

BRISTOL CITY COUNCIL

**MINUTES OF THE MEETING OF THE
HUMAN RESOURCES COMMITTEE
HELD ON 24TH SEPTEMBER 2010 AT 2.00 P.M.**

A Councillor Beynon
P Councillor Comer
P Councillor Gollop
P Councillor Hance
P Councillor Wright

HR

32.9/10 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Apologies were received from Councillor Beynon, he was substituted by Councillor Stone.

HR

33.9/10 DECLARATIONS OF INTEREST

No declarations were added to those made at the annual meeting of the Committee.

HR

**34.9/10 MINUTES - HUMAN RESOURCES COMMITTEE - 2ND
SEPTEMBER 2010**

RESOLVED - that the minutes of the meeting of the Human Resources Committee held on 2nd September 2010 be confirmed as a correct record and signed by the Chair.

HR

35.9/10 PUBLIC FORUM

The following items of public forum were received:

AGENDA ITEM	AUTHOR OF STATEMENT	SUBJECT(S) OF STATEMENT	No
5	UNITE	Senior Management Restructuring	
6		Pay Protection	
7		Redundancy Pay	
8		Voluntary Severance Scheme	
5	GMB	Senior Management Restructuring	
6		Pay Protection	
7		Redundancy Pay	
3	UNISON	Minutes of the Previous Meeting	
5		Senior Management Restructuring	
6		Pay Protection	
7		Redundancy Pay	
8		Voluntary Severance Scheme	
6	TU Side of JERB (Joint Employees Relation Board)	Pay Protection	
7		Redundancy Pay	
8		Voluntary Severance Scheme	

In response to UNISON, Officers (MW) agreed to forward the revised Code of Conduct as requested.

The remaining public forum items would be heard prior to the item to which they referred.

A series of questions had been received from UNISON and the written responses provided. The responses were noted.

SENIOR MANAGEMENT RESTRUCTURING

The Committee considered a joint report of the Chief Executive and Service Director: Human Resources (agenda item no. 5) which requested approval of the HR implications arising from the management restructuring. An amended Methods of Appointment (Grading) Appendix B was circulated.

The Committee noted the items of public forum submitted.

In response to the public forum submissions and Members questions, the following points were discussed;

- Within the proposed structure, the role of Statutory Officer for Scrutiny and the Monitoring Officer would be within the same department, however, it was confirmed that the two posts had both previously reported to the Strategic Director of Resources and mechanisms were in place to deal with any potential conflict of interests
- The draft Localism Bill suggested a possible move to a Committee System or Elected Mayor structure and work was ongoing under the Overview & Scrutiny Management Committee which would report on the future of Scrutiny to full Council in March 2011.
- The post of Chief Executive grade was proposed following the job evaluation process. It was confirmed that market supplements had been discontinued for two posts as the jobs had been changed.
- The proposal for the Strategic Leadership Team had two stages, the second being an 'in principle' smaller management structure in 2012/2013. Policy papers would be presented to Council in January 2011 with more information regarding the future of the Health and Social Care, Children and Young People's Services and Public Health departments. The organisation would move forward with plans as the right opportunities presented themselves. It was suggested that it would be preferable to reduce the Senior Leadership Team including 2nd tier quicker which would in turn empower 3rd and 4th tier managers.

- Exact savings figures could be reported back to the Committee at the end of the process.
- 'Regeneration' referred to economic development rather than through grants at community level. Economy, Green and Digital Futures were linked to the Local Enterprise Partnership. There were plans to access the Kickstart Fund through Local Enterprise Partnerships with the first round of bids taking place in December 2010.
- The Annual Employment Report, to be presented to the November 2010 Committee meeting, would show changes in the numbers of employees on different grades.
- It was confirmed that the 'Director of Place', employed to protect and market the City against the worst effects of the recession for a two year fixed term, was partially funded by Bristol City Council and other agencies including the Bristol Partnership and was not part of the management structure.

RESOLVED - (1) that the HR implications arising from the management restructuring, as set out in paragraphs 3 and 4 of the report be approved with effect from 1st October 2010;

(2) that the Methods of Appointment set out in Appendix A to the report be approved;

(3) that the revised JE grading set out in Appendix B of the report (including the incorporation of the post of Deputy Chief Executive, within the job evaluation scheme) be approved, thereby enabling the proposed changes to be progressed and financial benefits realised at the earliest opportunity;

(4) that the longer term objective to move to a much smaller Strategic

Leadership Team by 2012/13, with agreement to move in this direction as opportunities arise, be noted; and

(5) the situation regarding Children & Young Peoples Services, Health & Social Care, and Public Health, as set out in the report be noted.

HR

37.9/10

PAY PROTECTION

The Committee considered a joint report of the Chief Executive and Service Director: Human Resources (agenda item no. 6) requesting that the Council's Pay Protection Policy be revised.

The Committee noted the items of public forum submitted.

In response to the public forum submissions and Members questions, the following points were discussed;

- There was no intention to delay the review of Landlord/Tenant service and it would move forward as appropriate.
- The agreed scheme would be applied across the board from the implementation date, which included those affected by the Senior Management Restructure.
- People already subject to Pay Protection had an agreed set defined period, which would stand.
- It was confirmed that figures within the report had been calculated based on those already on pay protection.
- It was debated whether any equal pay claims had been lost by the Council on the basis of pay protection. It could be argued that pay protection maintained the inequalities of the pay system which resulted in discriminatory effects. If that was the case it had to be taken into account when considering its effects.
- When pay increases were common, the cost to the employer would have been less as pay levels caught up during the period of three years.

- It was important to correctly implement the system of redeployment within the New Opportunities Policy to help people remain on the grades they were on rather than have to fall back on pay protection measures.
- Any cost savings made would ultimately remain in the budget to help prevent job losses or cuts to services elsewhere.
- There was concern that a cut would not be significant to justify the possible disruption to services and de-stabilisation of the workforce with associated threat of strikes.
- It was suggested that the savings were not significant enough to the budget (0.3% of the Net budget) compared to the significant impact on those it affected.
- It was confirmed that the redeployment process had been more successful within the last 12 months due to the stricter policy on vacancy management.

There was a vote on option B within the report. Three Members voted for, two against.

- RESOLVED -**
- (1) that the Pay Protection Policy be revised in accordance with “option B” of the report, to reduce pay protection for employees from three years to two years with effect from 1st January 2011; and**
 - (2) that it be noted that employees paid in accordance with the School Teachers' Pay and Conditions Document have separate pay protection arrangements which are determined by statutory regulations.**

**HR
38.9/10 REDUNDANCY PAY**

The Committee considered a joint report of the Chief

Executive and Service Director: Human Resources (agenda item no. 7) requesting consideration of the recommendation that redundancy pay be revised.

The Committee noted the items of public forum submitted.

In response to the public forum submissions and Members questions, the following points were discussed;

- The employers aimed to avoid compulsory redundancy as much as possible and were not looking to bring it back for use on a regular basis.
- Reference to a review of the policy had been removed and it was not the intention of the Committee to revisit the policy. Members were clear that it should not be further affected and therefore should not return to the Committee for further cuts.
- It was confirmed that all cases of redundancy after the implementation date would be treated as per the agreed policy, which included any changes to the Senior Management Structure.
- The authority was legally obliged only to pay redundancy of £380/week based on age and length of service. Negotiations had opened on a £500/week cap however the proposal had moved to retain a calculator of payment for up to 60 weeks but with a cap on payment of £700/week. The proposal would affect those employees in the top 10% earnings bracket, capped at £36,500/year.
- Based on the past years redundancy payments, the proposals would have resulted in savings of £419,000/year.
- Redundancy was changing, it was important not to affect the lowest paid, but only highest tiers of management. Rising top tier management salaries had carried redundancy and severance pay to unacceptable stratospherical levels with six figure sums.
- The level of cap should be indexed to the pay award settlement of Local Government Services.

There was a vote, four Members voted for, one against.

RESOLVED - (1) to retain the 60 week calculator to avoid an adverse effect upon low paid employees;

(2) to continue to calculate redundancy pay on the basis of actual pay weekly earnings;

(3) to set a weekly “redundancy cap” of £700 (£42,000 maximum payment);

(4) that the revised redundancy pay calculator be effective from 1st January 2011.

(5) that in respect of the Teacher's Pension Scheme the existing policy is retained.

HR

39.9/10

VOLUNTARY SEVERANCE SCHEME

The Committee considered a joint report of the Chief Executive and Service Director: Human Resources (agenda item no. 8) considering the Voluntary Severance Scheme and revised redundancy pay calculator.

The Committee noted the items of public forum submitted.

In response to the public forum submissions and Members questions, the following points were discussed;

- It was acknowledged that managers would be in charge of the process and were required to deal with the selection process sensitively and transparently. It was critical that the policy did not get discredited from bad implementation.
- There would be no appeal rights for those that were refused voluntary redundancy. To have appeals would result in unacceptable delays and would result in some people not knowing whether they have been accepted, or know they were accepted but not able to tell anyone.

- There was concern that consideration on the grounds of cost would deduce that younger workers or the latest to be employed would be cheaper to lose make redundant. Such considerations would result in age discrimination and would result in an older age demographic at a time when the organisation was looking to retain an even age demographic. However, it was also assured that another consideration would be the age and profile of the workforce.
- It was expected that there would be a demand for voluntary redundancy and it was important to stress that the scheme would identify workgroups where jobs were at risk and invite people within those workgroups.
- Members were mindful that people turned down for voluntary redundancy could become de-motivated.
- It was ascertained that Service Directors would have an overview of the workforce within their areas of responsibility. Key information for departments would be available after the Spending Review and budget setting and would be considered on a monthly basis. Regular Trade Union/Officer meetings would also take place.
- When the New Opportunities Policy was followed correctly, there would be no need for additional procedures such as 'bumping' (whereby a number of people in one workgroup not at risk could be released and replaced with displaced workers from other workgroups at risk).
- Natural wastage would continue to be considered as the Council could not afford to make more people redundant than was needed and service quality needed to be retained.

It was agreed that the situation should be reviewed in March and September 2011 to assess the impact of the policy, in particular, levels of grievances, possibility of bumping and the key management processes in place. Officers would also gather benchmark information from other organisations

- RESOLVED -**
- (1) that the Voluntary Severance Scheme be approved with effect from 1st October 2010;**
 - (2) that the (revised) redundancy pay calculator, as per the levels set out in the separate report to this Committee regarding Redundancy Pay, be applied with effect from 1st October 2010;**
 - (3) that it be noted that the application of the Voluntary Severance Scheme requires “Head of Paid Service” approval, for its application to designated work groups only; and**
 - (4) that it be noted that the scheme would be reviewed in March and September 2011, to assess its impact and effectiveness.**

HR

40.9/10

DATE OF NEXT MEETING

- RESOLVED -** The next scheduled meeting of the Human Resources Committee be held on 7th October 2010 was cancelled. It was noted that the next meeting would place on 18th November 2010 at 2.00 pm.

(The meeting ended at 5.05pm)

CHAIR