

**UNRESTRICTED MINUTES OF THE STAFFING AND REMUNERATION COMMITTEE
MONDAY, 8 SEPTEMBER 2014**

Councillors Arthur, Elliott, Meehan (Chair) and Vanier

Apologies Councillor McShane

LC1. APOLOGIES FOR ABSENCE

An apology for absence was received from Councillor McShane.

NOTED

LC2. URGENT BUSINESS

LC3. DECLARATIONS OF INTERESTS

The Chair asked if there were any items of urgent business.

The Democratic Services Manager – Mr Hart advised the Committee that there was one item of urgent business of an exempt nature which would be considered under Item 14 on the agenda.

NOTED

LC4. TERMS OF REFERENCE OF THE STAFFING AND REMUNERATION COMMITTEE

The Chair referred to the circulated terms of reference and asked for a brief comment from officers in this respect.

The HR representative – Mr Smith, advised the Committee of the detail of the terms of reference and by way of assistance gave a brief introduction of the functions of the Council's Human Resources service (HR) (a copy of which will be interleaved with the minutes).

Mr Smith highlighted the number of LB Haringey employees (approx 7500 people) of which 4500 were employed in schools, and whilst the Authority remained the employer its powers in terms of employment decisions were limited. Mr Smith commented that in general terms employment of people in Local Government was falling due to financial reductions and also outsourcing (e.g. 23% of all Local Government Pension Scheme members did not work for a Local Authority).

Mr Smith referred to the employment legislation that HR abided by – the same as the rest of the Council, together with specific legislation that covered HR in Local Government including the 1989 Local Government & Housing Act – introduced Political Restrictions, Political Assistants and set rules regarding appointment on merit and conflicts of interest in staff negotiations, the Local Authorities (Standing Orders)

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(England) Regulations 2001 – which regulated Member involvement in staffing matters – restricted to the most senior staff only (but can hear appeals against dismissal of others), the Local Government Pension Scheme Regulations 2013 and the Teachers Pension Regulations 2010 – which required the Council to approve and publish discretions, the Localism Act 2011 – which required Councils (cannot be delegated) to approve a pay policy and for Members to “debate” recruitment and severance packages of £100k or more, and the School Staffing (England) Regulations 2009 (& preceding regulations) – confirm that appointment & dismissal decisions for school based staff rest with the Governing Body and not the Council. Mr Smith further referred to the relevant parts of the constitution which detailed the officer scheme of delegation which governed a number of HR procedures which officers operated in order to fulfil the statutory duties and functions of the Local Authority.

The Chair thanked Mr Smith for his introduction.

The Chief Executive – Mr Walkley referred the comments of Mr Smith in relation to the Scheme of delegation. He advised that a considerable amount of work had been done in the past six months by officers in HR, legal and finance services to revise the scheme to reflect the new management structure which had been embarked upon some 18 months previous, and this had now been adopted by Full Council on 21 July 2014. Mr Walkley advised that the scheme of delegation would assist the Council going forward and that in perusing the scheme members would get a good sense of how the Council now operated it delegated functions.

The Chair commented that the issue of appointments at senior level would need to be examined further following revisions to the constitution and the establishment of this Committee, as the new arrangement did in effect now have the whole Committee having to meet on the rise of an appointments panel to confirm an appointment when previously it had been the ‘Special Committee’ under K4 of the constitution.

Mr Walkley asked that officers review this part of the current arrangements to review and establish a sub body of the Staffing and Remuneration Committee to allow for this, and report recommended changes to Full Council in November 2014.

The being no further questions, on a MOTION by the Chair it was:

RESOLVED

- i. That the terms of reference of the Staffing and Remuneration Committee, and the functions of Human Resources as detailed in the interleaved presentation be noted; and
- ii. That officers be requested to review the current arrangements for the appointment of senior officers as defined by the terms of reference of the and Remuneration Committee, to create a sub-committee to consider senior officer appointments and make necessary changes revisions to the constitution, to be adopted by Full Council on 24 November 2014.

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LC5. STAFFING AND REMUNERATION COMMITTEE - FORWARD PLAN

The Chair asked for a brief introduction to the report.

Mr Smith tabled a more readable version of the forward plan.

Mr Smith advised that the plan detailed proposed items to be considered by the Committee throughout the coming Municipal Year 2014/ 15 and the plan before the Committee detailed those items which would now be considered . It was proposed that the forward plan would be a standing item at all future meetings.

There being no comments or questions from the Committee the Chair asked that the forward plan be noted.

RESOLVED

That the Forward Plan of items to be considered at the Staffing and remuneration Committee for the remainder of the Municipal Year 2014/ 15 be noted.

LC6. REVISED HEALTH AND SAFETY POLICY

The Chair asked for a brief introduction of the report.

The Interim Director of Human Resources and Organisational Development – Ms McGeachie advised the Committee the report detailed a revised Corporate Health, Safety and Wellbeing Policy which had now been updated to reflect the new corporate organisation structure following changes reported to the Corporate Committee in November 2013.

The Chair asked if there were any questions to officers.

In response to points of clarification from Councillor Vanier in relation to the implementation of the new policy, and also concerns in relation to the current procurement strategy , Ms Evans – Interim Chief Operating Officer, advised that the revised policy had been agreed by the Statutory Officer Group (SOG) in June 2014. The policy had been the subject of consultation with SLT, trades unions Corporate Management Team and Service Health & Safety Champions in April/May 2014.

The Chief Executive – Mr Walkley commented that it was SLT who would ensure implementation across the authority, and that the issue of procurement was currently being monitored. Ms Evans advised that in respect of the issue of procurement the officers were currently looking at the issuers of procurement in terms of how the Council currently did and would procure over the coming three years.

In respect of Councillor Arthur's point of clarification as to the definition of well being Ms McGeachie advised that this could broadly be separated into two elements – and one element referred to the number of occupational health issues referred to

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Occupational Health for assessment, and that well being also referred to what HR policies there were in place to support well being in the work place. e.g. dry January – sending a message to the workforce and having a duty of care to employees.

Mr Walkley also commented that an obvious well being issue was sickness and stress in the workplace and the way in which the Council recognised and assisted/ supported individuals to ensure their well being by offering counselling and understanding/support to effective manage.

The Chair, in summarising the discussions, commented that it would be helpful to receive quarterly monitoring reports to future meetings of the Committee.

RESOLVED

- i. That the revised Corporate Health, Safety and Wellbeing Statement and Policy attached at Appendix B to the report be noted and agreed; and
- ii. That further reports be brought to the Staffing and Remuneration on a quarterly basis in respect of monitoring the implementation and effect of the adopted policy.

LC7. INCLUSION OF EQUALITY IN THE WORK PLACE

The Committee received a presentation in respect of inclusion and equality in the workplace from Ms McGeachie (a copy of which will be interleaved with the minutes). Ms McGeachie advised that it was proposed to commission a review of the existing Inclusion and Equality Workforce objective to develop a an integrated three year Corporate Plan, Mid Term Financial Strategy, and a Workforce Plan to revise the organisation's Inclusion and Equality Workforce objective agreed for 2012- 16, for 2015-18.

The main points highlighted in the presentation were :

- The Equality Act became law in October 2010 which replaced the previous legislation (such as the Race Relations Act 1976 and the Disability Discrimination Act 1995) and ensures consistency in what organisations need to do to make their workplace a fair environment.
- The public sector Equality duty (section 149 of the Act) - April 2011. The Equality Duty applies to public bodies and others carrying out public functions. It supports good decision making by ensuring public bodies consider how different people will be affected by their activities, helping them to deliver policies and services which are efficient and effective; accessible to all; and which meet different people's needs.
- The Equality Act covers the same groups that were protected by existing equality legislation – age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage and civil partnership and pregnancy and maternity. These characteristics were known as protective characteristics.

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The main key observations were:

a range of statistical data which was recently shared with managers. The key observations were;

- The age profile of the organisation showed 5.4% of the workforce was under the age of 30, with 22% aged 55 and over. The median age was 47 compared with the London Councils median of 45.9%.
- 68% of the workforce was female; the London Councils median was 62%.
- The top ten ethnic groups when the workforce was compared with the resident population showed underrepresentation in the white ethnic group and overrepresentation in the black ethnic group. Haringey's Black Asian Minority Ethnic (BAME) workforce represented 54% compared to the London Councils median of 32%. Representation of BAME was predominately at the paid grades up to PO3 (middle manager/technical expert) and White was significantly overrepresented at PO8 and above (senior managers/professional experts).
- The percentage of the top 5% of earners who are female; Haringey Council is in the top quartile of London Councils.

The Committee raised a number of concerns relating to the data provided in respect and officers responded to the point raised.

In particular and in response to a number of points the Chief Executive – Mr Walkley commented that from the information provided there was concerns at the fact that that Council had an aging workforce in key areas of senior and middle management, and an absence of young people currently in, or coming into the organisation. The survey had thrown up issues to address particularly entry points into the workforce and to how to attract younger people, and to ensure pathways for people to obtain employment at the middle band of grades i.e. P04-P07 and then to progression to the higher level of senior management.

In response to points of clarification from the Chair Mr Walkley advised that in the past 18 months there had been a considerable level of change in the organisation with upwards of 47 management posts recruited to compliment and the restructuring of former directorates to new service areas.

In response to further points of clarification Ms McGeachie & Mr Smith advised that given the excellent recent GCSE results throughout Haringey there was a considerable wealth of talent within the Borough which needed to be tapped and the Council being seen as a potential employee post college/university to graduates living locally, needed to be expanded upon, together with an effective progression within workplace being explored, and to have a clear path of progression through the authority.

In response to further points of clarification the Interim Chief Operating officer – Ms Evans advised the Committee that there was a perceived fear of managers of losing staff and a reluctance encourage staff to move on to better opportunities both internally and externally. Mr Walkley highlighted the advertising of positions within the

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transformation team and following interview and successful appointment, the current line managers had advised that the individual could not be released.

Ms McGeachie, & Ms Evans, in response to further points of clarification, advised that it would be possible in the appraisal system to ensure that managers would be encouraged to expand on possible development of individuals.

The Chair then summarised and it was :

RESOLVED

- i. That the contents of the report and presentation be noted;
- ii. That approval be given to commissioning a review of the organisation's inclusion and equality in the workplace, and that officers be requested to report to the Committee in January 2015 to agree actions; and
- iii. That officers provide the committee with details of costs associated with the review and the timeframe for implementation.

LC8. HUMAN RESOURCES PROPOSED RE-STRUCTURE - PRESENTATION

The Committee received a presentation in respect of the proposed Human Resources restructure from Ms McGeachie (a copy of which would be interleaved with the minutes).

The Chair thanked Ms McGeachie for her succinct presentation and asked if there were any questions of the Committee.

In response to points of clarification in terms of the cost of the restructure and the proposed phasing Ms McGeachie advised that in previous years the HR service response to cost saving targets had led to a number of experienced staff leaving, but this had not been managed in an effective manner, with little planning or consideration of future needs, leaving HR without the necessary skills or effective departmental structure to meet the current demands of the Council. Ms McGeachie advised that there had also been a lack of investment in systems and processes which meant that much of the current operational activities of HR required significant transformation to enable the organisation to make further savings and 'free up' HR and organisation capacity.

In terms of the phased approach Ms McGeachie highlighted that in terms of the proposed restructure there were two phases. The first phase was the reorganisation of the HR structure to ensure the right skills and capacity to meet the needs of the organisation, especially in relation to the change programmes. During the last six months a review of the service had taken place and this had informed what changes were required and the how this would align to the Business Infrastructure Programme

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– and as detailed in the presentation this had had considerable buy-in and considerable input from the current HR workforce . Ms McGeachie referred to the second phase which was the investment in technology and through the Business Infrastructure Programme a business case was in the process of being developed and approved. This would enable staff and managers to complete their HR tasks on line, improve case management and provide real time management information, which was currently paper based and required manual input which had taken time and focus away from serving residents.

In respect of the proposed savings Ms McGeachie advised that the proposed restructure would deliver £293,000 cashable savings from headcount reduction and £129,000 non cashable savings where roles had moved to another area of the organisation. In addition the restructure would reduce HR staffing costs by a further £340,000 where roles/service functions would move either to another area of the organisation or external to the Council. This comprised the transfer of three Organisation Development posts to Adults, the transfer of Occupational Health and Welfare (OH&W) services to an external provider and returning a London boroughs-funded metrics post back to London Councils or to another provider. The OH&W transfer was expected to deliver savings of £65k in year 1 of the contract, whilst the other moves were budget neutral to the Council.

In response to points of clarification Ms McGeachie advised that there was an overall reduction of 72 posts to 52. The proposed structure and type of service that HR wanted to provide and as shown on the slides was what the existing HR staff compliment wanted to ensure was provided and that there was a clear acceptance that currently this was not the case. In terms of the new technology it was hoped that the 'on-line tools' would be fully operational by the end of March 2015.

In response to points of clarification in relation to IT investment and the likely success of this, Mr Walkley advised the Committee of previous difficulties in IT investment and the historic issues of the £8-£15 million loss to the Authority and that it was the case that officers were fully aware of the issues and whilst there were some attendant risks it was possible to now make some affective IT changes which would benefit the authority both short and long term.

In response to points in relation to the proposed new structure and the existing HR compliment Ms McGeachie advised that the majority of those staff wishing to remain would be assimilated or have the opportunity to apply for new roles in the new structure. A percentage of the existing HR compliment had asked for voluntary redundancy and in the cases where there was no direct assimilation then these posts would be advertised externally. In particular the post of HR Account Managers was a key position and would be advertised.

In response to further points of clarification as to the involvement of the existing HR compliment in the process of overall restructuring to a service that people wanted to provide, Ms Evan advised the meeting that the model used by the service to carry out the review was viewed as being best practice in how to restructure and that it had been a very effective method.

The Chair then summarised and it was:

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That the presentation and circulated report on the proposed restructuring of Human Resources be noted.

LC9. HARINGEY ACADEMY

The Committee received a presentation in respect of the guiding principles of Haringey Academy from Ms McGeachie (a copy of which will be interleaved with the minutes). Ms McGeachie advised of the guiding principles of the Haringey Academy highlighting the reasons why the Council was proposing the Academy, what it would look like, and what would be achieved. Ms McGeachie commented that the proposed Haringey Academy was an exciting and ambitious concept that would facilitate a flexible and agile workforce to deliver high quality services and support the achievement of corporate priorities.

Ms McGeachie advised that as members were aware the organisation was revising its three year corporate plan, and to support the implementation of this a Mid Term Financial Strategy and a Workforce Plan were being developed. Ms McGeachie advised that one aspect of the Workforce Plan will be to describe and deliver:

- What skills are required now and in the future
- How to build capacity
- How we build these skills within our current workforce
- What external skills will we need to buy in
- What performance appraisal system needs to be in place to identify and manage good and poor performance.
- How to ensure we attract and retain the right skills

Ms McGeachie further advised that as part of the organisation working effectively to manage some aspects of the Workforce Plan the concept of the Haringey Academy had started to emerge with an overarching aim to ensure the organisation had the right people, with the right skills, in the right roles, at the right time. The Academy would have at its heart, an ambition to make Haringey an organisation that was willing to provide opportunities to existing staff and the wider community, and would be an inclusive approach, providing a unique and compelling narrative to attract, engage and retain the right staff, and promote and manage pipeline schemes including, apprenticeships, internships and graduate programmes.

The Chair thanked Ms McGeachie for her succinct introduction. In respect of the proposals the Chair asked the likely costs, and the possibility of flexible contracts. Ms McGeachie advised that costs would be in the region of £250K from to be found from the Organisational Development Budget and that there was a business case being made for this. Regarding contracts Ms McGeachie commented that '0' zero contracts would not be offered but contracts allowing employment for limited periods designed to attract people who had a certain skill set for use at a set time could be explored and that this was something that had worked at some other

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employees successfully. In response to further questions from the Chair regarding returning to employment with the Council after receiving a redundancy payout, the Chief Executive advised that this was something that would not be practiced and would be discontinued within the new work /contract framework. In terms of flexible working Mr Walkley advised that it could be that a person could indeed be working for three different organisations within the public and private sectors, and that such arrangements worked effectively for both an individual and the organisation.

There being no further points of clarification it was:

RESOLVED

- i. That the contents of the presentation in respect of the proposed Haringey Academy be noted;
- ii. That further updates be given to the Committee in accordance with the agreed forward plan, and that the business case for the proposals be brought to the next meeting of the Committee in November 2014.

LC10. ITEMS OF UNRESTRICTED URGENT BUSINESS

There were no items of unrestricted urgent business.

NOTED

LC11. EXCLUSION OF THE PUBLIC AND PRESS

RESOLVED

That the press and public be excluded for the following items, as they contain information defined as exempt under Section 100a of the Local Government Act 1972, paragraphs 1 and 4; namely information relating to an individual, and 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.

SUMMARY OF EXEMPT MINUTES

LC12. MINUTES

Agreed the exempt minutes of the Staffing and Remuneration Committee held on 11 August 2014.

LC13. SECONDMENT OF HARINGEY COUNCIL EMPLOYEES TO HOMES FOR HARINGEY

AGREED RECOMMENDATIONS AS DETAILED IN THE REPORT.

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LC14. ITEMS OF EXEMPT URGENT BUSINESS

The Interim Chief Operating Officer – Ms Evans excluded herself from the meeting at this point in the proceedings.

NOTED

TABLED URGENT ITEM OF BUSINESS – PROPOSED APPOINTMENT OF CHIEF OFFICER

Agreed recommendations as detailed in tabled report

There being no further business to discuss the meeting ended at 21.20hrs.

Clr George Meehan

Chair