

CABINET

7 February 2006

PRINCIPAL SCRUTINY COMMITTEE

13 February 2006

DIRECTOR OF DEVELOPMENT ESTABLISHMENT CHANGES – SUPPLEMENTARY ESTIMATE

REPORT OF DIRECTOR OF DEVELOPMENT

Contact Officer: Steve Tilbury Tel No: 01962 848256

RECENT REFERENCES:

PER98 (Exempt) - Development Department Establishment Changes 23 January 2006

EXECUTIVE SUMMARY:

This report seeks approval for a supplementary estimate of £94,000 in 2005/06, this being the unavoidable one-off cost of the redundancies and early retirement proposed in the 2006/07 budget. Changes to the establishment were agreed by Personnel Committee at its meeting on the 23 January 2006, subject to the necessary financial approvals. The long term savings generated by the reduction in staff level meet the necessary criteria to justify the one-off expenditure and are assumed as part of the Cabinet's budget proposals in Report CAB1172 elsewhere on Cabinet's agenda.

RECOMMENDATIONS:

That subject any discussion of PER98 in the exempt session, and subject to the matter not being called in by Principal Scrutiny Committee, a supplementary estimate of £94,000 be approved to meet the one-off costs of redundancy and early retirement identified in report PER 98.

CABINET7 February 2006PRINCIPAL SCRUTINY COMMITTEE13 February 2006DIRECTOR OF DEVELOPMENT ESTABLISHMENT CHANGES – SUPPLEMENTARY ESTIMATEREPORT OF DIRECTOR OF DEVELOPMENTDETAIL:1 Introduction

- 1.1 The Council faces significant challenges in producing a balanced budget in 2006/07 and beyond. This cannot be achieved without some reduction in staffing levels and these have been incorporated into budget proposals which have been before Cabinet and Principal Scrutiny Committee. At its meeting on 23rd January 2006 Personnel Committee gave approval to a series of recommendations relating to staff within the Development Directorate, subject to the necessary budget approvals. One Member asked for his objection to the reduction in the service level for sustainable transport work to be recorded in the minutes. Report PER98 contains full details of these including the costs and benefits of the proposed reductions. Cabinet is asked to refer to PER98 for a full explanation and justification of the proposals. If it is necessary to discuss how the proposals affect any individual members of staff then this should be done in exempt session.
- 1.2 In order to give effect to the changes it is necessary to make provision for the one-off costs arising. The total of these is expected to be £94,000. Provision for on-going costs, and the substantial on-going savings, is contained in the proposed revenue budget for 2006/07. The on-going savings arising from the staff changes exceed £100,000 per annum.
- 1.3 If the Council determines not to accept any element of the proposed staff changes when it approves the budget later in February then the one-off sum may reduce but provision has to be agreed now so that the Council's legal obligations under employment law can be met if necessary.
- 1.4 As the amount of the supplementary estimate requested exceeds £50,000 Principal Scrutiny Committee will have the opportunity to consider and call-in this decision.

OTHER CONSIDERATIONS:2 CORPORATE STRATEGY (RELEVANCE TO):

- 2.1 The changes proposed in PER98 are necessary to achieve a balanced budget.

3 RESOURCE IMPLICATIONS:

- 3.1 The proposed supplementary estimate of £94,000 will be drawn from reserves. The savings made possible by the expenditure are incorporated into the proposed budget for 2006/07 and help to make a balanced budget possible. If the one-off sum is not approved the savings cannot be achieved.

BACKGROUND DOCUMENTS:

None

APPENDICES:

None