

EAST HERTS COUNCIL

LOCAL JOINT PANEL – 13 JUNE 2012

REPORT BY SECRETARY TO STAFF SIDE

SENIOR MANAGEMENT APPOINTMENTS, GRADING AND  
TERMINATION

WARD(S) AFFECTED:

ALL

**Purpose/Summary of Report**

- To advise local joint panel of the issues that UNISON considers relevant to the efficient operation of the organisation that arose when the decision to end the employment of the Chief executive was made at the beginning of 2012 and consideration of how Unison might support the selection process in the appointment of senior managers.

<b><u>RECOMMENDATIONS FOR LOCAL JOINT PANEL: That:</u></b>	
<b>(A)</b>	<b>The report be noted;</b>
<b>(B)</b>	<b>UNISON in future be given the opportunity to meet with chief officer candidates prior to their being interviewed by an appointments panel; and</b>
<b>( C )</b>	<b>The Hay Job Evaluation Scheme is used to evaluate all chief officer and head of service posts in line with posts in the rest of the organisation</b>

1.0 Background

- 1.1 Although the Chief Executive had been absent from work since August 2011 her employment was terminated within a few days of rumours appearing in the press. No information was given about the reasons for her departure as the statement simply said the process was by mutual agreement. In this report the staff side

wish to raise some concerns about the event and what may follow to secure the long term leadership of the Council's 340 officers.

## 2.0 Report

### 2.1 **Issues arising from the end of Employment of Chief Executive**

2.2 The Termination: UNISON noted that no formal communication on the Chief Executive's absence and interim arrangements appeared until December last year. Rumour of her departure first appeared in the Mercury web edition on 13/12/11 – well before a memo released to staff.

2.3 Employees at no time were explicitly told that their Chief Executive was ill and no mention of an illness was in the official statement. We know that there had been some considerable media interest in the Chief Executives absence well before December and the lack of internal communication lead to noticeable speculation and confusion among staff.

2.4 UNISON are concerned that significant termination payments such as the Council has made in the past can lead to job losses particularly in the current financial climate.

2.5 The staff side consider that the circumstances of the termination are potentially unsettling for staff for the following reasons:-

1) It is a concern that someone appears to have accepted their employment being ended abruptly when they are ill;

2) Even where there is "mutual agreement" a sick employee may not be in a position to make a considered judgement particularly where the proposal is initiated by the employer;

3) The absence of a clear and early statement both on the reason for the Chief Executive's absence and the covering arrangements caused confusion and unnecessary speculation among the staff and media. While it goes without saying that details of a person's illness is confidential there is no obvious reason why staff could not be told there was a sickness and the rearranged management duties;

4) The Council went to great lengths to ensure the future employment of the Chief Executive by agreeing a flexible retirement. It is therefore of concern that the Council's HR policies in support of staff who are ill were inadequate to allow a return to work and does this suggest a review of those policies is needed?

5) The staff side believes that early publication of details of any termination payments in respect of senior staff which the Council must publish in its annual accounts can add to public confidence in the Council's management of its finances. Delaying publication leads to speculation of there being something the Council wish to hide.

6) Unison expressed its misgivings about the flexible retirement agreed with the Chief Executive at the time of that agreement. It is not clear that any costs of that agreement will be recoverable and in the current financial climate any abortive expenditure can impact on jobs

### 3.0 Future Senior Management of East Herts:

3.1 UNISON favours the full time single accountability model of the C.E. post although it is appropriate for this post to have a range of responsibilities relating to policy and strategy. The Council's experience suggests a model with the Chief Executive having significant service responsibilities does not work.

3.2 The staff side currently plays no part in the appointment of senior managers but we believe it would be of mutual benefit if candidates for such posts had an opportunity to meet with UNISON prior to the interview stage. Unison might then feed back in confidence to the appointments panel any comments it wished the panel to take into account in deciding on the appointment. This practice is successfully used in other organisations and enables candidates to broaden their experience of the organisation.

3.3 A culture of openness and honesty promotes understanding and prevents confusion when difficult situations arise. Being seen to do the right thing is as important as doing the right thing.

### 4.0 Job Evaluation of Senior Management at East Herts

- 4.1 UNISON feels strongly that the Hay Job Evaluation Scheme should be used for all chief officer posts and head of service posts at East Herts. If a different JE scheme is used, not only would this send the wrong message to staff, that of Senior Management being given special treatment, in order to secure a pay rise, but also there would be no consistency of approach and a possible skewing of the pay structure and pay differentials.
- 4.2 A JE scheme is all about pay relativities and the award of points to a post for the level of responsibility and job knowledge and accountability. If a different scheme is used, it is impossible to ensure fairness in relation to the next tier down, which of course impacts on the point score and pay all the way down the line. UNISON has in the past always stated its preference for the use of the NJC scheme but given that we do not want to embark on a full scale JE exercise across the whole organisation again, use of the Hay scheme across the board is the next best option.

#### 5.0 Implications/Consultations

- 5.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

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