

SOMERSET COUNTY COUNCIL
DECISION TAKEN BY THE CHIEF EXECUTIVE

Decision to Implement Tier 3 Structure and to Recruit to Service Director Posts in Somerset Council

Executive Member: Cllr Bill Revans, Leader

Division and Local Member: All

Lead Officer: Duncan Sharkey, Chief Executive

Author: Chris Squire, Director of Customers, Digital & Workforce

Contact Details: chris.squire@somerset.gov.uk

Date of Decision: 10 February 2023

1. **Decision:**

That the Council starts the process to appoint to Service Director posts in Somerset Council, specifically:

- Service Director Climate, Environment & Sustainability
- Service Director Infrastructure & Transport
- Service Director Economy, Employment & Planning
- Service Director Housing
- Service Director Culture
- Service Director Customers
- Service Director Regulatory & Operational
- Service Director Finance & Procurement
- Service Director Strategic Asset Management
- Service Director Information Communication & Technology
- Service Director Partnerships & Localities
- Service Director Strategy & Performance
- Service Director Governance, Democratic & Legal Services
- Service Director Workforce

I have been consulted on the above decision/s and give my approval

Name and title of officer approving decision:

Duncan Sharkey, Chief Executive

Date:

2. **Reason for Decision(s)**

As stated in the officer report

3. **Reason(s) for Urgency (where applicable)**

As set out in the officer report.

4. **Details of any alternative options considered and rejected**

As stated in the officer report

5. **Any relevant Personal Interest that the Decision Maker may have under the Council's Code of Conduct**

None

6. **Other background information considered before making this decision.**

Officer report

Decision to Implement Tier 3 Structure and to Recruit to Service Director Posts in Somerset Council

Cabinet Member: Cllr Bill Revans, Leader

Division and Local Member: All

Lead Officer: Duncan Sharkey, Chief Executive

Author: Chris Squire, Director of Customers, Digital & Workforce

Contact Details: chris.squire@somerset.gov.uk

<i>Please complete sign off boxes below prior to submission to Community Governance</i>			
Report Sign off	Seen by:	Name	Date
	Legal	Tom Woodhams	10/2/23
	Monitoring Officer	Scott Wooldridge	2/2/23
	Finance	Jason Vaughan	3/2/23
	Human Resources	Chris Squire	2/2/23
	Senior Manager	Duncan Sharkey	10/02/23
	Executive Member	Cllr Bill Revans	2/2/23
Summary:	<p>This report proposes:</p> <ol style="list-style-type: none"> 1. The Implementation of the proposed Tier 3 Structure for Somerset Council to include the posts detailed at points 2 and 3 below and sets out the appointments' processes to be followed. 2. The commencement of the appointments' processes for Service Director posts in Somerset Council, specifically: <ul style="list-style-type: none"> - Service Director Climate, Environment & Sustainability - Service Director Infrastructure & Transport - Service Director Economy, Employment & Planning - Service Director Housing - Service Director Culture - Service Director Customers - Service Director Regulatory & Operational - Service Director Finance & Procurement - Service Director Strategic Asset Management - Service Director Information Communication & Technology - Service Director Partnerships & Localities 		

	<ul style="list-style-type: none"> - Service Director Strategy & Performance - Service Director Governance, Democratic & Legal Services - Service Director Workforce <p>3. The exclusion from the appointments process of five posts in Tier 3 of the new structure for Somerset Council, specifically:</p> <ul style="list-style-type: none"> - Service Director of Public Health - Service Director of Children and Families - Service Director Commissioning & Performance - Service Director Inclusion - Service Director Education, Partnerships & Skills - Service Director Adult Social Care Operations - Service Director Adult Social Care Commissioning - Service Director Adult Social Care Transformation
<p>Recommendations:</p>	<p>The Chief Executive is recommended, having consulted with the Executive, staff (including, via the trade unions), a Member Appointments Panel and obtained the agreement of the Leader of the Council, to implement the proposed Tier 3 structure for Somerset Council and undertake all necessary processes (including matching appointments decisions and shortlisting of candidates for interview) to appoint to fourteen Service Director posts, under the decision-making powers vested in him in the Constitution and as the Head of Paid Service.</p>
<p>Reasons for Recommendations:</p>	<p>1. Somerset Council will be created on 1 April 2023, with the abolition of the four District Councils and their functions vesting in the unitary Council. The programme to establish Somerset Council has the following objectives:</p> <ul style="list-style-type: none"> - Create a new unitary Council for Somerset that delivers the approved business case on 1 April 2023. - Enable performance capability – to deliver the approved unitary business case vision on 1 April 2023. - Develop the new council to optimise benefits and opportunities from 1 April 2023 to 31 March 2025. <p>2. The creation of the new unitary authority will necessitate a new structure which reflects the full range of the functions and responsibilities of the council.</p>
<p>Links to Priorities and Impact on Service Plans:</p>	<p>As set out in the reasons for recommendations above.</p>

<p>Financial Implications:</p>	<p>The salaries for these appointments are likely to be in the range of £100k-£120k, depending on skills, experience, market comparisons and job evaluation. There is a cost arising from the engagement of a recruitment partner to help with the administration of this exercise (including the appointments processes to Tier 2 posts), which is c. £20,000 and funded from the £16.5m LGR Implementation Budget.</p> <p>The overall saving from the restructuring of Tiers 1 to 3 in the LGR Business Case is £2.9m.</p>
<p>Equalities Implications:</p>	<p>All necessary aspects of employment law will be followed in relation to these appointments, and it is not considered therefore that a full Equalities Impact Assessment is required specific to the recruitment processes. An EIA has been prepared for the consultation exercise in relation to the new structure and potential redundancies.</p>
<p>Risk Assessment:</p>	<p>The principle risks concerning this decision are as follows:</p> <ul style="list-style-type: none"> - Complaints about the consultation and recruitment processes - Employment-related risks, such as Employment Tribunal claims which could include claims for unfair dismissal - The complications of running these processes across 5 organisations, ahead of the transfer under TUPE of 4 organisations to Somerset Council. <p>These risks have been assessed as a possible likelihood with a significant impact, therefore a risk level 12.</p> <p>These risks have been mitigated through advice received from employment and governance legal experts and a thorough consultation process across the 5 local authorities.</p>
<p>Scrutiny Recommendation (if any)</p>	<p>N/A</p>

1. Background

1.1 Somerset Council will be established on 1 April 2023, with the four District Councils being abolished and their functions transferring to Somerset County Council, as the continuing authority. The programme to achieve this merger has 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 1 April 2023 to 31 March 2025.

The process to appoint a chief executive for the new council was completed in July 2022, with the appointment of Duncan Sharkey to Somerset County Council (as the continuing authority designated to become Somerset's unitary local authority). The programme is now completing the appointment of the leadership team ('tiers two & three') to the new Council.

On 18 March 2022 the Secretary of State made the Somerset (Structural Changes) Order 2022 (SCO). The SCO formalises the decision to implement local government reorganisation in Somerset and sets out the legal framework for implementation. Staff at the four district councils employed immediately before the transfer will become 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.

A consultation on the proposed new structure at Tiers 2 and 3 and pre-transfer collective redundancy consultations, across the four district councils and the County Council, took place from 10 November 2022 to 12 December 2022. This consultation covered:

- The proposed structure for the top 3 tiers of Somerset Council and the process to recruit to the posts at tiers 2 and 3.
- Proposed redundancies that will be made post Vesting Day by Somerset Council, as a result of Tiers 2 & 3 restructuring.

A Chief Executive decision has already been taken, following appropriate consultation (as detailed below), in respect of the structure that will be in place at Tier 2. Processes to appoint to Executive Director ('Tier 2') posts in Somerset Council were completed in January 2023 (subject to required agreement at a meeting of the Council), specifically:

- Executive Director of Climate & Place

- Executive Director of Community Services
- Executive Director of Resources & Corporate Services (151 officer)
- Executive Director of Strategy, Workforce & Localities

The programme is therefore now preparing to appoint to service director posts at tier three in the new Council. The Service Director posts that the Chief Executive has determined will exist at Tier 3, following appropriate consultation (as detailed below), are as outlined in this decision.

Any further changes proposed to SLT and supporting officer structures are subject to consultation with the Executive and informing Full Council of the changes. Changes will be agreed via a formal decision taken by the Chief Executive.

2. Purpose of the Restructure

The opportunities presented by local government reorganisation are huge, as are the challenges that the new organisation will face. Bringing together 5 organisations will help the new Council to realise positive change, including:

- Putting the people of Somerset at the heart of the new Authority.
- Creating new local opportunities for residents to have a real say about their own communities.
- Cutting red-tape.
- Freeing up money that can be spent on real local issues and challenges, including:
 - Caring for our most vulnerable residents
 - Delivering life-chances for our children and young people
 - Reducing rural isolation and loneliness
 - Delivering the housing each community needs
 - Investing in climate change
 - Boosting economic growth, jobs and apprenticeships.

It is anticipated that the restructuring of senior teams will result in approx. £2.9 million of savings.

The existing structures within each of the 5 Councils vary significantly both in terms of roles and levels. It is not sustainable or manageable for the existing senior leadership structures to remain with the creation of a single Council. It is vital to the delivery of the new Council that an effective and sustainable leadership team is in place, in time for Vesting Day on 1 April 2023, to help realise the opportunities that local government reorganisation presents, and to deliver financial stability to the organisation.

2.1 The Chief Executive proposed a structure for Tiers 2 & 3 in Somerset Council,

with a list of functions by directorate. This proposal was agreed with the Leader of Somerset Council and the Executive. The proposal has subsequently been consulted on with staff and trade unions – see sections 4.1 – 4.3.

The Chief Executive wrote to staff on 15 December 2022, following the end of the consultation period, to announce his decision to proceed with appointments to Tier 2 posts. He also said that he was taking further time to consider the impact of the consultation on proposals for Tier 3 posts and the functions that report into them. This consideration has now been concluded and the full response to the consultation, to staff representatives and staff, can be viewed in Appendix 2

2.2 As a result, the Appointments Panel can now confirm the process which includes:

- Job Descriptions
- Salaries
- Appointments Committees

The Briefing Paper for the Appointments Panel can be seen in Appendix Two. The Chief Executive having now determined following consultation the roles that will exist at Tier 3 agrees the job descriptions for the roles detailed in section 1.5.

2.3 As a result of these considerations, the decision has been taken to recruit to the following posts:

- Service Director Climate, Environment & Sustainability
- Service Director Infrastructure & Transport
- Service Director Economy, Employment & Planning
- Service Director Housing
- Service Director Culture
- Service Director Customers
- Service Director Regulatory & Operational
- Service Director Finance & Procurement
- Service Director Strategic Asset Management
- Service Director Information Communication & Technology
- Service Director Partnerships & Localities
- Service Director Strategy & Performance
- Service Director Governance, Democratic & Legal Services
- Service Director Workforce

2.4 The Chief Executive has also taken a decision to exclude eight posts from Tier

3 Appointments Processes (see below, section 2.2). These are as follows:

- Service Director of Public Health
- Service Director of Children and Families
- Service Director Commissioning & Performance
- Service Director Inclusion
- Service Director Education, Partnerships & Skills
- Service Director Adult Social Care Operations
- Service Director Adult Social Care Commissioning
- Service Director Adult Social Care Transformation

3. Options Considered

- 3.1** To advertise the fourteen Tier 3 posts externally. This was discounted, due to employment law considerations, retention and development of current talent in the five local authorities and the additional time that it would take to appoint to the posts.
- 3.2** To include the Service Director posts for Public Health; Children & Families, Commissioning & Performance, Inclusion, and Education, Partnerships & Skills; Adult Social Care Operations, Adult Social Care Commissioning and Adult Social Care Transformation within this restructure. This was rejected, as the posts are broadly the same after Vesting Day and there are no comparable roles in Somerset's district councils.

4. Consultations undertaken

- 4.1** A 30-day consultation process has been completed, which gave all staff and recognised trade unions the opportunity to feedback on the structure. This included the statutory 30-day pre-transfer collective consultation period to consult with the elected representatives of staff in roles that are immediately affected by proposals in respect of tiers 2 & 3. The Consultation Paper can be seen in Appendix Three.
- 4.2** The consultation with staff was concluded on 12 December 2022. There were 135 responses to the consultation and each one has been answered individually, with a collective response to the consultation also written. All questions and answers (anonymised and depersonalised) have been shared with staff.
- 4.3** The Chief Executive has read all the responses to the staff consultation and took the view that the response to the consultation did not present any issues which required material changes to the Tier 2 structure. There has been further

consideration of the Tier 3 structure, as a consequence of the consultation and following the appointments to Tier 2 posts.

The consequence of this is that the Chief Executive has taken a decision to appoint to Tier 3 posts as detailed in this decision.

- 4.4** The Leader of the Council and the Executive have been consulted on the structure, in line with section 7.1 of the Constitution. Full Council will be informed of the final structure at its meeting on 22 February 2023.
- 4.5** A set of principles to govern Organisational Change has been agreed with trade unions and chief executives. This can be seen in Appendix Four.
- 4.6** An Equalities Impact Assessment to support the 30-day pre-transfer redundancy consultation can be seen in Appendix Five.

5. Implications

- 5.1** As set out in the decision report.

6. Background papers

- 6.1** Appendix One – Proposed Tiers 2 & 3 Structure for Somerset Council
- 6.2** Appendix Two - Appointments Panel Briefing Paper
- 6.2** Appendix Three - Somerset Council Tiers 2 & 3 Restructure Proposal and Pre-Transfer Redundancy Consultation
- 6.3** Appendix Four – Organisational Change Principles
- 6.4** Appendix Five – Equalities Impact Assessment.