

Medway Council
Meeting of Employment Matters Committee
Thursday, 4 July 2013
7.00pm to 7.40pm

Record of the meeting

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

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

147 Record of meetings

The records of the meeting held on 18 April 2013 and the Joint Meeting of Committees held on 15 May 2013 were agreed and signed by the Chairman as correct.

148 Apology for absence

An apology for absence was received from Councillor Mackinlay.

149 Urgent matters by reason of special circumstances

There were none.

150 Declarations of disclosable pecuniary interests

There were none.

151 Pay and Grade Review

Discussion:

This report provided an update on the Pay and Grade Review project, following a report to the Committee on 18 April 2013 when progress was noted in relation to the implementation of a new pay and grading structure using job families and a contribution based pay scheme.

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The Assistant Director, Organisational Services, explained the background to the project which included a commitment to undertake this project following the Council's decision to freeze increments until 31 March 2014, noting that the Council's current pay and grade scheme had been in place since 2002. She also stated that the Council had come out of the national agreement for the (cost of living) pay award with effect from April 2013 but that this did not relate to progression through pay scales.

The Assistant Director, Organisational Services, explained that the aims of the project included to reduce the length of the current pay scales, which at 9-10 points, were considered to be too long; to end automatic progression through the pay scales and the overlapping of grades. The Council had undertaken work on the project with input from the Local Government Association (LGA) and the Hay Group. It was proposed to adopt a job family framework which would reduce the types of graded posts from 650 to 100. This would reduce the current complexity in terms of grading posts and provide the Council with more flexibility in terms of staff moving between different jobs.

The Assistant Director, Organisational Services stated that, currently, a desk top exercise had been undertaken within HR Services to allocate around 1,500 posts to their respective job family. This work was ongoing and when complete, the Hay Group would have sufficient information to undertake the financial modelling. She stated that whilst there were no savings targets attached to this project, it was likely that some posts would be graded higher or lower than their current grades.

The Assistant Director, Organisational Services, updated Members on the timetable for the project, as outlined in appendix two to the report. The Council aimed to reach a collective agreement with the trade unions on the proposals, however, if this was not achieved, it would be necessary to undertake a period of 45 days formal consultation with staff which would lead to the dismissing and reengaging of staff.

Members discussed a number of issues including the need for meetings of the Pay and Grade Members Working Party; when the cost implications would be known and whether Members would be presented with options for consideration; whether the timetable was achievable; the nature of dialogue with trade unions thus far and what type of organisation had the Council based its proposals on.

The Assistant Director, Organisational Services stated that the cost implications would be known by September and that this would include options; that the timetable was achievable but some concerns remained around the issue of slotting jobs into job families and that dialogue with trade unions had taken place at the Corporate Consultative Committee and that a workshop would be arranged with them regarding the proposals.

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Decision:

The Committee noted the progress made in relation to the implementation of a new pay and grading structure using job families and a contribution based pay scheme.

152 Use of Consultants

Discussion:

This report provided an update on the use of consultants in the Council. The Assistant Director, Organisational Services, stated that since the last report to this Committee (November 2012) HR had introduced a process whereby all requests for consultants were co-ordinated and subsequently approved through the Resourcing team to ensure that the Council had a record of individuals and companies working in this capacity. The approval from HR for the appointment of consultants ensured the Council had a record of who was being engaged and why, ensuring that potential fines from HMRC could be avoided and be compliant with all other employment legislation. She referred to reasons why a consultant may be used, as set out in paragraph 3.9 of the report and that as of May 2013, 54 consultants were engaged (compared to 85 consultants as of November 2012).

Members discussed a number of issues including whether there was a policy in place regarding the use of ex-staff; whether there was any further comparative information regarding the number of consultants used as of November 2012 and May 2013; the cost of consultants and whether they offered value for money; whether “insufficient capacity in-house” should be used as a reason to engage a consultant and how the number of consultants were monitored at any one time.

The Assistant Director, Organisational Services, stated that there was a policy in place for the engagement of ex-staff as consultants which related to the period of redundancy payments. Where ex-staff were receiving a pension, the decision to re-engage as a consultant would be a matter for the Assistant Director, Organisational Services as there may be circumstances where it was appropriate to re-engage on a short term basis. She stated that the Council had achieved a 15% reduction in costs of consultants between 2012-2013 and whilst it would be possible to provide a comparison between those costs and the costs of employing on a direct basis, it would be challenging to provide comparative information on a value for money basis. She also stated that some consultants were paid for by external grants.

Decision:

The Committee agreed that the Assistant Director, Organisational Services, in consultation with the Chairman, undertake further analysis on the issue of consultants and report back to the next meeting including a further breakdown of the work being undertaken by consultants including costs.

153 Budget Proposals and Implications for Staff

Discussion:

This report updated the Committee on new reviews and transfers since the last report to Committee (18 April 2013) 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 three employment tribunal applications lodged since the last report to Committee.

Members asked whether the Council retained any responsibility for staff once they had been transferred to a new service provider. The Employee Relations Manager confirmed that the Council had no responsibility for such staff, however, the Council was required to undertake contract monitoring and there was a requirement for service providers to recognise trade unions.

Decision:

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

154 Early Retirement and Severance Payments

Discussion:

This exempt report provided information on early retirements and severance decisions between 1 January 2013 – 31 May 2013.

Decision:

The Committee noted the report.

Chairman

Date:

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