

Item 3

At a Meeting of the **HUMAN RESOURCES COMMITTEE** held on **FRIDAY 14 JULY 2023** at **9.00am** in Committee Room 1, City Hall

Present: -

Councillor Miller in the Chair

Councillors Hartnack, Mullen, Price and Stewart.

Also present: -

Patrick Melia	-	Chief Executive
Patrick Houghton	-	Governance Law Specialist
Gillian Hunter	-	Specialist Lead – People Management
Kate Kirton	-	Principal Governance Services Officer

Apologies for Absence

Apologies for absence were submitted to the meeting on behalf on Councillors Chequer, Johnston, Potts, P. Smith and Williams.

Declarations of Interest

There were no declarations of interest.

Minutes

1. RESOLVED that the minutes of the meeting of the Human Resources Committee held on 15 March 2023, Part I, be confirmed and signed as a correct record.

Councillor Hartnack commented that the wording in relation to market pay supplement seemed to have been 'softened' and that his concerns were that the process in relation to market pay supplements seemed to be flawed and should be reviewed, which it was now currently being undertaken, however he cited that these market supplements had being place for the last 7 years.

Councillor Hartnack went on to say that the Human Resources Committee should have sight of the details and also approve the market supplements.

The Committee noted the comments made.

Procedure for Approval of Market Supplements

The Director of Smart Cities and Enabling Services submitted a report to report the procedure which set out the Council's approach to ensuring that SCC could attract and retain the right level of skills, knowledge, and expertise to deliver the City Plan and all associated objectives, by offering a flexible approach to any additional remuneration they may seek to award to an individual or group of employees.

The Specialist Lead – People Management advised the Committee that at times it could be difficult to retain employees or recruit to 'hard to fill' posts and that market supplements were a way of tackling recruitment and retention issues by temporarily increasing the pay awarded to a post without altering the grade for that post which had been determined through the job evaluation process.

Members were advised that this procedure set out when market supplements may be paid, the process by which these cases were considered and approved, how they would be reviewed, and the main conditions applied to the supplement. This procedure would apply to all market supplements awarded within the Council.

The Procedure detailed the approval process by which a market supplement could be awarded. Approval for any market supplement would be dependent upon the meeting of certain criteria and would involve approval from Finance, the Specialist Lead for People Management, and the Executive Director/Director of the relevant directorate or, in specific cases of a supplement being awarded to an Executive Director/Director, the Chief Executive.

Members were advised that market supplements could not be given as a reward and that if they were given to one person, they were given to all relevant people in the same post.

Councillor Mullen queried how successful the market supplements were in retaining members of staff and was advised that people left the organisation for various reasons.

The Specialist Lead – People Management provided an example of whereby Fitters were given a market supplement and that this was successful. In response to a further question from Councillor Mullen asking whether these tended to be lower bands, The Specialist Lead – People Management explained that it was mixed.

Councillor Hartnack commented that he felt that when it came to transparency, he still felt that the policy was opaque given that the Chief Executive or an Executive Director could approve a market supplement and was concerned that Directors and Executive Directors had been on market supplements for 7 years amounting to

£11,00-18,000 and that the Committee had not seen the workings out in relation to these.

The Specialist Lead – People Management explained that not all Directors and Executive Directors had market supplements and not all of those who did have them, had been on them for 7 years. The Specialist Lead – People Management explained that in terms of whether market supplements were justified, that they were as the public sector was losing a lot of senior people and that these people needed to be retained.

Councillor Hartnack commented that he felt that if there was to be true transparency that approval of market supplements should come back to the Committee or the Leader of the Council, for justification.

Councillor Stewart commented that he was uncomfortable in the Committee taking the decision and that he was confident that a robust system was in place for sign off which ensured that when such a decision was made, it was justified given that the private sector were often racing ahead offering a higher salary, making it difficult to recruit.

Councillor Hartnack queried whether a compromise could be made whereby the sign off was delegated to the Leader of the Council.

The Leader responding by reminding Members that the Chief Executive was responsible for all staffing matters and was held accountable and did not feel that it was appropriate for Councillors to be involved in staff matters and pay. The Chair went on to say that transparency was in place as salaries were detailed within the accounts and that he was comfortable with market supplements being paid when they were required to attract or retain staff.

The Governance Law Specialist added that as Human Resources was a non-executive function that it had to be delivered by Council, a Committee or an Officer.

Councillor Mullen questioned why the posts could not be regraded and was advised that this was a challenge however could be a next step to consider if something different needed to be implemented.

2. RESOLVED that the Procedure for Market Supplements as set out in Appendix A be approved and authorisation be given to the Director of Smart Cities and Enabling Services to make any typographical or stylistic corrections to the procedure as were necessary.

Grievance Procedure – Chief Executive

The Director of Smart Cities and Enabling Services submitted a report to propose a new procedure for the management of grievances that were submitted directly against the Chief Executive Officer or grievances that were raised by the Chief Executive Officer.

The Specialist Lead – People Management advised the Committee that the Council's existing Grievance Procedure did not cover grievances that were submitted directly against the Chief Executive or grievances that were raised by the Chief Executive. It was therefore necessary to develop a separate procedure for grievance matters pertaining to the Chief Executive as significant procedural differences were required. This had been reviewed both regionally and nationally and the LGAS Policy had been used.

Members were advised that that the draft Procedure provided that if there were serious concerns about a Chief Executive's conduct, they may be referred to an Investigatory and Disciplinary Panel of three members convened from the membership of the Human Resources Committee. This would be forwarded to the Assistant Director of Law and Governance initially, to decide whether an investigation was required.

The Specialist Lead – People Management explained that it was proposed that the Investigatory and Disciplinary Panel be composed of a Chair and two additional Panel members, an arrangement that mirrored that of the Appeals Panel. Flexibility in the make-up of the Investigatory and Disciplinary Panel (achieved through the 3 Member proposal) would help prevent any perception of bias and could also help achieve balance where diversity and cultural mix were relevant and important considerations within a specific process. Best practice stated that the constitution of panels should be considered depending upon the nature of the issue to be considered. Additionally, support would be offered to those responsible for reaching a decision in such matters to come to the matter afresh, appropriately trained and properly resourced.

Members were advised that should the Human Resources Committee approve the Grievance Procedure, it would therefore be necessary to recommend Council to amend the Employment Procedure Rules to provide for the relevant disciplinary functions to be undertaken by a Panel drawn from the Committee, rather than the Committee as a whole. In accordance with the model procedure suggested in the JNC Conditions of Service Handbook, the Panel would include at least one member of the executive.

In response to a question from Councillor Mullen asking what currently happened, The Specialist Lead – People Management advised that at the present time the situation had not arisen, however it had in another the Local Authority therefore this was being deemed as good practice.

Councillor Mullen commented that he did not feel that it was appropriate to have the Leader of the Council on the Panel given that it could be potentially a vested interest and that some clarification about how the Panel would be drawn would be useful.

Councillor Mullen then referred to Section 2.4 of the procedure noting that an aggrieved employee may be accompanied by a fellow worker, a trade union representative, or an official employed by a trade union at any meeting that dealt with the grievance and was advised by the Specialist Lead – People Management that it had to be an employee of the Council.

Councillor Mullen referred to Section 2.8 of the procedure, in particular that the Receiving Officer decided that the grievance should not be directed at the Chief Executive as it did not relate to a specific action of the Chief Executive or a specific omission of the Chief Executive and so should be directed to an intermediate manager and questioned whether there was any scope for a member of staff to change this.

The Chair questioned whether if a member of staff was complaining about the Chief Executive whether this would be picked up at the appeal stage and was advised that a meeting would be held with the individual and that if the decision was flawed, it would be reserved, however if it was not, it would go to appeal.

Councillor Price commented that he felt that the Human Resources committee should have a report as some complaints could be frivolous and was advised that the proposed policy was a model policy and that a report could be produced and that the receiving officer would not make a decision in isolation.

Councillor Mullen questioned whether there was scope for informal procedure and was advised that there was always an informal stage and that hopefully any issues could be resolved informally.

Councillor Hartnack referred to the fact the 2016 policy referred to a Chief Officer and questioned whether this included the Chief Executive and was advised that it did not it was just the Leadership grade.

Councillor Hartnack then commented that he could not site this in any other Local Authorities and was advised that a lot of work had been undertaken in the region and that this was the policy proposed by the LGA and that the reason it had been drafted was that were was not a more senior policy currently in place.

Councillor Hartnack questioned whether there was an Independent Person and was advised that initially any complaint would be received by the Assistant Director of

Law and Governance and if necessary, referred to the Standards Committee which comprised of an Independent Person.

Councillor Hartnack went on to say that he felt that any grievance should be made to the Leader for impartiality and oversight and was advised that the Trade Unions had been consulted and were happy with the approach and also that it would not be appropriate for the Leader to make the decision as to whether it was referred to the Panel.

Councillor Hartnack queried what the mechanism would be of the Leader being made aware and was advised that this would be via the Assistant Director of Law and Governance.

The Specialist Lead – People Management reminded Members that there was an expectation to have a grievance policy however issues were tried to be resolved informally where possible.

3. RESOLVED that:-

- (i) the Grievance Procedure: Chief Executive be adopted as set out in Appendix 1 and authorisation be given to the Director of Smart Cities and Enabling Services to make any typographical or stylistic corrections to the procedure as were necessary; and
- (ii) It be recommend to Council to amend the Employment Procedure Rules (Appendix 2) to provide for the suspension and disciplinary functions currently assigned to the Human Resources Committee as a whole, to be undertaken by an Investigatory and Disciplinary Panel of three members, convened from the membership of the Human Resources Committee, as set out in the Grievance Procedure: Chief Executive.

Local Government (Access to Information) (Variation Order) 2006

At the instance of the Chair, it was: -

4. RESOLVED that in accordance with the Local Government (Access to Information) (Variation) Order 2006, the public be excluded during the consideration of the remaining business as it was considered to involve a likely disclosure of information relating to a particular individual or which was likely to reveal the identity of an individual or which was likely to reveal the identity of an individual and any consultations or negotiations, or contemplated consultations or negotiations in connection with any labour relations matter arising between the Council and its employees. (Local Government Act 1972, Schedule 12A, Part 1, Paragraphs 1, 2 and 4). The public interest in

maintaining this exemption outweighed the public interest in disclosing the information.

(Signed) G MILLER
 Chair

Note: -

The above minutes comprise only those relating to items during which the meeting was open to the public.

Additional minutes in respect of other items are included in Part II.

