

## **Item: 7**

**Policy and Resources Committee: 1 March 2022.**

**Governance Arrangements for Human Resource Matters.**

**Report by Corporate Director for Strategy, Performance and Business Solutions.**

### **1. Purpose of Report**

To consider revised governance arrangements in respect of human resource matters.

### **2. Recommendations**

The Committee is invited to note:

#### **2.1.**

That the governance arrangements in respect of the staffing establishment, which have been in place for a number of years, require relatively straightforward staffing decisions to be made by either the Chief Executive or via the relevant Service Committee.

#### **2.2.**

That the governance arrangements include a process which is outdated and unnecessarily time consuming for a range of officers across the Council, does not adequately reflect the level of authority and accountability that people managers and budget holders should have in respect of their staffing and is not considered sufficiently responsive.

#### **2.3.**

That, on 19 May 2021, when considering revisions to the Scheme of Administration and the Scheme of Delegation to Officers, the Policy and Resources Committee noted that the proposed management restructure, if approved, may well require further amendments to the Schemes.

#### **2.4.**

That, following a review of the process regarding changes to the staffing establishment, further delegation, as set out in section 4.2 of this report, is proposed.

## **2.5.**

That, should the proposed delegation referred to at paragraph 2.4 above be approved, the Corporate Director for Strategy, Performance and Business Solutions would update the Scheme of Administration and the Scheme of Delegation to Officers accordingly.

**It is recommended:**

## **2.6.**

That the delegation to officers in respect of the staffing establishment, as outlined in section 4.2 of this report, be approved.

# **3. Background**

## **3.1.**

The current governance arrangements in respect of the staffing establishment have been in place for a number of years. They currently require relatively straightforward staffing decisions to be made by either the Chief Executive or via Service Committees.

## **3.2.**

Current governance arrangements present a process that is outdated and unnecessarily time consuming for a range of Officers across the Council. The present approach does not adequately reflect the level of authority and accountability that people managers and budget holders should have in respect of their staffing, and is not responsive enough, at a time that the Council faces significant challenges in its workforce.

## **3.3.**

In line with the identified strategic priorities within the Our People Our Plan programme, streamlined and responsive governance relating to the staffing establishment governance is key. This will contribute to an organisational culture that empowers relevant Officers, and ensures that time and capacity can be better focused on delivery of priorities to improve confidence across communities and with stakeholders, rather than on time consuming, administrative processes.

## **3.4.**

As part of a recent engagement exercise with senior management teams across the Council regarding development of a new Strategic Workforce Plan, the lack of delegation on people management governance, and the bureaucratic governance procedures, were highlighted as a significant issue in the challenges being faced in terms of recruitment, retention and having the ability to dedicate the necessary time to key priorities.

### **3.5.**

The Corporate Leadership Team therefore agreed changes to the existing Change in Establishment procedures which provide a corporate process for approval of staffing changes already delegated to Officers. These changes involve greater delegation to the correct level of senior officers for approval of staffing management issues whilst retaining accountability and a system for the recording and control of the staffing establishment.

## **4. Proposed Amendments**

### **4.1.**

On 19 May 2021, the Policy and Resources Committee considered revisions to the Scheme of Administration and the Scheme of Delegation to Officers. It was noted that the proposed management restructure, which was subsequently approved in December 2021, may well result in further amendments to both Schemes.

### **4.2.**

As a result of the review, referred to at section 3.4 above, it is now proposed to provide greater delegated authority across the following areas:

#### **4.2.1.**

Establishment of new or additional permanent posts:

- This currently requires approval through the relevant service committee.
- It is proposed that the establishment of permanent posts, with the exception of Chief Officer posts, be delegated to the Chief Executive.
- Determination of the Council's corporate management structure (which includes Chief Officer posts) would remain a referred function of the Policy and Resources Committee.

#### **4.2.2.**

Temporary posts:

- Currently, the establishment of temporary posts of up to two years is delegated to the Chief Executive, with temporary posts over two years requiring approval through the relevant service committee.
- The following delegation is proposed in respect of temporary posts (excluding Chief Officer posts):
  - Up to two years – Head of Service, in consultation with Human Resources (HR).
  - Over two years and up to four years overall duration – relevant Corporate Director, in consultation with HR.
  - Over four years – Chief Executive, in consultation with HR.

- Establishment of temporary posts of Chief Officer of up to 2 years – Chief Executive, in consultation with Head of Finance and HR.

#### **4.2.3.**

Chief Officers:

- Currently, the determination of designations and grades in relation to permanent posts of chief officer is delegated to the Human Resources Sub-committee, noting that, in the event of an appeal by a chief officer, the matter shall be determined by an appeals sub-committee comprising those members not serving on the HR Sub-committee and convened solely for that purpose.
- It is proposed that powers be delegated to the Chief Executive to determine the relevant salaries for Corporate Directors and Heads of Service.
- Should delegation to the Chief Executive be approved, the HR Sub-committee could then determine any appeals, without the need to set up a separate appeals committee.

#### **4.3.**

As indicated in the report to the Policy and Resources Committee in May 2021, the Human Resource team retains strategic oversight, with all Scottish Joint Council (SJC/Single Status posts) subject to the job evaluation scheme, thereby retaining consistency in grading. In accordance with existing practice, reports contain a section on human resource implications which provides an opportunity for the Human Resource team to comment on corporate consistency. Should the delegation set out at section 4.2 above be approved this strategic oversight by the HR Team will be retained via the internal Change in Establishment process.

#### **4.4.**

Should the increased delegation set out at section 4.2 above be approved, the Scheme of Administration and the Scheme of Delegation to Officers will be amended, as appropriate.

### **5. Human Resource Implications**

The Human Resource implications are covered in the body of this report.

### **6. Corporate Governance**

This report relates to the Council complying with governance and its duties as an employer and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

## **7. Financial Implications**

### **7.1.**

There are no direct financial implications arising from this report. The Change in Establishment process that officers use to record staffing changes or approve new posts requires officers to provide evidence and assurance to the relevant Chief Officer that there is sufficient revenue budget available to support what they are proposing.

### **7.2.**

The Chief Official giving approval to staffing establishment changes will remain accountable for budget control under the proposed changes.

## **8. Legal Aspects**

With limited exceptions, Section 56 of the Local Government (Scotland) Act 1973 provides that a local authority may arrange for the discharge of any of its functions by a committee of the authority, a sub-committee, an officer of the authority or by any other local authority in Scotland. The discharge of functions also includes doing anything which is calculated to facilitate or is conducive or incidental to the discharge of any of these functions.

## **9. Contact Officers**

Karen Greaves, Corporate Director, Strategy, Performance and Business Solutions, Extension 2202, email, [karen.greaves@orkney.gov.uk](mailto:karen.greaves@orkney.gov.uk)

Andrew Groundwater, Head of HR and Performance, extension 2253, email [andrew.groundwater@orkney.gov.uk](mailto:andrew.groundwater@orkney.gov.uk)