

Somerset Council

Full Council
20 December 2023



Somerset Council Redundancies Requiring Full Council Approval under the Localism Act Arising from the Implementation of the Senior Management Structures in the Climate and Place, Community Services and Resources and Corporate Services Directorates

Executive Member(s): Councillor Theo Butt-Philip, Lead Member for Transformation and Human Resources

Local Member(s) and Division: Not applicable

Lead Officer: Alyn Jones, Executive Director Strategy, Workforce and Localities

Author: Sari Brice, Strategic Manager HR Practice

Contact Details: alyn.jones@somerset.gov.uk and sari.brice@somerset.gov.uk

1. Summary

- 1.1.** The purpose of this report is to present details of proposed dismissals on account of redundancy in relation to the creation of Somerset Council and the appointments to senior management posts in the Climate and Place, Community Services and Resources and Corporate Services Directorates. It provides recommendations on the role of Full Council in relation to these dismissals and requests the necessary delegation to the Somerset Council Chief Executive to finalise details of the payments associated with the redundancies, in line with appropriate legislation and policies.

Following consultation on the structure of the senior management teams in Climate and Place, Community Services and Resources and Corporate Services and potential redundancies, and subsequent recruitment processes to these senior management teams, 16 members of staff no longer have a permanent role with the Council.

Of this group, 5 members of staff have redundancy packages (includes contractual redundancy payment and pension strain costs) that exceed £100k and therefore require the approval of Full Council.

Appendix A presents the cost of the redundancies to the Council. All payments are in accordance with statutory and contractual obligations. The Appendix also splits out the costs to the authority and the payment received by the officer.

1.2. Creation of a single unitary authority for Somerset

On 21 July 2021 the Secretary of State for Housing, Communities and Local Government announced his decision to implement a single unitary council covering the whole of the administrative county of Somerset. This decision enabled implementation of the One Somerset Business case submitted on 30 July 2020.

On 18 March 2022 the Secretary of State made the Somerset (Structural Changes) Order 2022 (SCO). The SCO formalised the decision to implement the business case and set out the legal framework for implementation.

1.3. The programme to achieve this outcome had the following objectives:

- Create a new unitary Council for Somerset that delivers the approved business case on 1 April 2023.
- Enable performance capability – to deliver the approved business case vision on 1 April 2023.
- Develop the new council to optimise benefits and opportunities from 1st April 2023 to 31st March 2025.

1.4. Somerset Council was established on 1 April 2023, with the four District Councils abolished and their functions transferring to Somerset County Council, as the continuing authority.

1.5. Upon the establishment of Somerset Council, staff at the four district councils employed immediately before the transfer became Somerset Council employees on 1 April 2023; in the case of local government reorganisation, this is confirmed in Regulation 3 of the Local Government (Structural and Boundary Changes) (Staffing) Regulations 2008.

1.6. Savings through implementation of new Directorate senior management structures for Somerset Council

The move to a single council provides scope to drive many efficiencies and improvements in the provision of public services and provide simpler routes of access to public services in Somerset. One of the efficiencies will be to make ongoing savings in the operation of council services.

The One Somerset Business Case detailed proposed annual savings (£18.5m) from the implementation of local government reorganisation (LGR) in Somerset, once investment to deliver the new council has been recouped.

The implementation of new Directorate senior management structures will release further savings as anticipated in the Business Case.

The cost of redundancies will be funded from the LGR implementation budget.

1.7. Creation of the new senior management structure in Climate and Place, Community Services and Resources and Corporate Services for Somerset Council

A consultation on the proposed new senior management structures in Climate and Place, Community Services and Resources and Corporate Services took place from 19 July to 2 September 2023. This consultation covered:

- The proposed structure for the senior management teams and the process to recruit to the new posts.
- Proposed redundancies that will be made as a result of the senior management restructures.

1.8. Realising savings through reduction in senior management posts

The Local Authorities (Standing Orders) (England) Regulations 2001 state that the dismissal of a member of staff of the authority must be discharged, on behalf of the Council, by the Head of Paid Service or their nominee.

This does not however apply to the following posts: (a) The Chief Executive (Head of paid service) (b) Executive Director – Resources and Corporate Services (Section 151 officer) (c) Service Director – Governance, Democratic and legal Services (monitoring officer) (d) Executive Director of Children and Family Services (e) Executive Director of Adult Services (f) Executive Director of Public Health (g) Executive Director – Strategy, Workforce and Localities (h) Executive Director – Community Services (i) Executive Director – Climate and Place And additionally; (j) any officer who reports or is directly accountable to the officers listed in (a) to (i).

2. Recommendations

- 2.1 Approve the severance costs for 5 posts as set out in Appendix A, where Full Council approval is required for costs that exceed £100,000.**
- 2.2 Delegate authority to the Chief Executive to agree the final date of dismissal and the final redundancy packages, noting that such settlements will not exceed contractual redundancy pay, the payment required under statute to the Local Government Pension Scheme, or the requirement for Full Council approval for any severance payment that exceeds £100,000.**

3. Summary of the redundancy process and considerations

- 3.1.** Full consideration has been given to policy, governance and employment law considerations relating to the redundancy process and follows discussion with Somerset Council's legal advisors and HR, Legal and Governance colleagues.
- 3.2.** An employee who is made redundant:
 - Must be given notice of the termination of their employment and must be paid for their notice period.
 - Must be paid a redundancy payment in line with statutory entitlement and any contractual entitlement.
 - Must be paid any accrued holiday pay due to them as at the termination date; and:
 - If they are age 55 or over, their LGPS pension becomes payable, and the Council is required to pay any pension strain so that the employee takes the pension free of any actuarial reduction.
- 3.3.** Subject to Full Council approval of the recommendations in this report, the timescales for implementing the next and final stages of the redundancy process are:
 - **21 December 2023:** Notice of redundancy served, following decisions at Full Council meeting. Staff advised of right of appeal.
 - **Week commencing 25 March 2024 at the latest:** Dismissals on grounds of redundancy become effective, dependent on contractual notice periods and pending appeals or executive objections.

4. Background papers

Appendix A: Redundancy costs for those over £100k.

Appendix B: One Somerset Business Case

<https://newsomersetcouncil.org.uk/wp-content/uploads/2020/07/OneSomersetBusinessCase.pdf>

Note: For sight of individual background papers please contact the report author(s)