

AT A MEETING of the Employment in Hampshire County Council Committee of
HAMPSHIRE COUNTY COUNCIL held at the castle, Winchester on Tuesday 8th
November 2022

Chairman:
p Councillor Kirsty North

p Councillor Gary Hughes
p Councillor Adrian Collett
p Councillor Steve Forster
a Councillor Keith House

p Councillor Zoe Huggins
a Councillor Stephen Parker
p Councillor Stephen Philpott

39. APOLOGIES FOR ABSENCE

Apologies had been received from Cllr North and so Cllr Hughes chaired the meeting.

Apologies had also been received from:

- Cllr Parker, a Conservative group deputy was not available.
- Cllr House, Cllr Porter was present as the Liberal Democrat group deputy.

40. DECLARATIONS OF INTEREST

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest at the time of the relevant debate and, having regard to the circumstances described in Part 3, Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore, Members were mindful that where they believed they had a Personal interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 5 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

It was noted that dispensation had been granted to enable Members of this Committee to consider issues relating to Members Allowances.

41. MINUTES OF PREVIOUS MEETING

The minutes of the last meeting were reviewed and agreed.

42. DEPUTATIONS

There were no deputations received.

43. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman made no announcements.

44. **AMENDMENTS TO THE MEMBERS' ALLOWANCES SCHEME 2022/23**

The Employment in Hampshire County Council (EHCC) Committee considered a report of the Chief Executive regarding amendments to the Members' allowance scheme 2022/23.

The report included several recommendations from the Independent Remuneration Panel in relation to the newly proposed Deputy Leader SRA, alongside the existing SRAs for Opposition Group Leaders and Opposition Group Spokespersons.

The SRA for the roles of Assistant to the Executive – Adult Services and Public Health and Assistant to the Executive – Children's Services and for the role of Chairman of the River Hamble Harbour Board were recommended to continue at the previously agreed rates.

During discussion it was noted that the proposals would lead to Opposition Group Spokespersons awards varying depending on the political composition of the relevant committee. It was suggested that there may be a way to standardise this, such as using the membership of all Select Committees in the formula, but that this would need to be carefully considered. It was agreed that Officers would investigate this ahead of the required agreement by Full Council.

RESOLVED:

That the EHCC Committee:

- Thank the IRP for their work in considering this matter, and their recommendations as referred to in this report.
- Recommend to the County Council that approval be given to amendment of the Members' Allowances Scheme for 2022/23, which considers the recommendations of the IRP and the views of the EHCC Committee. Delegation is given to the Chief Executive, in consultation with the Chairman of the EHCC Committee, to formulate the calculations required to implement the proposed changes to include the EHCC Committee's views.
- Recommend to the County Council that Members' Basic Allowances and SRAs be adjusted for the year 2022/23 by 3.56%.

45. **HAMPSHIRE COUNTY COUNCIL PAY STATEMENT - FINANCIAL YEAR 2023/24**

The Employment in Hampshire County Council (EHCC) Committee considered a report of the Chief Executive regarding the Hampshire County Council Pay Statement – Financial Year 2023/24.

It was noted that this pay statement was required by the Localism Act and was for EHCC's consideration ahead of Full Council. Officers stated that the pay statement would be updated if the pay negotiations conclude before this. Following a question, the Committee heard that the County Council publishes the ratio between the highest paid and the lowest paid but does not have a specific policy on what the ratio should be.

RESOLVED:

- That the EHCC Committee recommends to the County Council approval of the Pay Statement as detailed in this report and as Appendix A, setting out the County Council's policies in respect of pay accountability for the financial year 2023/24 in accordance with the requirements of the Localism Act.
- That the EHCC Committee delegates authority to the Chief Executive, in consultation with the Chairman of the EHCC Committee, to make any changes to the draft Pay Statement consequential upon any changes to legislative requirements or other statutory guidance or changes to remuneration of staff, the creation of new roles, and changes to existing roles or responsibilities determined prior to consideration of the Pay Statement by full Council.

46. PAY, POLICY AND LEGISLATION UPDATE

The Employment in Hampshire County Council (EHCC) Committee considered a report of the Director of HR, Organisational Development and Communications & Engagement regarding a Pay, Policy and Legislation Update.

It was noted that this report provided an overview of three areas. These were the progress of the 2022 National Pay Award, the introduction of a Recruitment and Retention allowance and an amendment to the Council's Sickness Absence policy to reflect current practice in relation to employees injured while on duty.

Officers set out the significant challenges in recruiting and retaining members of staff in several of the Council's core service areas alongside the proposed policy to address this issue. It was noted that any payment would be a small percentage of the individual's salary and would require Director agreement.

Members heard that when sickness absence arises as a result of an accident at work, the existing terms and conditions provided for sick pay separate to an employee's normal sickness pay. The current methodology has been in place for several years; however, it has not been formally recorded in a policy, which this report sought to rectify.

In response to questions members found that:

- Hampshire employees already received more leave than the National Pay Award was proposing and so this would not lead to an increase in allocation for staff.
- Salaries in all areas are continuously reviewed to ensure they are broadly in line with the market.

- Any recruitment or retention payment would be a one-off payment, applicable to an individual or group of roles for a fixed period. A minimum period of employment would be required ahead of payment.
- There was evidence of the effectiveness of recruitment and retention payments from other sectors as well as from the authority's Children's Services department which had already used them to a degree. Their effectiveness would also be reported on through the Annual Workforce Report.
- Coronavirus would not qualify as 'Industrial Sickness' as it was not possible to confirm where it had been contracted from.

RESOLVED:

- That EHCC note the current position on the National Pay Award for 2022.
- That EHCC agree to amend the Council's salary policy to include the provision to pay a Recruitment and Retention allowance to new or existing employees where appropriate to do so.
- It is further recommended that EHCC delegates, to the Director of Human Resources, Organisational Development and Communications and Engagement, the authority to make any final amendments to the salary policy wording prior to its implementation following the conclusion of the consultation with Trade Union representatives and departmental management teams.
- That EHCC approve the proposed Sickness Absence policy amendments in Appendix 2. This means the current arrangements for payments to employees that are injured on duty will continue.

47. **ORGANISATIONAL RESTRUCTURE - CHIEF EXECUTIVE'S UPDATE**

The Employment in Hampshire County Council (EHCC) Committee considered a report of the Chief Executive regarding the proposed organisational restructure. It was noted that this report built on changes presented to the committee previously and that since those changes, further consideration had been given to how the authority could be better organised to respond to and deliver the ambitions and priorities of the County Council.

Members received a detailed overview of the principles underpinning the proposed high-level organisation model and an explanation of the move from departments to directorates. It was noted that Culture, Communities and Business Service's and Economy, Transport and Environment would be disbanded. In their place two new directorates would be created: Hampshire 2050, delivering on the Hampshire 2050 vision and Universal Services, bringing together the delivery of public facing services available to all.

The committee heard how this would lead to some redundancies and recruitment to some posts would be required and the proposed salary framework and severance payment structure was provided.

In response to questions members found that:

- The new Director role for Hampshire 2050 would aim to further increase collaboration with District Councils, focusing on Hampshire in a broader sense.
- There was a review of the County Council's current scrutiny arrangements to see how best to keep them in line with the proposed structure.
- The restructure aimed to increase on the current levels of cross department working. It was noted that while some areas, such as Public Health, sat within a particular directorate there would be mechanisms to allow them to fully engage with the other directorates.

RESOLVED:

That the EHCC Committee:

Note the principles underpinning the redesign of the Organisation structure and Senior Leadership (Chief Officer and Deputy Chief Officer) roles, as outlined in paragraph 16 of the report.

Note the changes to the current organisational structure (directorates and service reporting lines), as outlined in paragraphs 17 to 20 of the report and Appendix 3. These are summarised below:

- a) The Economy, Transport and Environment (ETE) and the Culture, Communities and Business Services (CCBS) departments will be disbanded.
- b) A new directorate will be created (Universal Services) which will bring together those services which are universally available to all residents of Hampshire.
- c) A new directorate (Hampshire 2050) will be created which will place a clear focus on the PLACE that is Hampshire, and our ambitions for the County as described in the Hampshire 2050 Vision.
- d) The renaming of the HR, OD, Communications and Engagement department to the People and Organisation directorate, and which will incorporate Law and Governance corporate functions.

Note the various changes to the Senior Leadership team (Chief Officer and Deputy Chief Officer) roles and the selection and appointment process for these, as outlined in paragraphs 21 to 29 of the report and in Exempt Appendix 4.

Agree the proposed new salary framework for Chief Officers and Deputy Chief Officers, as noted in paragraphs 30 to 32 of the report and detailed in Appendix 5. The salary framework formalises existing pay arrangements and does not represent an increase in Chief Officer or Deputy Chief Officer remuneration.

Provide delegated authority to the Chief Executive to agree the remuneration of Chief Officers and Deputy Chief Officers as part of this restructure, and for future recruitment of Chief Officer and Deputy Chief Officer roles, including the spot-salaries of appointed officers, providing these are aligned to and within the parameters of the proposed salary framework as detailed within paragraph 33 of

the report, except for two existing contractual arrangements noted in paragraph 35 of the report.

Confirm that the delegated authority above includes a delegation to approve severance payments to Deputy Chief Officers and Chief Officers, including Special Severance Payments below £100,000. As noted in paragraph 34 of the report, before exercising such delegation in respect of Special Severance Payments of £20,000 or more, but below £100,000, the Chief Executive will consult with the Chair of EHCC Committee.

Note the estimated financial savings of £740,000 that will be delivered by these proposals, as noted in paragraph 36 of the report.

48. EXCLUSION OF THE PRESS AND PUBLIC

As there was no requirement to go into exempt session, the press and public were not excluded from the meeting.

49. ORGANISATIONAL RESTRUCTURE - CHIEF EXECUTIVE'S UPDATE (EXEMPT APPENDIX)

The exempt appendix was considered as part of item 9 on the agenda without being directly referenced, and therefore there was no requirement to go into exempt session.

Chairman, Employment in Hampshire
County Council Committee