

Bath & North East Somerset Council

MEETING:	Council
MEETING DATE:	15 September 2011
TITLE:	Future Council – statutory responsibilities
WARD:	ALL
AN OPEN PUBLIC ITEM	
List of attachments to this report: None	

1 THE ISSUE

- 1.1 In November 2010, proposals for the future organisational model of the council, with a focus on a strategic leadership role and a senior management structure to support its delivery were approved. A Re-structuring Implementation Committee was established to oversee implementation with a requirement to report back on any matters requiring the views of or a decision by Council in respect of the approval of appointment and the designation of Statutory Officers as required.
- 1.2 This report seeks Council's approval to a number of specific recommendations of the Implementation Committee, made in accordance with the first step principles set out in the originating Council report.

2 RECOMMENDATION

Council is asked to agree that:

- 2.1 The post of Director of People and Communities is designated as the Council's Director of Adult Social Services and Director of Children's Services in accordance with section 6 of the Local Authority Social Services Act 1970 and section 18 of the Children's Act 2004 respectively with immediate effect.
- 2.2 The post of Head of Paid Service/Chief Executive is retained within the new senior management structure.
- 2.3 When the Chief Executive exercises his option to retire, all necessary steps be taken to appoint a successor in accordance with the decision at recommendation 2.2 above and Council Standing Orders.
- 2.4 One-off costs associated with the recruitment and selection of the post of Head of Paid Service/Chief Executive of up to £50k is met from the Revenue Budget Contingency.

3 FINANCIAL IMPLICATIONS

- 3.1 It is assumed that the recurring costs associated with the post of Head of Paid Service / Chief Executive will be met from within the existing Budget provision for pay and related employer on-costs.
- 3.2 One-off costs associated with specialist advice, advertising and related expenses in respect of the recruitment and selection process will need to be met. These are estimated to be in the order of £50k. These costs are not provided for within the existing Budget and would therefore represent a reasonable one-off use of the funds from the Revenue Budget Contingency. These costs may be offset with any salary savings accruing should the post be vacant for any period.

4 CORPORATE PRIORITIES

- 4.1 The Council's corporate priorities are derived from the vision for the area contained in the Sustainable Community Strategy. Clearly in the light of the financial position in the country and policy initiatives of central government, certain aspects of the strategy and vision have become more important - in particular, the issues of growth, the recession and localism in the immediate to and medium term. The Cabinet, with the support of the Strategic Directors' Group, has recently commenced a review of the vision and priorities.
- 4.2 The senior management proposals in this report work from the basis that the current vision is still essentially the right one and while the scale of the financial challenge is great and there will be changes in terms of when and how priorities are delivered, the 'Future Council' proposals are targeted to allow the Council the maximum opportunity to deliver on the vision in the new environment.
- 4.3 The Council's role will be changing and as a Strategic Commissioning organisation the role will be to be very clear on the overall needs and opportunities in the area and for commissioning or enabling/encouraging the appropriate outcomes. There will be a need for the Council to continue to prioritise the vulnerable and ensure there is an emphasis on disadvantaged communities.

5 THE REPORT

Designation of statutory Directors of Adult Social and Children's Services

- 5.1 Section 6 of the Local Authority Social Services Act 1970 and Section 18 the Children's Act 2004, requires the Council to designate to statutory posts of Director of Adult Social Services and Director of Children's Services respectively.
- 5.2 The Restructuring Implementation Committee approved the appointment of Ashley Ayre to the new post of Strategic Director – People and Communities with effect from 1 August 2011 (described as 'Director – People' in the originating report). This role includes responsibility for the authority's adult social and Children's services within the new senior management structure.

- 5.3 The committee therefore recommends that Ashley Ayre, as the holder of the appointment of Strategic Director – People and Communities, be designated as the statutory Director of Adult Social Services and Director of Children’s Services.

Options of the discharge of Head of Paid Service responsibilities

- 5.4 In both the local and national context at the time and to allow some flexibility in future senior management/ leadership arrangements, no proposals were made in respect of fulfilling the statutory responsibilities of the Head of Paid Service in the Future Council model considered by Council in November 2010. Options were, however, noted that these could be allocated to one of the Director posts (i.e. a primus inter pares) or to consider retaining the present post within the senior management structure.

- 5.5 The Restructuring Implementation Committee has considered the options available and in reaching its decision took into account the following:

- The ‘primus inter pares’ model gives the opportunity for a cooperative/collegiate approach to the senior management/leadership of the Council and, in ease of transition, may offer stability for the organisation. It can however, give rise to a perceived lack of corporate clarity and objectivity with the dual role of service leadership as well as capacity concerns.
- As well as providing a single point for the delivery of a corporate agenda, a Chief Executive appointment provides a clear focal point for both Members and Officers, critical at a time of significant change and the uncertainty that goes with it. Escalation and decision making routes have a clarity that may not be so evident in the ‘primus inter pares model’.

- 5.6 It was also mindful of comment in the Independent Adviser’s evaluation in the originating report to Council last November. This noted that:

‘. . . whilst the current management structure has served the council well, its size, structure and functionality does appear to need modification in the light of the Council’s stated direction of travel. the Council needs to design a senior management structure that can cope with the major leadership and managerial challenges set out. Managing a shrinking council base and reducing or reconfiguring services places greater pressure on the leading members and the senior management team than running the Council in a period of stability’.

In respect of the Strategic Directorate team, the Independent Adviser went on to note that:

‘Councils can organise their senior management structures in a variety of ways all of which can be effective. What is most critical is that it retains and attracts a committed and talented group of senior managers who can show adaptability and flexibility going forward. . . . The proposed reduction in the number of Strategic Directors is not unreasonable given the size of the authority and comparing the emerging practice in other councils However the key issue is whether the role of Head of Paid Service should be combined with one of the Director posts or be an additional stand alone Head of Paid Service or Chief Executive’.

The Adviser concluded by stating that the Council needs to very carefully assess the feasibility of running the council with only three Strategic Directors, one of whom is 'primus inter pares'/Head of Paid Service.

5.7 Having considered the options the Implementation Committee resolved:

“ To recommend to Council the retention of the present structure i.e. to retain the present post of Head of Paid Service/Chief Executive within the new senior management structure”.

5.8 As Council will be aware, the Chief Executive has indicated that he may shortly give notice of his retirement. The Council is requested to give authority to proceed with the advertising for and recruitment of a successor, when he exercises this option, in accordance with the above recommendation and Council Standing Orders.

6 RISK MANAGEMENT

6.1 A risk assessment related to the issue and recommendations has not been undertaken. The Local Authority Social Services Act, 1970 (Section 6) and The Children Act, 2004 (Section 18) place a duty on every Adult Social Service and Children's Services Authority in England to appoint a Director of Adult Social Services and a Director of Children's Services. Statutory guidance issued by the respective Secretaries of State requires that Adult Social Services and Children's Services Authorities must have regard to such guidance as issued in exercising their functions under those sections of the Acts.

7 EQUALITIES

7.1 An impact assessment has been carried out and there was no significant equalities impact arising from these recommendations.

8 CONSULTATION

8.1 Recognised trade unions were formally consulted as part of the decision making process by the Restructuring Implementation Committee. In respect of the role of Chief Executive, the only comments received were from the Bath & North East Somerset Unison Branch which stated as follows (a full copy of the union response is included with the papers for the Restructuring Implementation Committee on 25 July 2011):

“.....UNISON would (also) argue on balance for the Chief Executive's role to continue. That would give us a structure of Chief Executive and three Strategic Directors. The reasons being:

- UNISON is not a fan of the "primus inter pares" or "first among equals" idea. We don't think it would work. It could lead to confusion.*
- The Council needs one Leader in charge to drive the Council forward and some-one that we can go to in the last resort.*
- As it stands at the moment it looks likely that the new Strategic Directors will all be "slotted in" and so with the first amongst equals scenario we will effectively have a Chief Executive who already works for the Council taking over. We don't think this is right or healthy for the Council and its residents.*
- Slotting in the existing Directors and then advertising the Chief Ex's post nationally will allow the Directors to apply for the job but will also allow this Council the*

opportunity to recruit from across the Country. There may well be some extremely capable candidates out there! This Council has reached a certain level. In order to develop further it will need a figure head to champion the needs of the staff and residents in the wider bodies across the region.

- *You can argue that a new Chief Ex will cost us in the region of £160,000 + and we agree that is a lot of money, but if we get an effective Leader, someone we can see that can drive the Council forward and represent the area then that is a price worth paying.*

UNISON does feel very strongly about this. We believe UNISON should be pushing to see a transparent process for selecting a new Chief Executive. . Otherwise we will get one almost "by default" through the other option....."

9 ISSUES TO CONSIDER IN REACHING THE DECISION

9.1 Social Inclusion; Human Resources; Young People; Human Rights; Corporate; Impact on Staff; Other Legal Considerations.

10 ADVICE SOUGHT

10.1 The Council's Monitoring Officer (Divisional Director – Legal and Democratic Services) and Section 151 Officer (Divisional Director - Finance) have had the opportunity to input to this report and have cleared it for publication.

Contact person	William Harding Head of Human Resources, tel 01225 477203
Background papers	The Local Authority Social Services Act 1970 The Children Act, 2004 Council Constitution Reports to: Council- 16 November 2010 'The Future Council' Restructuring Implementation Committee- 25 July 2011 'Future Council – implementation proposals'
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