

Eden District Council
HR & Appeals Committee

11 May 2022

Director of Resources Post

Report from:	Chief Executive
Wards:	All Wards
OPEN PUBLIC ITEM	

1 Purpose

- 1.1 To consider the options for the post of Director of Resources and statutory requirements under Section 151 of the Local Government Act 1972 from June 2022 until April 2023.

2 Recommendation

- 2.1 It is recommended that Members open discussion with the current Interim Director of Resources for the continuation of the current arrangements until 31 March 2023.

3 Background

- 3.1 At its meeting on 21 December 2021 this Committee considered options for how the role of Director of Resources should be filled and it was resolved to recommend to Council that Mr Paul Sutton would continue on an interim basis until 30 June 2022.
- 3.2 Under the current arrangement Mr Sutton also undertakes the statutory roles of both the Section 151 officer and the Council's Returning Officer. He is also part of the Corporate Leadership Team as well as leading and managing the Resources Directorate.
- 3.3 The Governments' announcement in July 2021 of its preferred options for Local Government Reorganisation (LGR) in Cumbria has created significant additional workload across the council. It will be critical to maintain experienced leadership to ensure the Council delivers both on its existing priorities as well its role in the setting up and transition to the new Westmorland and Furness Council.
- 3.4 The timing of the existing contract (end of June 2022) was recommended by the HR and Appeals Committee to see the Council through its final budget (2022/23) and the first elections for the Westmorland and Furness Council. The intention was then made to review the position from June 2022 to March 2023. This report sets out the required review.

4 Report Details

- 4.1 Whilst the budget and elections will be completed by the time of the meeting, the level of additional requirements between now and vesting day cannot be overstated.

- 4.2 There continues to be a need to contribute to both the Council's statutory requirements and ambitions to deliver its corporate priorities and to engage in future opportunities such as the Levelling Up initiative. The Council also has a legal obligation to cooperate in the transition to the new authority of Westmorland and Furness. Having a Director of Resources and that understands both requirements is extremely beneficial to the Council.
- 4.3 If the post were vacated at the end of June 2022 there would be a need to immediately fill both of the statutory roles of Section 151 and Returning Officer. Investigation has concluded that there is no individual currently employed by the authority that has the qualification and experience required to fulfil this role.
- 4.4 Failure to address this would put the Council at risk of not being able to deliver either a statutory function, deliver on its strategic priorities and/or Eden not being represented fully at the appropriate level in the LGR programme.
- 4.5 In addition, to the roles with Eden DC Mr Sutton is a member of the Finance and Commercial and Customer and Digital theme's within the LGR programme, which are both integral to ensuring that the new Council is both financially sound and that the Council's residents and customers have proper access to service from vesting day.
- 4.6 Mr Sutton is also a member of the sub-theme investigating options for new Financial Management Systems and also continues to be involved in the key recruitment for the LGR Programme Management Office.
- 4.7 As previously reported to this Committee, the options for recruiting a Director of Resources are:
- to make a permanent appointment
 - to appoint for a fixed term.
 - to continue the current interim arrangements until 31 March 2023.
- 4.8 It is not considered likely that the Council would be able to recruit a suitable calibre of person to either a permanent or fixed term contract due to the uncertainties and lack of job security which LGR brings.
- 4.9 The expected timescales to recruit into a post at this level would be at least 3 months, possibly 6 months and therefore presents a risk to the Council of the post not being filled for a significant period of time and also not having the continuity if the post holder changes.
- 4.10 In addition to the initial recruitment costs, an employee (either permanent or fixed term) who has continuous LG service of over 2 years would be eligible to receive a redundancy payment and if the appointed person is over 55, a pension strain cost would be payable if they were made redundant.
- 4.11 Initial discussions with Mr Sutton have indicated that he would be willing to stay in the Interim Director of Resources post until 31 March 2023. The costs identified in 7.1.5 below therefore reflect that period.

5 Policy Framework

5.1 The Council has four corporate priorities which are:

- Sustainable;
- Healthy, safe and secure;
- Connected; and
- Creative

5.2 The delivery of these corporate priorities is a key aspect of the Director of Resources role.

6 Consultation

6.1 As this Committee is required to make a recommendation to Council about how this post is filled, no consultation has taken place thus far.

7 Implications

7.1 Financial and Resources

7.1.1 Any decision to reduce or increase resources or alternatively increase income must be made within the context of the Council's stated priorities, as set out in its Council Plan 2019-2023 as agreed at Council on 7 November 2019.

Current Budget

7.1.2 The amount currently included in the 2022/23 budget for the Director of Resources is £96,140. The figures below show the extra costs required up to 31 March 2023 for each option.

Costs

7.1.3 Initial recruitment costs are anticipated to be circa £25,000 for appointing a permanent or fixed term employed member of staff. The current arrangement with the Interim Director costs c£14,000 per month.

7.1.4 Costs of Permanent or Fixed Term appointment

Current Arrangement until 30 June 2022	£42,000
Initial recruitment costs (estimate)	£25,000
Full-time salary (inc on-costs and based on 21/22 level as no pay rise has been agreed yet for 22/23) for 1 July 2022 to 31 March 2023	£74,147
Total Cost	£141,147
Budget	£96,140
Additional Funds Required	£45,007

7.1.5 Additional Costs to Continue arrangement with the current Interim Director of Resources

Current Arrangement until 30 June 2022	£42,000
Interim Director of Resources cover 1 July 2022 to 31 March 2023	£126,000
Total Cost	£168,000
Budget	£96,140
Additional Funds Required	£71,860

7.1.6 Additional Funds would need to be taken from the General Fund earmarked reserves under approval by Council. The estimated earmarked reserves as at March 2022 is c£8 million.

7.2 Legal

7.2.1 The Legal implications are set out in the body of the report.

7.3 Human Resources

7.3.1 The HR implications are set out in the body of the report.

7.4 Environmental

7.4.1 There are no environmental implications arising from this report.

7.5 Statutory Considerations

Consideration:	Details of any implications and proposed measures to address:
Equality and Diversity	None arising from this report.
Health, Social Environmental and Economic Impact	None arising from this report.
Crime and Disorder	None arising from this report.
Children and Safeguarding	None arising from this report.

7.6 Risk Management

Risk	Consequence	Controls Required
That the Authority has may not be able to provide a statutory function and also management capacity to operate effectively, at a time of significant pressures including Local Government Reorganisation.	The Council is unable/ ineffective in delivering all of its statutory responsibilities as well as responding to additional pressures.	Implement the most appropriate option for recruiting a Director of Resources.

8 Other Options Considered

8.1 The options considered are set out in this report.

9 Reasons for the Decision/Recommendation

9.1 To ensure that the Council has the required senior leadership and management capacity and capability to operate effectively.

Tracking Information

Governance Check	Date Considered
Chief Finance Officer (or Deputy)	3 May 2022 (Deputy)
Monitoring Officer (or Deputy)	3 May 2022

Background Papers: None

Appendices: None

Contact Officer: Ian Frost, Interim Chief Executive