



Report of: Scrutiny Co-ordinating Committee

Subject: CALL-IN OF DECISION: FUTURE OPTIONS FOR THE PROVISION OF A STRATEGIC HR FUNCTION

1. TYPE OF DECISION / APPLICABLE CATEGORY

1.1 This is a non-key decision.

2. PURPOSE OF REPORT

2.1 To inform Cabinet of the outcome of the Scrutiny Co-ordinating Committee's consideration of the 'Call-In' in relation to the Cabinet decision taken on the 11 June 2012.

3. BACKGROUND INFORMATION

3.1 At the meeting of Cabinet, held on 11 June 2012, a report was considered in relation to the future options for the provision of a strategic HR function. A copy of the report considered by Cabinet, and relevant decision record (Minute No. 10 refers), are attached at **Appendices A and B** respectively.

3.2 The decision made being that:

“ (i) Cabinet agreed to enter into a new agreement with Darlington Borough Council to share a joint Head of HR and that the Acting Chief Executive and/or Chief Solicitor be delegated to finalise the legal agreement with the General Purposes Committee.

(ii) The arrangement be reviewed in 12 months time.”

3.3 Following the decision taken by Cabinet, a Call-In Notice was issued by 3 Members of the Scrutiny Co-ordinating Committee on the 22 June 2012. This notice was accepted by the Deputy Monitoring Officer on the 22 June 2012.

- 3.4 The Scrutiny Co-ordinating Committee, at its meeting on the 29 June 2012 accepted the Call-In and commenced consideration of the issues / concerns raised. The basis of the Call-in being that the decision had been taken in contravention of the principles of decision making, as outlined in Article 13 of the Constitution. The detailed reasons identified in the Call-In Notice being:

- vii) Clarity of aims and desired outcomes;
- v) Best Value; and
- xi) Efficiency (i.e. decisions must not be unnecessarily delayed).

The narrative within decision record re: scrutiny is not accurate.

- 3.5 Details of the narrative from the decision record are outlined bellow to assist Members.

‘A number of scrutiny chairs had made representations to CMT in relation to the future delivery of a strategic HR function. Whilst they were fully cognisant of the challenges ahead and supportive of the need to continue to provided a dedicated and clear strategic HR service they did not feel that this should be done by Option 1 i.e. reappointing to a permanent full time Chief Customer and Workforce Services Officer post. They felt the costs of this option were prohibitive and did not feel it met the authority’s needs going forward. Option 3 i.e. a shared service with Darlington was also not one that they wished to see continue as they felt the costs of continuing with this arrangement were also prohibitive.

They had indicated that in their view some form of internal restructure would be of more value to the council but would wish to see the costs associated with this limited significantly. This would mean that the increase in HR capacity that was required for Option 2 would potentially not be able to be fulfilled by the appointment of an additional HR advisor, but via the re-grading of staff currently providing an HR service. This would have the impact of altering the nature and type of duties undertaken by staff but would not offer the additional capacity CMT felt was required.’

- 3.6 During the course of the meeting, Members discussed:-

- i) The HR restructure and implications of the job evaluation process and queried the role of Business Advisors in the provision of strategic HR advice;
- ii) The views outlined in Section 3.5, highlighting that they were not expressed by Members in their capacity as Scrutiny Chairs and as such were not representative of a Scrutiny view on the issue;
- iii) Concerns regarding the deviation from the process for the appointment of Members to sit on Chief Officer Appointment Panels, in that Council has not been asked to appoint to a Panel. Members, however, noted that arrangements were for a Darlington appointments panel, with

Hartlepool Councillors invited to attend. On this basis, Hartlepool's procedure rules did not apply.

- iv) The budget and policy framework implications of the potential contract for shared arrangements, in that once let ring fenced money to meet any additional costs would have to be found to meet contractual obligation. In response to these concerns, the Chief Finance Officer indicated that it had been recognised that there would be an additional cost of £800 at the top of the grade for the post. This had been included in the proposal (to be met through a virement) and would not be a departure from the budget and policy framework. Whilst the Committee noted this information, Members continued to be of the view that the wider implications of the decision justified debate by Council, before a view on the Call-In could be expressed back to Cabinet.

3.7 The Scrutiny Co-ordinating Committee recommended that the decision should be referred to the floor of Council for full discussion. Members discussed in detail whether such a Council meeting should be held in open or closed session and requested that the Chief Solicitor put in place an appropriate mechanism to enable:

- Full and frank discussion of the issue / decision; and
- Dialogue with officers during the course of the Council meeting.

3.8 It was also requested that in order to assist Members in their debate of the issue, the following documents / items of information be provided as part of the Council paperwork:-

- i) Job descriptions, person specification of the job advertised by Darlington;
- ii) HR workforce – full structure before and after job evaluation, including job descriptions, person specification and grades;
- iii) Definition of strategic HR function and examples; and
- iv) Details of contract being drawn up with Darlington for the provision of the Strategic HR function / post.

3.9 The Chief Solicitor reminded the Committee of the timescales outlined in the Constitution for the conduct of the Call-in process and suggested that the referral of the Call-in to Council should be discussed with the Executive. The Committee also requested that the issue of the process and timescales around consideration of Call-ins should be added to the agenda of the Constitution Committee for further discussion and final determination of practice for the future.

3.10 Whilst the Scrutiny Co-ordinating Committee did not accept the need to seek the Mayors permission the need for the Call-in to be dealt with expeditiously was acknowledged. The Committee emphasised that the intention was not to unduly delay the decision; however, it was unanimous in its view that it is reasonable to ask for additional information, and take additional time, to enable full and proper consideration of the Call-In. It was also strongly felt

that given the wider impact of the decision it was completely appropriate that the issue / decision to be debated by full Council.

4. PROPOSALS

- 4.1 No options submitted for consideration other than the recommendation(s).

5. IMPLICATIONS OF RECOMMENDATIONS

- 5.1 There are no financial or other considerations / implications from the consideration of the report.

6. RECOMMENDATIONS

- 6.1 That the decision be referred to full Council for debate and the outcome of this debate be utilised by the Scrutiny Co-ordination Committee in the formulation of it's response to Cabinet in relation to the Call-in.

7. REASONS FOR RECOMMENDATIONS

- 7.1 To progress the Call-in and enable further debate / provision of additional information assist the Scrutiny Co-ordinating Committee in the formulation of a response to Cabinet.

8. APPENDICES AVAILABLE ON REQUEST, IN THE MEMBERS LIBRARY AND ON-LINE

- 8.1 No appendices are attached to this report

9. BACKGROUND PAPERS

The following background paper(s) were used in the preparation of this report:-

- (i) Hartlepool Borough Council's Constitution
- (ii) Reports and Minutes – Cabinet of 11 June 2012
- (iii) Call-in Notice – 22 June 2012
- (iv) Reports and Minutes – Scrutiny Co-ordinating Committee – 29 June 2012

10. CONTACT OFFICER

Joan Stevens – Scrutiny Manager
Chief Executive's Department - Corporate Strategy
Hartlepool Borough Council
Tel: 01429 284142
Email: joan.stevens@hartlepool.gov.uk