

DRAFT SAVINGS PROPOSAL

London Borough of Tower Hamlets
Medium Term Financial Strategy 2021-24

Proposal Title:	Review of Senior Leadership Team (SLT)		
Reference:	SAV / ALL 003 / 21-22	Savings Type:	Service transformation
Directorate:	Cross-Directorate	Savings Service Area:	Central services
Directorate Service:	Cross-Directorate	Strategic Priority Outcome:	11. The Council continuously seeks innovation and strives for excellence to embed a culture of sustainable improvement
Lead Officer and Post:	Will Tuckley, Chief Executive Officer	Lead Member and Portfolio:	Mayor John Biggs, Executive Mayor

Financial Impact: (£000's)	Current Budget 2020-21	Savings/Income 2021-22	Savings/Income 2022-23	Savings/Income 2023-24	Total Savings/Income
	4,060	(330)	(110)	-	(440)

Staffing Impact (if applicable): FTE or state N/A	Current 2020-21	FTE Reductions 2021-22	FTE Reductions 2022-23	FTE Reductions 2023-24	Total FTE Reductions
	26	(3)	-	-	(3)

Proposal Summary:

The previous organisational review (2016) reduced the number of directorates and roles at a senior level. The Directorate composition was amended, with fewer, wider remits. The structure reflected the direction of travel set out in the target operating model, with some centralisation of core functions and greater clarity around the responsibility of directorates in relation to service delivery, support services and maintaining democracy. Covid-19 has brought financial challenges to the Council and has accelerated much change for the better and we can capitalise on this to improve how we operate and run our Council.

This savings proposal reviews the Senior Leadership Team (SLT) structure and merges Resource and Governance directorates into a single directorate, Resources & Governance. As part of the review, there will be a reduction of Divisional Director roles through opportunity and redesign of functions and merging of service areas. There will be a reduction of Corporate Directors through merger and redistribution of some services.

Current Costs:

- CEO/CLT x 6 FTE = £1.24m
- DD's x 20 FTE = £2.82m
- *Total = £4.06m*

Future Costs:

- CEO/CLT x 5 FTE = £1.05m
- DD's x 17 FTE = £2.40m
- CFO x 1 FTE = £0.166m
- *Total = £3.62m*

Savings to be realised = £0.440m

Risk and Mitigations:

- Statutory functions need to be appropriately designated
- Spans of control leading to overburden in roles need to be considered
- Maintaining equitable number of reports into senior roles

Resources and Implementation:

The restructure will be carried out in line with the Council's organisational change policies.

SAVINGS PROPOSAL – BUDGET EQUALITY ANALYSIS SCREENING TOOL

Trigger Questions	Yes / No	If Yes – please provide a brief summary of how this impacts on each protected characteristic as identified in the Equalities Act 2010. This will need to be expanded in a full Equality Analysis at full Business Case stage.
Does the change reduce resources available to address inequality?	No	
Does the change reduce resources available to support vulnerable residents?	No	
Does the change involve direct impact on front line services?	No	
Changes to a Service		
Does the change alter who is eligible for the service?	No	
Does the change alter access to the service?	No	
Changes to Staffing		
Does the change involve a reduction in staff?	Yes	Reduction in 3 FTE.
Does the change involve a redesign of the roles of staff?	Yes	Merging of directorates and services will redesign the roles of staff.

Summary:

To be completed at the end of completing the Screening Tool.

Based on the Screening Tool, will a full EA will be required?

Yes

Additional Information and Comments:

The restructure will be carried out in line with the Council's organisational change policies.