

Medway Council
Meeting of Employment Matters Committee
Tuesday, 19 February 2013
7.00pm to 7.45pm

Record of the meeting

Subject to approval as an accurate record at the next meeting of this committee

- Present:** Councillors: Avey, Carr (Chairman), Christine Godwin, Paul Godwin and Iles
- Substitutes:** Councillors:
Kemp (Substitute for Mackinlay)
Purdy (Substitute for Irvine)
- In Attendance:** Elizabeth Benjamin, Senior Lawyer - Litigation
Paula Charker, Employee Relations Manager
Ralph Edwards, Head of HR
Wayne Hemingway, Democratic Services Officer
Carrie McKenzie, Head of Organisational Change
Tricia Palmer, Assistant Director, Organisational Services

862 Record of meeting

The record of the meeting held on 29 November 2012 was agreed and signed by the Chairman as correct.

863 Apologies for absence

Apologies for absence were received from Councillors Irvine and Mackinlay.

864 Urgent matters by reason of special circumstances

There were none.

865 Declarations of disclosable pecuniary interests

There were none.

866 Pay Review - National Agreement

Discussion:

This report provided details of progress in relation to the discussions with the trade unions and the consultation responses to the Council's proposal to come out of the national agreement for pay, terms and conditions. The Committee

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had received a number of reports on the issue and had agreed on 30 October 2012 to commence formal consultations to come out of the national agreement and dismiss and re-engage employees should an agreement not be reached.

The trade union ballots were completed on 23 November, where no collective agreement was reached on the proposals and on 3 December 2012 formal consultation commenced with individual employees. The trade unions were given a 90 day consultation period. The statutory requirement was to ensure that any consultation was meaningful. Employees were therefore given until 31 January 2013 to comment on the proposals, and the trade unions were given until 19 February 2013. The offer to individual employees was that if they agreed to come out of the national agreement so that any pay award would be subject to local negotiation, the Council would agree to continue to mirror all other national terms and conditions for a period of three years.

During this period negotiations had continued with the trade unions and in addition to maintaining the level of terms and conditions for 3 years from 1 April 2013 the Council had also offered a one-off £50 payment to all employees on or below £21,519.

The Assistant Director, Organisational Services, stated that with regards to schools based (non-teaching) staff, that following consultation, it was recommended to no longer include these staff in the proposal. She stated that this may lead to a risk of an equal pay claim, but this risk was deemed to be manageable as any national award agreement would be relatively small. A schools Diversity Impact Assessment was attached at Appendix 4 to the report which showed that there would be a disproportionate impact on the grounds of gender should this proposal go ahead.

The Assistant Director, Organisational Services, updated the Committee in respect of discussions with the Trade Unions and that a collective agreement had been reached with the trade unions. She stated that, in addition to schools based (non-teaching) staff no longer being included in the proposals, Soulbury staff would also not be included in the proposals. This group of staff (approximately 25 education psychologists) were subject to a separate national agreement and it was considered that, following consultation, this group of staff would be difficult to recruit to should they be included in the proposals.

Members discussed a number of issues including:

- Whether the legal advice on schools based (non teaching) staff had changed in terms of the recommendation that they now not be included in the proposals
- Whether the list of terms and conditions set out in the collective agreement was exhaustive
- Whether the collective agreement was renegotiable at the expiry of the three year period
- Whether the Diversity Impact Assessment had been reviewed in light of the recommendation to not include schools based (non teaching) staff and Soulbury staff.

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The Assistant Director, Organisational Services, confirmed that the legal advice on including schools based (non teaching) staff had not changed, however, the outcome of the consultation responses and the schools Diversity Impact Assessment had resulted in officers no longer recommending their inclusion in the proposals. The list of terms and conditions in the collective agreement were drawn from the "Green book" and that it could be possible to renegotiate the collective agreement at the expiry of the three year period. She stated that an overall Diversity Impact Assessment had been included in the report to Committee on 30 October 2012 and that a schools Diversity Impact Assessment had been included with this report. There were approximately 25 Soulbury staff and there had been no specific work undertaken on the basis that this was a very small group of staff.

An addendum report was tabled at the meeting which included the minutes of the Joint Consultative Committee held on 11 February 2013, some final consultation responses received following the despatch of the main Committee agenda and details of the collective agreement reached with the trade unions.

Decision:

- (a) The Committee noted the discussions so far and the consultations responses.
- (b) The Committee recommended to Full Council to agree to the collective agreement attached at revised Appendix 8, on the basis that agreement has been reached with the majority of trade unions to come out of the national agreement for all non school staff apart from Soulbury staff.
- (c) The Committee noted that variations to employment contracts would now be issued to those staff affected setting out the new terms, with the new terms taking effect from 31 March 2013, subject to Full Council agreeing the collective agreement.
- (d) The Committee noted the proposals on local pay bargaining and agreed to delegate authority to the Assistant Director, Organisational Services to continue discussions and agree this, in consultation with the trade unions.

867 Pay Policy Statement 2013/14

Discussion:

This report provided details of the Council's Pay Policy Statement 2013/2014. Section 38 (1) of the Localism Act 2011 required English and Welsh Local Authorities to produce such a statement for 2012/13 and for each financial year after that. This set out the policies on remunerating chief officers and other employees, and to set out policy on the lowest paid employees also taking account of charges, fees, allowances, increases in/enhancements of pension entitlements and termination payments. The report noted that Medway did not differentiate significantly between senior and lower levels in terms of the application of its pay and reward policies.

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Members asked whether any analysis had been undertaken on the relationship between the upper and lower paid staff and on the basis that such work had not been carried out thus far, that this be included in the future.

A Diversity Impact Assessment screening had been undertaken on the proposals and was included at Appendix 2 to the report. The screening process did not highlight any significant adverse impact to any of the protected characteristics under the Equality Act 2010 other than “age” which the Council was already taking positive action to remedy.

Decision:

- (a) The Committee noted the Pay Policy Statement 2013/14 as set out in Appendix 1 to the report and referred it to Full Council for agreement on 21 February 2013.
- (b) The Committee recommended to Full Council that future Pay Policy Statements include comparative information in respect of the relationship between upper and lower paid staff.

868 Better for Less - Phase Two

Discussion:

This report provided details of the second phase of the Council’s Better for Less Programme which covered the people stream from the period April 2012 until January 2013. Phase 2 continued with the shared Customer Contact and Administration workstream and also looked at 2 other workstreams, namely Performance and Intelligence and Category Management. 157 staff were included in the consultation for phase 2. The 90 day consultation period began on 23 April 2012 with the undertaking of collective group meetings for staff in each department. Following the consultation process and the subsequent reorganisation, 12 staff were issued with compulsory notice of redundancy and 10 staff were given voluntary redundancy. The Head of Organisational Change added that there were two further issues to note, namely that GMB Medway had provided assistance in relation to joint training for CV writing and interview skills and that she had replaced Simon Wakeman as Better for Less Programme Manager, following Simon’s appointment as Head of Communications for both Medway Council and East Sussex County Council.

Members asked whether all vacancies had been filled from the 157 staff included in the consultation process. The Head of Organisational Change stated that some specialist posts within category management and corporate performance and intelligence had been filled from outside of this group of staff, however, she undertook to provide Members with full information on this outside the meeting.

Decision:

The Committee noted the report.

869 Budget Proposals and Implications for Staff

Discussion:

This report updated the Committee on new reviews and transfers since the last report to Committee (29 November 2012) together with a summary of Employment Tribunals lodged. The report provided details of individual reviews together with summary positions with regards to reorganisations in schools and the transfer of schools to academy status. There had been 2 employment tribunal applications lodged since the last report to Committee.

The Employee Relations Manager informed the Committee that the Cabinet, on 12 February 2013, had awarded a contract for Nelson Court and Robert Bean Lodge to the Agincare Group (paragraph 3.7 of the report refers).

Decision:

The Committee noted the present position and the support arrangements for staff.

870 Workplace Pensions - Auto Enrolment

Discussion:

This report provided details of the reform of workplace pensions following the introduction of legislative provisions which required all employers to automatically enrol eligible workers into a workplace pension scheme every 3 years. The scheme would include an employer contribution; currently set at 19.5% of earnings for Medway Council staff, and 14.1% for teachers. The staging date for Medway Council was scheduled for 1 April 2013, however, these regulations also allowed employers with defined benefit pension schemes to evoke a transitional period until 30 September 2017 and as such it was proposed that Medway use this transitional period.

Members discussed a number of issues including how many employees who did not join the Council's current pension arrangements, the Council's current rate of contribution to pensions and how the £2.5m referred to in paragraph 5.1 of the report had been calculated. The Assistant Director, Organisational Services undertook to provide this information in a briefing note.

Decision:

- (a) The Committee agreed that Medway Council use the transitional arrangements to postpone Auto Enrolment until 30 September 2017 for current employees.
- (b) The Committee requested a briefing note setting out how the £2.5m referred to in paragraph 5.1 had been calculated together with how many employees currently have not joined the Council's current pension arrangements and how many employees would be affected by the new proposals.

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871 Early Retirements and Severance Payments

Discussion:

This report provided information on early retirements and severance decisions between October 2012 – December 2012.

Decision:

The Committee noted the report.

Chairman

Date:

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