED: To Council

1) That the Medium Term Capital Programme, as detailed in Appendix 4 of the supplementary report, be approved;

2) That the Medium Term Revenue Budget, as detailed in Appendix 6 of the supplementary report be approved;

3) That, subject to (1) and (2) above, in order to provide a balanced budget in 2016/17, the level of Council Tax for the District Council be set at £133.05 at Band D; and

RESOLVED:

1) That the proposals for fees and charges, as detailed at Appendix 5 of the report, be approved; and,

2) That the Non-Domestic Rates provisional contributions for 2015/16, as detailed in Appendix 7 to the report, be approved.

NOTE: The recommendations contained in this Minute are not subject to call-in as the matter is subject to recommendation to Council. Resolutions 1 and 2 are subject to call-in.
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<td>Head of Enterprise, Housing &amp; Revenues</td>
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<td>912,298</td>
<td>150,000</td>
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<td>150,000</td>
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## STRATFORD-ON-AVON DISTRICT COUNCIL
### CAPITAL BUDGET

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## STRATFORD-ON-AVON DISTRICT COUNCIL
### CAPITAL BUDGET

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Cabinet 15 February 2016

Budget Report Supplementary Paper
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## Stratford on Avon District Council

**Medium Term Financial Plan 2016/17 to 2020/21**

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<td>3,649,545</td>
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<td>314,385</td>
<td>17,385</td>
<td>465,384</td>
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<td>(1,418,172)</td>
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<td><strong>3,649,545</strong></td>
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### Stratford on Avon District Council

**"Initial" Medium Term Financial Plan 2016/17 to 2020/21**

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<td>Introduction of Community Infrastructure Levy</td>
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Subject: Senior Management Restructure
Lead Member/Portfolio Holder: Councillor C Saint

Summary
The purpose of this report is to consider the recommendations from the Employment and Appointments Committee in relation to the Senior Management Restructure.

Recommendations:

(1) That, taking into account the options and analysis presented in the report with regard to changes to the Senior Management Structure, Option 2 of the Consultation paper (shared leadership through two Executive Directors) be adopted, to come into effect on 1 April 2016, to deliver the planned budget savings of £100,000 per annum.

(2) That subject to the acceptance of (1) above, and in the light of the leadership structure proposed therein, Council accepts the request from the Chief Executive for voluntary redundancy and early retirement.

(3) That authority is given to the Head of Legal and Democratic Services to complete any legal documentation in pursuance of resolution 2 above, in consultation with the Chairman of the Employment and Appointments Committee.

1 Background/Information
1.1 The draft budget proposals presented to the Cabinet on 18 January 2016 contained a specific proposal to review the Senior Management Structure of the Council with a view of delivering recurring savings of £100,000. This proposal was drawn up in reaction to the significant reductions in funding available from central government over the next four years. Over this period the Council is forecast to lose the entire revenue support grant that it receives from government and at least 40% of its New Homes Bonus.

1.2 The Employment and Appointment Committee have undertaken a review of options in relation to the future Senior Management Structure for the Council, and attached at Appendix 1 is a copy of the report to the Committee. The exempt Appendices to this report are shown in Appendix 2, and they remain exempt for the same reasons as set out in
the report to the Employment and Appointments Committee. The two options under consideration by the Committee were:

- Option 1 – A Chief Executive model with five Heads of Service;
- Option 2 – A model which comprises two Executive Directors and four Heads of Service.

1.3 Following careful consideration the recommendation that was approved by the Employment and Appointments Committee was as follows:

RECOMMENDED to Council:

(1) That, taking into account the options and analysis presented in the report with regard to changes to the Senior Management Structure, Option 2 of the Consultation paper (shared leadership through two Executive Directors) be adopted to deliver the planned budget savings of £100,000 per annum.

(2) That, subject to the acceptance of (1) above:
(3) a phased approach to change be adopted as a sensible approach that would enable the final determination of the division of responsibility between Executive Directors and any changes to Head of Service Portfolios, to take account of the experience and views respectively of the officers appointed to the two Executive Director posts; and
(4) Council accepts the request from the Chief Executive for voluntary redundancy and early retirement as detailed in Exempt Appendices 3 and 5 to the report presented to the Committee.

1.4 Separate to this report, the Employment and Appointments Committee made recommendations to Cabinet at its meeting on 29 February 2016 in relation to the financing of the implementation of “Option 2”. Cabinet are requested to make separate recommendations to Council at its meeting today. Cabinet will be requested to consider endorsing the recommendations from Employment and Appointments Committee and to request Council to make available the funding required to implement “Option 2”.

1.5 Council are now requested to resolve upon the proposals for the future Senior Management Structure. The ongoing savings vary slightly for Options 1 and Options 2; however both provide the requisite level of savings. As stated above the position recommended by the Employment and Appointments Committee is that “Option 2” be implemented.

1.6 During the consultation period it was identified that both options under consideration would result in a significant impact on the current role of Chief Executive and Assistant Chief Executive. As a result the Chief Executive requested that he be considered for voluntary redundancy and as a consequence early retirement.

1.7 Council are now asked to consider this formal request. The recommendation from the Employment and Appointments Committee (to enable the implementation of “Option 2”) is to accept this request. Should Council not accept this request then it is likely that the planned implementation of the proposed new Senior Management Structure of 1 April 2016 will not be achieved.
1.8 To assist Council in the consideration of the review of the Senior Management Restructure, external legal and employer advice has been obtained. It is suggested, as is common with the departure of the senior officer from any organisation, that if Council resolves to accept the request from the Chief Executive, a suitable legal agreement is developed in relation to his departure from the Council and that the Head of Legal and Democratic Services be authorised to complete any relevant documentation on behalf of the Council, in consultation with the Chairman of the Employment and Appointments Committee.

2. **Options available to the Council**

2.1 **Decision in relation to the future Senior Management Structure**

2.1.1 To approve the recommendation of the Employment and Appointment Committee and implement “Option 2”; or

2.1.2 To approve an alternative proposal in relation to a future Senior Management Structure for the Council;

2.2 **Decision in relation to the request for voluntary Redundancy**

2.2.1 To accept the request of voluntary redundancy and early retirement from the Chief Executive, within the context of the implementation of Option 2; or

2.2.2 Should Option 1 be adopted, to consider and determine the Council’s response to the request of voluntary redundancy and early retirement from the Chief Executive;

2.3 **Decision in relation to Legal Documentation**

2.3.1 Subject to 2.2.1, to require that a legal agreement be developed with the Chief Executive in relation to his departure from the Council and that the Head of Legal and Democratic Services be authorised to complete any relevant legal documentation, in consultation with the Chairman of the Employment and Appointments Committee; or

2.3.2 Subject to 2.2.1 that a legal agreement is not required to be developed with the Chief Executive in relation to his departure from the Council.

3 **Evidence Base**

3.1 Report to the Employment and Appointment Committee 15 February 2016 attached at Appendix 1 and exempt Appendix 2

4. **Members’ Comments**

a. Any comments received have been included in the report.

5 **Implications of the Proposal**

5.1 **Legal**

5.1.1 The legal implications are identified within the report to the Employment and Appointment Committee, as shown at Appendix 1.

5.2 **Financial**

5.2.1 The financial implications are identified within the report to the Employment and Appointment Committee shown at Appendix 1, and
contained within the body of this report.

5.2.2 In addition, detailed financial comments were included within the report to Cabinet on 29 February 2016.

5.3 **Environmental**

5.3.1 There are no direct environmental implications arising as part of this report.

5.4 **Corporate Strategy**

5.4.1 The Corporate Strategy implications are identified within the report to the Employment and Appointment Committee shown at Appendix 1.

5.5 **Analysis of the effects on Equality**

5.5.1 There are no direct equality implications arising as part of this report.

6 **Risk Assessment**

6.1 The risk implications are identified within the report to the Employment and Appointment Committee shown at Appendix 1.

7 **Conclusion**

7.1 The Council is facing significant reductions in funding from central government. In response to these funding reductions the Council is required to make reductions in expenditure. A fundamental review of the Council’s budgets will commence in April 2016, however, before this is commenced the Senior Management Structure of the Council is being reviewed.
Subject: Senior Management Restructuring
Lead Member/ Portfolio Holder: Councillor C. Saint - Leader of the Council

Summary
The purpose of this report is to enable the Committee to:

   a) Consider the outcomes of the formal consultation process undertaken with regard to proposals to change the Senior Management Structure of the Council, and;

   b) To make recommendations to Council and Cabinet on Monday 29 February 2016.

Recommendation

(1) That the Committee consider and make recommendations to Council and Cabinet, taking into account the options and analysis presented within this report with regard to changes to the Senior Management Structure which is intended to deliver the planned budget savings.

Background and Context

1.1 At Council on 29th February and in response to the recent financial settlement from central government, the Cabinet will be recommending revisions to the Medium Term Financial Plan (2016 - 2021) and a Strategic Budget Review. This identifies target savings of up to £1,000,000 per annum during the 5 year period and represents a reduction of 7.3% on current revenue expenditure. The budget proposals incorporate an annual revenue saving of £100,000 per annum arising from the Council’s management team structure, which is identified as the first area to be considered.

1.2 Existing Senior Management Structure
The existing structure has been in place since 2012 and includes 7 posts, namely the Chief Executive (Head of Paid Service), Assistant Chief Executive (Section 151 Officer) and 5 Heads of Service (including one designated as Monitoring Officer).

1.3 Proposals for Consultation
1.3.1 Following initial consideration of a range of options and in accordance with the Council’s obligations under Employment Law and its own Policies and Procedures, on the 18th January, a formal consultation document was issued to all employees whose posts were directly affected by the
options for restructuring contained therein and UNISON as the recognised trade union. In light of the direct involvement of all of the Council's Management Team, independent advice and support has been obtained from West Midlands Employers, the regional employers organisation for local authorities.

1.3.2 It is proposed that a new management structure will be in place from 1 April 2016. A full copy of the consultation document is attached at Appendix 1 and a copy of the existing organisation structure is appended thereto. The consultation document sets out;

- a series of metrics which identify the significant downsizing of the Council, its organisation and budget over recent years;
- the pressing need to implement any new senior leadership and management arrangements in order to enable the development and implementation of the significant budget savings programme, and;
- the need to reduce the number of senior managers whilst ensuring the Council retains sufficient capacity to ensure effective corporate leadership and sustain the continued delivery of high quality and cost effective services.

1.3.3 In summary, the Consultation document sought views on two main options. The first being a return to a 'flat' structure of a Chief Executive and (5) Heads of Service, combining the executive corporate leadership provided by the current Chief Executive and Assistant Chief Executive (Labelled as Option 1). The second being to adopt a more innovative approach of providing shared leadership through two Executive Directors, reflecting the model that has been in operation within Rugby BC, Forest of Dean DC and Amber Valley DC for a number of years. In this model, there would be no post of Chief Executive, with one of the Executive Directors being designated as Head of Paid Service (Option 2). In this model, the Executive Directors would retain a direct managerial portfolio in addition to sharing responsibility for a total of four Heads of Service.

1.3.4 Furthermore, the Consultation document also sought views on two alternative approaches to the distribution of functions across the Heads of Service, either of which could be applied under the above respective options. In summary, these alternatives represented largely maintaining the existing Head of Service portfolios, or on the contrary, seeking a closer realignment with the themes identified within the recently agreed Corporate Strategy.

1.3.5 Finally, the document also included proposals on remuneration under each of the proposed models and arrangements for implementation of any new arrangements agreed by the Council.

2 Responses to Consultation

2.1.1. The options available to the Council are as set out in the Consultation document, informed as appropriate by the responses thereto, or any further alternatives identified by the Cabinet and/or the Committee.

2.1.2 In accordance with the relevant procedure each officer designated ‘at risk’ by the proposals was offered the opportunity to hold a 1-2-1 consultation meeting.
2.1.3 A summary of all of the five 1-2-1 consultation meetings held is attached as Appendix 2, together with a full copy of the written submission received from UNISON. The Chief Executive has made a written submission, which is focused on the impact of the proposals upon his current role. This is summarised, together with the issues the Committee will need to consider within Appendix 3.

2.2.1 Option 1 or Option 2?

Whilst a small majority of individual consultees indicated a preference for Option 1, in that it offered a clear single point of officer leadership and accountability at the helm of the organisation, each added, with different degrees of confidence that Option 2 could also work. A further respondent, whilst "open to either option" indicated a preference for Option 2. The final respondent emphasised the role of Heads of Service in establishing positive external relationships and identified how any concerns in this respect could potentially be mitigated within Option 2.

2.2.2 UNISON also highlighted that the majority of organisations have one key focal point of leadership and referenced feedback they had received from Rugby and Amber Valley. With regard to the former, negative comments were reflected, albeit based on a very small number of individuals ("at least four"). However, feedback from Amber Valley "received more support".

2.2.3 Respondents addressed the issue of the need for a designated deputy Head of Paid Service should Option 1 be adopted, with mixed views as to the mechanism, but that such should be determined on a firm and clear basis. UNISON echoed this response.

2.2.4 A number of individual respondents highlighted that Option 2 was reliant upon strong personal working relationships being sustained between the two Executive Directors and the Leader of the Council. It was also considered to demand a level of time commitment by the (current and any future) Leader of the Council which was likely to be greater than in traditional approaches. However, there were mixed views as to whether the 'triangular' relationship offered greater risk of, or greater resilience to, the negative consequences of tension within, or a breakdown of relationships. More than one consultee recognised that whilst Option 1 offered the 'single point of contact' for officer leadership, it also presented a 'single point of failure' in the officer / political interface. UNISON emphasised that clarity of vision and leadership and meeting the need for collaborative working were imperative.

2.2.5 Further to the above, more than one consultee identified that within either option, but more so in Option 2, there would be clear benefit in establishing a clear division and definition of roles and responsibilities between officer and political leadership roles.

2.2.6 Both UNISON and a number of respondents expressed a view that designating one of the two Executive Directors as either the Section 151 or Monitoring Officer may result in an unnecessary limitation on ensuring the best persons are appointed to those roles. Similarly, there was clear recognition that Executive Directors would need to ensure an appropriate balance between fulfilling their statutory role and delivering their contribution to corporate and strategic vision and leadership, whilst also bringing a mind set which can drive forward new ways of working.
2.2.7 With regard to the division of responsibility within an Option 2 approach, one respondent advocated a mixed portfolio, highlighting a risk of an internal/external split between the two Executive Directors resulting in silo's emerging and a failure to "appreciate each other's worlds". With the exception of one respondent wishing to 'safeguard' a future option of a shared Chief Executive, no alternative proposals were brought forward.

2.3.1 Head of Service Portfolios

From the individual respondents, it can be seen from Appendix 2 that there were mixed views as to the need for change within the current division of portfolio responsibilities. These varied from there being "no fundamental issues with the existing structure" through to changes being necessary to reflect outcomes for communities rather than functional groupings. One respondent advocated for maintaining, if not extending the flexibility built within existing Head of Service roles. Detailed comments are set out within the summary of responses, with specific comments being made about the separation of responsibility for Planning Policy and Development Control, questioning why these should be realigned within any future structure. Overall, the majority preferred, where possible, to maintain stability. All but one respondent and UNISON supported the view that any change at Head of Service level should be reviewed once the 'first tier' position(s) was/were resolved.

2.4.1 Other Matters

There were no comments of substance with regard to, or which challenged, the proposed decision making and implementation processes. A number of individual respondents expressed concerns over the availability of experience and expertise in order the Council had confidence in respect of its ability to meet its countywide commitments in respect of the forthcoming PCC elections. Contingency plans will need to be put in place as soon as possible should such be required.

2.4.2 UNISON's response expressed concerns over the timescale for decision making in respect of the proposals, believing this has "not allowed for full and safe discussion with all stakeholders and partners". Finally, the response also sought clarification on the consequential impact on PA and Secretarial Support staff. In response it was made clear that any changes would be subject to further consultation and no assumptions had been made in respect of achieving future savings arising therefrom.

2.4.3 Both UNISON and a number of consultees enquired as to whether both proposals delivered the necessary revenue savings. This was confirmed by response as being achieved within the Medium Term Financial Plan period and taking into account the maximum potential transitional implementation costs.

2.5.1 Requests for Voluntary Redundancy

In accordance with the provisions of Section 6 of the Council's Discretionary Compensation Payments and Severance Policy, all at risk candidates were notified they could apply for voluntary redundancy and/or early retirement. They were also notified that the approval of such would be subject to appropriate decision making and only where they represent the best interests of the Council.

2.6.1 Proposals for a 'Cap' on Public Sector Exit Payments
The cost to the Council of agreeing to any requests for voluntary redundancy, or effecting such on a compulsory basis, can be very significant. Account needs to be taken of the contributions the Council is required to make to the Pensions Fund where an employee becomes entitled to immediate payment of pension benefits on an unreduced basis under the statutory provisions of the Local Government Pensions Scheme.

2.6.2 In that context, Members of the Committee are alerted to the proposals currently being developed by central government which seek to bring into effect a ‘cap’ on the total value of exit payments made to, or in respect of, employees leaving the public sector. At present, the Regulations remain at draft stage and are a part of the Enterprise Bill. The current proposal, which has been subject to a first stage of consultation, proposes a cap of £95,000 and expressly includes the cost of pension strain payments (those made to the pension fund by the employer and not to the employee).

2.6.3 Responding on behalf of the sector, the Local Government Association submitted a detailed response which questioned the appropriateness of the cap at the level identified and the inclusion of pension strain costs, along with a series of detailed technical comments. Information is currently being requested from local authorities in order to provide evidence for lobbying purposes on the potential impact of the proposed cap on the ability of Councils to achieve ongoing workforce reductions on a voluntary basis. Existing statutory guidance already require any severance payments which include costs of in excess of £100,000 to be approved by the full Council. Furthermore, the draft proposals retain a facility for a local authority to waive the cap subject to the agreement of full Council.

2.6.4 The Enterprise Bill has completed its reading before the Lords and its second reading before the House of Commons took place on 2nd February. The Committee stage within the Commons is scheduled to run from 9th to 25th February, following which the Bill will be referred back to the Lords. It is anticipated that the Bill will not receive Royal Assent before September, although subject to process this could be brought forward to July. The provisions of the Bill allow the Secretary of State to then lay Regulations, which would also require detailed changes to the existing Local Government Pension Scheme Regulations (powers for the Secretary of State to do so are provided for within the Bill), but these would need to be the subject of further consultation.

2.6.5 The actual timing of when the proposed Regulations will come into force and the final format of those Regulations is not currently known which creates uncertainty. The response to the Government’s consultation has highlighted the difficulties which would be encountered if the cap is applied to a situation where an individual’s contractual financial entitlement in a redundancy situation exceeds the cap. This has been identified as litigation risk for affected employers.

3 Key Issues for Consideration

3.1. In considering recommendations to Council, Members of the Committee will need to consider the overall best interests of the Council, including meeting the financial savings required and ensuring the senior
management structure provides sufficient leadership capacity, skills and experience to enable the Council to meet the substantial challenges that lie ahead.

3.2 More specifically, the following key questions/issues can be identified;

3.2.1 **Acknowledging the proposals within the budget strategy to reduce senior management costs by £100,000 per annum does Option 1 or Option 2 represent the best interests of the Council?**

Having carefully considered the responses to the consultation and discussed the matter with the Deputy Leader it is considered that **Option 2** will provide the best option for the Council. Whilst meeting the required revenue savings within a reasonable period, this option provides greater resilience at the Executive leadership level and a stronger, more rounded perspective. It is recognised that providing clarity on the political / officer leadership interface will need to be redefined within the context of the new model. However, the Head of Paid Service role will remain allocated to one of the Executive Directors, with its associated statutory responsibilities.

With regard to shaping future strategic direction and leadership, this remains a responsibility of Council and the political leadership. Operational delivery and management is the responsibility of officers, working in partnership with and being held to account by relevant Cabinet Members.

However, it is fully recognised that Councillors are reliant upon professional advice and guidance from senior officers at every level. At the Executive level, the Leader of the Council and the Deputy would need to establish a collective and structured dialogue and modus operandi with the Executive Directors in order to build a collaborative approach to enabling the Council to achieve its objectives.

Furthermore, working relationships at the same 'interface' have greater chance of managing tensions and conflict within Option 2 and that the Council have the calibre of officers within the organisation who, on the whole, are both long serving and have well developed mutually supportive working relationships.

In light of the consultation responses, it is considered that the original proposal, whereby the predetermination that one of the Executive Directors must carry either the Section 151 or Monitoring Officer roles should be removed.

Retaining appropriate direct managerial portfolios with any Option 2 structure will provide a balanced distribution of service responsibilities which will enable Heads of Service to deliver against their allocated service responsibilities and form part of a coherent leadership team, with all playing a role in maintaining strong and consistent links with external partners.

Finally, the comments from UNISON with regard to the effectiveness of the model within Rugby are noted. However, as set out in the Consultation document, the arrangements in the 3
Councils cited have all been in place for a number of years, surviving officer and political leadership change.

3.2.2 **With regard to the division of responsibilities between Executive Directors (in Option 2) what form should this take, and within either Option 1 or Option 2, should there be a redefinition of the allocation of Head of Service portfolio's and if so, what form should this take?**

In responding positively to the consultation responses, it is agreed that adopting a phased approach to change represents a sensible approach, enabling any changes to Head of Service Portfolios to reflect the views and experience of officers appointed to first tier role(s). In order to deliver the savings necessary, drive forward the budget review process and ensure the most effective service management structure, the review of existing Head of Service portfolio's would need to commence shortly after the first tier appointment(s).

One aspect that will have to be clarified is the responsibility for the role of Returning Officer/Electoral Registration Officer into the future. This is a role that can be held by a suitable officer either at Executive Director or Head of Service level, should Option 2 be the approved structure.

3.2.3 **Are the proposed remuneration levels as set out within the Consultation document suitable and appropriate based on the available evidence provided and responsibilities of the roles identified?**

No adverse comments were provided in response to the consultation and therefore it is considered that Members should continue to support the proposed remuneration levels as defined.

4 **Implications of the proposal**

4.1 **Legal/Human Rights Implications**

4.1.1 In adopting a new structure, the Council needs to proceed through proper processes and ensure that these are fair and in accordance with the principles of natural justice and the requirements of the Human Rights Act 1998.

4.1.2 There are employment law implications connected with the restructuring proposals and these are in the process of being addressed through the consultation which has already taken place with the affected employees. Due process would need to continue to be followed in order to implement any redundancy fairly.

4.1.3 Separately, in the event of the Chief Executive's redundancy, all delegations currently with the existing Chief Executive would need to be addressed in the new structure.

4.1.4 A local authority must designate one of their officers as the **Head of the Paid Service**; and provide that officer with such staff, accommodation and other resources as are, in his/her opinion, sufficient to allow the duties of the post to be performed.

4.1.5 The **Chief Finance Officer** is responsible for the proper administration of the Council's financial affairs, as required by Section 151 of the Local
Government Act 1972. The post-holder must be a qualified accountant.

4.1.6 After consulting with the Head of Paid Service and the Monitoring Officer, the Section 151 Officer may report to the Council, or to the Cabinet in relation to an executive function and the Council’s external auditor if he/she considers that any proposal, decision or course of action will involve incurring unlawful expenditure, or is unlawful and is likely to cause a loss or deficiency, or if the Council is about to enter an item of account unlawfully.

4.1.7 The main functions of the Monitoring Officer include reporting to the Council and to the Cabinet in any case where they are of the opinion that any proposal or decision of the authority has given rise to or is likely to or would give rise to any illegality, maladministration or breach of statutory code; to act as principal advisor on a number of matters and to act as proper officer in relation to the preparation and publication of certain records.

4.1.8 The officers should have a nominated deputy or deputies for where they are absent or otherwise unable to act (e.g. because of conflicts of interest).

4.1.9 The officers benefit from protection against dismissal by the authority, unless there has been a recommendation from a panel containing Independent Persons (as required by the Local Authorities (Standing Orders) (England) Regulations 2001 as amended in 2015. Dismissal by way of redundancy or ill-health retirement are not covered by the Regulations, nor is voluntary severance; although certain notice provisions allowing members of the Cabinet to object before a dismissal will apply to a redundancy dismissal.

4.2 Financial

4.2.1 The budget proposals recommended to Council for approval include a requirement to deliver £100,000 of recurring savings from the Senior Management Team to support the Medium Term Financial Plan. Option 1 and 2 generate savings of the order required. These are detailed in Appendix 4. These can only be estimates as the actuals will depend upon the recruitment process, but can be used for comparison. Two scenarios are provided for Option 2; these provide the maximum and minimum cost of the structure but are dependent upon the result of the recruitment and selection process.

4.2.2 As with the value of savings at this stage it is not possible to determine the actual implementation costs until the final recommendations have been made. However, in order to be prudent it is possible to estimate the maximum cost that the Council could be expected to incur. Consistent with the expectation that the implementation of the new structure will be 1 April 2016 any costs relating to the implementation will incurred on 31 March 2016. Given this scenario it is possible to calculate the maximum cost for the Council.

4.2.3 The Medium Term Financial Plan included an estimate of implementation costs arising from the Senior Management Team Restructure of £360,000, these have at this stage been allowed for in the financial year
2016/17. However, as above given that the proposed implementation date is 1 April 2016, as discussed above the implementation will need to be provided in 2015/16 and not 2016/17. It should be noted that the overall impact upon the Medium Term Financial Plan is unchanged.

4.2.4 The initial estimate of the maximum implementation was based upon redundancy costs and pension strain costs. However, given that Council will determine the new structure on 29 February 2016 and implement on 1 April 2016 the total costs inclusive of elements such as contractual pay in lieu of notice costs can now be calculated, these are now estimated as £389,166.99. If it is recommended that the proposal is implemented then Cabinet would need to request that this sum be made available from General Fund reserves in 2015/16, and amend the draft proposal by removing the allowance contained within 2016/17.

4.2.5 It should be noted that the notional redundancy maximum costs arising from the proposed structure have been calculated in line with the Council's Discretionary Compensation and Severance Procedure which was implemented in 2007, and the Pension Strain costs which have been provided by the Warwickshire Pension Fund. The individual elements are detailed in the exempt Appendix 5.

4.2.6 Appendix 5 is exempt by virtue of Paragraph 1 (Information relating to an individual) and Paragraph 4 (Information relating to consultations or negotiations in connection with labour relations arising between the Council and an office holder/employee) of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended).

4.2.7 It should be noted that the cost of the Assistant Chief Executive post inclusive of on costs is £87,700 (salary £71,460). Should the post holder be unsuccessful in the recruitment to either of the Executive Director posts identified under Option 2, then it is assumed that the post holder would return to the position of Head of Resources, the salary inclusive of on costs for which is £80,500 (salary £65,700). Under the Council's pay protection arrangements, the current salary could be protected for a period of up to three years, however, more recent applications of this policy have restricted this period to two years. In this event the value of the recurring savings for 2016/17 and 2017/18 would therefore be reduced by £7,200 per annum.

4.3 Environmental

4.2.1 There are no environmental implications arising from this proposal.

4.4 Corporate Strategy

4.4.1 Within the Corporate Strategy approved in February 2015 the proposals are in line with the following priorities.

4.4.2 The Corporate Strategy states that

- **Reduce costs.**
  
  We live in a period of continued austerity the Council will need to ensure that it continues to deliver improvements in securing value for money.

4.4.3 The specific Corporate Strategy priorities which are associated with this proposal include:

  *Key Objective 3 – Responsible community leadership*
The Council will **support our communities** and the diversity of local interests within them. When opportunities arise, we shall embrace innovative solutions to provide the best results for residents and the Council.

**Priorities**

- Seek opportunities to work with our partners to achieve benefits for our residents. Expand our programme of sharing services with other councils.
- Ensuring that we manage our assets to meet the needs of our communities and services and where appropriate delivering commercial returns;

4.5  *Equality Impact Assessment*

4.5.1 There are no direct Equality Impact Assessment issues arising from these proposals.

5  *Risk Assessment*

5.1 The risks associated with this proposal can be summarised as follows:

- The capacity at the Senior Management Team level is reduced, thereby reducing the resilience at this level. This is mitigated as explained within the report that the scale of the organisation has reduced significant since 2010;
- Public criticism at the potential cost of implementing the revised Senior Management Team arrangements. The Council has a clear focus on the requirement to deliver recurring savings of £1m by 2020/21. The fundamental Council Review will commence in April 2016, whilst it is accepted that there would be costs to be incurred in the first instance, it is important that the team which helps to shape the future direction of the Council also implements any changes. It should also be noted that even taking into account the maximum cost of implementation there is a positive payback during the Medium Term Financial Plan period.

6  *Conclusion*

6.1 The report identified constructive solutions to the need to reduce the costs of management of the Council in the framework of diminishing budgets and overall staffing.

6.2 There has been consultation with those staff that might be affected. Alternative proposals are identified and staff responses are summarised. The council will need to consider the budgetary and financial aspects of the proposals. Whereas the Council will make the final decision on a new management structure, the Employment Committee has responsibility for appointments that follow. An opportunity is provided for both the Employment Committee and the Cabinet to present their views to Council.

**Councillor Chris Saint**
Leader of the Council

Background papers:
Budget Strategy
Corporate Strategy
Formal Consultation document ( appended to report)
Summary of individual response to consultation and UNISON response ( appended to report)

Supporting documents:
- (Council) Discretionary Compensation Payments and Severance Procedure
- (Council) Redeployment Procedure
- Provisions of the Enterprise Bill
  (see http://services.parliament.uk/bills/2015-16/enterprise.html)
- Draft Regulations on Public Sector Exit Payment Cap (see
- LGA Response to above (see
  http://www.local.gov.uk/documents/10180/11535/LGA+response+to+exit+payment+consultation+27+August+2015.pdf/d9958161-b164-47f4-961c-85954c7e7
Senior Management Restructure

Proposals for Consultation

Background and Purpose

Despite prudent management over a number of years, the Council continues to face severe financial constraint as a result of the reductions in central government revenue grant funding and year on year inflationary costs. The recent financial settlement heralded fundamental changes to local government finance over the lifetime of the current government. At its meeting to be held on Monday 29 February 2016, the Council will be asked to approve savings of £2.5m over the next 5 years.

Alongside the majority of District Councils, the shape and size of the Council has been continually changing over a number of years, including the development of shared services and alternative delivery mechanisms. Whilst the Council has a long history of commissioning a significant proportion of ‘front line’ services from the private sector, it is evident that further securing a mixed economy of service provision will need to be developed. Further diminution in the responsibilities of District Councils have already been defined by central government, including the implementation of Universal Credit, leading to future council which fulfils a more enabling role and an organisation which continues to reduce in size.

Arising from the above, included within the budget proposals is an ongoing revenue saving of £100,000 per annum from senior management costs, to be secured within the timeframe of the Medium Term Financial Plan.

The Council has also recently agreed a new Corporate Strategy 2015-2019. Whilst recognising the need to reduce costs and deliver improvements in securing value for money and expanding the programme of shared services, the Strategy sets out three key objectives;

- Working with partners and business to develop a flourishing local economy;
- Securing the health and well being of our local communities, and;
- Providing responsible community leadership.

Reviewing Senior Management Requirements

The existing design of the Council management structure has been in place since 1 April 2012 when the post of Assistant Chief Executive was established to provide a clear deputising role for the Chief Executive and strengthen corporate capacity. Since 2007/8, the directly employed FTE workforce of the Council has reduced by 33% (from 380 to 255). Between 2009/10 and 2014/15, the Council's net revenue expenditure saw a cash reduction of 20%. In addition, the number of elected members reduced by 32% in May 2014.

Over a similar period the Council removed a tier of senior management through the deletion of Director posts and there has subsequently been a further reduction in the numbers of Heads of Service i.e. those posts which provide leadership across service portfolio's. In considering options for a future council structure and in the context of continuing austerity, it is essential to ensure that the allocation of resources between executive and service leadership provides the most effective overall balance, whilst ensuring that both corporate and service objectives continue to be achieved.

Over the last 12 months, there have been changes in delegated authority between the officer and member structure, which have seen a transfer of responsibilities to the Leader and senior elected members. These have included; the ability to represent the
Council and work with partners limited to defined partnership bodies; appointment of Heads of Service and approval of early retirements and redundancy.

**Timetable for Change**
In light of the pressing need to drive through further substantial change and deliver the budget savings within the required timescale, the Cabinet have expressed a clear view that change needs to be effected as soon as is possible, in order any new leadership arrangements are able to design and implement the necessary responses.

**Existing Structure**
For the sake of clarity, the existing senior management team comprises of 7 posts; Chief Executive (Head of Paid Service); Assistant Chief Executive (S151 Officer) and 5 Heads of Service (one of which fulfilling the Monitoring Officer role). The Chief Executive retains a small directly managed service portfolio comprising of Planning Policy, Communications and Consultation. The existing organisational structure, to Service Manager level, is set out at Appendix 1.

**Revised Management Structure - Alternative Options for Consultation**
In considering further diminution of the overall levels of senior management resource, initial consideration was given to the potential of achieving an overall reduction of two posts. However, recognising the need to sustain existing provision and deliver the change agenda, such a reduction is considered to present an unacceptable level of risk in terms of resilience and continuity of service.

Furthermore, initial consideration was also given to the potential to enter into arrangements with a partner District Council to establish a role of shared Chief Executive. However, the need for progress in the short term and the anticipated lead time involved in identifying, exploring, let alone agreeing and delivering such an arrangement, militated against pursuing this option.

In that context and responding to the need for change, the Cabinet have proposed **two alternative models for the purpose of consultation**

**Option1 - Consolidating the Executive Leadership**
This option is based on protecting the overall capacity at Head of Service level and returning to a 'flat' structure based on 5 Heads of Service reporting to a Head of Paid Service. In essence, this option removes the tier of Assistant Chief Executive, merging the current first two tiers of corporate leadership functions as set out in the alternative models below.

The determination of service portfolio's at Head of Service could be sustained as at present, but such would require the S151 functions to be reallocated as the two statutory roles cannot be held by a single postholder. In view of the fact that the post of Head of Customer Access has recently become vacant, there is scope to redesign this role accordingly, which would enable the development of a Head of Resources role, which could also accommodate the future service (or client) management responsibilities arising from the future development of any changes arising from further review of shared service arrangements with Cherwell and South Northants. The future management of HR, Communications and Consultation could be retained by the Chief Executive or divested to Head of Service level (Resources or Legal and Democratic). However, the objective of managing the scope of Head of Service roles would suggest some direct managerial functions should be retained. This is set out below, defined as Option 1a;
However, in reflecting upon the incremental changes to Head of Service portfolio's occurring since the most recent restructuring and the need to align functions to the new Corporate Strategy, the Cabinet have reviewed existing portfolio's and an alternative division of responsibility at Head of Service level could exist as follows (based on initial reallocation of existing service manager roles but with phase 2 restructure to follow);

(continues overleaf)
Option 1b

<table>
<thead>
<tr>
<th>Role</th>
<th>Direct Reports</th>
<th>Full-Time Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Accountant (x2)</td>
<td>6</td>
<td>33.49 fte</td>
</tr>
<tr>
<td>Human Resources Manager (x2)</td>
<td>5</td>
<td>29.08 fte</td>
</tr>
<tr>
<td>Joint ICT Leads (x2)</td>
<td>5</td>
<td>49.48 fte</td>
</tr>
<tr>
<td>Business Continuity</td>
<td>5</td>
<td>35.36 fte</td>
</tr>
<tr>
<td>Business, Enterprise &amp; Tourism Manager</td>
<td>5</td>
<td>92.06 fte</td>
</tr>
<tr>
<td>Democratic Services Manager</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solicitor (&amp; Joint Legal Team Leader)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elections</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Governance &amp; Community Safety Manager</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Leadership and Social Inclusion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Consultation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consultation Manager</td>
<td></td>
<td></td>
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<tr>
<td>Asset Management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Property</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Premises and Safety Manager</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Head of Resources (S151)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Head of Legal, Democratic &amp; Communities (MO)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Head of Planning &amp; Economic Growth</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Head of Environmental Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Head of Housing, Revenues &amp; Benefits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Performance Mgt Communications (Communications Manager)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In either of the above options it will be necessary to consider whether and how the absence of a designated deputy to the Head of Paid Service impacts upon corporate leadership capacity. In a previous iteration of the officer leadership structure, this role was 'rotated' on a periodical basis and whilst such was based on providing development opportunities, practical experience led to difficulties over clarity of responsibility and the necessary continuity in relation to major projects or corporate developments.

There may be an option to designate one of the 5 Head of Service roles as Deputy Head of Paid Service who would fulfil the role solely in circumstances where unavailability or short term absence of the Head of Paid Service dictated necessary (operating beyond primary service lead responsibilities).

Details of proposed salary bands and implementation arrangements are set out later within this consultation document.
Option 2 - Shared Executive Leadership

This option presents a less traditional approach, reflecting the model that had been operating successfully in both Rugby Borough Council and Forest of Dean District Council for a number of years. Neither Council employs a Chief Executive or Managing Director. A similar model applies in Amber Valley District Council.

The rationale for such an approach in Rugby was predicated on the grasping of a strong executive political leader model and was adopted on the departure of the former Chief Executive. Furthermore, it was considered at that time (and acknowledged by the former Chief Executive) that having progressed the organisation to a level of maturity, with a competent and stable wider leadership team, the necessity for a single leadership role, without portfolio, was becoming genuinely redundant.

This approach was sustained for a number of years under the original structure with the same triumvirate of individuals sharing the leadership responsibility. Within the two officer Executive roles, there was a clear division of responsibility between 'internal organisational' and 'external facing' portfolio's, with the (now former) Leader of the Council being active within the sub regional and local partnership environment, but not directly managing any capacity or resource. Appraisal of both Executive Directors was undertaken by the Leader and his opposition counterparts. Upon the resignation of the Leader in 2014 and subsequent retirement of one of the Executive Directors, the stability that had been developed resulted in the Council having little or no hesitation in sustaining the arrangement further, filling the officer vacancy internally.

In Rugby, the Head of Paid Service role is allocated on a permanent basis to the 'internal facing' Executive Director role, with the primary reasoning being that this post would be managing both of the Councils Statutory Officers (identified at Head of Service level). The Senior Management structure is summarised below. As at December 2015, the Council workforce was 496 fte employees, reflecting the retention 'in house' of a number of directly delivered services.

The arrangements in Forest of Dean have also been sustained for over 6 years, with the leadership being shared between two Strategic Directors since November 2009 and expressly extended by the Council on an indefinite basis in 2011. Again, there remains a clear 'internal/external' division of responsibility as follows (with the HoPS role being permanently allocated and the subject of a small salary supplement);
It is worthy of note that Forest of Dean is also engaged with Cheltenham, Cotswold and West Oxfordshire in a 'four council' joint working partnership, based on a loose confederation and utilising a shared delivery vehicle.

Translating this approach into Stratford would see the retention of a '6 strong' senior leadership team managed through 2 Executive Director posts. In order to sustain balanced portfolio's of responsibility, the Executive Directors would need to retain direct managerial responsibility for some services in addition to their wider themed and corporate leadership responsibilities. The rationale for this option moving forward being that (as with Option 1) it sustains a balanced division of direct managerial responsibility, whilst also sustaining the greater resilience offered at the Executive level by retaining two posts providing shared corporate leadership and covering at a common level where necessary.

The evidence from both comparator councils suggests that the absence of a single officer operating at the helm of the organisation has proved capable of providing consistent and coherent organisational leadership. Without doubt, such would be facilitated much more effectively where positive relationships are sustained and a flexible approach adopted by all. It is the view of the Cabinet that such an approach is worthy of consideration in meeting the objectives defined for the current review.

As with the preceding option, there are alternative approaches with regard to division of responsibility.  **The two alternatives proposed for consultation purposes are as follows;**

(continues overleaf)
**Option 2a - Internal / External Division of Functions**

<table>
<thead>
<tr>
<th>Business, Enterprise and Tourism Manager</th>
<th>Environmental Health Mgr</th>
<th>Housing Services Manager</th>
<th>Chief Accountant(s) (x2)</th>
<th>Democratic Services Manager</th>
<th>Consultation Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning Manager (x2)</td>
<td>Licensing Manager</td>
<td>Revenues (and Benefits) Manager</td>
<td>Human Resources Manager (x2)</td>
<td>Solicitor (and Joint Team Leader)</td>
<td>Community Consultation Management</td>
</tr>
<tr>
<td>Planning Policy Manager</td>
<td>Community Leisure Mgr</td>
<td>Customer Services Manager</td>
<td>Joint ICT Leads (x2)</td>
<td>Asset Management</td>
<td></td>
</tr>
<tr>
<td>Planning Policy</td>
<td>Street Scene Manager</td>
<td>Customer Access</td>
<td>Business Continuity</td>
<td>Corporate Property</td>
<td></td>
</tr>
<tr>
<td>Building Control Manager</td>
<td>Health and Well Being</td>
<td>Customer &amp; Support Services Manager</td>
<td>Governance &amp; Community Safety Manager</td>
<td>Premises and Safety Manager</td>
<td></td>
</tr>
<tr>
<td>Housing Policy</td>
<td>Car Parking</td>
<td>Central Administration (inc Land Charges)</td>
<td>Community Leadership and Social Inclusion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction Manager</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Construction Management</td>
<td></td>
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</table>

In this option, the division of responsibility at Executive Director level reflects the primary 'internal/external' split which underpins the approach in the comparator councils. The allocation of statutory roles within this option is divided between the Executive Director roles.

Whilst the Head of Service portfolio's identified above reflect the (draft) division set out in Option 1b, it is not appropriate to finally define and determine the allocation of such as this will be impacted upon by the decisions taken in respect of the appointments to the Executive Director roles.
Option 2b - Retaining Existing Service Groupings

This option seeks to limit disruption within existing service groupings whilst also allocating a mixed portfolio of internal and external services between the two Executive Director posts.

Again, pending the appointment to the Executive Director roles, it is not appropriate to allocate Head of Service portfolio's at this stage. As identified earlier, to sustain a balanced approach of direct managerial responsibility, each Executive Director will retain a discrete and direct remit and in determining such the greatest synergy between service blocks will need to be considered. Both in this model and the preceding Option 2a, the wider service portfolios of Executive Directors will need to remain fluid in order to provide the Council with maximum future flexibility.

Remuneration

In developing the proposals for consultation, it is considered appropriate to review the remuneration levels. Evidently, should Option 2 be further progressed it is necessary to determine appropriate (market based) salaries for the Executive Director roles.

Chief Executive / Head of Paid Service

The existing salary level for the post of Chief Executive was determined by the Employment Committee in December 2007. At that time, pre recession and within a competitive external market, the Council considered salary benchmark data based on District Councils with a population of in excess of 100,000 and a 'family group' of 16 District Councils. This identified an average maximum salary of £100,409 and £96,763 respectively. The Committee determined a salary of £105,000, which has increased to the present £107,574 following a small cost of living increase over the subsequent 8 years.

The Committee also resolved "that the Chief Executive and Directors salary be reviewed on a 3 yearly basis". No such review is documented within Employment Committee reports, however, no proposals have been brought forward for any change over the subsequent 8 year period.
Whilst it is acknowledged that the leadership role at the helm of the Council has not fundamentally changed in respect of the functions and services for which the Council remains responsible, the data identified earlier in this report identifies a substantial reduction in the size of the organisation and its levels of available resource, impacting upon the overall size of the managerial role. Furthermore, the impact of austerity measures upon the pay market suggest that a review of remuneration is timely.

Data available through the sector owned *Epaycheck* database identifies (excluding South East and East of England regions due to cost of living factors) and focusing on District Council Chief Executive with no shared management responsibilities, identifies;

- An average (mean) maximum salary of £102,536
- Upper and Lower Quartiles respectively of £107,060 and £96,900

Within the 12 District Councils within the West Midlands region (that are not sharing a Chief Executive), the equivalent data identifies;

- An average (mean) maximum salary of £101,300
- Upper and Lower Quartiles respectively of £106,500 and £95,000

Taking into account the above information, **an incremental salary range of £92,500 to £97,000 is considered appropriate for the post of Chief Executive / Head of Paid Service** within the Councils future senior management structure. However, in considering the implementation of such within any 'Option 1' model, the contractual commitment to the existing Chief Executive would need to be a factor for consideration.

**Executive Directors**

The current salary for the Assistant Chief Executive is £71,460. As identified earlier, only 3 District Councils have been identified as adopting an Executive Director leadership model. The current salaries for these posts (and the 2nd tier of Heads of Service) are as follows;

**Rugby BC**

- **Executive Director (HoPS / Internal)** £73,764 to £84,009
- **Executive Director (external)** £73,764 to £84,009
- **Head of Service (6)** £53,547 to £59,841
  
  (Supplement to S151 and MO of £2,229 per annum)

**Forest of Dean DC**

- **Strategic Director** £83,873
- **Strategic Director** £83,873
- **Group Managers (x3)** £53,239 to £55,873

**Amber Valley DC**

- **Executive Director - Resources (HoPS)** £81,600
- **Executive Director -Operations** £81,600
- **Assistant Directors (x3)** £50,727 - £54,802

Using the same wider data set of authorities referenced above in respect of post of Chief Executive, the average (mean) maximum salary for Corporate / Strategic Directors operating at 2nd Tier (and reporting to a Chief Executive or Managing Director) is £76,608

Should Option 2 be progressed following consultation, then taking into account the above information, **an incremental salary range of £77,500 to £84,000 is considered appropriate for the 2 posts of Executive Director**
Heads of Service
The current salary levels for Head of Service posts (rising to £61,400, with a supplement to £65,700 for the Monitoring Officer) were established on the basis of a 'flat' structure and direct reporting line to the Chief Executive. Therefore, subject to any further reduction or any substantial change in the number or shape of service groupings i.e. remaining at 6 in total, it is not considered that there are any grounds to bring forward any proposals to amend the current salary range for Heads of Service.

Implementation

Policy and Procedural Provisions
In addition to the provisions of the Discretionary Compensation Payments and Severance Procedure, the Councils Redeployment Procedure sets out relevant provisions arising from dealing with 'at risk' employees. Section 1.1 states; "The aim of the redeployment policy is to avoid compulsory redundancy, wherever possible" and Section 1.3 that "This agreement will apply to all employees of the Council".

The Policy states that 'at risk' employees will be afforded preferential treatment for any available vacancies arising from the restructuring of services, on the condition that such vacancies;
- have similar status
- are within the employee’s capability
- are suitable taking into account personal circumstances.
- provide similar earnings and conditions

Furthermore, "'At risk‘ employees must be able to demonstrate they meet the essential criteria given in the person specification, or potentially do so within a three month period of retraining" and "Appointments will be offered on the basis of suitability for the job and recruiting managers will not be obliged to appoint redeployees to vacancies for which they do not meet the essential criteria, unless there is a potential for them to reach the required level within a three month period".

For employees identified as 'at risk' of redundancy, the redeployment process will run in parallel with the redundancy consultation process.

With regard to salary protection, the Policy states that employees redeployed as a result of being ‘at risk’ of redundancy "may be entitled to a maximum of three years pay protection" and that this will be determined (by the Head of Paid Service) on an individual basis, "having regard for cost efficiencies, personal circumstances and hardship, salary differentials and length of service".

Finally, with regard to other conditions of service, the Policy states that; "Where the employee has an existing lease car, but the redeployment opportunity does not entitle the postholder to a lease car, then the Council will honour the remaining period of the lease, and pay the usual contributions. However, once the lease car period has terminated the employee will defer to the terms and conditions of the new post relating to car allowances"

Application to Senior Management Restructure
In any circumstance such as the present, within the general provisions of employment law, the employer is required to define an appropriate 'ring fence' in relation to the 'at risk' employees who may be considered for available vacancies within any new organisational structure.

Taking into account the circumstances and alternative options, the ring fence arrangements are proposed as follows
Option 1  New post of Chief Executive will in the first instance be made available to the existing Chief Executive. Should the postholder not wish to be considered for this post, the Employment Committee will need to review the options accordingly.

The Assistant Chief Executive and all Heads of Service will be considered to be within a ringfence for any/all new Head of Service posts.

Option 2  All employees will be considered for all posts under a single ringfence.

Where, as a result of the restructuring any posts remain unchanged, then a process of assimilation will follow, in accordance with the precedent previously applied in respect of restructuring within the Council.

Responding to Consultation

All consultees are invited to provide responses in writing in addition to the opportunity presented at the formal consultation meeting(s). In particular, consultees are invited to respond to the following questions;

- Acknowledging the proposals within the budget strategy to reduce senior management costs by £100,000 per annum within the timeframe of the Medium Term Financial Plan, do you consider that an approach based on Option 1 or Options 2 is in the best interests of the Council?

- Further to the above, are you able to offer alternative proposals to achieve the reduction in senior management costs, which will achieve the savings objective and ensure appropriate and sustained high quality in respect of corporate and service management?

- Please indicate any views you wish to express in respect of the alternative options set out for consultation within the Options 1 and Option 2 models identified within the consultation paper, including the appropriateness (or otherwise) of the remuneration proposals included within the consultation document

- Do you have any comments or questions in respect of the application of the Council's Policy and Procedures with regard to the proposals included within this consultation paper? Do you consider that any other provisions should apply in the circumstances?

- Do you have any additional comments you wish to make in response and which are relevant to the proposals under consultation

In responding please set out your reasons for the view expressed and any evidence you wish to offer in support

Please submit any written responses to Laila Doman, Human Resources Manager by no later than 12 noon on Friday 5 February 2016. If you wish to utilise a longer period to consider your response, then please indicate such at your first formal consultation meeting and an appropriate alternative deadline can be set in accordance with the provisions of the relevant procedure.
Appendix 1 – Current Structure

Note: fte’s are employed workforce on 31 December 2015
Introduction

Following the draft budget recommendations to Council on 29th February to achieve a saving of £100,000 per annum from senior management costs, the Cabinet decided to commence a formal consultation on options to achieve the required savings and enable the necessary measures to be effected as soon as is possible thereafter as part of future budget implementation arrangements.

As a result, a consultation paper was prepared which set out two main options, each of which also included alternative structures with regard to the future division of responsibility across Head of Service portfolios. A full copy of the Consultation document is attached as an Appendix to this summary of responses.

Consultees and Process

All employees whose posts are directly affected by the options within the consultation document have been included with the consultation process, namely, the Chief Executive, Assistant Chief Executive and all existing Heads of Service. In each case, each employee has been offered a 1-2-1 consultation meeting, with the opportunity of a 'follow up' in accordance with the relevant Council Policy. In addition each individual has been invited to make a written submission should they so wish. In view of the involvement of all of the senior leadership team, meetings with the Chief Executive and Assistant Chief Executive were convened with the Leader of the Council, who was supported by an independent adviser from West Midlands Employers. The Chief Executive provided a written submission.

It was agreed that 1-2-1 consultation meetings with Heads of Service would be facilitated by the independent adviser and the Council's HR Manager. Summary notes of individual meetings have been prepared and have been agreed by all consultees. In addition and in accordance with established procedures, the same parties also met with UNISON representatives at meetings which took place on 19th and 26th January, leading to their written submission in response to the consultation.

Summary Feedback from Consultation

The consultation document concludes by seeking views on 5 key questions and this summary of responses is constructed around that framework.

Question 1

Acknowledging the proposals within the budget strategy to reduce senior management costs by £100,000 per annum within the timeframe of the Medium Term Financial Plan, do you consider that an approach based on Option 1 or Option 2 is in the best interests of the Council?

For ease of reference, both options sought to reduce the number of senior management posts from seven to six. Option 1 sought to achieve the savings by consolidating the posts of Chief Executive and Assistant Chief Executive and retaining 5 Head of Service portfolios, whereas Option 2 proposed an alternative structure where officer leadership was shared across two posts of Executive Director, both retaining direct managerial responsibility for a service portfolio, supplemented by 4 Head of Service posts for whom the Executive Directors would share overall leadership responsibility.
Option 1 or Option 2 - Headline Preferences

Overall, there were mixed opinions on the two primary options. Whilst a small majority of consultees (3 out of 5) indicated a preference for Option 1, in that it offered a clear single point of officer leadership and accountability at the helm of the organisation, each added, with different degrees of confidence, that Option 2 could work.

However, adopting a more balanced perspective, one consultee highlighted that whilst external stakeholders may prefer Option 1 and having a single point of contact, it needed to be recognised that the strength of existing partner relationships across the Council were often based on links and relationships established by and with Heads of Service. Furthermore, any such concerns could be mitigated by putting into place a clear division of 'internal and external' focus and responsibility between the Executive Directors.

Finally, following discussion and reflection, another consultee stated that whilst being "open to either option", his preference was for Option 2.

Analysis and Requirements

With regard to Option 1, there was a consensus that establishing deputising arrangements for the Head of Paid Service role would be necessary, with the majority being clear that the 'rotation' arrangements adopted in previous management structure had not been satisfactory. There were mixed views on whether a 'deputy' role should be allocated on an 'as and when' basis (dependent upon issues prevalent at that time) or be allocated permanently to one of the Heads of Service, with one consultee suggesting a small salary supplement would be appropriate in respect of such.

A number of consultees highlighted that Option 2 was predicated on strong personal working relationships being sustained between the two Executive Directors and the Leader of the Council. However, there were mixed views as to whether the 'triangular' relationship offered greater risk of, or greater resilience to, the negative consequences of tension within, or a breakdown of relationships. More than one consultee recognised that whilst Option 1 offered the 'single point of contact' for officer leadership, it also presented a 'single point of failure' in the officer / political interface.

More than one consultee identified that if adopting an Option 2 approach, the level of time commitment required by the Leader of the Council would be higher than in traditional approaches and that this needed to be considered in the longer term in respect of the level of demand upon an elected politician.

Furthermore, more than one consultee identified that within either option, but more so in Option 2, there would be clear benefit in establishing a clear division and definition of leadership roles and responsibilities, with suggestions including the development of an agreed protocol and/or 'role briefs'. Such would need to reflect the role of the 'officer' Head of Paid Service, whilst fully acknowledging that setting strategic direction is a matter for the political leadership on behalf of the Council as a whole. Clarity in this respect would also enable the Leader and other senior elected members to fulfil their critical community facing role and maintain wider political leadership.

With regard to the proposed allocation of one of the Executive Directors as either being the Council's Section 151 Officer, or Monitoring Officer, whilst acknowledging the reasons for so doing, two consultees expressed some disappointment that this may result in an unnecessary limitation on ensuring the best persons are appointed to those roles. Furthermore, it would be important that the postholder ensured an appropriate balance between fulfilling their statutory role and delivering their contribution to corporate and strategic vision and leadership.
Question 2
Further to the above, are you able to offer alternative proposals which will achieve the savings objective and ensure appropriate and sustained high quality in respect of corporate and service management?

Only one consultee responded with a view which related directly to this question, expressing some disappointment that the option of a shared Chief Executive (with another Council) had not been subject to further consideration and, in his view, that such should be 'safeguarded' as a future option.

Question 3
Please indicate any views you wish to express in respect of the alternative options set out for consultation within the Options 1 and Option 2 models identified within the consultation paper, including the appropriateness (or otherwise) of the remuneration proposals included within the consultation document.

As can be seen within the consultation document, within both Option 1 and Option 2, alternative structures were identified and which sought to either;
- largely preserve the existing Head of Service portfolios, or;
- develop an alternative model by reviewing and realigning portfolios to develop greater balance of resources managed and synergy with the recently agreed Corporate Plan.

One consultee stated a clear preference for stability, highlighting the degree of change that Service Managers had already experienced in recent years, and that such should be considered once the ‘first tier’ officer(s) are appointed and in light of the service implications arising from the budget strategy. Another agreed with the stability option on the basis that in his view, there were “no fundamental issues with the existing structure”.

On the contrary, one consultee expressed the view that the definition of existing Head of Service portfolios appeared to have evolved “for internal organisational purposes”, rather than reflecting and being aligned with community need, considering this should be addressed in the restructuring and reflect outcomes for communities rather than functional groupings. Another also supported the alternative division of responsibility (as expressed in option 1b and 2a) on the basis that this would address an existing imbalance. The majority of consultees who expressed a view, supported a phased approach to any second tier changes.

The final consultee offered alternative views dependent upon whether Option 1 or 2 were adopted. He considered that Option 1b offered “too much change for not enough benefit” and some inherent conflicts therein, namely Asset Management sitting alongside Legal Services where different levels of risk aversion may create pressure or limit innovation. However, within Option 2, a mixed portfolio was advocated, highlighting a risk of an internal/external split between the two Executive Directors resulting in silo’s emerging and a failure to “appreciate each other’s worlds”.

Furthermore, more than one consultee expressed concern over bringing Planning Policy and Development Control back under single management, which appeared to be revisiting a change only recently made and without a clear rational for doing so. Both did not recognise sufficient value of all planning functions being aligned in order to develop consistency of application and informing longer term solutions. One consultee expressed the view that in Option 1 or Option 2, Planning Policy could return to the Head of Legal and Democratic Services (as had been the case in a previous structure).
With regard to specific comments on an alternative division of responsibilities, the following comments and suggestions were raised:

- Combining Planning Policy, Development Control and Economic Growth within a single Head of Service portfolio (as set out in Option 1b) may be "too great" in volume terms;
- Performance Management, Communications and Community Consultation should continue to report to the Head of Paid Service in Option 1;
- Within Option 1b, Community Leadership and Social Inclusion should be returned to Housing Revenues and Benefits;
- Community Safety could be realigned with Legal & Democratic Services (in either option);
- Civil Contingency and Emergency Planning were not identified within the consultation and represented a key demand upon the Council;
- There was an opportunity for consolidation of managerial roles under a Property Services Manager within the existing Technical Services portfolio.

There was a widespread acceptance of the appropriateness of a Resources portfolio within Option 1, combining ICT with Finance (and other corporate enablers).

Finally, one consultee advocated maintaining, if not extending, the flexible approach to defining areas of responsibility at Head of Service level, taking advantage of (rather than being shaped by) the skills and experience across the whole of the management team. On questioning, it was acknowledged that business need needed to inform and underpin service portfolios, but that it was equally important to ensure there are "square pegs in square holes".

**Question 4**

Do you have any comments or questions in respect of the application of the Council's Policy and Procedures with regard to the proposals included within this consultation paper? Do you consider that any other provisions should apply in the circumstances?

No consultees made any observation or raised questions or concerns about the proposed processes of decision making and implementation of any new structure which is agreed. It was clarified with all consultees that the reference on Page 11 of the consultation document (in relation to the definition of the proposed 'ringfence' for Option 2) meant all employees who had been individually consulted as part of the process.

**Question 5**

Do you have any additional comments you wish to make in response and which are relevant to the proposals under consultation

Two consultees expressed concerns over the availability of experience and expertise in order the Council had confidence in respect of its ability to meet its countywide commitments in respect of the forthcoming PCC elections. Furthermore, the need to ensure continuity of provision in relation to the designation of the roles of Returning Officer was also raised.
Senior Management Restructure – UNISON Response

1. UNISON welcomes the opportunity to comment on the proposed restructure of the Management of the Authority.

2. We would first and foremost state that the over-riding objective must be to ensure that the revised structure leaves the Authority better placed to address the on-going challenges that the District Council faces. This means that the structure the Authority adopts must be based on what is right for the organisation in the medium and long term, and not just be seen as a short term reaction to the funding issue.

3. We are concerned that such a key strategic decision is being made with-in such a tight timescale. The timescale has not allowed for full and safe discussion with all stakeholders and partners - both inside and outside the Authority. The way the District Council interacts with our major partners is very important.

4. We would like to state that comments are based on structure rather than existing post holders. The structure must be about fitness for purpose which goes beyond known personalities.

5. The staff side recognise that the leadership of the Council requires a wide-ranging skill set. There are many functions undertaken that are not always obvious – and may require professional knowledge and experience.

6. The majority of organisations have one key focal point. This is true for not only internal leadership - but also as an appropriate point of contact for the wider work of the District Council in the Community.

7. To date, we are not aware of any confusion of identity of leadership between the Political and operational roles

8. In the proposals, the case of Rugby Borough Council was cited as being an example of an alternative structure. We have consulted with colleagues at Rugby BC and have been told that the model of having two Directors is "dysfunctional". Also, it has "limitations". The distinction of 'front facing' and 'back office' is notional and causes operational issues in trying to rectify some inconsistencies. We accept that this is a limited view. Such a model worked better when first instigated, but since a change of personnel, it has been less successful.

9. The same model at Amber Valley did receive more support. We have not had feedback from Forest of Dean.

10. The role of the Executive Directors seems to be linked with the roles of Section 151 Officer, Monitoring Officer and Head of Paid Service. It is our view that these roles could be undertaken at a level below that of Executive Director. This is because these roles are very much based on procedure. It is our view that those who occupy such positions need to have a mind-set that is able to recognise and understand new ways of working.

11. Whichever option is chosen – there needs to be a clear definition of what each role entails. Clarity of vision and leadership will be fundamental going forward. The need for collaborative working is paramount for the well-being of the Authority.
12. There will still need careful thought to how the departmental responsibilities are allocated to Heads of Service. We note that both options have a minimal change proposal. We feel that the departmental structure should not be changed at this point because of the timescale. However, once the structure is in place – then it may be beneficial to review the allocation of responsibilities.

13. Whatever structure is chosen, the arrangements for a nominated deputy for points of contact will have to be clarified. This is particularly important with Option One – but should also be clarified for Option 2.

14. We understand that if the Leader is not available, and a cross-service decision is required, then this will be made by the Head of Paid Service.

15. We are keen to see that all costs are properly included in any proposals. For example, if there is an impact on the Admin Team in the Chief Executive’s Unit – then these costs should be included in the analysis and payback period. Also, if there are increases in other allowances or payments connected with these proposals, then they should also be included in the cost-benefit analysis.

16. We understand that these proposals will:
   - Take 3.4 or 3.8 years to pay-back.
   - Management Team going from 7 posts to 6 posts
   - Result in no loss of P.A. support
   - There will be no re-evaluation of the remuneration of the Heads of Service

17. We expect that existing post holders will be assimilated into any new structure through an open and honest interview process – ring-fenced to the affected posts.

Paul Chapman – Branch Secretary
Ian Greenall – Branch Chairperson
2 February 2016
## Appendix 4
*(To Employment and Appointments Committee report)*

### Option 1

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<tr>
<th>Position</th>
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### Alternative Structure - Option 1

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**Potential Maximum Implementation Costs**

| Payback period | 3.8 years |

**Notes**

* The structures have been costed on the max point of grade for comparison.
* The pay range for the Head of Paid Service is proposed as £92,500 to £97,000, the appointment would be made within this range.
## Option 2 (Scenario 1)

### Current Structure

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<td><strong>74,100</strong></td>
<td><strong>36,800</strong></td>
<td><strong>18,213</strong></td>
<td><strong>619,513</strong></td>
</tr>
</tbody>
</table>

### Alternative Structure - Option 2 (min cost)

<table>
<thead>
<tr>
<th>Position</th>
<th>Basic Pay</th>
<th>Superannuation</th>
<th>National Insurance</th>
<th>Car Allowance</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Director</td>
<td>84,000</td>
<td>12,700</td>
<td>6,400</td>
<td>1,239</td>
<td>104,339</td>
</tr>
<tr>
<td>Executive Director</td>
<td>84,000</td>
<td>12,700</td>
<td>6,400</td>
<td>1,239</td>
<td>104,339</td>
</tr>
<tr>
<td>Head of Service</td>
<td>61,400</td>
<td>9,300</td>
<td>4,600</td>
<td>3,384</td>
<td>78,684</td>
</tr>
<tr>
<td>Head of Service</td>
<td>61,400</td>
<td>9,300</td>
<td>4,600</td>
<td>3,384</td>
<td>78,684</td>
</tr>
<tr>
<td>Head of Service</td>
<td>61,400</td>
<td>9,300</td>
<td>4,600</td>
<td>1,239</td>
<td>76,539</td>
</tr>
<tr>
<td>Head of Service</td>
<td>61,400</td>
<td>9,300</td>
<td>4,600</td>
<td>1,239</td>
<td>76,539</td>
</tr>
<tr>
<td><strong>Total Cost</strong></td>
<td><strong>413,600</strong></td>
<td><strong>62,600</strong></td>
<td><strong>31,200</strong></td>
<td><strong>11,724</strong></td>
<td><strong>519,124</strong></td>
</tr>
<tr>
<td><strong>Saving</strong></td>
<td><strong>76,800</strong></td>
<td><strong>11,500</strong></td>
<td><strong>5,600</strong></td>
<td><strong>6,489</strong></td>
<td><strong>100,389</strong></td>
</tr>
</tbody>
</table>

**Potential Maximum Implementation Costs** 389,167

**Payback period** 3.9 years

**Notes**

* The structures have been costed on the max point of grade for comparison
* The pay range for the Executive Director is proposed as £77,500 to £84,000, appointments would be made within this range
* For comparison only Scenario 1 assumes that both the Monitoring Officer and S151 Officer are Executive Directors
### Option 2 (Scenario 2)

<table>
<thead>
<tr>
<th>Current Structure</th>
<th>Basic Pay</th>
<th>Superannuation</th>
<th>National Insurance</th>
<th>Car Allowance</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive</td>
<td>107,600</td>
<td>16,200</td>
<td>8,100</td>
<td>4,344</td>
<td>136,244</td>
</tr>
<tr>
<td>Assistant Chief Executive</td>
<td>71,500</td>
<td>10,800</td>
<td>5,400</td>
<td>1,239</td>
<td>88,939</td>
</tr>
<tr>
<td>Head of Environment and Planning</td>
<td>61,400</td>
<td>9,300</td>
<td>4,600</td>
<td>3,384</td>
<td>78,684</td>
</tr>
<tr>
<td>Head of ICT</td>
<td>61,400</td>
<td>9,300</td>
<td>4,600</td>
<td>3,384</td>
<td>78,684</td>
</tr>
<tr>
<td>Head of Technical Services</td>
<td>61,400</td>
<td>9,300</td>
<td>4,600</td>
<td>1,239</td>
<td>76,539</td>
</tr>
<tr>
<td>Monitoring Officer &amp; Head of Legal and Democratic Services</td>
<td>65,700</td>
<td>9,900</td>
<td>4,900</td>
<td>1,239</td>
<td>81,739</td>
</tr>
<tr>
<td>Head of Enterprise, Housing &amp; Revenues</td>
<td>61,400</td>
<td>9,300</td>
<td>4,600</td>
<td>3,384</td>
<td>78,684</td>
</tr>
</tbody>
</table>

**Total Cost**: 490,400 £ 74,100 £ 36,800 £ 18,213 £ 619,513

### Alternative Structure - Option 2 (max cost)

<table>
<thead>
<tr>
<th>Executive Director</th>
<th>84,000</th>
<th>12,700</th>
<th>6,300</th>
<th>1,239</th>
<th>104,239</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Director</td>
<td>84,000</td>
<td>12,700</td>
<td>6,300</td>
<td>1,239</td>
<td>104,239</td>
</tr>
<tr>
<td>Head of Service</td>
<td>61,400</td>
<td>9,300</td>
<td>4,600</td>
<td>1,239</td>
<td>76,539</td>
</tr>
<tr>
<td>Head of Service</td>
<td>61,400</td>
<td>9,300</td>
<td>4,600</td>
<td>1,239</td>
<td>76,539</td>
</tr>
<tr>
<td>Statutory Officer</td>
<td>65,700</td>
<td>9,900</td>
<td>4,900</td>
<td>1,239</td>
<td>81,739</td>
</tr>
<tr>
<td>Statutory Officer</td>
<td>65,700</td>
<td>9,900</td>
<td>4,900</td>
<td>1,239</td>
<td>81,739</td>
</tr>
</tbody>
</table>

**Total Cost**: 422,200 £ 63,800 £ 31,600 £ 7,434 £ 525,034

**Saving**: 68,200 £ 10,300 £ 5,200 £ 10,779 £ 94,479

### Potential Maximum Implementation Costs

- **Payback period**: 389,167 £ 4.1 years

### Notes

* The structures have been costed on the max point of grade for comparison.
* The pay range for the Executive Director is proposed as £77,500 to £84,000, appointments would be made within this range.
* For comparison only Scenario 2 assumes that neither the Monitoring Officer or S151 Officer is an Executive Director.
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By virtue of paragraph(s) 1, 3, 4 of Part 1 of Schedule 12A of the Local Government Act 1972.
A meeting of The Cabinet was held on 15 February 2016 at which the following item had been considered and referred to the Council for determination.

Copies of the relevant report are available from Committee Services (telephone 01789 260245; email committeemanagers@stratford-dc.gov.uk).

Minute 775 - Treasury Management Strategy 2016/17

Councillor Lynda Organ – Finance & Physical Resources Portfolio

Consideration was given to a paper detailing the Council’s Treasury Management Strategy Statement for 2016/17 and the Annual Investment Strategy detailing 2016/17:

(a) the expected activities of the Treasury function; and
(b) the investment instruments available to the Council.

The options open to The Cabinet were to recommend to Council to:

1. accept the 2016/17 Treasury Strategy Statement and set the Overall Borrowing Limit, the Short-Term Borrowing Limit and the maximum proportion of interest on borrowings subject to variable rates as recommended or amend the Strategy or limits as appropriate; and

2. approve the Annual Investment Strategy 2016/17 as recommended or amended as appropriate.

In considering the options, The Cabinet noted that the recommendations presented to the meeting had been finalised in consultation with Sector Treasury Services who possessed a wide expertise across the public sector and had issued interest rate forecasts and advised on treasury management practices and procedures.

Accordingly, it was

**RECOMMENDED:** To Council

1) That the 2016/17 Treasury Management Strategy Statement be endorsed and the following limits be set:

   a. the Overall Borrowing Limit at £10m;
   b. the Short-Term Borrowing Limit at £10m; and
c. the maximum proportion of interest on borrowings subject to variable rates 100%; and

2) That the Minimum Revenue Provision policy statement be based on the options identified in paragraph 2.7 of Appendix 1 to the report; and,

3) That the Annual Investment Strategy for 2016/17, as outlined in Appendix 3 and 4 of the report, be approved.

NOTE: This item is not subject to call-in to the OSC as the item is subject to recommendations to Council.
Minute 776 - The Delivery of Shared Services by Cherwell, South Northamptonshire and Stratford on Avon District Councils

Councillor Thirlwell – Deputy Leader

Consideration was given to the arrangements for the future delivery of three way shared services by Cherwell District Council (CDC), South Northamptonshire District Council (SNC) and Stratford-on-Avon District Council (SDC).

Since 2012 CDC, SNC and SDC had been seeking opportunities to work together in partnership. The introduction of a three way shared Transformation Team, a shared ICT Service and a shared Legal Service (including land charges) had been implemented. During 2014 proposals had emerged for a Confederated Approach to service delivery. Whilst CDC and SNC adopted this approach SDC did not consider the Confederated Approach at Council but re-affirmed its commitment to developing shared services and recommended any final decision be made after the newly elected Council in May 2015.

Since the Council decided to defer its decision on the proposed Confederated Approach, CDC and SNC had endorsed the outline business case in December 2015 and then approved a further iteration of the business case, which included, by February 2015, a two-way approach to the confederation. The two Councils had also continued a programme of activity to review the potential for further two-way shared services in all service areas. SDC had not been directly involved with much of this work. CDC and SNC had concluded that there was no prospect for progressing joint working opportunities, unless SDC changed its position in relation to the willingness to consider the Confederated Approach.

The options open to The Cabinet were to consider whether the existing shared services should continue to operate in their current format or to withdraw from the shared service arrangements. The potential consequences and future options for the ICT, Legal and Transformation Team were outlined in the report.

Following consideration of the options and taking into account the devolution agenda and other emerging fiscal policies, it was
RECOMMENDED: to Council

1) That following the decision from Cherwell and South Northamptonshire District Councils, no further three way joint working proposals with these Councils’ be developed; and,

2) That the arrangements for the Shared Transformation Team be continued until the end of the secondments (March 2017)

3) That a further, more detailed, report be submitted to a future meeting of The Cabinet on the options available for the current 3-way Shared Service of ICT and Legal Services.

Further Update and Revised Recommendations to Council

In considering the above recommendations, Council’s attention is drawn to the fact that the CDC/SNC Joint Commissioning Committee (JCC) met on 16 February to consider future options for the three way legal team and three way ICT team, in view of the fact that CDC and SNC are progressing their plans to set up stand-alone companies to deliver services and that SDC has not taken that decision.

At their meeting the Joint Commissioning Committee agreed to disband the current three way teams for Legal Services and ICT in favour of two way teams in these service areas. The report for the meeting (which is exempt from publication) includes detail on the reasons why the three way teams should be disbanded.

The JCC was informed that disbanding the Legal Services team would be a more straightforward task than disbanding the ICT team. It was agreed that the Head of Law and Governance (HLB) for CDC/SNC should work closely with the Head of Legal and Democratic Services at SDC to disband the team as soon as is practicable, and an appropriate delegation was provided to the HLG to enable him to proceed to implement that decision.

The JCC was informed that disbanding the ICT team would be more challenging, would take longer and would involve incurring additional expenditure. However, this option was thought to be the best option, given the different direction SNC and CDC are going in, when compared to SDC.

Finally, the JCC have also recommended to CDC and SNC respective Councils that they give SDC formal notice under the exit provisions of the respective Agreements pursuant to section 113 of the Local Government Act 1972.