

Employment & Appeals Committee – Meeting held on Thursday, 21st January, 2016.

Present:- Councillors Brooker (Chair), N Holledge (Vice-Chair), Arvind Dhaliwal, M Holledge, Morris, Plenty, Sharif and Zarait (until 19.03)

Apologies for Absence:- None.

PART 1

22. Declarations of Interest

None.

23. Minutes of the Meeting held on 20th October 2015

Resolved - That the minutes of the meeting held on 20th October 2015 be approved as a correct record.

24. Staff Smoke Free Policy & Procedure

Surjit Nagra, OD / HR Business Partner, introduced a report seeking Member approval for a new Staff Smoke Free Policy and procedure in support of the Council becoming smoke free as from 1st April 2016.

The Smoking Policy confirmed that staff were not allowed to smoke within the working hours 09.30 - 12.00 noon and 14.00 – 16.30 pm. The new Staff Smoke Free Policy confirmed that there will be no smoking permitted at any time on any Council site. The policy followed on from the Council signing the Smoke Free Declaration, a local government declaration on tobacco control.

Consultation on the new policy had involved Trade Unions, the Corporate Management Team, the Employee Engagement Forum, Cambridge Education, and Arvato, among others, and had ended on 8th January 2016. Consultees had accepted the proposed implementation of the new policy. Specific feedback received had predominantly focussed on questions regarding the implementation of the policy, e.g. whether employees could smoke in their cars off-site, etc. A 'Frequently Asked Questions' document would be produced to address such concerns.

To help support staff to become smoke free, the Council had engaged with Solutions 4 Health who, since January 2015, had been active in providing one to one confidential support, weekly nicotine replacement therapy and expert advice to staff. The Public Health team had helped to raise awareness of the support available to staff, and five employees had signed up to the Commit to Quit plan, whose progress would be reviewed with Solutions 4 Health.

The Officer requested that the Committee approve the new policy, and agree the proposed implementation date of 1st April 2016.

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- Resolved** - (a) That the new Staff Smoke Free Policy and procedure be approved.
(b) That the proposed policy implementation date of 1st April 2016 be approved.

25. Pay Policy Statement For The Year 2016/17

Christina Hefferon, Assistant Director: Organisational Development and HR, introduced a report on the Council's Pay Policy Statement for the Year 2016/17.

It was confirmed that the Localism Act required all Local Authorities to publish, on their website, an annual Pay Policy Statement which had been approved by Full Council. The statement was designed to mitigate concerns over the transparency of pay of senior officers vs. junior staff, and would be submitted to Full Council for approval at its meeting on 25th February 2016.

Resolved – That the report be noted.

26. Living Wage, National Living Wage and Pay Award 2016/17 and 2017/18

Christina Hefferon, Assistant Director: Organisational Development and HR, introduced a report advising the Committee on the Council's position on the Living Wage, National Living Wage and the Pay Award 2016/17 and 2017/18, and seeking approval for recommended actions moving forward.

It was confirmed that the Living Wage was an hourly rate set independently by the Living Wage Foundation and updated annually in the Autumn each year. Employers choose to pay the Living Wage on a voluntary basis and SBC had agreed to pay this since the 2012 local elections.

The National Living Wage was a compulsory wage to be implemented for employees aged 25 and over, with effect from 1st April 2016.

The AD explained that national pay negotiations were ongoing between the Trade Unions and the employers. A final two-year pay offer for 2016/17 and 2017/18 was made to the Trade Unions on 9th December 2015, which was still under consideration.

Currently, there were 6 SBC employees paid below the 2015 Living Wage. All 6 were currently paid on scp 9, pro rata for part-time hours. Paying the 2015 Living Wage would have the effect of increasing the annual full-time salary of these posts above scp 10.

To reconcile this, it was recommended that the 6 employees be paid a salary supplement, backdated to 3rd November (the date on which the 2015 rate applied) to cease on 31st March 2016, assuming commencement of the pay award for 2016/17 from this date. Assuming that the pay award for 216-2018 was agreed, taking effect from 1st April 2016, the hourly rate for scp 9 for all

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SBC employees, would be above the 2015/16 compulsory National Living Wage for those aged 25 years and over. There would therefore be no need for SBC to take any further action in respect of the National Living Wage for 2016/17.

In addition, 19 agency workers working in Adult Social Care were currently paid below the 2015 Living Wage. It was therefore recommended that these agency workers should be paid a salary supplement to cover the period 3rd November 2015 – 31st March 2016, to ensure pay parity with SBC staff.

There remained implications for SBC schools, with 80 staff currently paid below the 2015 Living Wage. It was therefore recommended that, in line with previous years, SBC write to schools to encourage (but not direct) them to comply with the Living Wage. In addition it was recommended that SBC write to advise schools of their legal obligation to pay the National Living Wage to those ages 25 and over as of 1st April 2016, and to inform them of the Member decision to pay the National Living Wage as of 1st April 2016, following it superseding the Living Wage.

Members were supportive of the recommendations as set out in the report.

Resolved - (a) That SBC pay the 2015 Living Wage as a salary supplement, to six affected employees and 19 agency workers, backdated to 3rd November 2015, the date from which the 2015 rate applied, to cease on 31st March 2016, assuming commencement of the pay award for 2016/17 from 1st April 2016.

(b) That SBC pay the new national compulsory Living Wage with effect from 1st April 2016 and that this would replace the previous commitment to pay the voluntary living wage. .

(c) That the AD for OD/HR write to schools to:

- (i) Encourage, but not direct them, to pay the 2015 Living Wage from 3rd November 2015 to 31st March 2016.
- (ii) Advise them of their legal obligation to pay the National Living Wage from 3rd November 2015 to 31st March 2016.
- (iii) Advise them that SBC will pay the National Living Wage with effect from 1st April 2016.

27. Pension Scheme Discretions

Christina Hefferon, Assistant Director, OD & HR, introduced a report seeking approval for an additional Pension Discretion in accordance with regulation 31 of the LGPS 2013, to enable greater flexibility thereby enabling the Council to maximise the benefit of its financial contributions for employer and employee.

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The Committee was advised that when the Pension Discretions were reviewed in 2014, it was believed that the discretions adopted were sufficient to allow the Council to make in-whole or part contributions to pensions strain and so mitigate the impact of the actuarial reduction of early retirement on the pension received by the employee. When tested for the first time, in relation to a particular case, it had been found that the options available were almost entirely restricted, and only offered the option of offering no mitigation, or mitigation in full at a potentially prohibitive cost to the employer.

It was proposed that the additional Discretion act as an alternative to waiving the actuarial reduction, to deliver greater flexibility on concluding settlements and severance arrangements, and enhance the benefit of the Council's contribution to both employer and employee for cases in which a sound business case applied. In line with the Government consultation on reducing the cap on public sector exit payments, any payments through the new Discretion would be limited to a maximum of £95k. Any severance arrangements in excess of £100k would be brought to Full Council for review.

Members asked a number of questions, including:

Would the Discretion be included as part of a compromise agreement for exiting staff members?

This was one way the Discretion could be applied, but would only be used when it was of benefit to the Council. The Discretion would allow for quick change, and was designed to avoid lengthy debates, restructures and costly redundancies. The Council retained the option of disciplinary and dismissal where appropriate.

(Cllr Zarait left the meeting at 19.03)

Could examples of the impact of the new Discretion on costs be provided?

It was difficult to provide examples of the cost to the Council, as this would vary on a case-by-case basis taking into account variances such as what an employee was entitled to based on their age, length of membership of the LGPS, salary etc. Alongside the benefits to flexibility and time, the Discretion was designed to help the Council provide a way out for employees wishing to leave, where this also supported the business requirements of the Council, without incurring significant costs. The maximum cost of £95k would include any contractual costs to be incurred in any case, for example an employee's pay during their notice period.

Was there an age limit before the Discretion could be applied?

Employees would need to be aged 55 or over to benefit from the Discretion, as only employees over 55 could take early retirement with a part of their pension. The Discretion allowed the Council to provide an incentive to take early retirement and avoid more significant costs at a later date.

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Would the new Discretion be open to abuse due to bias or favouritism?

In each instance, a business case would be produced to assess costs, and this would be authorised by the relevant senior officers, thereby avoiding any issues of bias or favouritism.

Did the new Discretion allow for enhanced voluntary redundancies or retirements?

The Discretion would not apply to voluntary or compulsory redundancy payments as these were separate matters. The Discretion related to the enhancement of pension in accordance with LGPS rules, in appropriate cases.

The Chair proposed the approval of the Pension discretion and the Committee approved the item, noting Councillor Dhaliwal's abstention.

Resolved - That the Pension Discretion, as set out in the paragraphs 10 to 12 of the report, be approved.

28. Staff Wellbeing Update

Surjit Nagra, HR and OD Business Partner, provided an update on staff wellbeing, the key points of which were:

Policy Compliance

Policy compliance equated to 50% weighting of the overall management score. Figures for Q3 2015 (July-September) vs. Q2 showed no significant change.

Training Attendance

This equated to 25% of the overall score, and showed stable figures across the Q3 period. At the previous meeting, members had suggested that the 25% weighting be lowered. Although the weighting had not been amended, the future introduction of e-learning packages would mean that Managers could self-train rather than waiting for a scheduled training course.

Occupational Health Referrals and Attendance

OH Referrals and Attendance equated to 25% of the overall scorecard. The data was stable and high, showing that the majority of Managers were referring staff to OH upon hitting a trigger (number of days absent).

Overall Management Score

Considering the above criteria, the overall score was seen to have decreased slightly during Q3. Work was being undertaken to improve performance.

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Staff Absences

Since the last report to the Committee, data for sickness days lost across the Authority in Q3 had fluctuated between 0.7 and 0.6, a decrease in comparison to the same period in 2014.

Days lost per FTE were broken down by Directorate. Reasons for absence remained similar to previous reports, with the top 3 being 'Not Stated', 'Skeletal breaks/sprains' and 'Stress'.

Stress was being addressed via increased working with the Community Mental Health Team, to promote external, confidential sessions as support to employees. In addition, a counselling service was available 24/7. Additional work was being carried out to identify reasons for stress, particularly within the RGR directorate. It was recognised that staff morale could be contributing to sickness absence.

The 'Not Stated' absence category remained a concern to Members. Members were informed that previous guidance had stated that the 'Not Stated' category was a required field, and an employee could not be forced to cite a reason for absence. However, persistence absence would result in an employee being referred to OH who would then make recommendations to Managers on how to manage the employee's condition (whatever that may be). In addition, the Return to Work interviews and launch of the new Agresso system (which contained a high number of specific absence fields) should see a decline in the number of absences logged under this field. It was agreed that further investigation into the potential removal of this field be undertaken by HR.

Resolved - That the report be noted.

29. Matrix Contract Report

Roger Parkin, Director of Customer and Community Services, introduced a report on temporary Agency Staffing, the key points of which were:

Figures for the first 3 quarters of the 2015 financial year (April–December 2015), showed the total invoiced spend on agency staff was £8,780,406 . This was slightly £500,000 above the £7,826,799 spend for the same period in 2014. Spend by Directorate had been requested at the previous E&A meeting, however it had proven more difficult to split the costs from the Children's Trust than anticipated. This data would be brought to the Committee in a report to the next meeting.

There were 171 staff placements across the Council, with the highest number being within the Wellbeing Directorate. Partly, this was due to the difficulty in recruiting to certain posts e.g. social workers. In other cases, this was due to deliberately not recruiting permanent staff in order to provide flexibility for internal redeployments following staff redundancies, or recruiting staff on a short-term basis to complete short-term projects.

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Members were informed that the Matrix contract was coming to an end, and whilst it was felt that the contract had provided transparency over agency spend, and provided a measure of governance and control that was previously absent, further internal discussions would need to be held to determine whether it had met expectations and provided value for money.

Members were concerned at the tenure of certain agency workers, with particular reference to those workers who had been in employment for 40 weeks to 2 years. It was confirmed that the OD & HR teams had begun an in-depth review to determine the reasons for this length of tenure and reduce as appropriate. .

A question was raised regarding whether any permanent staff had converted to agency staff, in the interest of receiving higher pay. It was confirmed that SBC staff received pay parity with agency staff, though staff could not be prevented in becoming agency staff if that was what they wished (for example, due to increased flexibility).

Resolved - (a) That the report be noted.
(b) That a further report be brought to the next meeting of the Employment & Appeals Committee.

30. Member's Attendance Record

The Member's Attendance Record was noted.

31. Date of Next Meeting

The date of the next meeting was confirmed as Wednesday, 6th April 2016.

Chair

(Note: The Meeting opened at 6.30 pm and closed at 8.16 pm)