



Frequently Asked Questions

Why now?

Many people have asked this question.

Discussions between the two Council Leaders have reached a point where they feel they have a proposal that should be considered formally by both Councils. Doing this now enables the Councils to position themselves well to deliver their ambitious corporate plans and also respond to the ongoing financial challenges both Councils face.

It has also become clear to both Councils that the impact of the effects of Covid19, will not last for months or even years, but most likely decades. How both Councils can respond to the recovery process and continue to provide great services to our residents and wider communities is something we will need to focus on for several years. The merger of the workforce means we can share from each councils' best practice, create capacity within our teams and provide a bigger and louder platform from which we can collectively promote the best we have in our locations.

Can you please tell us when these merger discussions first commenced?

Discussions between the Councils have been underway politically over the past 18months but have gathered pace in the past 3 months resulting in Leaders feeling confident to take a report forward to progress this at this time.

May I ask what does this actually mean?

Both Councils will continue to exist as they do now and take their own decisions independently but the services will be provided by a single team of staff. The Council's existing workforce will be merged to create a single workforce.

Why so quickly?

Discussions have been ongoing between the Leaders of the two Councils for around 18-months – so this isn't something that has come along in 2 minutes.

Moving at pace now this has been announced will do three things:

- 1) It will provide certainty for colleagues at a senior level quickly
- 2) It will support both Councils in addressing some of the financial challenges they face.
- 3) It will support the Councils in getting on and delivering their ambitious Corporate Plans.

A merger such as this needs public consultation doesn't it?

The governance arrangements of each Council will remain the same – each will retain their own Councillors, Constitution and decision making arrangements. The shared workforce is not a matter that requires public consultation.

What are the top three benefits for residents, communities and businesses?

1. Greater resilience for the two Councils to deliver services to our communities;
2. A louder and stronger voice and platform when it comes to government resource;
3. Significant revenue savings and increased capacity to deliver Corporate Priorities.

FINANCE

What savings are to be achieved?

£15,450,000 over 10 years – a significant sum.

2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7	Yr8	Yr9	Yr10

Last update - May 28, 2020

Total		£m	£m	£m	£m	£m	£m	£m	£m	£m
Annual savings	600,000	1,200,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Annual costs	750,000									
Cumulative savings	-150,000	1,050,000	2,850,000	4,650,000	6,450,000	8,250,000	10,050,000	11,850,000	13,650,000	15,450,000

Can we have / see a breakdown of how these savings have been calculated?

The report that will be considered by both Executive Boards/Cabinets is published and here is the link to the report <http://modgovel/ieListDocuments.aspx?MId=6285&x=1>

The breakdown of the savings are set out in another question.

Will you be disclosing how the 1.8m annual saving is made up?

It's based on savings achieved by other Councils who have already done this. Some will come from staff savings and some from other spend such as procurement and contract spend. Staff and Members will have options on the detail of savings and whether to reinvest in services.

Surely this will fail and the savings won't be realised?

Our experience suggests otherwise; as does the experience of many other Councils which have undertaken workforce mergers. ELDC have now realised over £20m of savings through PSPS. The approach BBC and ELDC are taking is a proven model.

Savings won't happen.

There should be no doubt. We have experience of this working in CCTV, building control and waste collection. A proven concept that's already within our organisations.

East Lindsey is a cash rich council, unlike Boston. What will happen to our (ELDC) reserves?

This is not a merger of two Councils. As such, each organisations finances and assets will be owned by each individual council.

STAFFING

The cost of making this happen and paying off key staff is a lot of money.

The cost of setting PSPS up was £4m and that has paid back 5 fold. A great success. The cost of this proposal is much less leading to an even higher return.

The return on investment is significant and quickly recovered in 8 months.

Are the savings all about removing staff?

No – they will be delivered through operational efficiencies on the whole. As Leaders we've been clear that the approach should be one that is positive for our teams. There will be a senior management review at the outset with teams then merging over the following two years. The aim is to do this with minimum impact on staff. Both organisations have a natural turnover in staffing and both carry vacancies at present – both these factors will enable the merging in a way that is positive for colleagues.

A joining of work forces must mean less staff?

It will mean less staff but as mentioned in response to an earlier question, we hope to do this through managing existing vacant posts and vacancies that arise within our organisations and we believe this is possible. With savings being made, it would also result in re-investment in Council priorities. This might include, for example, a reduction of staffing in one area (through vacancy management) but an increase in another.

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Will you be inviting people nearer to retirement to ask for Voluntary Redundancy?

Not at this time but it may be something we consider in the future. Both Councils are currently carrying vacancies in their staff structure and there is a natural turnover as people leave the organisations. Where vacancies do arise we'll carefully consider whether recruitment is needed. In addition to a staffing saving, a proportion of the saving we'd hope would come from new and more efficient ways of working between the two Councils.

Will there be any pressure for older people to think about retiring early?

Neither Council would put pressure on our colleagues in that way or operate in a way that would undermine our commitments to meeting the Equality Act. The skills and experience of our people will be invaluable as we move forward together to deliver services in the best way. The opportunity for us collectively is to take what we have and make it stronger.

Are you planning to outsource back office departments such as HR, Revs and Bens, Finance and IT to PSPS?

No discussions have taken place in regard to this. Whilst we can't say for sure this won't happen, it would be for both Councils to agree to this approach.

Since ELDC do not have back-office staff, there is no possibility to merge our service area. Therefore, can they confirm if we are to be out sourced? And if so, whether TUPE would come into force?

This isn't something that has been considered. We're in the early stages of planning to bring the organisations together and a number of political hurdles still lie ahead for our Leaders.

If Councils agree to the merging of workforces over the coming years, the way in which services such as Finance, HR, Revs and Bens, ICT and Customer Contact (those provided to ELDC by PSPS) are delivered in the future will clearly need to be considered at both Councils. This doesn't automatically mean PSPS is the solution and we will need to look at a range of options.

So are the remaining CMT posts exempt from this merger or are they being looked at too?

If approved, there will be three phases to the merger:

- 1) The appointment of the three Statutory Officers on June 10,
- 2) The Appointment of a shared Management Team by end of Oct
- 3) The merging of services over the following 2 years – and all teams will have the opportunity to shape what those services will look like.

It would be for the Head of Paid Service (the Chief Executive) to bring forward a proposed structure for the Management Team.

Will staff get paid more?

Working for two Councils isn't a reason to increase pay. Any pay changes will be linked to new roles and their level of responsibility, pay alignment and market comparison. This must all be done within the overall cost envelope to ensure savings agreed by Council are delivered.

As there are likely to be some discrepancies between ELDC and BBC salaries, terms and conditions, will these be homogenised over the staff merger period so all staff are on equal terms? I'm thinking salaries, holiday allowances, pool cars and so on.

I think it's fair to say there are more similarities than discrepancies. The decision for Councillors only concerns the appointment to three roles. A larger geography doesn't automatically lead to increased pay. There will however be a number of service reviews during the first few years and these reviews will allow Councillors and Officers to design services that are better for residents. Where this happens it will provide us with an opportunity to look at how we structure and how those roles should be remunerated. This is no different to what we do now. Most staff will notice very little difference to their current roles or duties for some time and will remain employed by their current employer.

I'd like to know how people will be appointed to statutory officer roles and what exactly would be involved. Hardly makes sense to make such a huge decision without people being properly informed or having any say?

The Executive/Cabinets of both Councils will consider the proposal in May and both Councils in June (if approved by each Executive/Cabinet). The appointment to the three statutory officer posts will be a decision for Council.

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Given the disparity in sizes of comparable teams across the two Councils, how will resource be shared between two authorities?

Decisions around structures will form part of individual service reviews over the next two years. Colleagues will work with Service Managers to consider how best to deliver the service to the two Councils.

OTHER MATTERS RAISED

Is this a reaction to the Unitary and Devolution Government White Paper?

No, but it does position the Councils well for the future.

Is there the potential for other districts to merge?

Never say never, but at this time it's very much a formal relationship being developed between Boston and East Lindsey Councils.

Will BBC employees have to move to Horncastle Offices?

No. That isn't the plan. It might be that as teams merge an occasional visit to a neighbour's office might be required. Technology means we don't need to be fixed to an office location anymore.

(ELDC) Will the Public Sector Hub with College project still proceed?

Yes, that's our intention. The planning application has been submitted and our ambition remains to be on site later this year with the College opening in Sept 2021, with the Council and partners moving in shortly thereafter.