

<b>DECISION-MAKER:</b>	CHIEF OFFICER EMPLOYMENT PANEL
<b>SUBJECT:</b>	JOINT APPOINTMENT WITH ISLE OF WIGHT COUNCIL OF A DIRECTOR OF ENVIRONMENT
<b>DATE OF DECISION:</b>	24 JANUARY 2012
<b>REPORT OF:</b>	CHIEF EXECUTIVE
<b>STATEMENT OF CONFIDENTIALITY</b>	
Confidential Appendix 2 contains information deemed to be exempt from general publication based on Category 3 of paragraph 10.4 of the Council's Access to Information Procedure Rules. It is not in the public interest to disclose this information because it would prejudice the financial and business affairs of the authority in its commercial and contractual dealings with third parties including other public bodies.	

### **BRIEF SUMMARY**

To recommend the further integration of the shared services agenda by appointing a joint Director of Environment.

### **RECOMMENDATIONS:**

- (i) that the vision for a shared service be endorsed and a Joint Director of Environment be appointed under such arrangements as the Chief Executive considers appropriate;
- (ii) that a joint Chief Officer Employment Panel with Isle of Wight Council be set up for this purpose with 3 City Council Members appointed to it; and
- (iii) that the draft Job Description and Person Specification attached at appendix 1 be approved in principle but that the Chief Executive be delegated authority to finalise detailed roles and responsibilities.

### **REASONS FOR REPORT RECOMMENDATIONS**

1. For contractual and practical reasons it is necessary to have the Director employed by one host authority. It is imperative that as the Director will be responsible for a range of services for both unitary authorities that the City Council is intrinsically involved at member level in all stages of the appointment.

### **DETAIL (Including consultation carried out)**

2. This report sets out the developments that have been made in respect of exploration of joint working arrangements between Southampton City Council and the Isle of Wight Council in line with the Leader's and Chief Executive's statements of 13<sup>th</sup> September 2011, and subsequent Cabinet report of 24<sup>th</sup> October 2011. The 13<sup>th</sup> September statements to the media and to staff, made clear that :

*“against a backdrop of unprecedented financial challenges, our two authorities are exploring genuine opportunities for joint working”.*

3. As a result of progress in discussions between the two authorities, it is proposed that a joint Director of Environment post be established from April 2012, by entering into a formal agreement between both Councils with appropriate break clauses. At the end of these periods, both Councils will review the position and will determine either to continue the role as permanent, or to revert to individual, separate roles. A request is now made for authorisation to recruit to the shared post and to establish for this purpose a joint politically proportionate employment sub committee in the form of a Chief Officer's Employment Panel (COEP).

## BACKGROUND

4. In Jan – March 2011 the future shape and direction for the Council was set out, involving a major programme of re-organisation which took place in 2011. In "*Shaping the Council for the Future: our Change Programme*" of March 2011, the need was identified "*to organise services to meet the new financial realities and to be ready for the opportunities as well as the challenges of the years ahead*". In September 2011, the Council reported on significant progress towards joint working in a number of important service areas with the Isle of Wight Council, with the aim of reducing costs through shared actions. In October 2011, progress was reported to Cabinet in Education Services. In November 2011, the Council identified the potential importance of joint working with appropriate partners, as part of its Change Programme. A key aspect of this aim was the intention to develop partnership working which reflects a 'common-function' based approach as opposed to individual public sector agencies delivering the same functions separately and in isolation. It also recognises that in the austere financial circumstances prevailing on all local authorities, it is likely that capacity and capability may be better retained through stronger joint-enterprise than working in isolation. This will remain an important part of on-going exploration with wider partners.
5. The Leader's announcement in September 2011 of good progress having been made towards joint-working with the Isle of Wight across a number of potential service areas, identified that initial focus was being paid to joint-working potential within the Environment and Education Directorates, whilst consideration was also being given to other service areas including Planning and Sustainability. This announcement anticipated the possibility of proposals being brought forward for implementation in the new financial year. This current report reflects that those challenging aims remain on schedule.
6. In November 2011, the budgetary position for 2012/13 was set out which further emphasised the importance to the authority of finding new ways to work and deliver services with a greatly reduced cost.
7. Further work has been undertaken by the respective Chief Executives and the senior management teams of the two authorities. The next step will be to take forward an in- principle agreement to progress joint-working on a formal basis in the Environment and Education Directorates. This report focuses on the first of these, through the appointment of a Joint Director of Environment who would lead that role and function on behalf of both Councils. The purpose of this arrangement will be to reduce management costs whilst ensuring an appropriate and sustainable level of leadership, direction and management for both Southampton City Council and the Isle of Wight

Council. It is important to recognise that a shared Director arrangement will not mean uniform service delivery across the two local authority areas. The sovereignty and separate democratic responsibility and accountability of each Council will be retained. Whilst there is a need to generate savings, there is also a key principle that any such approach should not impede local accountability and if anything should enhance it by demonstrating best value.

8. In April 2011, Southampton City Council merged two Directorates to form a single Environment Directorate, with an interim Director being established from July 2011. It is the intention that the Isle of Wight Council's current Director of Economy and Environment post be re-aligned to make provision for a joint leadership and management arrangement with Southampton City Council on a secondment basis. This means that it would be necessary to put a ring-fenced recruitment process in place for the current post-holder in the first instance. A revised joint job description and person specification has been prepared and agreed subject to any final amendments being delegated to the respective Chief Executives and is attached as Appendix 1.
9. The main operational arrangements for the delivery of such a partnership agreement are set out below:
  - The Isle of Wight Council will be the employer for the successful candidate
  - Southampton city Council will be re-charged for the full costs associated with employment for an average of two days per week
  - Some administrative support for work carried out on behalf of Southampton City Council will be provided by the Isle of Wight Council and re-charged at full costs associated with employment for ½ day per week
  - All travel costs and other related expenses with conducting business on behalf of Southampton City Council will be paid by way of expense claims directly to them
  - Office accommodation is to be made available by Southampton City Council whilst on site at their premises
  - The current pay banding and all other terms and conditions for the post will remain unchanged

A formal secondment agreement is to be drawn up providing the full detail of working arrangements, payment arrangements and termination of the joint arrangement. This will be for an initial period of six months after which the arrangement may be made permanent; if on the other hand the arrangement is terminated by mutual agreement, Southampton City Council would take forward its own plans to independently lead the Environment Directorate and the Isle of Wight Council will revert to its current structure and contractual arrangements for a Director of Economy and Environment.

10. It is clearly believed by both parties in entering into this arrangement, that this joint-working appointment will be successful. The aim is primarily as set out, to provide an effective, joint leadership and management capability for both authorities; it is also recognised that further joint-working opportunities may exist within the Environment Directorate and that by establishing the joint Director in post, both authorities will be more strongly placed to explore this potential, and if satisfied that this is the case, to bring forward any relevant proposals for further joint-working within 6 months.
11. Permission is therefore being sought for authorisation to recruit under these new arrangements and to establish a politically proportionate member panel, jointly with Isle of Wight Council to carry out the necessary interview process for appointment. There is provision for a joint appointment panel under current legislation and it is proposed that this will take the form of 3 elected members from each organisation.

### STRATEGIC CONTEXT

12. In line with “Shaping the Council for the Future: our Change Programme”, this joint working arrangement provides the opportunity to challenge traditional delivery models, to increase the potential for streamlined service provision for the benefit of our community together with the securing of a reduction in financial commitments which is of mutual benefit to both local authorities. In turn this contributes to the priority for the delivery of budget savings through changed service provision.

### CONSULTATION

13. On-going discussions and meetings have taken place with the respective Leaders, lead members and Chief Executives in order to reach agreement on the proposed way forward. Individual and more detailed consultation has taken place with affected personnel.

### EQUALITY AND DIVERSITY

14. The Council as a public body is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities and foster good relations between people who share a protected characteristic and people who do not share it. The proposed decision to move towards the appointment of a Joint Director of Environment with the Isle of Wight Council is not considered to impact on any of the protected characteristics of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. This is due to the fact that the appointment process is to be ring-fenced to a single individual who under employment legislation is considered to have eligibility and therefore the right to apply for this position.
15. Any further future proposals that may be considered for joint management arrangements or shared services will however be subject to an equality impact assessment being undertaken and due consultation undertaken with affected staff and, as appropriate, members of the community where changes to service provision are proposed.

16. All aspects of the recruitment process will be undertaken in accordance with statutory obligations under the Equality Act 2010, and ensure that a fair and equitable process is carried out.

### RISK MANAGEMENT

17. The proposal to appoint a joint Director between the Isle of Wight Council and Southampton City Council provides a timely opportunity to secure efficiencies both in financial terms and service leadership and management across both local authorities. Under this arrangement, it is possible to retain the service provision required, based on local needs and their priorities but also to explore the potential for areas of integration where this may be of benefit to the local community through the sharing of expertise, methods of working and alternative service provision.
18. It will be necessary to carefully monitor the joint arrangements in practice and to undertake a formal review after a period of six months following commencement of the secondment arrangement.

### EVALUATION

19. Much work has been undertaken to explore the potential for joint working arrangements across the public sector and with neighbouring authorities in order to secure the potential for financial savings and efficiencies. These discussions will continue where they are appropriate, and offer real potential. Joint working with the Isle of Wight in the service areas outlined, by no means excludes the potential for the Council to engage in other dynamic service areas of joint-working with other partners. Neither is it the case that a bi-lateral arrangement with the Isle of Wight will exclude any other potential partner from entering into future partnership in the same service areas with Southampton City Council and the Isle of Wight Council: that will be a matter for future mutual discussion and agreement. It is however believed to be the correct strategy to work with a single willing partner with an agreed aim and common purpose, rather than trying to forge partnerships with potential partners who are less willing or ready at present to consider new approaches to joint-working.
20. As a result of these explorations, an opportunity has presented itself with Isle of Wight Council to embark on a joint Director post. Following detailed discussions between respective political leaders and chief executives, an agreed approach has been proposed.
21. By granting an authorisation to recruit, this will provide an opportunity to secure substantial financial savings as well as increasing the potential for future sustainability in leadership and management arrangements across both authorities and be of mutual benefit.
22. Whilst there may be further potential for the sharing of management responsibilities and services, this initial phase provides a timely opportunity to also secure financial savings and efficiencies that are of mutual benefit to both local authorities. Local sovereignty and decision making processes will remain which provides assurances that the local needs of the community will remain within local accountability.

## **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

23. That the option of a joint Director be not pursued but that would not fit with the Council's shared service agenda and be more expensive if a full time Director was appointed.

## **RESOURCE IMPLICATIONS**

### **Capital/Revenue**

24. The financial implications are as set out in confidential appendix 2.

### **Property/Other**

25. None.

## **LEGAL IMPLICATIONS**

### **Statutory Power to undertake the proposals in the report:**

26. Under section 113 of the Local Government Act 1972, provision is made for a council to enter into an agreement with another local authority for the placing at the disposal of the latter for the purpose of their functions on such terms as may be provided by the agreement, of the services of officers employed by the former and subject to due consultation with any officers affected by such a proposal. The 'disposal' is by way of a secondment agreement which means that the Isle of Wight Council remains the employer but allows for the appointed individual to act as an officer for Southampton City Council.
27. In accordance with the requirements of section 113 of the Local Government Act 1972 and more widely within employment law, it is necessary to have undertaken due consultation with any affected staff prior to such an arrangement being established as well as to pay due regard to the employment rights with regards to eligibility to any such new post by way of a ring-fenced arrangement in respect of any appointment arrangements.

### **Other Legal Implications:**

28. The agreement setting out the secondment arrangements will likely include arrangements for the appointment, terms of service, performance management and operational requirements of the authorities in relation to this appointment. The appointment and selection process to be followed must have regard to the provisions of the Equality Act 2010.

## **POLICY FRAMEWORK IMPLICATIONS**

29. None.

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**SUPPORTING DOCUMENTATION**

**Non-confidential appendices are in the Members' Rooms and can be accessed on-line**

**Appendices**

1.	Draft Job Description and Person Specification
2.	CONFIDENTIAL – Financial Implications

**Documents In Members' Rooms**

1.	None
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**Integrated Impact Assessment**

Do the implications/subject/recommendations in the report require an Integrated Impact Assessment to be carried out.	No
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**Other Background Documents**

Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
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1.	None	
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**Integrated Impact Assessment and Other Background documents available for inspection at:**

<b>WARDS/COMMUNITIES AFFECTED:</b>	None
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