

Report to: Cabinet

Date of Meeting 4 June 2025

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Exemption applied: None

Review date for release N/A



## **Executive Leadership Team structural review**

### **Report summary:**

The Executive Leadership team have been reviewing the current staffing structure to ensure that the authority is fit for purpose and has the capacity and resilience required both in terms of the ongoing plans for transformation and also ensuring the authority is a fit for purpose organisation that is able to appropriately respond to the Government's proposals in relation to devolution and local government reorganisation ("LGR").

The structural requirements outlined in this report should come as no surprise to members as both the Chief Executive and the 2025/26 budget report have already highlighted the fact that we have a gap in staff resources in terms of capacity and skills in some key areas. A new structure has been developed to address this including the introduction of additional posts, this is under the premise that any associated costs will be met within the overall approved establishment budget of the Council. To be achieved mainly by not replacing vacant posts which are off a less priority at the current time than the new posts identified.

In considering where we are on the transformation journey and the implications of the short timescale related to LGR, coupled with a need to prepare and ensure key projects and objectives are delivered there is an immediate need for additional resources over the next two/three years. As this is immediate, and only temporary funding required, a request is being made for an additional budget of £338k to be met from the Transformation Fund.

Finally, as part of the structural review, the out of hours arrangements for the authority have been enhanced, the report addresses funding proposals arising from the changes required to the out of hours arrangements.

### **Is the proposed decision in accordance with:**

Budget Yes ☐ No ☒

Policy Framework Yes ☒ No ☐

### **Recommendation:**

1. That Cabinet note and endorse the proposed structure at Appendix B.
2. That Cabinet recommend to Full Council approval of a £338k budget to be met from the Transformation Fund to support temporary funding requirements as detailed in the report.
3. That Cabinet recommend to Full Council approval of a budget of £75K due to proposed changes to out of hours arrangements.

### **Reason for recommendation:**

It is essential that the Council has the necessary resources to continue the authority's transformation journey, to meet the demands of devolution and the local Government reorganisation agendas whilst ensuring that we have the capacity and resilience to provide quality services to our residents.

Portfolio(s) (check which apply):

- ☐ Assets and Economy
- ☐ Communications and Democracy
- ☒ Council, Corporate and External Engagement
- ☐ Culture, Leisure, Sport and Tourism
- ☐ Environment - Nature and Climate
- ☐ Environment - Operational
- ☐ Finance
- ☐ Place, Infrastructure and Strategic Planning
- ☐ Sustainable Homes and Communities

**Equalities impact** Medium Impact

[Equalities Impact Assessment](#)

**Climate change** Low Impact

**Risk:** Medium Risk; Without the right structure in place there is increased risk to the authority. The proposals in this report address the concerns regarding the current structure of the organisation and therefore mitigates those risks and helps to ensure there are sufficient resources in place to deal with the priorities moving forward.

**Links to background information** None

**Link to** [Council Plan](#)

Priorities (check which apply)

- ☒ A supported and engaged community
- ☒ Carbon neutrality and ecological recovery
- ☒ Resilient economy that supports local business
- ☒ Financially secure and improving quality of services

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## Report in full

### 1. Background

1.1 The Executive Leadership have been reviewing the current structure of the organisation to ensure there are sufficient resources and that the authority is fit for purpose, has the capacity and resilience required both in terms of the ongoing plans for transformation and also ensuring the authority is a fit for purpose organisation that is able to appropriately respond to the Government's proposals in relation to devolution and local government reorganisation ("LGR"). The proposals in this report have been developed to ensure the authority is as efficient and effective as possible, has appropriate capacity across roles and is fit for purpose. It is also about enabling the authority to ensure that all staff are in the best possible position when transferring to the new unitary(ies) and that East Devon District Council is able to continue to play a lead role, to ensure that our communities are at the very heart of any proposals.

1.2 As Members will be aware, significant improvements has already been made on the transformation journey, in key areas including: -

- a. Entirely restructuring and reviewing the housing service and taking steps towards ensuring the HRA business plan is sustainable moving forward.
- b. Introduction of improved governance throughout the organisation.
- c. A review of the leisure function and work to ensure that leisure services are sustainable moving forward.
- d. Significant improvements to the management and transparency of CIL and S106 planning functions.
- e. Strengthening oversight of the information governance arrangements.
- f. The purchase of a new corporate performance and risk system to ensure greater oversight of the performance and monitoring arrangements.
- g. An officer and member workshop reviewing the service delivery models for recycling and waste.
- h. The delivery vehicle work for the second new community.
- i. The creation of an Executive Leadership team to ensure oversight and support across the organisation.

## **2. Current Structure**

2.1 Attached at Appendix A is a copy of the current management structure. The creation of the Executive Leadership has highlighted gaps in corporate oversight and a need for structural changes. The current structure has significant gaps in the third tier which results in some Directors being drawn into operational matters on an almost daily basis. Projects do not have sufficient corporate oversight, and not all service areas have the right skills or resources in place to maximise income generation. There are also areas where sufficient resilience is not in place and there needs to be more of a focus on income generation, ensuring the Council is in the best possible position to face the financial challenges coming over the next few years.

## **3. Proposed Structure**

3.1 Attached at Appendix B is the proposed new structure, which sees the introduction of:-

- (a) A new corporate programme and strategies role to ensure that we have robust arrangements in relation for the overall management and monitoring of our key corporate projects, programmes and strategies.
- (b) The combining of our performance and people functions under one senior role and a structure that will ensure improved resource in relation to the management of our corporate performance, monitoring and digital inclusion whilst embedding the delivery of the new people strategy.
- (c) The combining of our communications/marketing /events and cultural functions under one senior role to ensure that we are maximising income generation in these areas and that, wherever possible, those services are at least, cost neutral, or at best, generating income for the council.
- (d) Corporate Leads or Assistant Directors (rather than service managers) reporting into Directors to ensure that there is sufficient management capacity at the third tier. This will strengthen the ability of Directors to operate at the strategic level, overseeing the authority transformation journey and focus on planning for the challenges ahead.
- (e) Ensures that we have sufficient resources in all the right areas, appropriate structures and do not have single points of failure.

- (f) Fills gaps in service provision e.g. the lack of a contracts and procurement lawyer to review the significant numbers of contracts that the Council enter into.

3.2 The costs associated with these permanent structure changes will be met within the overall approved establishment budget, in the main met from not filling non-essential vacant posts. As an indication the additional net costs of these changes are in the order of between £152k and £196k depending on the precise grade of any new appointments. As an indication of scale this is equivalent to the non-replacement of between 2.9 FTE to 3.7 FTE posts on a mid-range point salary grade 4.

3.3 In addition to these structure changes, one-off costs are expected in the following areas:

- a. An additional HR Business Partner to support staff and management through the transformation journey and with the many implications leading up to reorganisation.
- b. Additional delivery/project management capacity to be able to move forward key projects to strict timelines. This will include key placemaking and regeneration projects so that they can be progressed in advance of changes to local government structures alongside wider strategic reviews and projects, such as preparation for the second new community and also, to provide clarity and certainty around potential asset devolution, working with Parish and Town Councils.
- c. There will be a need to consider public consultation and engagement, support in delivering business plan proposals to Government, project and team capacity to help design proposed authority structure and service delivery models and the possibility for staff backfill arrangements to free up some staff to work on new proposals.

3.4 In total a proposed budget approval is requested of £338k to be met from the Transformation Fund. Government have indicated there will be funding made available to Councils to help them with some of the aspects listed above, but no allocations or methodology of allocation has been published as yet. Any funding received will be utilised to reduce the sum drawn from the transformation fund.

3.5 More widely, we are expecting confirmation of the multi-year financial settlement from national government, part of the wider Comprehensive Spending Review. This will provide certainty for the next three-year period which aligns with expected LGR timeframes. Whilst the detail of the settlement is not yet known, including potential transitional arrangements, the impact of the business rate reset is likely to be significant. Further work will be progressed in line with the Financial Sustainability Model to determine how a balanced budget can be set over this period.

## **4. Out of Hours Arrangements**

4.1 As part of the 2022 Reward Review it was identified that there was a need to also review the Council's standby and call out arrangements (known as Out of Hours (OOH)), due to varying payment rates and application. A subsequent audit in 2023 recommended a review of policy and rates and that schemes should be kept under periodic review, to include regular reporting of costs.

4.2 It is proposed the new standby rate at East Devon District Council be in line with the NJC rate of £33.63 per session, representing a payment of £235.41 for someone covering a week (Monday-Friday) for all staff except members of the Senior Leadership Team, who will not be eligible to claim (this will be subject to consultation and negotiation with Unison, as detailed below). This will represent an increase in rate for the majority of services currently in receipt of

an out of hours payment. In addition, as part of this work we have established the need for other teams to operate out of hour standby arrangements. Given this there will be increased cost associated with this allowance. Based on one person being on standby from each identified service, 365 days a year the additional cost is anticipated to be in the region of £75,000.

4.3 We are also looking to clarify what can be claimed when called out while on standby. Staff will be eligible to claim overtime in increments of 15 minutes, regardless of weekly contracted hours. Cost associated with this are difficult to predict as call out rates are unpredictable. Costs for 2024/25 were £21K, however four additional teams will be undertaking standby in 2025/26 so costs are likely to increase but not materially. This will be monitored carefully and considered when setting the 2025/26 budget.

4.4 We are currently going through a process of engagement and consultation with our recognised Trade Union, Unison and discussing with relevant staff.

4.5 It is essential we have a consistent and fair allowance scheme in place for staff covering essential out of hours services and these proposals will enable that to be put in place. This will also ensure that we have appropriate resilience and improved out of hours cover.

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### **Financial implications:**

The details are laid out in the report. There is request for a budget of £338k to be met from the Transformation Fund to meet costs identified in 5.1 of the report. There is a possibility that part of these costs could be met from Government Funding, but details are unknown at this stage. There is also a request for a supplementary budget of £75k to meet OOH costs identified in section 6 of the report, this will be met from the General Fund Balance.

### **Legal implications:**

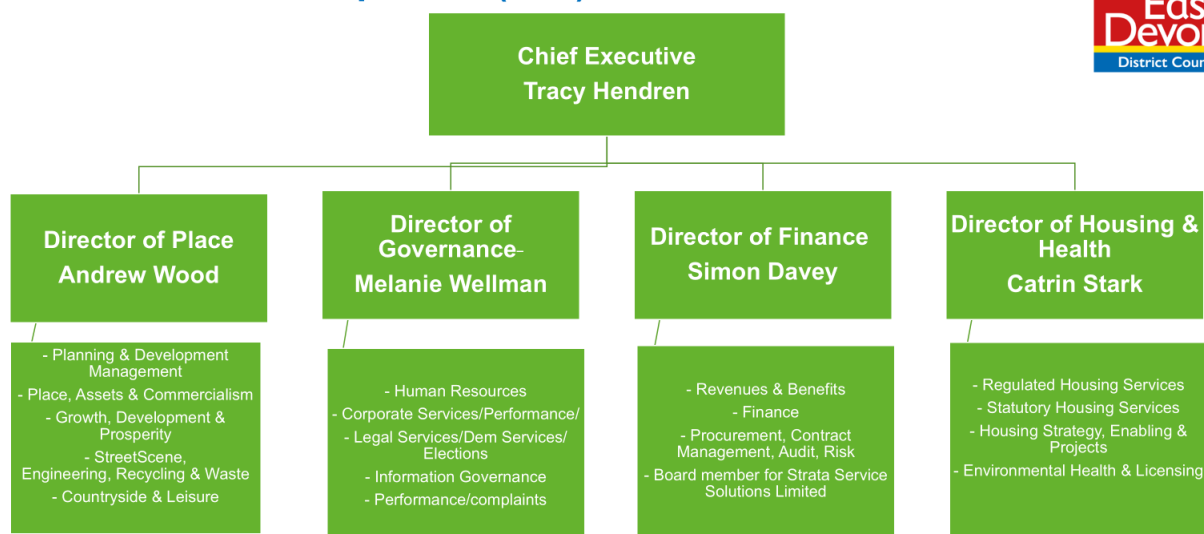
The proposals in this report will be introduced in accordance with relevant employment legislation

### **HR Implications:**

The proposals within this report have organisational wide HR implications. For each area employment legislation will be followed, alongside good employee relation practices to ensure open and transparent communication. Overall changes are positive to ensure a fit for purpose structure, that has capacity and resilience, as well as ensuring consistent and fair remuneration for staff.

## Appendix A Current Structure

### Executive Leadership Team (ELT) Structure November 2024

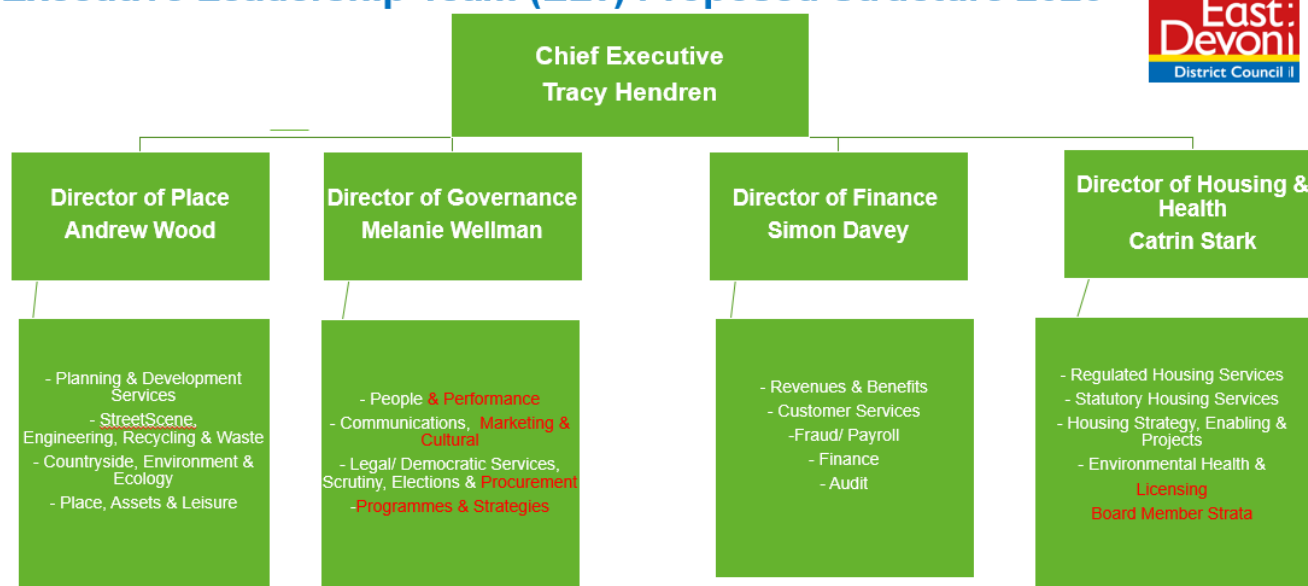


*The Chief Executive is the Council's statutory Head of Paid Service*

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## Appendix B Proposed Structure

### Executive Leadership Team (ELT) Proposed Structure 2025



*The Chief Executive is the Council's statutory Head of Paid Service  
Corporate Leads for Human Resources & Communications & Marketing are also members of ELT.*

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