

HUMAN RESOURCES COMMITTEE

Monday, 15 September 2014 at 7.30 p.m.

Room MP701, 7th Floor, Town Hall, Mulberry Place, 5 Clove Crescent,
London, E14 2BG

This meeting is open to the public to attend.

Members:

Chair: Councillor Clare Harrisson

Vice-Chair:

Councillor Khales Uddin Ahmed, Councillor Rachel Blake, Councillor Dave Chesterton,
Councillor Alibor Choudhury, Councillor Julia Dockerill and Councillor Oliur Rahman

Deputies:

Councillor Abdul Asad, Councillor Craig Aston, Councillor Peter Golds, Councillor
Aminur Khan, Councillor Shiria Khatun, Councillor John Pierce, Councillor Gulam
Robbani, Councillor Rachael Saunders and Councillor Andrew Wood

[The quorum for this body is 3 Members]

Contact for further enquiries:

Jonathan Regal, Democratic Services
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Tel: 020 7364 4207
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Web: <http://www.towerhamlets.gov.uk/committee>

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APOLOGIES FOR ABSENCE

To receive any apologies for absence.

1. ELECTION OF VICE-CHAIR

At the Annual General Meeting of the Council held on 11th June 2014, Councillor Clare Harrison was appointed Chair of the Human Resources Committee for the Municipal Year 2014/2015.

However, it is necessary to elect a Vice-Chair of the Human Resources Committee for the Municipal Year 2014/2015.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTEREST

1 - 4

To note any declarations of interest made by Members, including those restricting Members from voting on the questions detailed in Section 106 of the Local Government Finance Act, 1992.

See attached note from the Monitoring Officer.

3. UNRESTRICTED MINUTES

5 - 8

To confirm as a correct record the minutes of the meeting of the Human Resources Committee held on 12 March 2014.

4. REPORTS FOR CONSIDERATION

4 .1 Human Resources Committee Terms of Reference, Quorum, Membership and Dates of Meeting

9 - 16

4 .2 Establishment of Appointments Sub-Committee

17 - 22

4 .3 Employment Options Savings Programme

23 - 38

5. EXCLUSION OF THE PRESS AND PUBLIC

In view of the contents of the remaining items on the agenda the Committee is recommended to adopt the following motion:

“That, under the provisions of Section 100A of the Local Government Act 1972, as amended by the Local Government (Access to Information) Act 1985, the press and public be excluded from the remainder of the meeting for the consideration of the Section Two business on the grounds that it contains information defined as Exempt in Part 1 of Schedule 12A to the Local Government Act, 1972.”

EXEMPT SECTION (Pink Papers)

The exempt committee papers in the agenda will contain information, which is commercially, legally or personally sensitive and should not be divulged to third parties. If you do not wish to retain these papers after the meeting, please hand them to the Committee Officer present.

6. RESTRICTED MINUTES 39 - 42

To confirm as a correct record of the proceedings the restricted minutes of the meeting of the Human Resources Committee held on 12 March 2014.

7. EXEMPT REPORTS FOR CONSIDERATION

7.1 Senior Management Vacancies 43 - 88

8. ANY OTHER BUSINESS WHICH THE CHAIR CONSIDERS URGENT

Next Meeting of the Committee

The next meeting of the Committee will be held on Wednesday, 22 October 2014 at 7.30 p.m. in Room MP701, 7th Floor, Town Hall, Mulberry Place, 5 Clove Crescent, London, E14 2BG

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Agenda Item 2

DECLARATIONS OF INTERESTS - NOTE FROM THE MONITORING OFFICER

This note is for guidance only. For further details please consult the Members' Code of Conduct at Part 5.1 of the Council's Constitution.

Please note that the question of whether a Member has an interest in any matter, and whether or not that interest is a Disclosable Pecuniary Interest, is for that Member to decide. Advice is available from officers as listed below but they cannot make the decision for the Member. If in doubt as to the nature of an interest it is advisable to seek advice **prior** to attending a meeting.

Interests and Disclosable Pecuniary Interests (DPIs)

You have an interest in any business of the authority where that business relates to or is likely to affect any of the persons, bodies or matters listed in section 4.1 (a) of the Code of Conduct; and might reasonably be regarded as affecting the well-being or financial position of yourself, a member of your family or a person with whom you have a close association, to a greater extent than the majority of other council tax payers, ratepayers or inhabitants of the ward affected.

You must notify the Monitoring Officer in writing of any such interest, for inclusion in the Register of Members' Interests which is available for public inspection and on the Council's Website.

Once you have recorded an interest in the Register, you are not then required to declare that interest at each meeting where the business is discussed, unless the interest is a Disclosable Pecuniary Interest (DPI).

A DPI is defined in Regulations as a pecuniary interest of any of the descriptions listed at **Appendix A** overleaf. Please note that a Member's DPIs include his/her own relevant interests and also those of his/her spouse or civil partner; or a person with whom the Member is living as husband and wife; or a person with whom the Member is living as if they were civil partners; if the Member is aware that that other person has the interest.

Effect of a Disclosable Pecuniary Interest on participation at meetings

Where you have a DPI in any business of the Council you must, unless you have obtained a dispensation from the authority's Monitoring Officer following consideration by the Dispensations Sub-Committee of the Standards Advisory Committee:-

- not seek to improperly influence a decision about that business; and
- not exercise executive functions in relation to that business.

If you are present at a meeting where that business is discussed, you must:-

- Disclose to the meeting the existence and nature of the interest at the start of the meeting or when the interest becomes apparent, if later; and
- Leave the room (including any public viewing area) for the duration of consideration and decision on the item and not seek to influence the debate or decision

When declaring a DPI, Members should specify the nature of the interest and the agenda item to which the interest relates. This procedure is designed to assist the public's understanding of the meeting and to enable a full record to be made in the minutes of the meeting.

Where you have a DPI in any business of the authority which is not included in the Member's register of interests and you attend a meeting of the authority at which the business is considered, in addition to disclosing the interest to that meeting, you must also within 28 days notify the Monitoring Officer of the interest for inclusion in the Register.

Further advice

For further advice please contact:-

Meic Sullivan-Gould, Monitoring Officer, 020 7364 4801; or

John Williams, Service Head, Democratic Services, 020 7364 4204

APPENDIX A: Definition of a Disclosable Pecuniary Interest

(Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012, Reg 2 and Schedule)

Subject	Prescribed description
Employment, office, trade, profession or vacation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	<p>Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by the Member in carrying out duties as a member, or towards the election expenses of the Member.</p> <p>This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.</p>
Contracts	<p>Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority—</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p>
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	<p>Any tenancy where (to the Member's knowledge)—</p> <p>(a) the landlord is the relevant authority; and</p> <p>(b) the tenant is a body in which the relevant person has a beneficial interest.</p>
Securities	<p>Any beneficial interest in securities of a body where—</p> <p>(a) that body (to the Member's knowledge) has a place of business or land in the area of the relevant authority; and</p> <p>(b) either—</p> <p>(i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii) if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.</p>

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LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE HUMAN RESOURCES COMMITTEE

HELD AT 6.30 P.M. ON WEDNESDAY, 12 MARCH 2014

**ROOM MP701, 7TH FLOOR, TOWN HALL, MULBERRY PLACE, 5 CLOVE
CRESCENT, LONDON, E14 2BG**

Members Present:

Councillor Carlo Gibbs (Chair)
Councillor John Pierce
Councillor David Edgar
Councillor Peter Golds

Guest:

Mahbub Rahman - Communication Advisor

Officers Present:

Simon Kilbey – (Service Head, Human Resources and Workforce Development)
Robert McCulloch-Graham – (Corporate Director, Education Social Care and Wellbeing)
Meic Sullivan-Gould – (Interim Monitoring Officer)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Oliur Rahman, Shiria Khatun and Gloria Thienel, for whom Councillor Peter Golds was deputising.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTEREST

There were no declarations of disclosable pecuniary interest.

3. UNRESTRICTED MINUTES

RESOLVED

That the unrestricted minutes of the meeting of the Human Resources Committee held on 29 January 2014 be agreed and signed by the Chair, as a correct record of the proceedings.

4. REPORTS OF CORPORATE DIRECTOR, RESOURCES

4.1 Localism Act 2011 - Pay Policy Statement 2014/15

The report was introduced by Simon Kilbey – Service Head, Human Resources & Workforce Development. He stated that in accordance with the Localism Act 2011, the Council was obliged to adopt a Pay Policy Statement for each financial year. The proposed Pay Policy Statement for 2014/15 was similar to previous pay policy statements adopted for 2012/13 and 2013/14.

In previous years, the Department for Communities and Local Government had published supplementary guidance on pay policy statements. However, to date no such guidance had been published in respect of the 2014/15 Pay Policy Statement. In the event of supplementary guidance becoming available, after the Council had adopted the 2014/15 Pay Policy Statement, there was scope for it to be amended as appropriate.

The key changes in the 2014/15 policy were:

- A new ratio setting out the gap between the highest and lowest paid employee (non school)
- Data on the lowest paid employees had been updated to ensure that following any future increases in the London Living Wage, lowest paid employees would receive a pay increase to the nearest spinal point above the London Living Wage.
- The payment of additional market supplements would be reviewed periodically to ensure that these payments were only made in exceptional circumstances and complied with the Council's pay policy and equal pay requirements.

In response to questions and observations from Members, officer responded as follows:

- Pay and conditions for the majority of Council employees were agreed through the National Joint Council (for Local Government Services) or the Joint National Council (for Chief Officers)
- The Council had altered the pay structure for chief officers. Nevertheless, Trade Unions were consulted as a matter of course regarding all pay structures. Trade Unions were also routinely consulted in respect of job evaluations.
- There was no discussions with Trade Unions on posts beyond JNC Grades
- The ratio between the highest and lowest paid employee was narrowing and the number of service heads had been reduced from 32

to 24 in the last 3 years.

- A very robust business case had to be made for paying an additional market supplement and payments would be approved by the Head of Paid Service in consultation with the appropriate Service Head and Chair of the Human Resources Committee.

RESOLVED

1. That the draft pay policy statement for 2014/14 as set out in the report (with no changes) be endorsed and recommended to Council for adoption.
2. That in the event of minor changes to the pay policy statement being required in the light of future government guidance, authority be delegated to the Head of Paid Service in consultation with the Head of Human Resources & Workforce Development to make the necessary changes.
3. That in the event of fundamental changes to the pay policy statement being required in the light of future government guidance, the policy be referred back to the Human Resources Committee for further consideration.

5. EXCLUSION OF THE PRESS AND PUBLIC

A motion to exclude the public and press was passed in the unrestricted party of the proceedings.

6. FUTURE STRUCTURE OF ESCW AND UPDATE ON SENIOR MANAGEMENT POSITION.

Please refer to Part 2 minutes.

7. RESTRICTED MINUTES

Please refer to Part 2 minutes.

8. ANY OTHER BUSINESS WHICH THE CHAIR CONSIDERS URGENT

There were none.

The meeting ended at 8.10 p.m.

Chair, Councillor Carlo Gibbs
Human Resources Committee

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Agenda Item 4.1

Committee: Human Resources Committee	Date: 15 September 2014	Classification: Unrestricted	Report No: GPC001/145	Agenda Item:
Report of: Service Head, Democratic Services Originating Officer(s): Jonathan Regal, Democratic Services		Title: Human Resources Committee Terms of Reference, Quorum, Membership and Dates of Meetings Ward(s) affected: All		

1. SUMMARY

- 1.1 This report sets out the Terms of Reference, Quorum, Membership and Dates of meetings of the Human Resources Committee for the Municipal Year 2014/15 for the information of members of the Committee.

2. RECOMMENDATIONS

- 2.1 That the Human Resources Committee note its Terms of Reference, Quorum, Membership and Dates of future meetings as set out in Appendices 1, 2 and 3 to this report.

3. BACKGROUND

- 3.1 At the Annual General Meeting of the full Council held on 11 June 2014, the Authority approved the review of proportionality, establishment of the Committees and Panels of the Council and appointment of Members thereto.
- 3.2 It is traditional that following the Annual General Meeting of the Council at the start of the Municipal Year, at which various committees are established, that those committees note their Terms of Reference, Quorum and Membership for the forthcoming Municipal Year. These are set out in Appendix 1 and 2 to the report respectively.
- 3.3 The Committee's meetings for the remainder of the year, as agreed at the meeting of the Council on 11th June 2014, are as set out in Appendix 3 to this report.
- 3.4 In accordance with the agreed calendar, meetings are scheduled to take place at 7.30pm.

4. COMMENTS OF THE CHIEF FINANCIAL OFFICER

4.1 Matters brought before the Committee under its terms of reference during the year will include comments on the financial implications of decisions provided by the Chief Finance Officer. There are no specific comments arising from the recommendations in this report.

5. LEGAL COMMENTS

5.1 The information provided for the Committee to note is in line with the Council's Constitution and the resolutions made by Full Council on 11th June 2014.

6. ONE TOWER HAMLETS CONSIDERATIONS

6.1 When drawing up the schedule of dates, consideration was given to avoiding schools holiday dates and known dates of religious holidays and other important dates where at all possible.

7. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

7.1 There are no specific SAGE implications arising from the recommendations in the report.

8. RISK MANAGEMENT IMPLICATIONS

8.1 There are no specific Risk Management implications arising from the recommendations in the report.

9. CRIME AND DISORDER REDUCTION IMPLICATIONS

9.1 There are no Crime and Disorder Reduction implications arising from the recommendations in the report.

10. EFFICIENCY STATEMENT

10.1 There are no specific Efficiency implications arising from the recommendations in the report.

**LOCAL GOVERNMENT ACT, 1972 SECTION 100D (AS AMENDED)
LIST OF "BACKGROUND PAPERS" USED IN THE PREPARATION OF THIS REPORT**

Brief description of "background paper"

If not supplied
Name and telephone
number of holder

10. APPENDICES

Appendix 1 – Human Resources Committee Terms of Reference
Appendix 2 – Appointments to Committee
Appendix 3 – Dates of Meeting

APPENDIX 1

EXCERPT FROM THE LONDON BOROUGH OF TOWER HAMLETS CONSTITUTION

3.3.8 Human Resources Committee Terms of Reference

Membership: Seven Members of the Council. Up to three substitutes may be appointed for each Member	
Functions	Delegation of Functions
<ol style="list-style-type: none"> 1. To determine major policy on the terms and conditions on which staff hold office within allocated resources. 2. To establish a sub committee to consider any proposal to discipline and/or dismiss the Head of the Paid Service or a statutory or non statutory chief officer or deputy chief officer in accordance with the Officer Employment Procedure Rules set out in Part 4 of this Constitution. 3. To agree any negotiated settlement, in relation to a senior executive in circumstances which do not amount to a dismissal, that may be proposed in accordance with the Council's Pay Policy Statement. 4. To establish an Appointments Sub Committee to consider the appointment of the Head of Paid Service and to make recommendations to the Council on that appointment. 5. To determine the criteria for the appointment of statutory and non statutory chief officers and deputy chief officers for the Appointments Sub-Committees established from time to time to consider such appointments. 	No delegations
Quorum Three Members of the Committee	

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HUMAN RESOURCES COMMITTEE
(Seven members of the Council)

<i>Labour Group (4)</i>	<i>Tower Hamlets First Group (2)</i>	<i>Conservative Group (1)</i>
<p>Cllr Clare Harrisson (Chair) Cllr Khales Uddin Ahmed Cllr Rachel Blake Cllr Dave Chesterton</p> <p>Deputies:- Cllr Shiria Khatun Cllr John Pierce Cllr Rachael Saunders</p>	<p>Cllr Alibor Choudhury Cllr Oliur Rahman</p> <p>Deputies:- Cllr Abdul Asad Cllr Aminur Khan Cllr Gulam Robanni</p>	<p>Cllr Julia Dockerill</p> <p>Deputies:- Cllr Craig Aston Cllr Peter Golds Cllr Andrew Wood</p>

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APPENDIX 3

SCHEDULE OF DATES 2014/15

HUMAN RESOURCES COMMITTEE

Monday 15th September 2014

Wednesday 22nd October

Wednesday 28th January 2015

Wednesday 25th March 2015

It may be necessary to convene additional meetings of the Committee should urgent business arise. Officers will keep the position under review and consult with the Chair and other Members as appropriate.

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Agenda Item 4.2

COMMITTEE: Human Resources Committee	DATE: 15 September 2014	CLASSIFICATION: Unrestricted	REPORT NO:	AGENDA ITEM:
REPORT OF: Head of Paid Service ORIGINATING OFFICER(S): John Williams, Service Head, Democratic Services Matthew Mannion Committee Services Manager		TITLE: Establishment of Appointments Sub- Committee Wards Affected: All		

1. SUMMARY

- 1.1 The terms of reference of the Human Resources Committee include the determination of criteria for the Appointments Sub-Committees established from time to time to consider the appointment of statutory and non statutory Chief Officers and Deputy Chief Officers.
- 1.2 This report recommends the establishment of the Appointments Sub-Committee for the current municipal year and the process for Chief Officer/Deputy CO appointments and proposes criteria for membership of the Sub-Committee in accordance with the Constitution and agreed procedures.

2. RECOMMENDATIONS

- 2.1 That the Committee agree the terms of reference for Appointments Sub-Committees for the remainder of the municipal year 2014/15 as set out at paragraph 4.1 below;
- 2.2 That the arrangements for nominating Councillors to serve on an Appointments Sub-Committee be agreed as set out at paragraph 4.2 below and the Service Head, Democratic Services be authorised to agree the dates of Appointments Sub-Committee meetings and the membership of the Sub-Committee for each appointment that is required in accordance with nominations from the Group Leaders and Mayor; and
- 2.3 That the Committee note the process for appointment to Chief Officer and Deputy Chief Officer posts as set out at paragraph 5 below.

3. BACKGROUND

- 3.1 Under the Officer Employment Procedure Rules at Part 4.9 of the Council's Constitution, the Appointments Sub-Committee will be established on criteria approved by the Human Resources Committee comprising relevant Councillors to make appointments to Chief Officer and Deputy Chief Officer posts.
- 3.2 The Human Resources Committee has previously agreed these criteria and an appointment process designed to meet the requirements of the Constitution, to be clear and transparent for Councillors and officers, and to follow recruitment best practice resulting in a successful and fair appointments process.
- 3.3 This report sets out the process for Chief Officers and Deputy Chief Officers. The Human Resource Committee is also responsible for agreeing the recruitment process for the Chief Executive/Head of Paid Service post. Agreement of that process will require a separate report to be presented to the Committee to consider.

4. APPOINTMENTS SUB-COMMITTEE

Terms of reference

- 4.1 It is proposed that in accordance with the Council's Constitution, the Committee establish an Appointments Sub-Committee with the following terms of reference:-
"To make appointments to Chief Officer and Deputy Chief Officer posts in accordance with the Council's Constitution and the agreed Recruitment and Selection Procedures."

Membership

- 4.2 Following the local government elections in May 2014, it is proposed that the following arrangements, adjusted from those previously agreed by the Human Resources Committee and set out below for ease of reference, should apply;
- a) For a **Chief Officer** (Corporate Director level) appointment, the Appointments Sub-Committee shall comprise of **seven Councillors** as follows:-
- Three Councillors nominated by the Leader of the Labour Group;
 - Three members nominated by the Leader of the Tower Hamlets First group, at least one of whom must either be the Mayor or a member of the Executive;
 - One Councillor nominated by the Leader of the Conservative Group.

- b) For a **Deputy Chief Officer** (Service Head level) appointment, the Appointments Sub-Committee shall comprise of **five Councillors** as follows:-
- Two Councillors nominated by the Leader of the Labour Group;
 - Two members nominated by the Leader of the Tower Hamlets First Group, one of whom must be either the Mayor or a member of the Executive;
 - One Councillor nominate by the Leader of the Conservative Group.
- c) The Service Head Democratic Services (or his nominee) to liaise with the Mayor and Group Leaders to receive their nominations, in accordance with the above allocation of places, and to agree the date of the first Sub Committee in each Chief Officer/ Deputy CO appointment cycle.
- d) The Mayor and political groups are expected to assist in achieving a Sub-Committee whose overall composition is diverse in terms of gender and ethnicity wherever possible. In the event that the initial nominations do not produce such a Sub-Committee, the Service Head Democratic Services (or his nominee) after consultation with the Service Head Human Resources and Workforce Development will discuss with the respective group leaders and the Mayor options for amending one or more of those nominations as necessary to achieve sufficient diversity.
- e) Members can only sit on an Appointments Sub-Committee if they have received training at this Council on recruitment and selection.
- f) The quorum for the Appointments Sub-Committee shall be at least three members.

5. PROCESS FOR APPOINTMENT OF CHIEF OFFICERS AND DEPUTY CHIEF OFFICERS

- 5.1 The rules governing the appointment of Chief Officers/Deputy Chief Officers are set out in the Council's Officer Employment Procedure Rules (Part 4.9 of the Constitution), which are in turn substantially derived from statutory provisions (primarily the Local Authorities (Standing Orders) (England) Regulations 2001). In practical terms the following is an outline of the process. This may be abbreviated or some elements of the process may not be required in the case of an internal-only recruitment or interim appointment.

Advertisement and longlisting

- 5.2 The Council may use recruitment consultants to assist with senior appointments. The Service Head Human Resources and Workforce Development will work with the recruitment consultants and the Head of Paid Service or the relevant Corporate Director to establish a timeline for the recruitment process and agree any advertisements in accordance with Council policy.
- 5.3 Following advertisement, the Service Head Human Resources and Workforce Development, the recruitment consultants and the Head of Paid Service or relevant Corporate Director will agree a longlist of candidates and details of the process to follow this may include information visits, the use of assessment tools such as in-tray and other testing. Longlisted candidates will then undergo an assessment process.

Shortlisting and interviews

- 5.4 If necessary, the Appointments Sub-Committee may then meet to consider the results of the longlist process and the recruitment consultants' and officers' recommendations; and agree a shortlist of candidates for interview.
- 5.5 The Appointments Sub-Committee will then meet again to interview the shortlisted candidates. The officers will table suggestions for questions at the start of the meeting. References for candidates will be available for consideration but will only be considered once the ASC has decided who to appoint.

Appointment

- 5.6 If the Appointments Sub-Committee agrees on a candidate suitable for the post of Chief Officer/Deputy Chief Officer, it must inform the Mayor and each member of the Executive of its 'provisional intention to make an offer' to the preferred candidate. The Mayor and Executive members then have a two day period in which they may notify any objection to the making of the appointment. If no such objection is received within that period, a firm offer will be made. Should an objection be received the Appointments Sub-Committee would be required to reconvene to consider any objection and make a determination.

Note: Sub-Committee membership throughout the appointment process

- 5.7 The Committee has previously agreed that the membership of the ASC must remain the same throughout the process for an appointment and there can be no substitutions once the process has commenced for a particular appointment. A member of the ASC who ceases his/her participation after the Sub-Committee has started to meet may not be replaced. Rather the Sub-Committee would continue with a reduced number of members, subject to remaining quorate. Equally, a member of the ASC who does not participate in a stage of the process (e.g. shortlisting) may not then take part in a subsequent stage (e.g. interviews).

- 5.8 These provisions represent good recruitment practice. However, there may be occasions when their strict application could work against other aspects of best practice - for example by reducing the diversity of the Sub-Committee in terms of gender or ethnicity. In such exceptional circumstances the Service Head HR & WD may waive the requirement at 5.7 above in order to ensure a sufficiently diverse membership of the Sub-Committee, provided that consistency is maintained within each distinct stage of the appointment process.

6. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 6.1 The costs of senior officer recruitment and the associated administering of the Appointments Sub-Committee will be contained within existing budget allocations for Human Resources and Workforce Development and related functions.

7. LEGAL COMMENTS

- 7.1 Under the Council's Constitution it falls within the terms of reference of the Committee to determine criteria for the appointment of statutory and non-statutory Chief Officers and Deputy Chief Officers for Appointments Sub-Committees, which may be established from time to time to consider such appointments.
- 7.2 The Local Authorities (Standing Orders) (England) Regulations 2001 require that an Appointments Sub-Committee include at least one member of the Executive. The regulations also set out a statutory 'objection' procedure under which an appointment may only be confirmed if there is no well-founded objection to the proposed appointment by the Mayor or a member of the Executive.
- 7.3 When considering the criteria for Appointments Sub Committees, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't (the public sector equality duty). There is information in section 8 below relevant to these considerations.

8. ONE TOWER HAMLETS CONSIDERATIONS

- 8.1 The recruitment process will follow equalities best practice to ensure a diverse range of potential candidates. Members of the Appointments Sub-Committee will be trained on appointments and on equalities practices.

9. ANTI-POVERTY IMPLICATIONS/SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 9.1 There are no direct implications for anti-poverty or environmental sustainability.

10. RISK MANAGEMENT IMPLICATIONS

- 10.1 There is a risk that the Council will not be successful in securing the best staff and its reputation will suffer if the recruitment and selection process for senior staff does not operate smoothly and effectively. The recommendations detailed above will ensure the Council complies with the statutory requirements for the appointment of Chief Officers and Deputy Chief Officers.

Local Government Act, 1972 Section 100D (As amended)
List of "Background Papers" used in the preparation of this report

Brief description of "back ground papers"

Name and telephone number of holder
and address where open to inspection.

None

Agenda Item 4.3

Committee: HR Committee	Date: 15 th September 2014	Classification:	Report No:	Agenda Item:
Report of: Stephen Halsey, Head of Paid Service Other Officers: Mark Keeble Project Manager, Employment Options		Title: Employment Options Savings Programme Wards Affected: All		

1. **SUMMARY**

- 1.1 This report provides information on the introduction of a programme of early retirement, voluntary redundancy and flexible working options across the council, named the Employment Options Savings Programme as part of the Council's response to the Government's Austerity Programme.
- 2.1 The programme contains two streams. The first stream relates to a number of potential service reorganisations that have been identified as potential workforce efficiency opportunities; expressions of interest received from these service areas will inform the development of these reorganisations, which will be undertaken through the Handling Organisational Change Procedure. The second stream relates to all other employees. This report addresses the process for progressing requests within the second stream.

2. **RECOMMENDATIONS**

- 2.2 The HR committee are requested to note the Employment Options Savings Programme and the next steps in the progression of this scheme.

3. **BACKGROUND**

- 3.1 The financial statement reported at the July Cabinet meeting highlighted the following:

During the three financial years from 2011/12 to 2013/14 the Council has successfully delivered savings in the region of £25m each year to ensure it has a balanced budget. Fiscal consolidation at a national level through deficit reduction policies (austerity) is set to continue for the foreseeable future and the estimated savings requirement in 2015/16 and beyond, even after planned use of general reserves, is expected to be significantly higher with £28m forecast for 2015/16 and up to £40m per year thereafter.

- 3.2 This significant challenge can be achieved, in part, by a reduction in the size of the council's workforce. The Head of Paid Service is committed, wherever possible, to accomplishing this task without compulsory redundancies for employees.

4. EMPLOYMENT OPTIONS SAVINGS PROGRAMME

- 4.1 From 28th July, 2014, all employees (excluding Schools staff) were offered the opportunity to express an interest in any of the following options, to take effect from 2015/16. Employees were also able to express an interest for these options in either of the following two financial years in order to inform future workforce planning. No decision will be made on future years at this stage, these requests will be used to inform service planning only.

- voluntary redundancy (including early retirement benefits for any employee who is a member of the pension scheme and aged 55 or over on their last day of service);
- flexible retirement for those employees aged 55 and over who are members of the pension scheme; and
- flexible working for employees who want to reduce their working hours e.g. to job share, other part-time hours or term time only working.

- 4.2 Requests for flexible retirement and flexible working are based on existing policies that are already in operation across the Council. The programme takes these policies into account.

- 4.3 The council's People Board has agreed that employees will only be granted voluntary redundancy or early retirement where detailed criteria has been met and where it can be demonstrated that:-

- genuine savings can be made; **and**
- release does not significantly compromise service delivery / operational viability; **and**
- The impact on remaining staff has been assessed and minimised.

- 4.4 It is extremely unlikely that every request received from employees will be agreed, particularly from those who work in areas of skills shortages, recruitment or retention difficulties and areas that directly deliver the council's strategic priorities. Services will still need to be delivered to the community, but consideration will be given as to how these can be delivered more efficiently, through innovation and change.

- 4.5 Employees working in roles in traded, income generating or grant funded services are also extremely unlikely to be released, unless they provide a 'bumped' redundancy opportunity. Bumped redundancies are situations where an employee at risk of compulsory redundancy is redeployed into the job of an employee whose job is not at risk, but who would like to take voluntary redundancy or early retirement. This will only be allowed if the employee at risk of compulsory redundancy has the relevant transferable skills for the job – so staff working in specialised roles will have limited scope to pursue this option.
- 4.6 Detailed information for employees has been made available on the intranet. A telephone hotline and email address is in operation for employees or managers to raise queries or concerns regarding the scheme and drop in sessions have been held for employees to discuss pension issues or flexible working options.
- 4.7 The deadline for expressions of interest was Friday 22nd August. Term time only employees who were not able to submit a request by this deadline were able to express an interest within one week of returning to work following their summer break.
- 4.8 The programme has been designed in accordance with Legal advice sought during the development of the scheme. This legal advice is reflected in Section 10 of this report.

5. DECISION MAKING PROCESS

- 5.1 A summary of the criteria for releasing staff on voluntary redundancy and early retirement is attached at Appendix 1.
- 5.2 Directorate Management Teams are currently reviewing all expressions of interest requested to take place before 31st March 2015 and will recommend outcomes to the People Board, where final decisions will be made in early October. No decisions will be made on future requests at this time.
- 5.3 Following People Board decisions Trade Unions will be provided with a list of posts that will be deleted outside of a formal restructure and the service/structural adaptations that managers will make in order to accommodate the deletion with minimal impact to remaining employees. Trade Unions will have a period of two weeks to review these decision and make representations, where appropriate. An extension to this period might be granted by People Board in exceptional circumstances. These representations will be reviewed by the People Board, who will determine the appropriate course of action.

- 5.4 Additional reorganisations may be identified as a result of a number of expressions of interest. If this is the case, as with the reorganisations currently identified, any additional restructures will be undertaken in accordance with the Handling Organisational Change policy.
- 5.5 Employees who's expressions of interest have not been supported will have the opportunity to request a written review. This will be a paper based review of the decision and will be undertaken by the People Board Review Panel – a time limited body that will operate with the specific remit of hearing written reviews. A Trade Union representative will form part of this panel to ensure transparency in the review process.
- 5.6 In accordance with the Constitution, decisions relating to the redundancy of Service Heads and Directors will be taken by HR Committee. Should this situation arise a special meeting of HR Committee may be convened for this purpose. The Council's Pay Policy also requires details of the redundancy package to be provided to HR Committee when making such a decision. Any review of Service Head positions would require high level structural changes, which the Head of Paid Service will need to consider. Should any flexible retirement requests be received at Service Head level or above, the Head of Paid Service has indicated that this Committee should be informed in advance of them being accepted. Flexible Retirement decisions are delegated to the Head of Paid Service and do not require HR Committee approval, however, it is consider appropriate to inform the Committee when considering the wider implications for postholders and positions at this level.

6. SUMMARY OF EXPRESSIONS OF INTEREST

- 6.1 775 expressions of interest for Employment Options have been received in total. The table below shows the number of requests received in each year for each option:

Table 1: Summary of Employment Options Request

Expressions of Interest	Flexible Retirement	Reduced Hours	Term time working	Voluntary redundancy	Grand Total
Before 31 March 2015	11	13	9	477	510
Between 1 April 2015 And 31 March 2016	3	8	8	102	121
Between 1 April 2016 And 31 March 2017	5	10	3	126	144
Grand Total	19	31	20	705	775

6.2 The table below shows the number of expressions of interest per directorate as a count of FTE (full time equivalent) posts. The data highlights the percentage of expressions of interest received against the FTE count within each directorate:

6.3 A thorough process is currently being undertaken within each directorate to assess the impact of each request on service delivery.

Table 2: Employment Options Requests by Directorate for Requests for Before 31 March 2015

Directorate	Total no. FTE on the establishment	Total no. FTE requests	% requests of total FTE count	Total no. FTE requests to implement before April 2015	% requests for 2015 of total FTE count
CLC	929	167	18.0%	132	14.2%
D&R	458	112	24.5%	68	14.8%
ESCW	1912	342	17.9%	214	11.2%
LPG	147	24	16.3%	20	13.6%
RES	467	113	24.2%	68	14.6%

7 PROBITY AND CONFLICTS OF INTEREST

7.1 The Employment Options Savings Programme is open to all council employees and, therefore, creates the potential for conflicts of interest to arise between decision makers and employees submitting a request. This, in part, is discussed within the Legal comments contained in section 10 of this report, which focuses on the decision to implement the scheme that, in turn, could have potentially benefited members of the decision making body. Legal advice confirmed that staffing decisions are delegated to the Head of Paid Service. However, any appointment and dismissal decisions, including redundancy, for chief and deputy chief officers (members of CMT and Service Heads), are reserved for HR Committee only. Therefore, the key decision makers cannot decide to make their own posts redundant and hence any flexible retirement arrangements proposed for these officers will also be reported.

7.2 Further Legal and Audit advice has been sought to determine how Directorate recommendations and People Board decisions should be taken where one of the decision makers has a personal relationship with the employee making the request. Legal advice has confirmed that Service Heads and above (those responsible for agreeing directorate recommendations and final decisions through the People Board) should complete a declaration of interest to identify any personal relationships with colleagues within the council. Where an interest has been declared the decision maker must remove themselves from the room whilst the request is discussed. The minutes of the meeting should reflect this removal.

- 7.3 These measures should mitigate any conflicts of interest and ensure the probity of the programme.

8. NEXT STEPS

- 8.1 Decisions will be communicated to individual employees in October. Employees who leave the organisation through redundancy will be required to sign a settlement agreement, for which independent Legal advice will be provided by an external agency. Departure dates will be determined between managers and employees and it is anticipated that the majority of staff will exit the organisation between January and March 2015.
- 8.2 Analysis will be undertaken to identify the financial, equalities and structural impact of the programme on the council's workforce. This will be presented to the HR Committee for comment at a future meeting.

9. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 9.1 This is a noting report updating the HR Committee on the Employment Options Savings Programme. There are no direct financial implications arising from the recommendations within this report.
- 9.2 However, there are significant costs and savings associated with the programme and these will need to be approved through the normal financial approval process governed by the budget and policy framework.

10. LEGAL COMMENTS

- 10.1 Staffing is a non-executive function by virtue of the Local Authorities (Functions and Responsibilities) (England) Regulations 2000. All staffing matters up to Chief and Deputy Chief Officer (broadly up to Service Head level) are delegated to the Head of Paid Service (see paragraph 3.1.1.11 and item 37 of the Constitution at page 78). The Head of Paid Service has power to implement an ER/VR programme for the staff within his remit if he decides that is an appropriate way to achieve the savings required by the Executive. By virtue of the corporate scheme of delegation ER/VR is delegated on to Directors and Heads of Service (see paragraph 6.5 on page 126). However, Chief and Deputy Chief Officer posts (those referred to in Item 37 as being appointments reserved to the Appointments Sub-Committee) are not delegated to officers.

- 10.2 The HR Committee has delegated power from Council to establish sub-committees to deal with the dismissal of statutory and non-statutory chief officers and deputy chief officers in accordance with the Officer Employment Procedure Rules. To this extent, the HR Committee has an interest in the top level of the Employment Options Programme.
- 10.3 As a constitutional issue, the Head of Paid Service can exercise his delegated power up to Service head level and the HR Committee can exercise its own delegated power beyond that. As the scheme will be the same in both cases and there are interdependencies between the levels, it may be appropriate for the Committee approve the entire scheme.
- 10.4 As the HR Committee is responsible for establishing a sub committee to consider any proposal to dismiss the Head of Paid Service or a statutory or non-statutory chief/deputy chief officer, they will become involved in this process should any of the service restructures, deletions of posts outside of a formal restructure and bumped redundancies include a proposal to dismiss staff at these levels. It is expected that information on relevant savings proposals will be provided to the Committee in future reports.
- 10.5 Insofar as the Committee has the responsibility to determine major policy on the terms and conditions on which staff hold office within allocated resources, this report is for noting only in respect of the possible impact on such policies of a significant reduction in staff numbers.
- 10.6 Decisions on specific budget savings proposals to deliver the MTFP are an executive function which will require approval from Cabinet to pursue. Once Cabinet decisions are made it is for the Head of Paid Service to agree any structural changes and any dismissals due to either compulsory or voluntary redundancy that result (with the exception of those involving chief and deputy chief officers which must be referred to HR Committee). HR Committee have a standing request for quarterly reports on starters and leavers. The impact of the savings programme on staff leaving the Council will therefore be reported to HR Committee through regular reporting.
- 10.7 Cabinet can decide on a strategy of delivering budget savings with an aim of there being no compulsory redundancies or directing the Head of Paid Service to take all reasonable measures to avoid them. The extent to which Cabinet can consider staffing issues within specific budget proposals is limited to the general duty of local authorities to have due regard to the need to eliminate discrimination under the Equality Act 2010.

- 10.8 The Constitution also allows for elected members to participate in dispute resolution through the Joint Consultative Advisory Group (JCAG). A number of previous restructures have been referred to JCAG when Trade Unions have registered a failure to agree following consultation on organisational change. However, JCAG has no decision making powers but makes recommendations to the Head of Paid Service.
- 10.9 There are established procedures for dealing with Flexible Working, Flexible Retirement and Premature Retirement requests from staff. All decisions on these matters are delegated to officers and do not require any involvement of Elected Members.

Decisions on VR/ER outside of formal restructures

- 10.10 Custom and practice within the Council is for all redundancies to take place in line with the Procedure for Handling Organisational Change. Within the context of a VR/ER scheme it is permissible for employees to be considered redundant without recourse to this procedure provided:
- There is a genuine redundancy situation i.e. the Council's requirement for employees to carry out work of a particular kind has ceased or diminished;
 - There is no suitable alternative work available within the Council;
 - There is an opportunity to avoid another employee being made compulsorily redundant i.e. a bumped redundancy; and,
 - There are no changes required to the job descriptions or terms and conditions of other employees as a result of accepting the request.
- 10.11 The process to be adopted by the Council will require consultation with Trade Unions prior to being finalised. It will need to ensure the impact on those employees that remain are given appropriate consideration e.g. in terms of managing workloads.

Conflicts of Interest

- 10.12 There is potential for senior officers involved in making decisions on restructures to be present at meetings at which a request that involves them personally may be discussed and decision taken. Senior officers chairing meetings such as DMT, Directorate People Panels and People Boards will need to be alert to potential conflicts of interest, ask for them to be declared and recorded. When a conflict of interest is declared, the officer will take no part in the discussions or decision in matters that involve them personally. It will be the responsibility of the chair to decide whether individual officers need to be excluded from all or part of any meetings.

- 10.13 As a scheme for Directors/Service Heads needs HR Committee approval, it is not possible for such an officer to benefit from the scheme in which that officer played a part as a decision maker.

Duty to Consult with Service Users

- 10.14 The VR/ER programme itself does not require any service user consultation under the best value duty of a local authority under section 3 of the Local Government Act 1999. Neither does it require consultation under the Public Services (Social Value) Act 2012. Only decisions that change the way in which a function of the Council is delivered require service user consultation. Examples of functions are waste management, social care, registrars and planning. Reducing the number of staff or changing the structure of a team, job descriptions or the way in which work is organised are considered to be activities and require only formal consultation with employees and Trade Union Representatives.
- 10.15 Decisions on the VR/ER programme relate to a strategic approach to contribute to the Council's savings target. It is not part of the Council's "functions". This was confirmed in case of *R on the application of Maria Stella Nash v. Barnet London Borough Council [2013]* which established that Human Resources decisions of a local authority are "activities" of the Council not "functions".
- 10.16 Managers leading on specific Service Challenge proposals that will result in a change to how a function is delivered are responsible for identifying the specific consultation requirements with service users that must be undertaken.

Requirements to Consult with Employees and Trade Union Representatives

- 10.17 Under the Information and Consultation Directive, consultation with employees must be meaningful and effective. This means that consultation processes must provide an opportunity to receive constructive feedback and explore potential alternative options. Consultation must not be a *fait accompli*. Decisions requested from Cabinet on budget savings proposals are subject to consultation and any reports need to reflect this.
- 10.18 There is a legal duty under Section 188 Trade Union and Labour Relations (Consolidation) Act 1992, (TULRCA) for employers to collectively consult about redundancies in situations where it is proposed to dismiss 20 or more employees at one establishment over a period of 90 days or less. For the purposes of the Council, 'one establishment' is the employees working within central directorates, it does not include community or maintained schools.

- 10.19 The Council's position is expected to be that 100 or more employees will be made redundant. This requires that consultation commences at least 45 days before the first notice of redundancy is issued. The provisions of Section 188 do not distinguish between voluntary or compulsory redundancy so the Council. Therefore a letter will need to be sent from the Head of Paid Service to the Trade Unions and Secretary of State to meet the statutory requirement to inform them in writing. This letter was previously issued by the Council in 2010 ahead of formal consultation commencing on the Lean programme.
- 10.20 The Council's existing collective bargaining arrangements with Trade Unions and Procedure for Handling Organisational Change provide a framework for complying with specific requirements for both individual and collective consultation to take place.

Equality Act 2010

- 10.21 In agreeing to take forward the VR/ER scheme, there will need to be due regard to the impact of the proposed scheme on the equality between staff from different backgrounds. Any equality analysis, which outlines the outcome of the 2011/12 scheme, will identify groups likely to apply for ER / VR; this will be included in relevant reports.
- 10.22 It will be necessary to complete Equality Assessments (EA) in order to demonstrate that due regard has been taken to eliminate discrimination. This will require an EA of the programme itself before it is implemented and for any individual restructuring proposals which will need to be completed prior to starting consultation and updated once the outcome of the consultations is known. For staffing decisions e.g. on VR/ER etc., the outcome on employees and profile of their protected characteristics will be maintained for monitoring purposes. It is expected that a greater number of older employees (aged over 55) will request to take VR/ER. This is because employees in the pension scheme are entitled to early release of pension benefits if they are made redundant after reaching age 55.

Timescale of Programme

- 10.23 The approach of writing to employees to ask them to indicate whether they would be interested in VR/ER or other options available over the next 3 years is legitimate to inform the Council's planning to deliver savings whilst attempting to avoid compulsory redundancies. The initial letter to staff and their response does not form a binding commitment and this will be made clear in the correspondence.

10.24 No formal commitment should be given to staff beyond a 3 to 6 months period. Formally agreeing to staff leaving the organisation beyond this risks performance issues with individual employees who may lack the motivation to perform their duties knowing they are leaving. It also increases the risk that another employee will leave (through resignation or dismissal for sickness, disciplinary etc.) which allows a saving to be made by deleting a vacant post. The Council may also find it necessary to review redundancy payments in the future to manage the costs associated with changes in the workforce so long-term commitments should also be avoided for this reason. Therefore, binding commitments to staff must only be made for a 3 to 6 month period otherwise the Council risks breaching its general fiduciary duty.

11. ONE TOWER HAMLETS CONSIDERATIONS

11.1 An Equalities Assessment has been undertaken to identify the potential impact on the Council's workforce, in particular the impact on the Council's strategic aim to employ a workforce that reflects the community. Each stage of the change process will include an analysis of the equalities impact.

12. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

12.1 Not applicable.

13. RISK MANAGEMENT IMPLICATIONS

13.1 There are significant risks related to savings programme to ensure the Council has a balanced budget. These have been identified and are reflected in the main body of the report. Comprehensive guidance has been issued for managers that covers a broad range of factors. When developing the Employment Options Programme, managers from Internal Audit and Risk were consulted and their advice taken into account.

14. APPENDICES

Appendix 1 – Workforce Savings: Employment Options Scheme – Criteria for Releasing Staff on Voluntary Redundancy/Early Retirement

Local Government Act, 1972 Section 100D (As amended)
List of “Background Papers” used in the preparation of this report

Brief description of “back ground papers”	Name and telephone number of holder and address where open to inspection.
RedundancyRights.gov.uk	Mark Keeble, Project Manager, Employment Options, 020 7364 2186
Handling Organisational Change Procedure	Mark Keeble, Project Manager, Employment Options, 020 7364 2186
Flexible Working and Flexible Retirement Procedures	Mark Keeble, Project Manager, Employment Options, 020 7364 2186

Appendix 1

Workforce Savings: Employment Options Scheme

Criteria for Releasing Staff on Voluntary Redundancy/Early Retirement

Introduction

There are three routes through which an employee can be granted voluntary redundancy or early retirement (VR/ER) to support delivery of savings required for 2015/16 under the Medium Term Financial Plan, these are:

1. a service restructure
2. deletion of posts outside of a formal restructure
3. bumped redundancies

There is an overarching criteria that has to be satisfied in relation to delivering a saving, each route will have specific criteria that need to be satisfied. The criteria will not enable those employees working in areas of skills shortages, recruitment or retention difficulties or delivery of the Council's strategic priorities to be released.

Criteria for Ensuring Savings are Delivered

The Council's People Board has agreed that employees will only be granted voluntary redundancy or early retirement provided that:

- genuine savings can be made; **and**
- release does not significantly compromise service delivery / operational viability; **and**
- the impact on remaining staff is minimal.

In additional, the strict criteria set down within each route will need to be satisfied as set out below.

On reviewing Directorate recommendations for VR/ER, People Board will consider an equalities analysis of the profile of employees for whom requests have been supported and not supported, and the wider impact to the Council's structure and broader workforce strategies.

Before considering individual expressions of interest, Service Heads must review the posts in their establishment that are currently vacant and those that are filled through agency workers / consultants. No request can be approved where savings can be achieved through deleting a vacant post or releasing agency workers. Similarly, requests will not be supported where agency workers will continue to be used to cover the post following redundancy of the post holder.

1. Service Restructures

Any employee who requests VR/ER and is in scope of a restructure will be formally considered as part of the established process for managing change, including formal consultation with Trade Unions.

No additional criteria will be issued for this purpose. Decision are based on avoiding compulsory redundancies and once a final job matching list has been issued which identifies employees at risk.

2. Deletion of posts outside of a formal restructure

Employee requests can only be progressed through this route provided there is either no or minimal impact to other employees as a result of the departure.

In order for People Board to agree to release an employee through this route, Service Heads will need to provide details to explain how the deletion of post can be accommodated within the structure. Some examples of approaches that managers could take in order to support expressions of interest are given at the end of this document. This is not an exhaustive list, each case will be considered individually to identify the most effective approach for their service area. For an employee to be released, People Board will need to be satisfied that the following criteria is met:

- If the employee leaves, their work will not still need to be done; or,
- If the work does still need to be carried out, it be covered in some other way e.g. by incorporating the duties in another role;
- There are no prohibitive costs associated with this redundancy, including early retirement costs;
- There are no vacancies in the work area that can be deleted to achieve a saving;
- The skills and experience of the employee are not in an area of skills shortage or recruitment/retention difficulties;
- There will be sufficient skills and experience left in the team if this employee leaves; and,
- If leaving under VR/ER, the employee must agree to sign a compromise agreement.

If some minor changes are required to other employee's contracts which they have all indicated they are in agreement with, updated JDs will be written by managers and sent to HR for evaluation and the grade confirmed. In situations where the grades of some existing posts increase to accommodate additional workload, the deletion of the original post must still deliver a net saving in order for the request to be approved.

Examples of Approaches to Releasing Staff Outside of Restructures

Approach	Example
Reducing spans of control within the service	Where there a large numbers of middle managers/supervisors within a structure each with only 1 or 2 direct reports. Note: organisational design principals advocate no more than 6 spans of control (see principals attached to this guidance). A tier of middle management could be removed and line management responsibility moved to the tier above.
Service demand will reduce in the near future	Workload for certain support services may be determined by the total number of employees in the council or number of assets the council owns etc. Posts may be able to be removed with minimal impact when assessing the future resource requirements.
Business process redesign	Increased efficiency reduces resource requirements. This approach could be used where there are multiple posts with the same job

	description within a service. Increasing the efficiency of the each process may enable a reduction in the total number of posts required.
Reduced duplication	As above, managers should review where duplication can be removed either within a team or across teams/services to reduce resource requirements
Review of service standards	Some services operate with historic performance targets and service standards, which are no longer measured as part of the council's suite of performance indicators. These targets could be reviewed to determine if any of these standards could be reduced to produce resource efficiencies without having a significant impact on service delivery – for example, extension of a timescale for responding to queries/requests. Reduction in the number of service communications etc.
Management delayering	Where it may not be possible to reduce the total number of posts within a service, it may be possible to reduce the number of manager/supervisory positions and create an additional frontline post. The net effect of this change must always be to achieve a permanent reduction to the staffing budget; therefore the saving will be the difference between the salaries of the two posts.

3. Bumped Redundancies

Bumped redundancies are situations where an employee at risk of compulsory redundancy is redeployed into the job of an employee whose job is not at risk but would like to take VR/ER. This will only be allowed if the employee at risk of compulsory redundancy and has the transferable skills so staff working in specialised roles or areas of skills shortages will have limited scope to pursue this option.

People Board will agree to employees being listed for potential bumped redundancies provided that:

- It is possible to move an employee at risk of compulsory redundancy with transferable skills and a reasonable skills gaps into their job; and,
- In circumstances where there is a requirement in the person specification for the postholder to have a qualification, the employee can obtain it within a reasonable timescale and cost while undertaking the role.

Any employees put into a pool for bumped redundancy will only be matched against employees at risk of compulsory redundancy and those on the redeployment register. This will be done by providing managers leading on restructure proposals with details of the job titles and grades of staff in the bumping pool so they can identify staff within scope of their restructure that are likely to need to be redeployed as they are not expected to have any direct claims in the job matching process. Directorate People Panels and People Board Operations Group will coordinate and manage the cross directorate bumping process.

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Agenda Item 6

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