

EMPLOYMENT COMMITTEE

FRIDAY 24 JUNE 2016

10.00 AM

Forli Room

AGENDA

Page No

1. **Apologies for Absence**
2. **Declarations of Interest**

At this point Members must declare whether they have a disclosable pecuniary interest, or other interest, in any of the items on the agenda, unless it is already entered in the register of members' interests or is a "pending notification" that has been disclosed to the Monitoring Officer.

3. **Minutes of the Meeting Held on 23 February 2016** 3 - 6
4. **Shared Chief Executive Arrangements Between Peterborough City Council and Cambridgeshire County Council** 7 - 10



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Committee Members:

Councillors: M Nadeem (Chairman), J Holdich (Vice Chairman), W Fitzgerald, D Lamb, N Khan, M Jamil and J Davidson

Substitutes: Councillors: L Ayres, E Murphy and N Sandford

Further information about this meeting can be obtained from Pippa Turvey on telephone 01733 452460 or by email – philippa.turvey@peterborough.gov.uk

**MINUTES OF A MEETING OF THE EMPLOYMENT COMMITTEE
HELD AT THE TOWN HALL, PETERBOROUGH ON 23 FEBRUARY 2016**

Members Present: Councillors Nadeem (Chair), Holdich (Vice-Chair), Fitzgerald, Khan, Thulbourn, Fower, and Saltmarsh

Officers Present: Mandy Pullen, Assistant Director of Human Resources and Development
Paul Smith, Human Resources Advisor
Pippa Turvey, Senior Democratic Services Officer

1. Apologies for Absence

Apologies for absence were received from Councillors Sandford and Swift. Councillors Fower and Saltmarsh were in attendance as substitutes.

2. Declarations of Interest

Councillor Khan, in relation to agenda item 4 'Appeals Against Dismissal', declared that he was a member of the Employment Tribunal in Leicester.

3. Minutes of the Meeting Held on 3 December 2015

The minutes of the meeting held on 3 December 2015 were agreed as a true and accurate record.

4. Appeals Against Dismissal

The Assistant Director of Human Resources and Development presented a report to the Committee, which sought comment on the proposal that appeals against dismissal by staff below Deputy Chief Officer were heard by Officers. The report further sought Employment Committee's recommendation to Council to accept the change to the Council's Constitution Terms of Reference No. 2.3.1.2.

The Committee discussed the report and raised several key points:

- The only avenue of appeal after that to Employee Appeals Committee, as current, was through the external Employment Tribunal,
- Employment Tribunals had been critical in delays in the appeals process,
- The number of employee appeals to occur within the past two years was four. Two of these appeals were upheld and two were dismissed,
- It was advised that the process for appeals against dismissals in schools was separate and within the school's own remit. The Council could advise, but not impose a particular procedure,
- It was suggested that if officers were to hear appeals if may appear to appellants that senior officers could be influenced by each other,
- Concern was raised around the suggestion that appeals be decided by one individual, as opposed to a panel of three. It was considered whether a panel could be introduced, to include an officer,
- The Committee were advised that, under the proposals, officers would be supported by HR advisors and, if necessary, legal officers,
- It was noted that the trade unions were not in favour of the proposals,

- The HR Advisor clarified that the proposals were intended to speed up the appeals process and to allow for a less intimidating procedure, thus making the process fairer,
- It was highlighted that investigations occasionally resulted in long delays in the appeals process, which would remain the case with officers hearing appeals,
- It was suggested that employees would feel more comfortable with Members hearing their appeal, rather than officers, as Members were not involved in management, and
- It was considered that Members were sufficiently equipped to hear employee appeals against dismissals, subject to them having undertaken all the relevant training.

A motion was proposed and seconded to maintain the current appeals against dismissal procedure, contrary to officer recommendation. This motion was carried four voting in favour, one voting against and two abstaining from voting.

RESOLVED that Employment Committee agreed to maintain the current appeals against dismissal procedure.

Reasons for the decision:

It was considered to be appropriate for employee appeal dismissals to be heard by a panel of three trained Members, as it was considered that they were more independent from the original dismissal process.

5. Changes to Employee Terms and Conditions of Service

The Assistant Director of Human Resources and Development presented a report to the Committee, which provided information on the detail of the changes that were being proposed to terms and conditions of employment, subject to the approval of the 2016/17 budget by Full Council on 9 March 2016. The report further sought Employment Committee's agreement, subject to a Collective Agreement being reached with the Unions, that the honorarium policy would be withdrawn from 31 March 2016, and that no further honorariums would be paid during 2016/17.

The Assistant Director of Human Resources and Development advised that the outcome of the trade unions ballot was not to support the proposed changes to the terms and conditions of employment. As such, further negotiations would be required. The recommendation, however, in relation to employee terms and conditions was to note the details of the changes.

The Committee discussed the report and raised several key points:

- It was noted that there had been a low number of voters in the trade unions' ballot,
- Confirmation was provided that a skeleton staff, for vital roles, would be in place during the proposed officer closure,
- It was noted that employees would be able to claim tax relief on the proposed car mileage rates,
- It was suggested that the effected staff were not happy with the proposed changes,
- The Human Resources Advisor noted that, in terms of the withdrawal of the honorarium payment, this had been suggested by the trade unions themselves,
- Concern was raised that the proposed changes to the terms and conditions of employment would alienate the staff who were meant to be implementing savings, and
- The Human Resources Advisor advised that the next steps in relation to reaching an agreement with the trade unions on the proposed terms and conditions was to escalate the discussion to the union secretaries. Failing this, staff would have to be dismissed, then re-engaged.

A motion was proposed and seconded to note the detail of the changes that were being proposed to terms and conditions of employment, subject to the approval of the 2016/17 budget by Full Council on 9 March 2016, and to agree, subject to a Collective Agreement being reached with the Unions, that the honorarium policy would be withdrawn from 31 March 2016, and that no further honorariums would be paid during 2016/17. This motion was carried unanimously.

A Member of the Committee questioned whether a Collective Agreement had been reached with the trade unions, in relation to the withdrawal of the honorarium policy. The Assistant Director of Human Resources and Development advised that a formal agreement had not been reached, however, as the proposal had originated from the trade unions, it was not envisioned that any problems would arise. The proposals would be put before the trade unions

Councillor Khan wished it to be noted that he did not support the specific wording of the resolution in relation to the honorarium policy, as he felt the status of the Unions' Collective Agreement was unclear.

RESOLVED that Employment Committee:

1. Noted the detail of the changes that were being proposed to terms and conditions of employment, subject to the approval of the 2016/17 budget by Full Council on 9 March 2016; and
2. Agreed, subject to a Collective Agreement being reached with the Unions, that the honorarium policy would be withdrawn from 31 March 2016, and that no further honorariums would be paid during 2016/17.

Reasons for the decision:

The proposed changes to employee terms and conditions of service were necessary in order for the Council to meet its savings targets over the next 3 years.

Chairman
7:00pm – 8:07pm

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EMPLOYMENT COMMITTEE	AGENDA ITEM No.4
24 JUNE 2016	PUBLIC REPORT

Contact Officer(s):	Kim Sawyer, Director of Governance	Tel. 452361
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SHARED CHIEF EXECUTIVE ARRANGEMENTS BETWEEN PETERBOROUGH CITY COUNCIL AND CAMBRIDGESHIRE COUNTY COUNCIL

R E C O M M E N D A T I O N S	
FROM : Kim Sawyer, Director of Governance	Deadline date : 29 June 2016
That Committee:	
<ol style="list-style-type: none"> 1. Note the review undertaken in conjunction with Cambridgeshire County Council; 2. Agree that the shared Chief Executive arrangement be made permanent; 3. Agree to a contractual variation for the Chief Executive; 	
Subject to Committee agreeing recommendations (2) and (3), recommends that Council:	
<ol style="list-style-type: none"> 4. Agree that the shared Chief Executive arrangements be made permanent; and 5. Agree to a contractual variation for the Chief Executive. 	

1. ORIGIN OF REPORT

1.1 This report follows the report approved by this Committee on 17 September 2015 and the subsequent approval by the Council at its meeting on 14 October 2015 that a temporary shared Chief Executive arrangement be put in place between Peterborough City Council (PCC) and Cambridgeshire County Council (CCC).

2. PURPOSE AND REASON FOR REPORT

2.1 The purpose of this report is to note that the 6 month review has taken place and to consider a proposal put forward by CCC that the shared Chief Executive arrangement between PCC and CCC be made permanent, subject to the approval of both Councils.

2.2 This report is for the Committee to consider under its Terms of Reference 2.3.1.1 to appoint Directors and Heads of Service, and determine terms and conditions of employment.

3. TIMESCALE

Is this a Major Policy Item/Statutory Plan?	NO	If Yes, date for relevant Cabinet Meeting	N/A
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4. BACKGROUND

4.1 The Employment Committee met on 17 September 2015 to consider a proposal put forward by CCC to share PCC's Chief Executive on a secondment basis. This proposal followed the resignation of the Chief Executive of CCC.

4.2 Following discussion of all of the options, the Employment Committee gave its support to appoint Gillian Beasley to the post of shared Chief Executive initially for a one year period. This recommendation was subject to the approval of Full Council, which was granted on 14 October 2015.

4.3 This arrangement was agreed on the basis that PCC would second Mrs Beasley to CCC for half of her working time, thereby sharing the cost of her employment.

5. REVIEW OF SECONDMENT ARRANGEMENT

5.1 The secondment commenced on 2 November 2015 and the Employment Committee report dated 17 September 2015 stated that a review of this arrangement would be undertaken in six months jointly between both Council Leaders, and the Chief Executive. The expectation was that this review would consider the benefits of the working arrangements, any achievements made for both parties, progress against objectives and would seek input from the Chief Executive regarding how the more practical arrangements are working.

5.2 The wording set out in the Secondment Agreement is as follows:

“The secondment shall be subject to a review on the anniversary of six months following the commencement of this agreement; such review to be conducted in accordance in a manner agreed by all parties. The review will be completed by 19th April 2016.”

5.3 A review was carried out and focussed on the strategic objectives that were set at the beginning of the secondment and the impact on PCC.

5.4 The benefits have seen real progress, as can be seen by the examples below:

- Opportunities created to explore sharing resources and expertise across both organisations, which have been facilitated by the Chief Executive within both senior teams.
- Ongoing exploration of senior shared roles within Economy, Transport and Environment to create efficiencies.
- A joint management arrangement has been introduced for Trading Standards with a view to transferring the CCC staff to PCC to develop a joint team later this year.
- The joint Chief Executive role has also been able to add strength to PCC’s regional position and shown added benefit for example with regards to the devolution discussions.
- Over 50% saving on Chief Executive Salary and on costs.

5.5 Both leaders have discussed their review of the secondment arrangements. The conclusion is that there has been significant progress on both the strategic objectives and the anticipated benefits, to the degree that the secondment is considered a success in managerial terms.

6. NEXT STEPS AND OPTIONS

6.1 All parties were aware that, should a shared Chief Executive role prove to be successful, then any move to make this a permanent arrangement would require an appropriate process.

6.2 CCC have considered their options for next steps in October when the current secondment arrangement ends and, subject to approval by both Councils, have recommended that Gillian Beasley be confirmed in post as joint Chief Executive for CCC and PCC. At any point where Gillian Beasley is no longer in the shared Chief Executive post, it is also proposed that a review, between the two authorities, will take place to consider the joint shared Chief Executive role and arrangements.

- 6.3 Should this proposal be endorsed by this Committee, CCC are also proposing to put in place a Deputy Chief Executive to provide additional capacity and support to the shared Chief executive arrangements.
- 6.4 At the heart of this arrangement is the maintenance of political sovereignty for each Council ensuring that each Council can deliver its own political priorities, strategy and policies. The shared arrangement supports the sovereignty of each Council and at the same time enables the benefits of the arrangement to be realised across both Councils.

7. ALTERNATIVE OPTIONS

There are a number of alternatives which the Committee could consider as follows:

- 7.1 End the shared Chief Executive arrangements - the benefits noted in 5.4 of this report would be lost and CCC would then advertise the Chief Executive post for CCC alone.
- 7.2 Further period of extension - this will create uncertainty for both Councils and in particular, would preclude CCC from appointing a Deputy Chief Executive.
- 7.3 Advertise the shared Chief Executive post – CCC have indicated that this would not be their preference.

8. CONSULTATION

- 8.1 Consultation has taken place with Gillian Beasley, Group Leaders, Cabinet Policy Forum and CCC. Gillian Beasley has advised that should Members wish to make permanent the current arrangement, she would be willing to continue with the shared arrangement and would not be seeking an increase in salary. She has also advised that, from experience over the past 6 months, it would be beneficial for both Councils, if CCC appointed a deputy chief executive.

9. IMPLICATIONS

- 9.1 Finance - The expectation is that, if a joint arrangement was endorsed, the financial saving would amount to £110k per annum as the employment and associated costs, for example pension costs, would continue to be managed on a 50/50 cost share basis. This saving would increase if there were any future pay awards.
- 9.2 Human Resources – if the proposals are agreed a revised agreement will be drawn up and framed in such a way which protects the interest of all parties.
- 9.3 Legal - Under section 113 of the Local Government Act 1972 a local authority is permitted to enter into an agreement with another local authority to place its officers at the disposal of the latter for the purposes of their functions. This is the section which governs these shared service proposals. Under Peterborough City Council's constitution the Council is responsible for approving the agreement to enter into these shared arrangements. Section 4 of the Local Government and Housing Act 1989 states that all local authorities must designate a Head of Paid Service. At Peterborough City Council the Chief Executive is designated to that statutory role and leads the officers to support the delivery of the Council's functions and services. Under section 112 of the Local Government Act 1972 the Council has responsibility for determining the terms and conditions upon which its staff are employed. That responsibility is given to the Employment Committee under its delegated authority. Given that these arrangements will result in the appointment of the Council's most senior employee to another Council to operate in parallel with the Chief Executive's continued employment at the City Council, the matter would need to be referred to Council for approval as the only the Full Council may deal with such matters concerning the Chief Executive.

10. BACKGROUND PAPERS

10.1 None.

11. APPENDICES

11.1 None.