

Somerset County Council

Human Resources Committee
– 11 October 2022

Approval Process for Somerset Council Employment Policies

Executive Member: Cllr Liz Leyshon, Deputy Leader and Lead Member on Finance and Human Resources

Lead Officer: Chris Squire, HR&OD Director

Author: Sarah Welland – Service Manager HR Policy & Projects & Sari Brice, Strategic Manager - HR Practice

Contact Details: 01823 359822 sarah.welland@somerset.gov.uk

<i>Please complete sign off boxes below prior to submission to Community Governance</i>			
Report Sign off	Seen by:	Name	Date
	Legal	Tom Woodhams	5/10/22
	Corporate Finance	Jason Vaughan	5/10/22
	Human Resources	Chris Squire	30/9/22
	Executive Member	Liz Leyshon	2/10/22
	Monitoring Officer	Scott Wooldridge	3/10/22
Summary:	This report sets out the current position of the Staff Terms & Conditions & Employment Policies sub-workstream. It also seeks a decision on the process for approving new employment policies for Somerset Council, and in doing so, determining the Human Resources Committee's role within this.		
Recommendations:	The members of the HR Policy Committee are asked to: 1. Decide if the proposal below (option 2) is acceptable; the proposal sets out a process for approving new employment policies, using clear criteria to determine the appropriate route for approval. 2. Consider the necessity of scheduling additional Committee Meetings to allow sufficient time and consideration to be given to those policies that need to be brought to Human Resources Committee.		
Reasons for Recommendations:	Some policies remain very similar to existing SCC policies which will have previously been approved by this Committee. In		

	<p>addition, all new policies are subject to consultation with Trade Unions. There is also a need to balance resource and capacity of Committee Members and so this recommendation enables the focus to be targeted to where it is needed.</p>
Links to Priorities and Impact on Service Plans:	<p>Part of the People Workstream for Local Government Reorganisation.</p>
Financial, Legal and HR Implications:	<p>Financial – there are a handful of employment policies that have clear financial implications. Any employment policies that have potential financial implications would therefore need to be considered by the HR Committee.</p> <p>HR – one clear set of employment policies, terms and conditions for new and existing staff. The new policies will apply to transferring staff where such policies are not contractual (i.e., have not been incorporated into the contracts of employment) and so do not fall within the protection provided under the Transfer of Undertakings Protection of Employment (TUPE) Regulations. Having a single set of HR policies will greatly assist line managers and staff and help define the organisation’s culture and values regarding our workforce.</p> <p>Legal – Where a contract of employment transfers to a new employer by virtue of the TUPE Regulations the employee’s terms and conditions of employment are protected despite the change of employer. This can sometimes result in a workforce where several different sets of terms and conditions apply.</p> <p>Changing terms and conditions can create risks of legal challenges particularly where employees are affected who have transferred under TUPE due to the protection afforded by the TUPE Regulations. To mitigate any such risks, consultation and negotiations will be carried out with Trade Unions to seek agreement to any changes.</p>
Equalities Implications:	<p>The Council’s duty under Section 149 of the Equality Act 2010 is to have “due regard” to the matters set out in relation to equalities when considering and making decisions. A full Equality Impact Assessment is being completed for each of the new employment policies.</p>
Risk Assessment:	<p>N/A</p>
Scrutiny comments / recommendation	<p>N/A</p>

(if any):	
-----------	--

1 Background

- 1.1 Local Government in Somerset is being reorganised with the formation of a single unitary authority covering the work of the current County Council and four District Councils (Mendip, Sedgemoor, Somerset West & Taunton, and South Somerset) with effect from 1 April 2023 (Vesting Day). As a result of the Structural Changes Order employment contracts of staff employed by the District Councils on the day prior to Vesting Day will transfer by virtue of the TUPE to the new Unitary Council.
- 1.2 The Terms and Conditions and Employment Policies sub-workstream under the People Workstream have undertaken an extensive piece of work comparing the HR policies of all five Councils. This work will support not only the work on terms and conditions for the new Council but also the work supporting the TUPE transfer of the staff from the Districts to Somerset Council.
- 1.3 The HR policies, in the main are not incorporated into employees' terms and conditions of employment, although there are a handful that contain contractual terms e.g., sickness absence policy contains the entitlements to contractual sick pay. This is with the exception noted above, of one District Council which has incorporated most HR policies into its contracts of employment.
- 1.4 Due to the size of the task (circa 50+ policies) a priority list of approximately 25 policies are being reviewed with the aim of having updated/new policies for these 25 agreed and in place for Vesting Day. The list has been shared and agreed with Trade Union representatives. The selected policies are those that are the most used by managers and HR. A small working group of officers are working through these currently. A number are completed in draft form.
- 1.5 For each policy a fundamental set of principles are being applied – (i) that they are legally compliant, (ii) align with best practice and are as concise and user-friendly as possible. Where possible, detailed process and guidance is being moved into guides/supporting documents to assist with keeping the policies as concise as possible.
- 1.6 HR Admin & Payroll have advised that to meet the SAP build requirements they require confirmation of any new policies that contain pay and benefit implications by November 2022.

- 1.7 There has been full engagement with District HR colleagues as members of the sub-working group and/or the wider People Workstream.
- 1.8 Following the September LGR Joint Negotiating Forum (a body made up of trade union representatives and HR representatives), representatives from UNISON accepted an invitation to join the weekly sub-stream working group meetings, to be involved in developing the HR Policies.
- 1.9 Once policies have been through the union consultation process, a process is required for each to be formally approved for implementation.
- 1.10 Under the Council's Constitution the HR Committee has a role in terms of signing off all HR Policies. The relevant extract is below:

"To discuss the conditions of service, hours of employment, remuneration, training and health, safety and welfare at work of employees of the Council within the terms of overall County Council HR Policies and Procedures and make recommendations as necessary."

1.11 In considering the options below the Committee may wish to consider the following:

- i) The number of HR policies to be approved.
- ii) The resources and capacity of the Committee.
- iii) That a number of the changes will be relatively minor and will have no implications for terms and conditions.

2 Options Considered

2.1 Option 1 – HR Committee considers every HR Policy where there has been a change, however minor. This option is not considered viable for the reasons outlined above.

2.2 Option 2 - Bring to HR Committee any new policy that differs significantly from the original SCC policy (which has already been approved by this Committee previously) or is contentious for some reason. For example:

- Where there is a significant/notable change to existing SCC policy
- Something is contractual / is a term or condition
- Where there is a cost implication – for example redundancy compensation scheme, contractual sick pay, annual leave entitlement determination
- Anything where negotiations and consultations with trade unions have not enabled a consensus view/agreement to be reached.

- 2.3 It is also proposed that any significant impact to any District Council partner's existing policy is 'flagged' for the HR Committee's awareness.
- 2.4 All other policies not coming under the definitions above would be approved via delegated authority to the HR & OD Director.
- 2.5 To assist with this, the working group has produced a summary table for each policy that has been completed in draft to date. This is colour coded and highlights key changes, any detriments/benefits to any partner organisation, union feedback etc. This document could therefore be used to inform the decision as to which policies should be brought to HR Committee and which could be approved via delegated authority.
- 2.6 On a monthly or appropriate basis an updated version of the summary table would be shared with the HR Committee Chair to seek agreement as to which policies require the attention of the HR Committee and which could be dealt with under delegated authority.
- 2.7 This option is likely to require additional meetings of the HR Committee between now and vesting day, to allow sufficient time for policy consideration – potentially monthly. An extra meeting in November would be required to consider those policies with payroll implications as a priority.

3 Consultations Undertaken

- 3.1 The proposed options outlined above have been shared with Trade Union representatives. District HR colleagues have been involved and input to the proposal.

4 Implications

- 4.1 The recommendation to adopt option 2 above is designed to ensure that the requirements of the HR Committee are manageable and realistic. It enables attention to be targeted at those policies which require further scrutiny/attention to ensure that legally compliant and fair employment policies are in place, that are affordable and consistent with the values and culture of the new Council.

5 Background Papers

- 5.1 None.