



EMPLOYMENT COMMITTEE: 10 SEPTEMBER 2026

REVIEW OF EMPLOYMENT COMMITTEE TERMS OF REFERENCE AND WORK PROGRAMME

REPORT BY THE DIRECTOR OF CORPORATE RESOURCES

Purpose

1. This report summarises the constitutional duties of Leicestershire County Council's Employment Committee, which is a regulatory non-executive committee and suggests how to strengthen the assurance and accountability provided by members of this committee.

Policy Framework and Previous Decisions

2. The Employment Committee's role is set out in the County Council's Constitution.

Background

3. The Employment Committee's schedule of business has developed and increased over time to include regular consideration of a broad range of workforce data and operational matters. Although this information can provide useful organisational context, a significant amount of the Committee's time is now spent debating matters that do not, in themselves, require a decision or assurance under its constitutional remit.
4. To ensure clearer member governance, this paper therefore proposes refocusing the Employment Committee so that its work is realigned with its constitutional functions and better able to concentrate on matters requiring member decision or assurance. This will support a more purposeful, business-focused work programme and ensure that the Committee's time is directed towards those matters for which it has a defined constitutional responsibility.
5. This would also align the Committee's approach with that adopted by other local authorities where members commonly concentrate on key areas such as significant changes to employment policies, terms and conditions, statutory and legal compliance, senior officer employment matters and strategic workforce assurance.
6. Routine operational workforce information would continue to be managed through well-established officer arrangements. With proportionate reporting to the Committee continuing where the information identifies a significant organisational risk, requires member assurance or supports a decision within its

remit. This would provide a clearer distinction between member governance and operational management in accordance with the Committee's constitutional remit. It would also strengthen accountability and enable the Committees to be properly focused on areas where member oversight adds most value.

Role of the Employment Committee

7. The Employment Committee's role, as set out in the Council's Constitution, includes the following:

- Determining the terms and conditions on which staff hold office, including disciplinary and grievance procedures (Part 3, Section B, paragraph 3).
- Making effective arrangements to ensure compliance with employment legislation and, where necessary, employment codes of practice (Part 3, Section B, paragraph 3).
- Receiving a quarterly Organisational Change report which provides information on the number of redundancies (Part 4F, Rule 19).
- Appointing an Independent Investigating Officer where disciplinary action is being considered in relation to the Head of Paid Service, Monitoring Officer or Chief Financial Officer, to examine the circumstances of the case and advise the Committee on any action to be taken (Part 4H, Rule 11).
- Considering the advice of any appointed Independent Investigating Officer and making a recommendation to Council, including any terms for cessation of employment (Part 4H, Rule 11).

Its remit does not include power to:

- appoint subcommittees (Part 3, Section B, paragraph 1); or
- consult or negotiate with representatives of the recognised trade unions, as other mechanisms exist within the County Council to undertake these functions (Part 3, Section B, paragraph 4).

8. The Chief Executive, as Head of Paid Service, has statutory responsibilities under section 4 of the Local Government and Housing Act 1989 in relation to the coordination of the Council's functions, the number and grades of staff required, the organisation of the Council's staff, and the appointment and proper management of staff. These responsibilities operate alongside the powers delegated by the County Council to the Chief Executive and other chief officers which include day to day operation matters such as the appointment of employees below chief officer level, implementation of staffing structure changes within approved budgets and policies, and employment decisions taken in accordance with local conditions of service and personnel procedures.

9. The Employment Committee's role should therefore focus on matters expressly reserved to it by the Constitution, including significant changes to terms and conditions, statutory or constitutional assurance, and matters formally referred through the Council's recognised employment governance

arrangements

Pay Policy Statement on behalf of Full Council

10. In line with the Chief Executives' statutory responsibilities as outlined above, Part 2 (Articles), paragraph 12.02(a) of the Constitution states:

"The Head of Paid Service will determine and report as necessary to full County Council on the manner in which the discharge of the County Council's functions is coordinated, the number and grade of officers required for the discharge of functions and the organisation of officers and will ensure that an annual pay policy statement is approved by the full County Council."

11. To satisfy this responsibility the Chief Executive presents a Pay Policy Statement to the Employment Committee each year. This enables members to carry out their assurance role in relation to that Statement. The Committee must be consulted so that it can satisfy itself that the Statement has been reviewed in accordance with the Council's statutory duties under section 38 of the Localism Act 2011; that it reflects current national pay negotiation arrangements; that it sets out the Council's annual approach to pay, grading, remuneration, severance and related employment matters; and that it is suitable for recommendation to the full Council for approval and publication by 1 April each year.
12. The Employment Committee normally considers the Statement in September. It is then presented to the full Council in December and published before 1 April.

Trade Union (TU) Recognition and Procedural Agreement

13. Day-to-day consultation and negotiation with the recognised trade unions takes place through the Corporate Negotiating and Consultative Committee (CNCC) and the Children and Family Services Departmental Negotiating and Consultative Committee (DNCC), in accordance with the Trade Union Recognition and Procedural Agreement. The CNCC and DNCC are accountable to the Employment Committee and refer matters to it only where necessary. For example, a matter may be referred where a proposed change to terms and conditions could have a significant effect on the workforce. A recent example of this would be the recent change to working arrangements.
14. Any changes to the CNCC or DNCC Constitution and Terms of Reference should be reported to the Employment Committee.
15. The Employment Committee may end the CNCC or DNCC arrangements if the management side and the joint trade union side cannot mutually agree to dissolve them.

Review of the Current Terms of Reference

16. The current detailed terms of reference for the Committee include several standing reports containing broad workforce data and operational updates. Although these reports provide useful background information, the majority of

material does not require a decision or provide any assurance directly linked to the Employment Committee's role and responsibilities.

17. The current model may therefore blur the legally and constitutionally important distinction between the Committee's strategic decision-making and assurance role and the operational management of individual employees. Except where legislation or the Constitution expressly provides for member involvement in specified senior officer appointments, dismissals or disciplinary matters, decisions affecting individual members of staff legally fall to the Chief Executive, as Head of Paid Service, or officers acting under delegated authority and in accordance with the Council's employment procedures.
18. To support this review, the forward plan will be refocused so that the Committee receives information only where it is needed to:
 - Make a decision reserved to Employment Committee members, such as significant and major changes to employment policies and procedures;
 - Obtain reasonable assurance that effective arrangements are in place to comply with employment law and, where necessary, relevant codes of practice. New employment legislation can represent a financial and reputational risk to the organisation, and therefore it is essential for the Employment Committee to have oversight on these matters,
 - Consider a matter referred through the Council's recognised consultation and negotiation arrangements, namely CNCC and DNCC.
19. Routine quarterly workforce data and operational matters will continue to be managed by officers through established management and governance arrangements. They will be reported to the Employment Committee only by exception.
20. The Committee will, however, receive an annual workforce information report to support its assurance role. This will provide a consolidated overview of key workforce matters, including relevant trends, statutory reporting requirements and areas of organisational risk. The report will include information relating to key workforce KPIs, such as absence levels, retention statistics, workforce demographics and other indicators relevant to workforce planning and organisational resilience. This will enable members to satisfy themselves that appropriate arrangements are in place to manage workforce issues effectively and comply with employment legislation and relevant codes of practice. The annual report will provide strategic assurance and context, rather than routine operational management information.

Recommended Operating Model

21. It is recommended that the Employment Committee adopts a decision and assurance-based approach in line with its constitutional duties. The Committee should continue to meet four times a year, with additional meetings arranged only where an urgent matter requires a member decision. Items for consideration will be in one of the three following areas:

- **Decision report:** matters where the Constitution reserves the decision to the Employment Committee, including relevant changes to terms and conditions. Routine operational policy amendments are dealt with under appropriate officer delegations. However, significant policy amendments resulting in changes to employment terms and conditions, requiring member determination, will be reported to the Committee.
 - **Assurance report:** documented and concise evidence that effective arrangements are in place to comply with new and existing employment law and relevant codes of practice.
 - **Referred matter:** matters formally referred through the Council's recognised consultation and negotiation arrangements.
22. The work programme should contain only statutory or constitutionally required reports, planned assurance reports and known decisions. The programme will be reviewed at each meeting so that reports can be added, brought forward, deferred or removed where circumstances change.
23. It should be noted that the proposed Employment Committee work programme applies to the County Council's existing governance arrangements. Any future role for an employment committee, or equivalent member body, within the shadow authority will be determined as part of the shadow authority governance arrangements for Local Government Reorganisation. It is also recognised that Local Government Reorganisation is likely to give rise to a range of employment, workforce and governance matters requiring determination as the new arrangements develop. Where such matters fall within the County Council's existing governance framework or require member assurance or decision before new arrangements are established, they will be brought forward for consideration in accordance with the Committee's constitutional remit.

Background Papers

24. None.

Circulation under the Local Issues Alert Procedure

25. None.

Equality Implications

26. There are no equalities implications arising from the recommendations in this report.

Human Right Implications

27. There are no human rights implications arising from the recommendations in this report

Recommendation

28. The Employment Committee is recommended to approve the decision and assurance-based approach described in this report and to agree that its Terms of Reference, work programme and report templates be revised accordingly.

Appendices

Appendix A – Proposed Terms of Reference

Appendix B – Proposed Employment Committee – Work Programme

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