

Guildford Borough Council

Report to: Executive

Date: 9 January 2025

Ward(s) affected: 'All'

Report of Strategic Director of Finance & Resources

Report Author: Susan Sale, Strategic Director of Democracy, Law and People

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Lead Executive Member: Cllr Richard Lucas

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Status: Open

Key decision: Yes

Finance and Resources Directorate: Joint Assistant Director Of Finance

01 Executive Summary

- 1.0 Following changes in organisational structure, additional senior management capacity is needed within the Finance function to ensure that statutory responsibilities are met.
- 1.1 To enable the closer alignment of working practices between the two councils, it is proposed that a Joint Assistant Director of Finance post is created. This post will also be responsible for leading the restructure of the two finance functions with a view to increased resilience, collaboration and the potential for future shared services.

2.0 Recommendation to Executive

That the Executive resolves to:

- 2.1 Approve the creation of a permanent new role of Joint Assistant Director of Finance effective from 20 January 2025;
- 2.2 Delegate authority to the Strategic Director Finance & Resources to make any changes to the role, following the outcome of consultation with staff and the Union;

- 2.3 Agree that the post of Joint Assistant Director of Finance will be a shared post with Waverley Borough Council which will be governed by the existing principles of the Inter-Authority Agreement.

3.0 Reasons for Recommendations

- 3.1 To respond to the unsustainable gap created at the Assistant Director level arising from the restructure of the former Executive Head of Finance to the Strategic Director.
- 3.2 To ensure there is sufficient capacity to achieve successful implementation of the Guildford Borough Council improvement plan.
- 3.3 To deliver the capacity and capability to enable timely, effective, transparent and consistent decision making at all levels of both organisations, including at the most senior leadership levels.
- 3.4 To deliver the capacity and capability needed to embed successes in ongoing collaboration efforts and enhance the pace of future collaboration, transition to shared services and continuous improvement in service delivery and realisation of cashable and non-cashable savings.
- 3.5 To lead the restructure of the Finance Services which will reduce dependency on expensive interim staff, drive alignment of the systems, policies and procedures of the two functions and implement succession planning and career development opportunities and provide resilience for the two functions.

4.0 Status of Report

This report is not restricted.

5.0 Strategic Priorities

The Finance function underpins the Council's strategic framework and delivery of the Corporate Strategy. It provides a leading role in delivering the Corporate Priority of being a Resilient and Well-Managed Council.

6.0 Background

- 6.1 Changes were made to the staff structure at Chief Officer level in March 2024, which made the previous Joint Executive Head of Finance, the Joint Strategic Director of Finance.

- 6.2 Whilst this strengthened the Corporate Leadership Team (CLB) and ensured that the finance functions are represented at the most senior level, it also created a gap at the Assistant Director level.
- 6.3 The role of Joint Strategic Director of Finance was also widened in June 2024, with the Assistant Director of Commercial Services and Assistant Director of Assets and Property becoming part of the Finance and Resources Directorate. It is clear now that additional management capacity is required within Finance to support the Joint Strategic Director.
- 6.4 The Finance Service at Guildford has been key in developing and implementing the Financial Recovery Plan for the Council over the past 18 months. It is however clear that significant further work is required to finish the work which has commenced and to embed the changes made.
- 6.5 Many of the outstanding issues have now been captured within the Council's Improvement Plan, to be delivered over the next 2 years. Sufficient resource is required to ensure the improvement work can be achieved in order ensure good governance and compliance with the Council's statutory duties relating to best value.
- 6.6 At present the two Councils have Finance Functions which are performing well but are operating in very different ways. The Guildford team is also heavily dependent on expensive interim staff who were brought in to assist the Financial Recovery work.
- 6.7 Capacity is required to lead the restructure of the Finance Services. This will remove the reliance on interim support, drive alignment of the systems, policies and procedures of the two functions and implement succession planning and career development opportunities and provide resilience for the two functions. This will then allow for future consideration of how the Finance Functions could work in a more Collaborative way, with the possibility of shared services where appropriate.
- 6.8 The proposed first stage is to create a new post of Joint Assistant Director of Finance to work across both Councils. This will not only provide the extra capacity required to support the Strategic Director but also to lead the work on the restructuring of both teams.

7.0 Options

- 7.1 Three options were considered:

- Option 1 – Do nothing.
 - Option 2 – Create Assistant Director posts for each Council
 - Option 3 – Create a Joint Assistant Director post
- 7.2 Option 1 has been discounted as it would not provide the required capacity to ensure that statutory responsibilities are met, nor the specialist knowledge at a senior level.
- 7.3 Option 2 would create additional capacity but would not align with the rest of the Joint Management Team and would not create the environment for more collaboration between the two Councils. There would also be additional costs for this option.
- 7.4 Option 3 would provide the capacity needed by the Council, and expertise at a senior level, as well as supporting the collaboration work.

8.0 Consultation

- 8.1 Consultation will need to be undertaken with affected staff and the Union, as to the creation of this new post of Joint Assistant Director of Finance. The Executive is requested to delegate any changes in the role as a result of consultation feedback to the Strategic Director Finance & Resources.
- 8.2 The proposal to create a new Joint Assistant Director of Finance has been subject to consultation with the Corporate Leadership Board and the relevant Portfolio Holder.

9.0 Key Risks

That the current senior capacity within the Finance function is insufficient to ensure robust governance and continuous improvement in line with the Council's best value duty.

10.0 Legal and Governance Implications

- 10.1 Section 112 Local Government Act 1972 provides a power to appoint staff on such terms and conditions as appropriate.
- 10.2 Section 113 Local Government Act 1972 provides a power for a Local Authority to enter into an agreement with another Local Authority to place staff at their disposal for the purposes of their functions.

- 10.3 This proposal relates to a new joint leadership post where the postholder will provide a service to both Guildford and Waverley Borough Councils. The Inter-Authority Agreement (Schedule 2, S3.3) provides that the Executive of both Councils will agree the provision of any new joint posts in excess of 12 months in term.
- 10.4 Under the Inter-Authority Agreement, the default position is that new JLT posts will be employed by Waverley Borough Council, and the costs will be shared 50:50 between the Councils.
- 10.5 In accordance with section 2(8) Local Government and Housing Act 1989 the post will be a Deputy Chief Officer by virtue of being a direct report of a Chief Officer ie the Strategic Director of Democracy of Finance & Resources.
- 10.6 In accordance with the Guildford Borough Council Officer Employment Procure Rules which form part of the adopted Constitution, the recruitment of this post, as a Deputy Chief Officer, is within the remit of the Head of Paid Service rather than the Joint Senior Staff Committee.
- 10.7 In accordance with the Local Authorities (Standing Orders) (England) Regulations 2001 and the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015, an offer of appointment to the Joint Assistant Director of People cannot be made until statutory consultation has been undertaken by the Proper Officer with every Executive member of the Council.

11.0 Financial Implications

- 11.1 The Joint Assistant Director for Finance would be appointed on the spot salary already in place for Joint Assistant Directors, and the cost of the post is approximately £123k. Costs would be shared equally between the two Councils; Guildford Borough Council would therefore be responsible for approximately £61.5K per annum.
- 11.2 Both Councils have vacant posts within their Finance functions which can be repurposed to fund the new post.

12.0 Human Resources Implications

The proposed new Joint Assistant Director of Finance would be created, recruited and appointed in accordance with the Council's policies and the Officer Employment Procedure Rules and all statutory

requirements, and will be included as a post within the Inter-Authority Agreement.

13.0 Equality and Diversity Implications

Equality and Diversity Implications have been taken into account in the in the Council's current recruitment procedures.

14.0 Climate Change and Sustainability Implications

There are no direct climate change or sustainability implications.

15.0 Background Papers

15.0 Guildford Borough Council's Constitution

15.1 Inter-Authority Agreement dated 24 October 2024

Report clearance progress:

Finance	Richard Bates	3 Dec 24
Legal	Susan Sale	3 Dec 24
Human Resources	Robin Taylor	3 Dec 24
Strategic Director	Richard Bates	3 Dec 24

Consultation

Portfolio Holder	Cllr Lucas	3 Dec 24
CLB		3 Dec 24
Executive		Executive Briefing Meeting 18 Dec 24