



**WATFORD
BOROUGH
COUNCIL**

CABINET

5 February 2024

7.00 pm

**Rooms 201/202, Annexe, Town Hall,
Watford**

Contact

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Publication date: 26 January 2024

Updated: 31 January 2024

Cabinet Membership

Mayor	P Taylor	(Chair)
Councillor	A Dychton	(Deputy Mayor)
Councillors	J Pattinson, K Rodrigues, G Saffery, I Stotesbury, M Watkin and T Williams	

Agenda

Part A – Open to the Public

1. **Apologies for absence**
2. **Disclosure of interests (if any)**
3. **Minutes of previous meeting**

The [minutes](#) of the meeting held on 15 January 2024 to be submitted and signed.

4. **Conduct of meeting**

The Cabinet may wish to consider whether there are any items on which there is general agreement which could be considered now, to enable discussion to focus on those items where the Cabinet sees a need for further debate.

5. **Breakspeare School CIL bid (Pages 4 - 10)**

Report of the Planning Strategy and Infrastructure Lead

6. **MTFS - Review and redesign of the senior management structure (Pages 11 - 26)**

Report of the Chief Executive

7. Long Lease Disposal of Ashington's Car Park, Lady's Close (Pages 27 - 33)

Report of the Associate Director of Property and Asset Management

The appendix is considered exempt in accordance with Paragraph 3, Part 1 Schedule 12A as it contains commercially sensitive information.

8. Exclusion of press & public

The Chair to move: that, under Section 100A (4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during consideration of the item there would be disclosure to them of exempt information as defined in Section 100(1) of the Act for the reasons stated below in terms of Schedule 12A.

Note: if approved, the Chair will ask members of the press and public to leave the meeting at this point.

9. LABV Watford Riverwell Business Plan 2023-2025 (Pages 34 - 62)

Report of the Associate Director of Property and Asset Management

The report and appendix are considered exempt in accordance with Paragraph 3, Part 1 Schedule 12A as they contain commercially sensitive information.

Agenda Item 5

Report to: *Cabinet*

Date of meeting: *5 February 2024*

Report author: *Ellen Higginson, Planning Strategy and Infrastructure Lead*

Report sponsor: *Ben Martin, Associate Director for Planning, Infrastructure and Economy*

Portfolio holder: *Mayor Peter Taylor*

Report title: *Breakspeare School Community Infrastructure Levy (CIL) funding bid*

1.0 Executive Summary

1.1 This report considers the request from Hertfordshire County Council that Watford Borough Council (WBC) allocate £769,058 of strategic CIL funding towards the relocation and expansion of Breakspeare School. It details the benefits of the project for Watford pupils and how the total bid amount has been reached.

2.0 Recommendations

2.1 That Cabinet approve the request from Hertfordshire County Council (HCC) to allocate £769,058 of Watford Borough Council Community Infrastructure Levy funding towards the relocation and expansion of Breakspeare School.

3.0 Contact Officer:

For further info contact: Ellen Higginson, Planning Strategy and Infrastructure Lead Email: Ellen.Higginson@watford.gov.uk

Reviewed and signed off by: Ben Martin, AD Planning, Infrastructure and Economy

4.0 Detailed proposal

Summary of project proposal

4.1 The project proposed is for the permanent enlargement of Breakspeare School, Gallows Hill Lane, Abbots Langley, WD5 0BU from 97 to 210 places, and the relocation of the school to the former Durrants School Playing Field, Manor Way, Croxley Green, WD3 3LU. Breakspeare School is a community special school for children aged 2 to 19 years with severe learning difficulties (SLD).

Strategic Case

- 4.2 All Hertfordshire special schools are at capacity and demand for places continues to rise. Demand for special school places is forecast to rise by 364 places between January 2020 and January 2025. New capacity must be built into the system, to ensure that Hertfordshire can continue to meet local need.
- 4.3 The Breakspeare relocation and enlargement will play a major part in meeting this increased demand, providing the new places required to meet forecast demand from the west of the county. HCC are also developing proposals to provide a further 100 places in the east of the county.
- 4.4 As SEND schools cover a large catchment area, HCC has submitted a bid for CIL funding to each of the four CIL authorities in South-west Hertfordshire (SW Herts) whose growth has added, and will continue to add to, the demand for SLD school places in the west of the county.
- 4.5 The methodology used for calculating CIL contributions ensures that CIL bids are proportionate to the level of demand for SEND places generated by development that has occurred in each of the four CIL authorities. This is based on growth data, obtained from SMART Herts, since April 2015 when CIL was introduced.
- 4.6 The CIL contribution has been calculated using the same methodology for calculating S106 contributions for individual applications in non-CIL charging authority areas and is documented in the Guide to Developer Infrastructure Contributions. This is an approved methodology that was developed in consultation with the 10 Hertfordshire district/borough councils, using the Hertfordshire Demographic Model (HDM).
- 4.7 The HDM applies a flat rate contribution for houses and flats for SEND education. The flat rate was multiplied by the number of houses and flats delivered in Watford since April 2015, which then gave the total proportionate SEND contribution sought.
- 4.8 The current Breakspeare School is at full capacity and there is no further expansion potential on the site or at the other SLD schools in the south west of the county (Watling View in St Albans and Woodfield in Hemel Hempstead).
- 4.9 Breakspeare School has been chosen for enlargement as it is currently the county's SLD school with the most unmet demand for places. This means

there are children with severe learning difficulties who live in Watford who cannot access the type of education they require within the county. As the increase in demand for SLD places is a national trend, a shortage of out-of-county places will result in Hertfordshire residents being unable to access any suitable school place at all to meet children's needs. The relocation and enlargement of Breakspeare School will provide an additional 113 SLD places in the west of the county to help meet this demand.

- 4.10 Being able to place children in a Hertfordshire school, rather than an out-of-county school, significantly reduces the burden on the High Needs Revenue budget, meaning that the budget can be used to improve the offer for all children with SEND. Additional Hertfordshire facilities also has the added benefit of local employment of staff as opposed to sending children to out-of-county schools.
- 4.11 The project will provide purpose-built SEND accommodation, built to Net Zero Carbon in Operation (NZCiO) standard and designed to meet the needs of the pupils. The new building will also be constructed while Breakspeare School is in operation, with no impact to the children while construction is taking place. A larger school can provide a broader offer for children, in much improved accommodation and enhanced opportunities for staff development. It can also manage fluctuations in pupil number more easily than a smaller school.

Meeting Watford's need

- 4.12 There is no SLD school within Watford. Breakspeare, in its current location, is the closest SLD school for Watford residents. 51 children residing in Watford attend Breakspeare school, with Watford having the largest proportion of pupils on roll. 12 Watford residents attend Woodfield and 4 attend Watling View. These other two SLD schools in SW Herts are full and have already been expanded in recent years, with no more expansion potential. Therefore, any additional demand from further growth will be catered for by the new Breakspeare school and the relocation will move the school closer to Watford.

Funding

- 4.13 All Hertfordshire special schools are at capacity as a result of recent growth and demand for places will continue to rise due to the level of growth occurring and planned across the county. As SEND schools cover a large catchment area, HCC has submitted a request for CIL funding to each of the four CIL authorities in SW Herts.

4.14 The methodology for the requested CIL contribution for each Local Planning Authority is set out in Appendix A of this report.

4.15 The total CIL funding sought from WBC is £769,058.

4.16 Additional funding to secure the bid as follows:

Confirmed Funding:

- £3,818,000 - Department for Education grant funding.
- £1,000,000 - Contribution from HCC School Repairs & Maintenance budget.
- £901,574 - CIL contribution from Three Rivers District Council
- £758,139.80 - Collected S106 contributions held by HCC including £61,491.78 S106 contributions collected for education in Watford Borough Council.
- Up to £17.9m - HCC Capital Borrowing included in the HCC Integrated Plan (Feb 2021) to cover the unmet cost.

Other Funding:

- £1,475,702 - CIL contribution from Hertsmere Borough Council (approval from Community Infrastructure Levy and Investment Panel to recommend to Executive to approve the bid. Executive decision expected February 2024)
- £2,666,194 - CIL contribution from Dacorum Borough Council (awaiting Infrastructure Advisory Group recommendation for Cabinet approval following recent presentation)
- £2,000,000 - Estimated future S106 obligations from developments in St Albans City and District Council.

5.0 Implications

5.1 Financial

5.1.1 The Chief Finance Officer comments that there is sufficient headroom within the CIL income received to date and held by the Council to facilitate the recommendations in this report.

5.2 Legal issues (Monitoring Officer)

5.2.1 The Community Infrastructure Levy is designed to assist with the development of infrastructure such as schools needed as a result of development. It is permissible to use the levy for infrastructure out of Borough if it supports development in Watford.

6.0 Risks

Nature of risk	Consequence	Suggested control measure	Response (treat, tolerate, terminate, transfer)	Risk rating (combination of severity and likelihood)
CIL spend means that sufficient funds are not retained for other future projects.	Significant future projects (for example to support modal transport shift) are not able to be funded. This could lead to reputation damage with residents if infrastructure to support development cannot be provided.	Ensure that appropriate CIL balances are retained.	Treat	4
Project is not delivered by HCC.	The need for SEND provision is not met.	Ensure that an appropriate grant funding agreement is in place.	Treat	4

7.0 Equalities, Human Rights and Data Protection

7.1 Equalities

7.1.1 Having had regard to the council's obligations under s149, it is considered that spending CIL income to provide critical infrastructure will result in positive benefits for the community. Detailed equalities impact was undertaken at each stage of Local Plan preparation which, in part, led to recognition of the infrastructure required to support development.

7.2 Data Protection Impact Assessment

7.2.1 Having had regard to the council's obligations under the General Data Protection Regulation (GDPR) 2018, it is considered that officers are not required to undertake a Data Processing Impact Assessment (DPIA) for this report.

8.0 Sustainability

8.1 No sustainability implications are identified.

9.0 People Implications

9.1 No people implications are identified.

10.0 Community Safety/Crime and Disorder

10.1 No community safety implications are identified.

11.0 Property

11.1 No property implications are identified.

12.0 Next steps should recommendations be approved

12.1 A grant funding agreement will be drawn up with HCC to process the spend for delivery of the new school.

13.0 Background papers

13.1 No papers were used in the preparation of this report.

Appendix A: HCC SEND School CIL Bid Calculation Methodology

The requested CIL contribution for each LPA is based on the recently consulted and adopted Hertfordshire Demographic Model – which includes a recommended charge per unit for flats and houses – and the numbers of units completed in each LPA for the previous 5 financial years. This gives an approximate cost to mitigate the effect of recent growth on SEND education in the south west LPAs, which HCC is struggling to accommodate in its current SEND school portfolio.

Note that St Albans is not a CIL authority and therefore a CIL bid cannot be made, and therefore the calculations below are illustrative among the five south west LPAs only.

The steps taken to calculate the contribution are as follows:

1. Extract housing completions data from SMART for 01/04/15 to 22/09/21 by type, tenure, and bedroom number. This gives a breakdown of the number of units delivered on each application in each LPA.
2. Establish total completions of each type of dwelling for each LPA.

Row Labels	Bungalow	Cluster Flat	Flat, Apartment or Maisonette	House	Studio	Grand Total
Dacorum	71		2,156	1,707	59	3,993
Hertsmere	10		2,088	757	308	3,163
St Albans	47		1,830	1,164	143	3,184
Three Rivers	34	17	1,013	506	66	1,636
Watford	11		1,727	261	210	2,209
Grand Total	173	17	8,814	4,395	786	14,185

3. Total the numbers of each type of dwelling that are houses (bungalow and house) and flats (cluster flat, flat, apartment, or maisonette, and studio) for each LPA to give the number of houses and flats completed per LPA.

Row Labels	Houses	Flats
Dacorum	1,778	2,215
Hertsmere	767	2,396
St Albans	1,211	1,973
Three Rivers	540	1,079
Watford	272	1,937
Grand Total	4,568	9,600

4. Multiply the numbers of house completions in each LPA by the SEND cost per house established in the DCG and multiply the number of flat completions per LPA by the SEND cost per flat established in the DCG to give an indicative charge per LPA.

Row Labels	Money
Dacorum	£ 2,666,194
Hertsmere	£ 1,475,702
St Albans	£ 1,920,896
Three Rivers	£ 901,574
Watford	£ 769,058
Grand Total	£ 7,733,424

Report to: Cabinet

Date of meeting: 5 February 2024

Report author: Chief Executive

Title: Delivering a balanced Medium Term Financial Strategy
Review of senior management structure at Watford Borough Council

1.0 Overview

- 1.1 In response to the Council's budget challenges, this report sets out proposals for a new senior management structure for the Council.
- 1.2 The Council is facing significant financial pressures primarily driven by external pressures including, inflationary pressures in pay and contracts, and increasing demand for services. In addition, the Council has seen a 50% cut in real-term un-ringfenced grant funding over the last 10 years. These pressures have created a significant budget deficit in the Council's Medium Term Financial Strategy (MTFS). As a result, the Council is undertaking a programme of efficiency reviews and service redesigns, which will continue throughout the remainder of the MTFS. As part of this programme, a comprehensive review of senior management functions driven by the need to meet our budget deficit has been undertaken. Budget efficiencies from this review will be used to meet the budget deficit in the MTFS.
- 1.3 In addition to the significant financial pressures facing the Council, it is going through times of unprecedented pressure and change. There are macro trends such as sustainability, an ageing population, inequality, increasing digitalisation, the levelling up/devolution agenda, health and care reform, increasing numbers of asylum seekers, the crisis in Ukraine and Gaza/Israel, and ever-changing community expectations for which councils must be prepared.
- 1.4 Local government has a key role to play in contributing to a response to these issues and the Council must ensure that it is, as far as possible, appropriately resourced to remain relevant to the community of Watford. Further, the role the Council has as a leader of place has never been so important; it is not enough simply to make decisions on Council services and oversee their effective delivery, the Council must also shape, convene and strategically lead other partners in Watford and beyond to secure the best outcomes for our community and address the unprecedented challenges the entire public and voluntary services system is facing. However, within the context of significant budget challenges and the erosion of the financial stability of local government, this is extremely challenging.
- 1.5 The restructuring proposals set out in this report will seek to deliver as best we can in the current environment against these global challenges, the changing policy landscape for local government, our role as leader of place as well our ambitious four-year Council Plan.

- 1.6 The proposed new organisational and reporting structure is for the second and third management tiers at the Council. It creates two substantive directorates, one headed by an Executive Director, the other by a Director, with each supported by three Associate Directors. The structure also assigns the role of Monitoring Officer as an additional duty to an existing member of the Corporate Management Team.
- 1.7 The proposed structure deletes the role of Executive Director of Corporate, Housing & Wellbeing Services (vacant), and two Executive Head roles introduced in 2022. The Council was unable to appoint a suitable candidate to the role of Executive Director of Corporate, Housing & Wellbeing Services and consequently two Executive Heads have been acting up to a Director level in the intervening period.
- 1.8 The proposed new structure also deletes the role of Group Head of Democracy & Governance (the postholder currently discharges the statutory role of Monitoring Officer).
- 1.9 Staff below these management tiers are not directly impacted by these proposed changes, although some may have a new line manager.
- 1.10 The roles of the Executive Head of Human Resources & Organisational Development and the Chief Finance Officer (Section 151 Officer) are not impacted by the proposed changes.
- 1.11 Consultation with Unison has been undertaken and there are no objections to these proposals; and advice from the Executive Head of Human Resources & Organisational Development has informed this report.

2. Risks

2.1

Nature of risk	Consequence	Suggested Control Measures	Response (treat, tolerate, terminate or transfer)	Risk Rating (combination of severity and likelihood)
The Council is unable to deliver effectively its statutory duties, Council Plan and Mayoral objectives	The Council suffers a loss of reputation	Reset KPIs, service standards and Delivery Plan 2024-2026. Redeploy capacity to provide additional business support	Treat	3x3=9
The Council does not provide adequate employee development and succession planning	Key staff will leave	The Council continues to provide opportunities for development and has protected the corporate training budget	Treat	3x3=9
The Council is unable to retain staff	The Council Plan and Delivery Plan may not be able to be delivered, putting a strain on senior officers left within the Council	Culture, remuneration packages and development opportunities remain under review	Treat	3x3=9
Consultation is not carried out as required by employment rules	The Council is challenged for breach of procedure or employment law requirements	Ensure proper consultation with trade unions and staff	Treat	2x4=8
Costs of implementation	Council finances become stretched impacting the MTFS and potentially	Exit arrangements have been agreed	Treat	2x3=6

exceed budget provision	requiring savings to be found elsewhere			
Affected staff make employment tribunal claims	Affects the Council's reputation as an employer and has financial consequences whether or not the employee is successful	Ensure compliance with all contractual obligations and complete necessary agreements	Treat	2x3=6

3. Recommendations

Cabinet is asked to:

1. Approve the deletion of the following roles:
 - Group Head of Democracy and Governance
 - Executive Director of Corporate, Housing & Wellbeing Services
 - Executive Head of Strategy & Initiatives (Partnerships & Community)
 - Executive Head of Strategy & Initiatives (Sustainability & Culture)
2. Approve the permanent establishment of the role of Director of Performance & Partnerships.
3. In regard to the Council's Monitoring Officer:
 - a. Agree the assignment of the statutory role of Monitoring Officer to the duties of an existing member of Corporate Management Team
 - b. Note that following an internal recruitment process, a recommendation to appoint a new Monitoring Officer will be made to Annual Council in May 2024.
4. Note the realignment of services following the deletion of the posts referenced at recommendation 1 above.
5. Approve the adoption of the new senior management structure as set out in Appendix 1.
6. Agree to delegate all related constitutional changes, including the scheme of delegation, to the Monitoring Officer.

Further information:

Donna Nolan
donna.nolan@watford.gov.uk
Tel: 01923 278185

4. Detailed proposal

4.1 Background

- 4.1.1 Watford Borough Council has always managed its council finances extremely well, by growing income streams and tax bases, building resilience through reserves, managing

demand, integrating services, moving to new delivery models, sharing and digitising services. As such, it has not previously been necessary to consider significantly reducing what the Council provides. However, the Council is not immune to the current financial crisis facing local government and must take steps to balance its budget over the period of the MTFs. To achieve this, the Council must reduce its cost base, and part of the drive to achieve this involves considering changes to the senior management structure.

4.1.2 The Council is required to serve its residents in the most cost effective and efficient way, delivering its duty of best value and responding appropriately to its external and internal context. That requires a continual reassessment of the manner in which its resources are organised. Within the context of the current budget deficit such an assessment has been undertaken.

4.1.3 Under the Local Government & Housing Act 1989, it is the responsibility of the Head of Paid Service (the Chief Executive) to prepare a report for the authority when considered appropriate setting out proposals as to the:

- manner in which the authority will co-ordinate their functions
- number and grades of staff required by the authority for the discharge of their functions
- organisation of the authority's staff
- appointment and proper management of the authority's staff.

4.1.4 Whilst a senior management review was carried out in early 2022, this was before the UK's fiscal outlook materially worsened in November 2022 significantly challenging the deliverability of the Council's MTFs. Given the impact of low growth, high inflation and the cost of living crisis on the Council, the current management team organisational designs and structures require re-assessment.

4.1.5 In viewing the following proposals, Cabinet will be aware that the Council is required to have a number of statutory officers:

- Head of Paid Service, currently held by the Chief Executive
- Monitoring Officer, currently held by the Group Head of Democracy and Governance
- Section 151 Officer, currently held by the Chief Finance Officer
- Returning Officer, currently held by the Chief Executive.

These are specific roles the Council must have. Whilst it is possible for officers within those posts to be shared with other authorities, the arrangement is different to that of a shared service in that for the purposes of performing their statutory roles they are formally seconded to the authority under s113 of the Local Government Act 1972. It should be noted that apart from the Monitoring Officer these roles are not impacted by the proposed restructure.

4.2 **Rationale for restructure and proposals**

4.2.1 The Chief Executive and Executive Head of Human Resources and Organisational Development have undertaken a comprehensive review of the senior management structure. The review included consideration of the:

- Challenging budget situation
- Alignment of the strategic leadership team with the structure, having regard to reporting lines and direct reports, including cost and efficiency
- Issues of strategic capacity and resilience, having regard to key council priorities
- Service and operational structures and alignment where issues need to be addressed
- Challenges of recruitment, retention and succession planning for the Council and local government more generally
- Competencies and behaviours the Council expects from its officer leaders and senior managers.

4.2.2 The review concluded that, if the Council continued to operate in the same way and with the current structure, it could not deliver a balanced budget. In addition, and with the context of organisational voluntary redundancy, not reviewing the management structure could have an adverse impact on staff morale and commitment, as well as the delivery of key front line services, as set out at paragraph 4.3.1.

4.2.3 The review also concluded that the authority must seek to retain the benefit of the work completed in 2022 which created a blueprint for building succession into the organisation and developing and retaining its future leaders, as well as setting a consistent foundation of behaviours (competencies) and values to recruitment and performance management across the second and third tiers of the organisation. This framework is delivering benefits and, as the recent LGA Corporate Peer Challenge recognised, the cultural change has led to standards being raised for the benefit of the local community.

4.2.4 The proposed changes were also assessed within the context of the wider agenda for local government, including the government's plans for greater devolution and Levelling Up. These require the Council to continue to prepare for greater partnership working locally, regionally and nationally. It is therefore critical that the Council retains senior leaders with well-developed strategic, critical and systems thinking skills and competencies who can work corporately to meet a range of complex and dynamic challenges.

4.3 **Restructure proposals**

4.3.1 Whilst the proposals will significantly diminish corporate capacity by reducing the Strategic Leadership Team from five posts to three, it is considered that an alternative strategy to achieve a comparable level of saving – equivalent to the deletion of approximately six Band 6 posts – would have a far greater detrimental impact on the delivery of services for the communities of Watford.

4.3.2 The proposed senior management structure seeks to retain an agile organisational arrangement with clear spans of control and oversight. With the introduction in 2023 of the new Service Delivery Leads, it is hoped that despite the significant reduction in corporate capacity there will remain sufficient capacity at a senior and middle management level to lead service improvement and drive change in the organisation. The

proposed structure also builds on the established model that the Council's resources are viewed as a whole with the senior management structure part of an inter-connected system linked to the Council's other staff and the Council's shared values.

4.3.3 The new Strategic Leadership Team will operate within two tiers:

Tier 1 The Chief Executive

Tier 2 Executive Director of Place
Director of Performance & Partnerships

The Council's Monitoring Officer, Executive Head of HR & OD (shared with Three Rivers District Council) and Chief Finance Officer/Section 151 Officer (seconded to Watford for 80% of her time) will report directly to the Chief Executive.

The role of Monitoring Officer will be internally advertised, with the proposal that it is added as an additional duty to an existing member of the Corporate Management Team. It is also proposed that the Monitoring Officer will appoint a legally qualified Deputy Monitoring Officer as part of a shared services arrangement. The Chief Finance Officer/Section 151 Officer will continue to report to the Director of Finance at Three Rivers District Council in accordance with shared service arrangements in relation to responsibilities for delivery of the shared finance service with Three Rivers (20% of role).

This approach will ensure that the Council remains fully compliant with its statutory duties, though the impact of not having a full time Monitoring Officer or a full time directly employed Chief Finance Officer/Section 151 will inevitably impact on the strategic leadership capacity of the Council in the ever changing and increasingly complex operating environment for local government.

4.3.4 The Corporate Management Team will incorporate the above officers plus a further tier of six senior officers, three reporting to the Executive Director of Place and three to the Director of Performance & Partnerships:

Tier 3 Associate Director of Property & Asset Management
Associate Director of Environment & Communities
Associate Director of Planning, Infrastructure & Economy

Associate Director of Customer & Corporate Services
Associate Director of ICT & Shared Services
Associate Director of Housing & Wellbeing

The role of Monitoring Officer will be internally advertised, with the proposal that it is added as an additional duty to an existing member of the Corporate Management Team. It is also proposed that the Monitoring Officer will appoint a legally qualified Deputy Monitoring Officer as part of a shared services arrangement.

4.3.5 Discussions have taken place with Corporate Management Team regarding the option of adding the statutory role of Monitoring Officer to the responsibilities of an existing team member. It is understood that there is interest in this opportunity. In view of this, and as it

is anticipated that no new appointments will be required, there is confidence that the Council's senior leaders will comprise strategic thinkers with the ability to take on cross-cutting corporate issues and to maintain collective responsibility for organisational challenges and opportunities, albeit with considerably reduced strategic capacity.

4.4 Financial costs/funding arrangements

4.4.1 The key and sole driver for the restructure is to contribute to savings required to manage the MTFs.

4.4.2 Annual savings from the reduction in the Corporate Management Team are around £257,000.

4.4.3 The salary ranges in respect of the Corporate Management Team are not changed as a result of these proposals and are unchanged since the review in 2022.

4.4.4 Following a market assessment undertaken by the Executive Head of HR & OD, it is recommended that an addition to salary of up to £6,000 per annum be awarded to the member of the Corporate Management Team confirmed by Full Council as Monitoring Officer. The addition to salary is to reflect the extra responsibility and accountability relating to the discharge of the statutory role of Monitoring Officer.

4.5 Implementation arrangements and effective dates

4.5.1 There are no new appointments and therefore the Local Authorities (Standing Orders) (England) Regulations 2001 (as amended) does not apply.

4.5.2 The Council is also required by sections 38-43 of the Localism Act 2011 to publish a Pay Policy Statement by the 31 March for the next financial year setting out the remuneration levels, all other payments, severance and retirement of Chief Officers and this must be approved by Full Council. The current pay policy statement approved by Council in March 2023 will need to be amended to reflect the proposed new structure and levels of remuneration indicated in this report and appendices. The new structures will form part of the next Pay Policy Statement.

4.5.3 The Council's Human Resources procedures have been applied and appropriate agreements reached with the Group Head of Democracy and Governance, and the Executive Head of Strategy & Initiatives (Partnerships & Community).

4.5.4 The realignment of services currently managed by the Executive Head of Strategy & Initiatives (Partnerships & Community) will take effect from 1 February 2024, and from that date the postholder will work with the Chief Executive on identified projects.

4.5.5 The realignment of services currently managed by the Group Head of Democracy and Governance, with the exception of elections, will also take effect between 1 February and 1 May.

4.5.6 The termination date of employment for both the Executive Head of Strategy & Initiatives (Partnerships & Community) and the Group Head of Democracy and Governance will be 31 May 2024.

4.5.7 There is no requirement for formal consultation with staff relating to the restructure. However, all of the Corporate Management Team have been engaged in the proposals and staff who will have new managers have been briefed and provided with the opportunity to discuss matters. In addition, Unison has been engaged throughout and has no objection to the position outlined in this report.

4.6 Appendices

4.6.1 The following appendices are attached to this report:

Appendix 1: New senior management structure

Appendix 2: Equality Impact Assessment

5. Implications

5.1 HR/OD

5.1.1 The Executive Head of HR & OD comments there is no requirement for formal consultation with staff relating to the restructure. The Corporate Management Team has been engaged in the proposals and staff who will have new managers have been briefed and provided with the opportunity to discuss matters. In addition, Unison has been engaged throughout and has no objection to the position outlined in this report.

5.2 Financial

5.2.1 The Chief Finance Officer comments that the savings delivered by the structure outlined make a significant contribution to the service redesign savings included within the budget for 2024/25.

5.3 Legal Issues (Monitoring Officer)

The Group Head of Democracy and Governance comments that as is stated in the report the Head of Paid Service has a legal obligation under the Local Government and Housing Act 1989 to report on the appropriate structure for the organisation. Cabinet has the delegated power to determine the structure of the Organisation (including approving restructuring) and the overall number of posts for exercising all Council functions. Also as stated in the report it is a legal requirement under section 5 of the 1989 to appoint a Monitoring Officer the obligations under section 5 are as set out in appendix 2.

5.4 Equalities, Human Rights and Data Protection

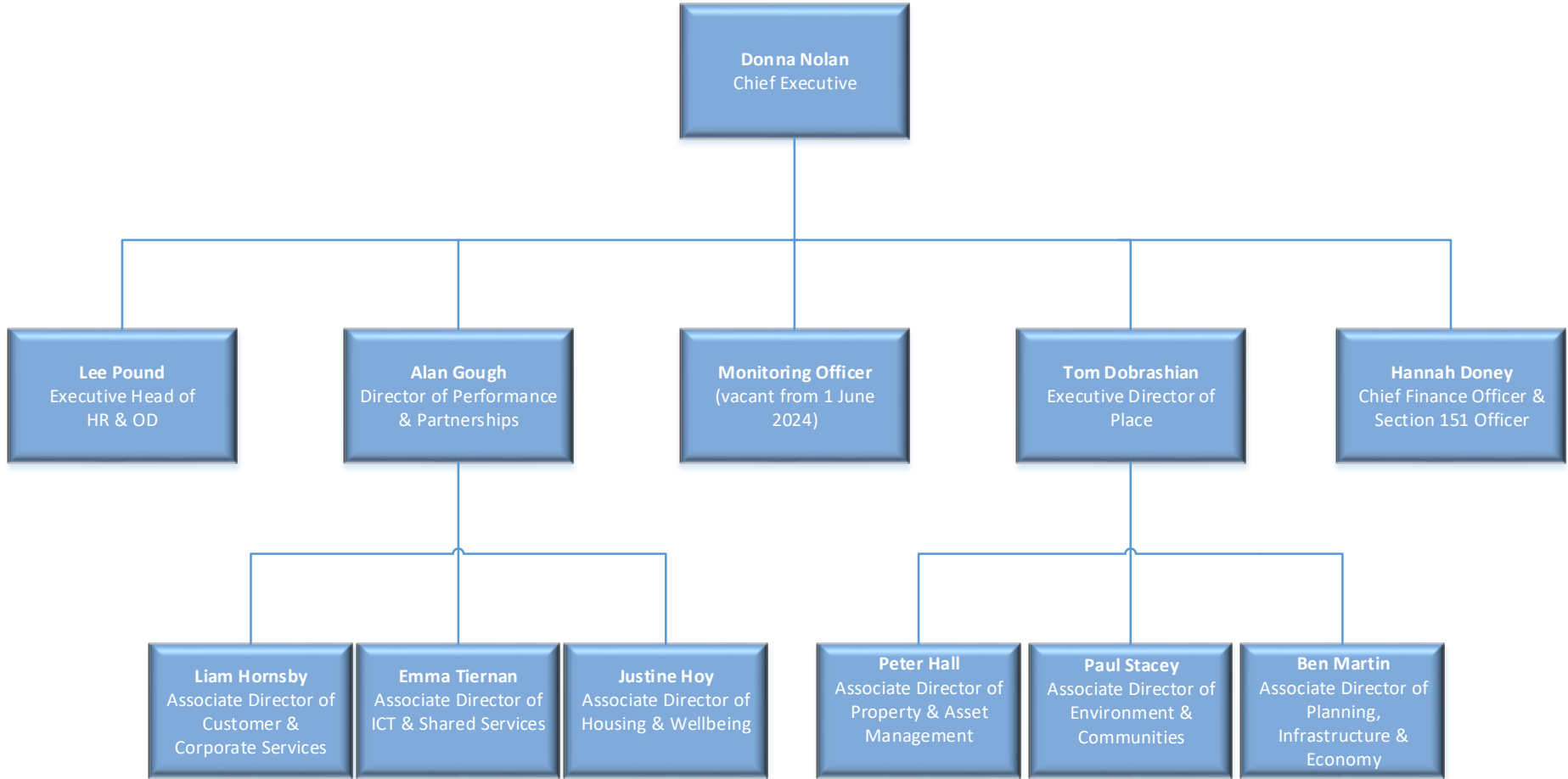
5.4.1 An equality impact analysis on the new structure has been undertaken and is attached as Appendix 2 to this report.

5.4.2 Having had regard to the Council's obligations under the General Data Protection Regulation (GDPR) 2018, it is considered that officers are not required to undertake a Data Processing Impact Assessment (DPIA) for this report.

Background papers

Medium Term Financial Strategy

SENIOR MANAGEMENT STRUCTURE



EQUALITY IMPACT ASSESSMENT

Senior Management Restructure

VERSION CONTROL

Date	Version	Author	Description of Changes
24.12.23	1	Donna Nolan	

WATFORD BOROUGH COUNCIL - EQUALITY IMPACT ASSESSMENT

Stage 1 – Description: Fact finding (about the policy / service)

Department	Corporate Services		Lead officer responsible for assessment		Donna Nolan	
Service	Senior Leadership Team		Other members of team undertaking assessment		Lee Pound	
Date	234/12/2023		Version 1			
Type of document (mark as appropriate)	Strategy	Plan	Function	Policy	Procedure	Service
Is this a new / existing / revision of an existing document (mark as appropriate)	New		Existing		Revision	
Title and subject of the impact assessment (include a brief description of the aims, outcomes, operational issues as appropriate and how it fits in with the wider aims of the organisation) Please attach a copy of the strategy / plan / function / policy / procedure / service	<p>The proposed Senior Management Restructure will realign the corporate management team in response to the Council's budget challenges.</p> <p>The final draft proposals include recommendations to delete the posts of Group Head of Democracy and Governance, Executive Director of Corporate, Housing and Wellbeing Services, Executive Head of Strategy & Initiatives (Partnerships & Community) and Executive Head of Strategy & Initiatives (Sustainability & Culture).</p> <p>Full details are included in the Cabinet report and appendices. An equality impact assessment is required to assess the impact of the proposed permanent changes to the posts within the senior management structure.</p>					
Who are the main stakeholders and have they been engaged with? (e.g. general public, employees, Councillors, partners, specific audiences, residents)	<p>Chief Executive, Cabinet, Full Council, Unison, the affected staff group in corporate management team.</p> <p>Informal consultation has taken place with affected staff, the Chief Executive, HR and OD, Unison and members of the opposition group.</p> <p>If the proposals are approved, formal and ongoing consultation will continue with these groups and individuals.</p>					

What consultation method(s) did you use?	An informal consultation period with the affected staff and the trade union has been ongoing since October 2023. This comprises group and individual consultation meetings with affected staff and with trade union representatives. As the postholders have agreed voluntary severance arrangements under Settlement Agreement no formal consultation is required, though the affected staff have the benefit of independent legal advice.
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Stage 2 - Initial Screening

<p>Who is affected and what evidence have you considered to arrive at this analysis? (This may or may not include the stakeholders listed above)</p>	<p>The posts of Group Head of Democracy and Governance, Executive Director of Corporate, Housing and Wellbeing Services, Executive Head of Strategy & Initiatives (Partnerships & Community) and Executive Head of Strategy & Initiatives (Sustainability & Culture).</p> <p>The Chief Executive and Executive Head of Human Resources & Organisational Development undertook a comprehensive review of the senior management structure.</p>
<p>Who is intended to benefit and how?</p>	<p>The proposals are intended to help the council manage its Medium Term Financial Strategy, but also with a view to succession building in the organisation and the development and retention of the council's future leaders.</p>
<p>Could there be a different impact or outcome for some groups?</p>	<p>No</p>
<p>Does it include making decisions based on individual characteristics, needs or circumstances?</p>	<p>No, as it affects the posts not the person.</p>
<p>Are relations between different groups or communities likely to be affected? (eg will it favour one particular group or deny opportunities for others?)</p>	<p>No, aspects of the roles will be redistributed within the remaining senior management structure. Full details are included in the Cabinet report and appendices.</p>
<p>Is there any specific targeted action to promote equality? Is there a history of unequal outcomes (do you have enough evidence to prove otherwise)?</p>	<p>No</p>

Is there an actual or potential negative impact on these specific characteristics? (Please tick)								
Age	Y	N	Marriage & civil partnership	Y	N	Religion & belief	Y	N
Disability	Y	N	Pregnancy & maternity	Y	N	Sex	Y	N
Gender reassignment	Y	N	Race	Y	N	Sexual orientation	Y	N
<p>What evidence do you have to support your findings? (quantitative and qualitative) Please provide additional information that you wish to include as appendices to this document, i.e., graphs, tables, charts</p> <p>As set out in the Cabinet paper and appendices.</p> <p>Following implementation of the new structure, some reporting lines may change for staff on levels below tiers 2 and 3.</p>							<p>Consultation/ involvement carried out</p>	
							Yes	No
Age	<i>Does this service provide any impact for different age groups? If so what is this?</i>							No
Disability	<i>Does this service provide any impact for disabilities? If so what is this?</i>							No
Gender reassignment	<i>Does this service provide any impact for those who have undergone gender reassignment? If so what is this?</i>							No
Marriage & civil partnership	<i>Does this service provide any impact for people who are married or have a civil partner?</i>							No
Pregnancy & maternity	<i>Does this service provide any impact for women who are pregnant or on maternity leave?</i>							No
Race	<i>Does this service provide any impact for people from a particular race? If so what is this?</i>							No
Religion & belief	<i>Does this service provide any impact for people from different faith groups? If so what is this?</i>							No
Sex	<i>Does this service provide any impact for men or women? If so what is this?</i>							No
Sexual orientation	<i>Does this service provide any impact for people who are gay, lesbian etc.? If so what is this?</i>							No

Proceed to full impact assessment? (Please tick)	Yes	No	Date 24 December 2023
Lead officer sign off	Donna Nolan	Date 24 December 20203	
Head of service sign off	Lee Pound	Date 2 January 2024	

If yes, proceed to Stage 3. If no, publish the initial screening as part of the suite of documents relating to this issue

Part A

Report to: Cabinet

Date of meeting: Monday, 5 February 2024

Report author: Associate Director of Property and Asset Management

Title: Long Lease Disposal of Ashington's Car Park, Lady's Close

1.0 Summary

- 1.1 The site (0.11 acres) comprises an unsurfaced car park situated on the southern side of the junction where Vicarage Road meets Exchange Road. It lies immediately to the north of the Sikh Community Centre (formerly Watford County Court House).
- 1.2 The site provides for up to 16 car parking spaces and was acquired by the council in 1996. The land was acquired under Section 32 of the Road Traffic Regulations Act 1984, which relates to the provision of off-street parking.
- 1.3 For over 20 years, the site has been leased out at a peppercorn rent on a series of short leases to the Trustees of the Gurdwara, but they have now secured the necessary funding in order to secure a long lease (250 years) and pay a premium that has been validated by external valuers as meeting our statutory duty to secure best consideration.
- 1.4 Whilst ordinarily the level of premium agreed is within the delegated authority limit of the Associate Director of Property & Asset Management, because the release of the site is for an alternative purpose (private parking), a Cabinet approval is required.

2.0 Risks

2.1

Nature of risk	Consequence	Suggested Control Measures	Response (treat, tolerate, terminate or transfer)	Risk Rating (combination of severity and likelihood)
The Trustees are unable to raise the funds	A long lease purchase can not be completed.	Evidence has been sought and provided that the funds are available for the purchase	Treat	4
The long lease interest is not granted before the existing lease expires	A new short term lease would need to be granted to allow	Terms have been agreed and solicitors instructed to initiate the drafting of the long lease documentation, subject to Cabinet approval	Treat	3

	continued occupation			
The condition of the car park worsens	The heritage impact on the adjacent Grade 11 building	There will be maintenance and repairing obligations imposed on the tenant which would not be possible under a freehold transfer	Treat	4
The tenant seeks an alternative use for the car park	The council has not secured best consideration as a result of such change of use	There will be appropriate user clauses within the lease restricting the use of the site to car parking purposes.	Treat	4

3.0 Recommendations

That Cabinet:

- 3.1 Confirms that the land is no longer required for the purposes for which it was acquired and is surplus to requirements.
- 3.2 Approves the disposal by way of the grant of a 250 year lease to the Trustees of Sri Guru Singh Sabha Watford on the terms outlined in the report.
- 3.3 Notes that the premium payable by the Trustees is in accordance with best consideration, as validated through an independent valuation.

Further information:

Peter Hall
peter.hall@watford.gov.uk Tel: 01923 278037

Report approved by: Tom Dobrashian; Executive Director of Place

4.0 Detailed proposal

- 4.1 The site provides 16 car parking spaces and was acquired by the Council in 1996. The land was acquired under Section 32 of the Road Traffic Regulations Act 1984, which relates to the provision of off street parking. Since 1997 the Council has supported the Sikh Community by leasing the land at a peppercorn on a succession of short term leases.
- 4.2 The Trustees of the Gurdwara originally approached the Council in 2019 to acquire the freehold of the car park. Options were considered by officers and reported to the Community Facilities Review Board in October 2020 and an agreed approach to dispose at value by way of a long lease with a restriction on use imposed was agreed.

- 4.3 The rationale for agreeing a 250 year lease as opposed to a freehold disposal is to ensure some form of control by the council over the continued use of the site as a car park (as opposed to a residential use for example) and to impose appropriate maintenance and repair obligations on the tenant
- 4.4 To this end, a valuation was undertaken by an external party to establish the consideration that was appropriate given the special purchaser status of the Trustees. On this basis, terms were negotiated and agreed with a Trustee in the Autumn of 2021 on the basis of a 250 year lease with a premium being at a level supported by valuation, in the expectation that the transaction could be concluded in advance of the existing lease expiry date of 22 March 2022.
- 4.5 Due to Covid restrictions and the ability of the Trustees to fund raise, they advised officers in early 2022 that they had been unable to raise the funds necessary for such a transaction and therefore requested a lease extension. A new short term lease was granted at a peppercorn rent for a period of two years to 22 March 2024 to allow the Trustees additional time to raise the funds.
- 4.6 At the same time, it was agreed that a new valuation would be required in the Summer of 2023 to reflect changing market circumstances and allow time for completion of fund raising and eventual take up of the 250 year ground lease prior to end March 2024.
- 4.7 A revised valuation was provided and terms agreed at a revised premium reflective of the midpoint within the valuation range. A copy of the agreed Heads of Terms are attached as Appendix 1 (Part B)
- 4.8 As this is a disposal of land on a long term lease and it will not longer be available to the council for the purpose for which it was acquired, namely off street parking. Cabinet must agree that the land is surplus to requirements in order to enter into the lease.
- 5.0 **Implications**
- 5.1 **Financial**
- 5.1.1 The Chief Finance Officer comments that, under proper accounting practice, the long lease will be accounted for as a finance lease. The lease premium, set out in the part B appendix, will be recognised as a capital receipt.
- 5.2 **Legal Issues (Monitoring Officer)**
- 5.2.1 The Group Head of Democracy and Governance comments that as stated in the report it is necessary to declare this land surplus to requirements in order for it to be disposed of to a third party on a long term lease. Because of the length of the lease the council is under a duty to obtain best consideration which is determined to be financial consideration. Officers have sought an independent valuer's opinion to help secure best consideration in the lease terms as described in the part B appendix.

5.3 Equalities, Human Rights and Data Protection

5.3.1 Having had regard to the council's obligations under s149, it is considered that there are no impacts.

5.3.2 Having had regard to the council's obligations under the General Data Protection Regulation (GDPR) 2018, it is considered that officers are not required to undertake a Data Processing Impact Assessment (DPIA) for this report.

5.4 Staffing

5.4.1 There are no staffing implications.

5.5 Accommodation

5.5.1 There are no accommodation implications.

5.6 Community Safety/Crime and Disorder

5.6.1 By securing appropriate long term off street parking, this will reduce or avoid the need for parking on surrounding streets by the congregation of the Gudwara.

5.7 Sustainability

5.7.1 The terms of the lease will impose obligations on repair and maintenance of the site, ensuring a sustainable solution.

Appendices

- Part B Appendix 1 – Agreed Heads of Terms

Background papers

No papers were used in the preparation of this report.