

BRISTOL CITY COUNCIL

Human Resources Committee

12 September 2013

Report of: Service Director for Human Resources

Title: People Panel

Ward: N/A

Officer Presenting Report: Rachel Falla, People Business Partner

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RECOMMENDATION

Note the terms of reference for a People Panel which will scrutinise and authorise spend on people related expenditure.

Provide delegated authority for the People Panel to authorise payment of additional increments and overtime for staff graded BG11+ where there is a robust business case which as a consequence will save the Council money.

Summary

With effect from 2nd September 2013, the People Panel, chaired by the Service Director for Human Resources with a combination of first and second tier representatives from each Service Directorate will review all recommendations for people spend made by each Directorate.

The Council has a further £80 million to save over the next three years and this panel will play a significant contributing role in achieving these savings.

With regards to additional increments and overtime, the Committee will be aware that a previous paper recommended the discontinuation of both to achieve savings. The People Panel are requesting delegated authority to reinstate these two options only in circumstances where there is a business case which ultimately saves the Council money.

The significant issues in the report are:

Delegated authority to authorise additional increments and overtime payment in exceptional circumstances.

1. Policy

1.1 The Council's Pay Policy will need to be amended, as well as the HR Delegations.

2. Consultation

2.1 Internal

The Senior Leadership Team. The HR Committee were advised at a previous meeting that three Panels (People, Non-People and Capital) would be formed to control and review expenditure.

2.2 External

Not applicable.

3. Context

3.1 The Terms of Reference for the People Panel clarify what the scope of the Panel is (please refer to Appendix 1). A process map is also included. Divisional Leadership Teams will firstly review all people spend requests before recommending to the People Panel what they would like to proceed with. These will then be scrutinised by the People Panel.

3.2 The option to pay additional increments and overtime for BG11+ staff is proposed to be an option that the panel can consider authorising if there is a sensible business case which saves the Council money.

3.3 Following a previous Cabinet decision, supported by the HR Committee the operation of additional increments and overtime payments for BG11+ staff was discontinued.

4. Proposal

4.1 That the Committee delegate authority to the People Panel to pay additional increments and overtime payments for BG11+ staff where they deem it appropriate.

5. Other Options Considered

5.1 The existing policy would continue.

6. Risk Assessment

6.1 This risk associated in providing the Panel with delegated authority is low because all payments will be reviewed and only paid where savings may be achieved.

7. Public Sector Equality Duties

7a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:

- i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
- ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
 - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
 - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
 - tackle prejudice; and
 - promote understanding.

7b) An Equalities Impact Assessment is not applicable.

Legal and Resource Implications

Legal

There are no direct legal implications arising from this report. The Council's Pay Policy and HR Delegations should be amended appropriately to incorporate the recommendations made in the Report. Where consideration is to be given to the payment of additional increments or overtime payments, the People Panel should ensure consistency of treatment and transparency in the decision making process.

(Legal advice provided by Husinara Jones, Lawyer (Employment))

Financial

(a) Revenue

There are no direct financial impacts resulting from this report, however, the decisions made as a result of this policy change are expected to contribute towards the Council's overall funding pressures.

Additional increments and overtime payments will only be approved in conjunction with a robust, money saving business case. As a result any approval will result in either cost avoidance or a cashable benefit to the organisation. In either case this should be clear in the business case presented.

Where business cases demonstrate a cashable benefit these should be captured and result in appropriate budget reductions being actioned.

(b) Capital

There are no direct capital implications associated with this report.

(Financial advice provided by Graeme Trott, Interim Head of Management Accounting)

Land

Not applicable

Personnel

Not applicable

Appendices:

App A: Terms of Reference for the People Panel.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:



The People Panel

Terms of Reference

Context

The Council needs to address significant financial challenges as funding streams reduce and demand for existing services rises. As part of the Medium Term Financial Strategy, the Council has determined to exercise stronger governance over its expenditure through the introduction of 3 corporate panels/boards:

1. People Panel (pay)
2. Non-Pay Panel
3. Capital Programme Board

This document sets out the purpose and governance arrangements for the People Panel (PP).

It should be noted that previous attempts at controlling the establishment and establishment costs via a Vacancy Management arrangement were not entirely successful. The new People Panel will make itself aware of these issues and seek to implement the lessons learned to avoid undermining the success of the new arrangements.

Purpose

The People Panel will achieve the following objectives:

1. People

Ensure effective **establishment control** across the whole organisation by monitoring staffing requirements, approving the filling of vacant roles, recording of all new workers and approving any additions to the permanent or temporary workforce.

Maximise **employee development** through effective redeployment, targeted reskilling of at-risk employees, structured knowledge transfer and monitoring of organisation resilience.

Provide a documented, clear and transparent process for addressing all resourcing requirements across the council.

Monitor other key people management processes to ensure compliance and manage trends to ensure effective management of the workforce including PMDS completion, sickness absence recording, return to work interviews, etc.

2. Finance

Ensure effective **budgetary control** of workforce costs through a whole organisation vacancy and resource monitoring process that will, where appropriate, also identify cashable savings as they become available.

Produce regular **budget and workforce data** to enable SLT to provide assurance on overall establishment control and use of non-directly employed resources.

Ensure effective **control of external resources** by monitoring the specification, scope and duration of consultant engagements, identifying opportunities to reduce redundancy costs and avoid HMRC/Pensions Regulator fines and penalties for improper engagements.

The People Panel will ensure that Directorates hold managers to account for effective control of workforce costs and that all applications for resources are managed in a way that serves the whole Council. Any application for approval for people resources does not meet the objectives or follow the specified process will not be approved.

A good communications strategy should underpin the agreed objectives to ensure there is clarity and transparency over the process and outcomes required.

Scope

Workforce resourcing requests

- Determine the process and criteria for people resourcing spend approval, seeking in all cases to minimise bureaucracy
- Periodically review the process and criteria to reflect the changing demands of the Council
- Ensure effective redeployment of at-risk employees taking a whole organisation approach
- Accept and approve proposals for reskilling existing employees
- Monitor overall council spend on people resources to ensure spend is minimised
- Identify opportunities to minimise spend through alternative solutions such as:
 - Payment of overtime to existing staff
 - Payment of increments
 - Cessation of functions
 - Up-skill existing employees and to meet current and future workforce resourcing requirements

Process

The People Panel will receive requests on a weekly basis from DLTs and will determine if the requested resource requirements meet the council's criteria in terms of:

- Serving corporate priorities
- Meeting legislative and regulatory requirements
- Being under the control of a sound business case

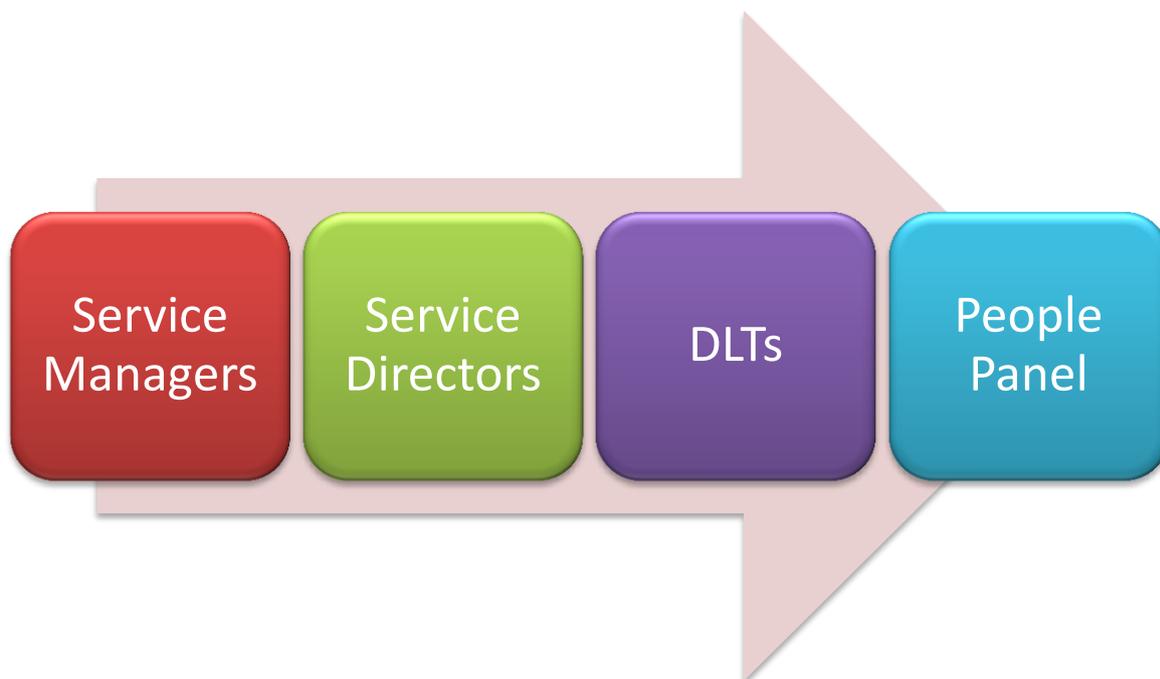
The People Panel will have the authority to authorise or deny requests to commit expenditure in respect of:

- Recruiting to an existing or new post
- Recruiting temporarily (fixed term/casual)
- Changing contracted hours
- Making additional payments to employees to undertake wider responsibilities including the extension of current arrangements (e.g. acting up,
- Contracting a non-employed resource (agency, self-employed, consultant, contractors, HMRC-deemed employees)
- Alternative temporary solutions as identified above (Efficiencies).

Prior to making a decision the People Panel may request further information to enable the best decision to be taken in the interests of the Council and its objectives.

It is the responsibility of the Service Managers to ensure that the relevant information and rationale is accessible and made available in the required format.

Request Approval Structure



People Panel Membership

The board membership will be made up of senior officers as follows:

- Service Director - Human Resources (Chair)
- 5 Service Directors, one from each Directorate
- People Business Partners as required
- HR People Resourcing representative

Nominees and substitutes

Strategic Directors can nominate a representative to be their standing member. Nominees must be at Service Director level. Each Service Director can only stand on one of the three Corporate Panels.

Each standing member may have one standing substitute which must be a Service Director.

Nominees will carry the authority of the Strategic Director at the Panel and will be expected to represent the whole Directorate. In representing the Directorate, the each Panel Member must act in the best interests of the Authority.

Meeting frequency and attendance

The Panel will meet a minimum of weekly on a Tuesday to consider requests prior to DLT meetings on a Wednesday.

Administration

The review of requests and business cases must comply with corporate standards. The return of rejected and non-compliant submissions will be administered locally.

We are proposing that the administration arrangements for the submission of DLT approved requests will be handled centrally by HR. Administration will include:

- Receipt of documentation submitted following approval by Directorate Leadership Teams to peoplepanel@bristol.gov.uk
- Dissemination of People Panel decisions back to DLTs and Service Directors.

All documentation must be received in accordance with the timetable below.

Meeting Day	Paper to be received by central administrator peoplepanel@bristol.gov.uk	Papers to be dispatched to People Panel	Decisions disseminated
Tuesday	10am Monday	5pm Monday	10am Wednesday

Any documents received after the deadlines set will be referred automatically to the next scheduled meeting.