

CAMBRIDGE CITY COUNCIL

REPORT OF: Head of Human Resources

TO: Employment (Senior Officer) Committee 22/3/2016

WARDS: None directly affected

FUTURE MANAGEMENT RESTRUCTURING

1 INTRODUCTION

- 1.1 The Chief Executive consulted on changes to the future management structure of the Council in November/December 2015 and published an outcomes report following this consultation in January 2016.
- 1.2 The proposals included the restructure of the senior management structure of the Council and the deletion of two existing Director roles; Director of Environment and Director of Business Transformation. Two new Strategic Director roles have been created.
- 1.3 Under this new structure the post of Director of Environment for Cambridge City Council has become redundant. The current post holder has indicated that he does not wish to be considered for the new posts of Strategic Director.
- 1.4 Because the total cost of the exit payments in relation to the current Director of Environment would be in excess of £100,000 there is a requirement that the full Council approves the payment of the exit costs which will arise on termination of his employment by reason of redundancy. This is set out in the terms of reference for the Employment (Senior Officer) Committee and the Council's Pay Policy Statement which is approved by Full Council each year.
- 1.5 The cost of the exit package is made up of two parts:
 - The estimated capitalised cost of early retirement which is payable to the Pension Scheme for early release of pension (after 55 years

of age but before normal retirement) - £76,560. This payment is made to Cambridgeshire County Council and not the employee.

- The redundancy payment of £51,230. This is payable to the employee in accordance with the Cambridge City Council's redundancy payment arrangements and the statutory redundancy scheme. The payment is based on years of local government service, age and actual weeks pay.
- The total cost is: £127,790.

2. RECOMMENDATIONS

- 2.1 That the full Council approves the payment of the exit costs that arise on termination of employment of the Director of Environment by reason of redundancy.

3. IMPLICATIONS

- (a) **Financial Implications:** Redundancy and capitalised pension costs will be met in accordance with the City Council's scheme.
- (b) **Staffing Implications:** This report relates to exit payments on termination of employment. Recruitment will commence for the vacant Strategic Director role.
- (c) **Equality and Poverty Implications:** None
- (d) **Environmental Implications:** Nil.
- (e) **Procurement:** None
- (f) **Consultation and communication:** Statutory employment consultations have been followed.
- (g) **Community Safety:** None.

BACKGROUND PAPERS:

Consultation document on the future management structure (November 2015)

Outcomes report on the future management structure (January 2016)

Terms of Reference – Employment (Senior Officer) Committee

Pay Policy Statement 2016

Report file:

Date originated: 05 April 2016
Date of last revision: 05 April 2016