



Personnel Committee

Date: **Monday 2 September 2013**
Time: **2.00 pm**
Venue: **Room 519 County Hall, Norwich**

Agenda

Membership

Mr B Borrett
Mr T Coke
Mr C Jordan
Mr G Nobbs
Dr M Strong

1. Apologies

To receive any apologies.

2. Minutes

To confirm the public minutes of the meeting held on 10 June 2013

(Page **3**)

3. Members to Declare any Interests

If you have a Disclosable Pecuniary Interest in a matter to be considered at the meeting and that interest is on your Register of Interests you must not speak or vote on the matter.

If you have a Disclosable Pecuniary Interest in a matter to be considered at the meeting and that interest is not on your Register of Interests you must declare that interest at the meeting and not speak or vote on the matter.

In either case you may remain in the room where the meeting is taking place. If you consider that it would be inappropriate in the circumstances to remain in the room, you may leave the room while the matter is dealt with.

If you do not have a Disclosable Pecuniary Interest you may nevertheless have an Other Interest in a matter to be discussed if it affects

- your well being or financial position
- that of your family or close friends
- that of a club or society in which you have a management role
- that of another public body of which you are a member to a greater extent than others in your ward.

If that is the case then you must declare such an interest but can speak

and vote on the matter.

4. Senior Management Review

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Report by Acting Head of HR

5. Exclusion of Public

The committee is asked to consider excluding the public from the meeting under section 100A of the Local Government Act 1972 for consideration of the items below on the grounds that they involve the likely disclosure of exempt information as defined by Paragraph **4** of Part 1 of Schedule 12A to the Act, and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

The committee will be presented with the conclusions of the public interest tests carried out by the report author and is recommended to confirm the exclusion.

6. Minutes

(Page **11**)

To confirm the exempt minutes of the meeting held on 10 June 2013

7. Living Wage

(Page **13**)

Report by Acting Head of HR

8. Pay Negotiations

(To Follow)

Report by Acting Head of HR

Chris Walton
Head of Democratic Services

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Date Agenda Published: 22 August 2013



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Personnel Committee

Minutes of the Meeting held on 10 June 2013 at 2.00 pm in Room 519 at County Hall

Present:

Mr B Borrett
Mr R Coke
Mr C Jordan
Mr G Nobbs
Dr M Strong

Also Present:

Mrs S Farrell
Ms A Gibson

Democratic Support Manager
Head of Human Resources and
Organisational Development
Reward Manager
Employment Consultant, Davidson &
Partners

Mr R Graham-Leigh
Mr H Davidson

1. Election of Chairman

Mr G Nobbs was elected Chairman for the ensuing Council year.

2. Election of Vice-Chairman

3. Mr R Coke was elected Vice Chairman for the ensuing Council year.

4. Apologies

There were no apologies.

5. Minutes

The minutes of the meeting held on 24 March were agreed as a correct record and signed by the Chairman.

4. Declarations of Interests

There were no interests.

5. Public Sector Pensions - Update

5.1 The Committee received a report from the Acting Head of Human Resources (agenda item 6), which set out the latest position in relation to changes in the public sector pensions scheme.

5.2 During the meeting the following key points were raised:

- It was confirmed that the Council was working to a national timeframe

regarding the introduction of new statutory pension schemes.

- The Committee were advised that, regarding workplace pension reforms and auto enrolment, part time staff were included. Officers confirmed that a separate note would be sent to the Committee with information on the earnings threshold which triggered their enrolment.

RESOLVED That the report be noted

6. Localism Act – Pay Policy Statement

6.1 The Committee received a report from the Acting Head of Human Resources (agenda item 7), which set out a revised pay policy statement for 2013/14, following revised statutory guidance.

6.2 During the meeting the following key points were raised:

- It was noted that, on first impression, the proposed amendments to the Pay Policy statement seemed to pay no regard to democratic accountability and concern was raised that severance payments, in particular, should be constrained and redundancy payments capped. In reply, officers confirmed that the Council adhered to the statutory guidance provisions for such payments, with the maximum statutory limit for payments being 30 weeks' pay, dependent on length of service, and all payments to staff were in accordance with what the Council was contractually obliged to pay.
- With regard to paragraph 8.7 of the statement, it was suggested that severance payments should only be made after discussion with the Personnel Committee as there was a public perception that overly generous payments were being awarded which members wished to correct by closer scrutiny. Officers explained that the early consideration of severance payments and the total package for the redundancy of a member of staff was vital in the planning of services changes as, if the cost to the organisation was too great, there was an option not to delete a post of such financial significance. It was explained that members were routinely consulted on service changes affecting senior posts and the Head of Finance, Acting Head of Human Resources and Cabinet Member were required to jointly sign off large severance payments with payments only being made in accordance with contractual obligations. For high earners, there was a need to ensure payments were made in line with the requirements of the Localism Act and the need for transparency and accountability.
- Having considered the above, the Chairman proposed that, in future, the Personnel Committee be consulted where severance payments over £100,000 were considered; and this was supported by the Committee.

RESOLVED

To recommend to the County Council that the Pay Policy Statement 2013-14 be confirmed, subject to an amendment to ensure that the members of the Personnel Committee be consulted by the Acting Managing Director where severance payments over £100,000 were considered, and that the Statement be published as soon as possible thereafter.

7 Director of Public Health

7.1 The Committee received a report from the Acting Head of Human Resources (agenda item 8) recommending a grade for the vacant post of Director of Health be set at a level to attract suitable candidates.

7.2 During the meeting the following key points were raised:

- It was noted that market supplements were being offered by other local authorities to be sure that pay levels equated to those received by consultants in the National Health Service, thus ensuring good quality appointments to this important post.
- Evidence indicated that there was a small and decreasing pool of potential candidates in this field and, unless the correct rate was applied to the position, the authority might not attract suitable candidates for this crucial post for Norfolk.

RESOLVED

To approve:

1. a grade of Scale Q for the post of Director of Public Health
2. in the event of appointment of an NHS consultant to the post of Director of Public Health, the appointment to this position on an NHS Consultant contract and pay provisions.

8 Appointment of Managing Director

8.1 The Committee received a report from the Acting Head of Human Resources (agenda item 12), noting that the agenda had indicated this to be a not for publication report, however, legal advice had confirmed its release into the public domain. The report set out proposals for the process and appointment to this role. In presenting the report it was confirmed that, at Section 3, there remained four and not three shortlisted candidates for this position.

As part of the presentation, members welcomed Hamish Davidson, Executive Search Consultant from Davidson & Partners to the meeting.

8.2 During the meeting the following key points were raised:

- The appointment of a Managing Director was the direction in which most public sector posts were now heading.
- All four candidates remained interested in the position of Managing Director.
- Key to any appointment was the relationship the Managing Director

would have with the Leader of the Council as there was a need for good rapport.

- It was felt unfair to expect people applying for this post under the current model to be expected to be put forward for what would be a new form of governance chosen from a range of different models coming up within the year.
- Savings were being made from holding open the vacancy of the Chief Executive post and, for the present time, this was the preferred way forward. Current arrangements with officers holding key posts were working well and it was preferable to bide time until a new system of governance was in place before this post was filled.
- It was commented that a lot would be happening over the coming year for there not to be an appointment to this post and not have a dedicated person giving leadership and direction. It was added that there was a real potential for a reduction in service delivery and in the performance of services that the Council offered arising from a decision not to fill this post. This comment was put to the meeting in the strongest terms.
- The point was also put that it would be foolhardy to proceed with an appointment at a time of such change. It was noted that there could be a shadow governance model operating from the autumn but this was not a given at this time.
- Members discussed the impact on improvements to the Council's performance, arising from the Enterprising Norfolk Programme, and it was confirmed that more effective ways of working and finding value for money in all that the Council did continued to be of significant importance. However, there was no requirement for the employment of a Managing Director to produce such outcomes. More important was the need to wait and see how the Council would be run. The role of MD had been put forward by the previous Administration. Times were different now and a new Administration was in office. It was reasonable to pause before making a decision on this appointment.
- It was noted that candidates coming forward now would be looking for confirmation of the long term strategic goals for the authority and assurances as to financial viability. It would not be a case of being put off by changes in governance but of needing to understand better the way forward and see a certainty of direction.
- The Chairman proposed that Option 3, as set out in the report, be accepted, namely; to review the Managing Director model in the light of the aims and objectives of the new Council. He advised that his wish was to delay this appointment, in the knowledge that the current arrangements were working well and financially beneficial to the authority, and he considered there would be greater certainty with the direction of governance arrangements towards the end of the year.

RESOLVED

To recommend to Council that:

1. The role of Managing Director be reviewed in the light of the aims and objectives of the new Council and when revised governance arrangements have been agreed
2. To delay the appointment process until the role has been reviewed.

9. Exclusion of the Public

- 9.1 The Personnel Committee was advised, with regard to agenda items 11 and 13, that the Committee needed to consider whether to exclude the public for the consideration of this information. The Acting Head of Human Resources presented the Public Interest Tests, as required by the 2006 Access to Information Regulations, for the consideration of the Committee as follows:

Item 11:

This report sets out sensitive commercial information relating to companies. It also contains information about the recruitment strategy which if released could compromise the recruitment process. This assessment has been reached in light of the guidance provided by the Head of Law.

Item 13

This report includes sensitive information relating to the terms of employment of County Council employees. The release of this information would prejudice possible forthcoming negotiations and would therefore not be in the public interest. This assessment has been reached in light of the guidance provided by the Head of Law.

RESOLVED

That the reports be excluded from public discussion and disclosure.

10. Recruitment of Director of Public Health

- 10.1 The Committee received a report from the Acting Head of Human Resources (agenda item 11), which advised on the background and process of appointing a Director of Public Health for Norfolk.

RESOLVED

That the recommendations contained within the exempt report be approved.

11. Pay Negotiations

- 11.1 The Committee received a report from the Acting Head of Human Resources (agenda item 13), which summarised the present position in national pay negotiations.

RESOLVED

That the recommendations contained within the exempt report be approved.

The meeting closed at 3.10 pm

CHAIRMAN

Senior Management Review

Report by Acting Head of HR

This report clarifies the remit of the Personnel Committee in respect of the Senior Management Review now being undertaken by the Managing Director.

Recommendation

To note the contents of the report.

1 Background

- 1.1 Members will be aware that the Acting Managing Director is now undertaking work to develop a refreshed operating model, which will inform a review of the organisation structure.
- 1.2 The timing of this Senior Management Review will enable full account to be taken of the moves already happening at senior management level, and the expectation is that clear proposals will be developed by the Autumn.
- 1.3 The review will result in a proposed high-level organisational structure and revised roles and numbers of Chief Officers. The Constitution provides that the numbers and responsibilities of Chief Officers and second tier officers are for Full Council to determine.

2 The remit of the Personnel Committee

- 2.1 The remit of the Personnel Committee includes determining the grades of senior managers, and determining policies relating to terms and conditions of employees.
- 2.2 The Committee will therefore be asked to decide pay grades for the new senior management posts, when that point is reached in the project.
- 2.3 If changes to pay structures, pay levels, pay policies or other terms and conditions of employment are proposed as part of the review, those would also fall to the Personnel Committee to consider and determine.

3 Financial implications

- 3.1 None. This report is for information only.

4 Other resource issues

- 4.1 None.

5 Crime and Disorder

- 5.1 No implications.

6 Equalities

6.1 No implications.

7 Other implications

7.1 None.

8 Recommendation

8.1 The Committee is recommended to note the contents of this report.

Officer Contact

If you have any questions about matters contained in this paper please get in touch with:

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