

**Report for:** **Staffing & Remuneration Committee**

**Title of Report** **Human Resources Senior Management Restructure implementation – Proposed Redundancy**

**Report authorised by** **Richard Grice, Director of Customers, Transformation and Resources**

**Lead Officer:** **Dan Paul, Chief People Officer**

**Ward(s) affected:** **All**

**Report for Key/ Non Key Decision:** **Non Key**

**1. Describe the issue under consideration**

- 1.1 The internal recruitment to the Human Resources restructure has been completed. As part of this, existing employees in the service were interviewed for new roles, where applicable.
- 1.2 The post of Head of HR Operations was deleted by this restructure. The employee who was acting into that post was interviewed in a ring fence for the new post of Head of HR Support Services, but was unsuccessful.
- 1.3 The employee was made redundant under delegated powers by Officers as the cost of severance was under the £100,000 threshold. The employee's last day of service was 8 February 2021. The redundancy payments were made on 15 February 2021.
- 1.4 The cost was under £100,000 because the Restriction of Public Sector Exit Payments Regulations 2020 applied to this post.
- 1.5 These Regulations have been disapplied. The Council is therefore now required to meet the pension strain cost for this redundancy. The pension strain cost means that Committee approval is required.

**2. Cabinet Member Introduction**

Not applicable.

### **3. Recommendations**

- a) Approve the compulsory redundancy pay package in accordance with the Council's Pay Policy Statement 2020/21.

### **4. Reason for decision**

- 4.1 The implementation of the HR Restructure has resulted in this compulsory redundancy, which requires approval in line with the Pay Policy 2020/21

### **5. Alternative options considered**

- 5.1 No alternatives are presented, as the restructure process in respect of this post has concluded and the employee has left the Council. The Committee has no discretion not to pay any of the payments as they are all required by contract or statute.

### **6. Background information**

- 6.1 The senior management structure of Human Resources has been under review for some time. The restructure consultation was undertaken in accordance with the Council's Restructure Policy and there were several stages of consultation. The final consultation stage closed on 11 September 2020.
- 6.2 The new Chief People officer started in post on 7 September 2020. One of his first tasks is to complete the restructure and recruit to the posts in the new structure. Recruitment & selection to posts is in line with the Council's Recruitment Policy. As part of that, the ring fence recruitment to two new Head of Service posts needed to be completed. Interviews for the two posts were held on 6 October 2020. One existing employee was appointed as part of this process and one was not.
- 6.3 The employee who was not appointed is therefore compulsory redundant. There were no redeployment options.

### **7. Contribution to strategic outcomes**

- 7.1 The restructure aims to establish a structure which will assist in the strategic leadership of the Council, and in delivery of the priorities identified in the Borough Plan.

### **8. Statutory Officers' comments**

#### **8.1 Finance**

The redundancy and capital costs of this compulsory redundancy will be met from the Corporate budget. The cost of payments in relation to annual leave will be met from the service budget.

## **8.2 Procurement**

Not applicable

## **8.3 Legal**

8.3.1 The Assistant Director of Corporate Governance has been consulted in the preparation of this report.

8.3.2 In accordance with Part 3 Section E Section 2 of the Constitution, the Director may make these changes to the establishment including the creation and deletion of any posts as a result, such changes to be contained within existing budgets and in accordance with agreed procedures and legislative requirements.

8.3.3 The dismissal of a Senior Manager (as defined by the Council's Pay Policy Statement) as a result of the new structure must comply with the Council's procedures regarding organisational change.

8.3.4 Where the Council terminates the employment of an employee on the grounds of redundancy, they are entitled to receive compensation and benefits in accordance with the Council's Redundancy scheme and any statutory or contractual entitlements.

8.3.5 The Localism Act 2011 requires the Council to publish an annual Pay Policy Statement which outlines the Council's approach to the pay of its workforce and in particular the pay of its senior staff. The Council's Pay Policy for 2020/21 states that Severance payments of £100,000 or more must be considered and approved by the Staffing & Remuneration Committee. The recommendation in the report is in accordance with that Policy.

## **9 Equality**

A full EqIA was not required due to the small impact upon the profile of the workforce.

## **10 Use of Appendices**

1. Exempt Appendix
2. Government guidance in relation to the disapplication of the Regulations

## **11 Local Government (Access to Information) Act 1985**

Appendix 1 is exempt as it contains information classified as "exempt" information under paragraphs 1 and 4 of Part 1 of Schedule 12A of the Local Government Act 1972: namely that it contains information relating to any individual and also information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.