

Meeting: Combined Fire Authority**Date: 24th September 2015****Subject: The Director of Finance and Corporate Services****Report by: Chief Fire and Rescue Officer****Author: Richard Chandler****For: Decision**

1. Purpose

This report advises the Combined Fire Authority (CFA) of the arrangements made for the redundancy of the Director of Finance and Corporate Services and for the appointment of a new Treasurer.

2. Recommendations

The CFA is asked to:

- a) Note the arrangements made with the Director of Finance and Corporate Services for the termination of his employment.
- b) Appoint Alison Greenhill as the Treasurer with effect from today's date on such terms as may be agreed by the Chief Fire and Rescue Officer with Ms Greenhill and Leicester City Council for her services.
- c) Transfer the designation in the Constitution of the Treasurer as the Scheme Manager for the Firefighters' Pension and Compensation Schemes to the Monitoring Officer with effect from 31st July 2015.

3. Executive Summary

The implementation of the reduction in the number of Directors and the restructure of the organisation into 2 directorates has been brought forward. As a consequence agreement has been reached with the Director of Finance and Corporate Services for his redundancy. The role of treasurer of the combined fire service fund and Chief Finance Officer which formed part of that Director's job is to be filled by an officer of Leicester City Council.

4. Report Detail

- 4.1. On 26th June 2014, the CFA received a confidential report on the Organisational Change Project which included an intention to reduce the number of Directorates from 3 to 2 with a corresponding reduction in the number of Directors by 1. The Medium Term Financial Plan 2015 – 20 presented to the

CFA on 8th April 2015 indicated the removal of a director's post in the financial year 2016/17.

- 4.2. Following the appointment of the Deputy Chief Fire and Rescue Officer (DCFO) as the new Chief Fire and Rescue Officer (CFO) and the temporary filling of the DCFO post together with a more detailed consideration of the financial challenges facing the organisation, the CFO has reviewed his requirement for directors at this time. The review criteria included the need to achieve a significant on-going saving and to maintain the operational integrity of the Gold Rota. This is the strategic rota necessary to support and respond to significant operational incidents.
- 4.3. The review concluded that the post of Director of Finance and Corporate Services should be disestablished in order to achieve the saving earlier than anticipated and maintain operational resilience at a senior level.
- 4.4. Discussions with the post holder and his Trade Union representative have taken place and it has been agreed that a quick resolution of the termination process would be desirable and so a statutory Settlement Agreement has been reached. The postholder commenced gardening leave on 31st July 2015 and his employment will terminate on 31st October 2015.
- 4.5. Leicester City Council has provided strategic financial support to the CFA from 1st August 2015 and the remaining management duties have been redistributed between the remaining 2 Directors within a new 2 Directorate structure.
- 4.6. It is proposed that the statutory role of the Chief Finance Officer under section 112 Local Government Finance Act 1988 and that of treasurer of the combined fire service fund will be undertaken by Alison Greenhill, the Director of Finance at the City Council, with effect from today's date with the title of Treasurer
- 4.7. It is proposed to enter into an agreement with Ms Greenhill and the City Council for the provision of the former's services as Treasurer and that the CFO be authorised to agree the terms of that appointment.
- 4.8. Given the complexities of the Firefighters' Pension and Compensation Schemes and the experience of the Monitoring Officer in advising the Treasurer previously on these matters it is proposed that the role of Scheme Manager for those Schemes as provided for in the Constitution transfers from the Treasurer to the Monitoring Officer. The Monitoring Officer has been dealing with these matters on an interim basis and retrospective authority for the transfer is requested.

5. Report Implications / Impact

5.1. *Legal (including crime and disorder)*

- a) The requirements of section 111A of the Employment Rights Act 1996 in terms of general rules on the terms of Settlement Agreement have been applied.
- b) The CFA must appoint a treasurer of the combined fire service fund in accordance with paragraph 7 of Schedule 1 to the Leicestershire Fire Services (Combination Scheme) Order 1996. The Order does not provide any restriction

on who may be appointed or what their duties should be.

- c) Under section 112 of the Local Government Finance Act 1988 the CFA has to make arrangements for the proper administration of its financial affairs and shall secure that one of its officers has responsibility for the administration of those affairs. Under paragraph 10 of Schedule 1 to the Leicestershire Fire Services (Combination Scheme) Order 1996 the CFA may make arrangements with any constituent authority for the use by the CFA of the services of officers and employees of the constituent authority. It is this provision which permits an officer of the City Council to be appointed as the Chief Finance Officer.

5.2. ***Financial (including value for money, benefits and efficiencies)***

- a) The cost of the Settlement Agreement will need to be met from existing budgets.
- b) The costs for the work to be undertaken by the new Treasurer have yet to be finally agreed.

5.3. ***Risk (including corporate and operational, health and safety and any impact on the continuity of service delivery)***

Managing the process professionally and sensitively has helped reduce the risk of long term damage to employee and industrial relations.

5.4. ***Staff, Service Users and Stakeholders (including the Equality Impact Assessment)***

The implications for the member of staff concerned are contained within this report. All other staff affected by the redundancy have been fully briefed on any changes arising.

5.5. ***Environmental***

None

5.6. ***Impact upon Our Plan Objectives***

Efficiency and provision of a value for money service.

6. **Background Papers**

Medium Term Financial Plan 2015 – 20 (CFA Report – 8th April 2015)

7. **Appendices**

None