

Medway Council
Meeting of Employment Matters Committee
Wednesday, 13 June 2018
7.00pm to 7.46pm

Record of the meeting

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

Present: Councillors: Hicks, Khan, Mrs Josie Iles and Wicks (Chairman)

Substitutes: Councillors:
Maple (Substitute for Godwin)

In Attendance: Vicky Nutley, Assistant Head of Legal Services
Carrie McKenzie, Assistant Director, Transformation
Tim Silver, Acting Head of HR Services
Michael Turner, Democratic Services Officer

65 Apologies for absence

Apologies for absence were received from Councillors Godwin, Steve Iles and Williams.

66 Record of meeting

The record of the meeting of the Committee held on 31 January 2018 and the Joint Meeting of Committees held on 16 May 2018 were agreed and signed by the Chairman as correct.

67 Urgent matters by reason of special circumstances

There were none.

68 Declarations of Disclosable Pecuniary Interests and Other Significant Interests

Disclosable pecuniary interests

There were none.

Other significant interests (OSIs)

There were none.

Other interests

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Councillors Khan and Maple disclosed that they were both a member of the GMB trade union.

Councillor Maple disclosed an interest in agenda item no. 6 (Organisational Change) with regard to the transfer of the All Saints Nursery to the Medway Anglican Schools trust. As Chair of Governors at St John's Infant School, which was part of the Trust, Councillor Maple indicated that he would leave the meeting if this issue was discussed.

69 Report on the Results of the MedPay Pay Progression Award Scheme for 2017/2018

Discussion:

Members considered a report on the results of the Council's MedPay Pay Progression Award Scheme for the 2017/2018 reporting year.

The Assistant Director – Transformation highlighted that, since the introduction of the Medpay scheme, the number of staff receiving an annual Performance Development Review (PDR) had increased. Some Members commented that, in spite of some concerns they had about the scheme, this improvement was to be welcomed.

In response to a query, the Assistant Director – Transformation undertook to provide a breakdown of the PDR assessment levels by directorate.

A Member referred to the budget Council meeting where the Leader had proposed an improved pay offer to that which had been negotiated through the Committee with the Trade Unions. Whilst he welcomed the decision to award a higher pay award, this had further eroded his confidence in the pay negotiations. If a 1.5% pay offer had been on the table from the outset then this could have been discussed and scrutinised and the options around it explored. The Assistant Director – Transformation commented that the Leader had been briefed on progress with the pay negotiations as they had progressed and the point made would be fed back. Another Member commented that the Leader's proposal was a reaction to calls for an improved pay award.

Decision:

The Committee agreed to note the report.

70 Organisational Change

Discussion:

Members considered a report which covered new reviews and transfers for the period 1 November 2017 to 31 March 2018.

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Referring to the library services reorganisations, a Member asked how many staff were affected by the closure of the library at Thomas Aveling School and also requested an update on the review of the arrangements at Grain Library. The Assistant Director – Transformation advised that one member of staff at Thomas Aveling library had been redeployed and the discussions at Grain about the use of volunteers at the library were still at an early stage with staff and local voluntary groups.

A Member referred to the catering and caretaking staff at the Innovation Centre who had either been transferred back to the Council from Medway Norse or transferred to another provider following Medway Norse's decision to no longer run the service. Concern was expressed at the cost in officer time in dealing with these TUPE transfers, particularly as Medway Norse was a joint venture with the Council. On what basis Medway Norse had decided to stop providing a catering service at the Innovation Centre was also queried. The Assistant Director – Transformation undertook to provide a briefing note on this.

Decision:

The Committee agreed to:

- a) note the present position and the support arrangements for staff, and;
- b) ask for a briefing note on the HR staffing costs involved in the TUPE transfer of Innovation Centre staff between the Council and Medway Norse.

71 Proposal to Increase Level 3 Apprentice Salaries

Discussion:

Following the alignment of the statutory National Minimum Wage and National Living Wage increases to April each year, the increases at 1 April 2018 were such that they equalised the rates that the Council reward their Level 2 and Level 3 Apprentices. Members considered a paper which proposed to increase the rate paid to Level 3 Apprentices to recognise the higher level of competencies and qualification requirements.

Members noted and welcomed the success of the Council's apprenticeship programme and asked that their thanks be passed on to staff.

Decision:

The Committee agreed to:

- a) increase the Level 3 Apprentice salary to £150 per week, and
- b) ask that staff be thanked for their work in making the apprenticeship scheme so successful.

72 Personal Service Companies (IR35) and Holders of Office - Outcome of an Internal Audit Review

Discussion:

Members considered a report which summarised the findings of an internal audit review into the way the Council implemented changes to the way that a worker operating within the public sector through an intermediary (Personal Service Company (PSC)) would be required to make PAYE and NI payments. The report also updated Members on progress made on implementing the recommendations contained within the audit report.

In response to a query, it was clarified that the overall audit opinion of “needs strengthening” was the third out of four possible available opinions. Officers commented that given the complexity of the new regulations and the difficulties experienced in implementing the changes, it was gratifying that the audit had only made three recommendations for improvement.

A Member asked for a briefing note on the number of staff who had been determined to fall within the scope of IR35. Depending on the contents of the briefing, a request for a formal report to a future meeting may be made.

Decision:

The Committee agreed to:

- a) note the report, and;
- b) ask for a briefing note detailing the number of staff who fell within the scope of IR35, including a breakdown by directorate and length of service with the Council.

73 Early Retirements and Severance Payments

Discussion:

Members considered a report setting out all decisions taken in relation to early retirements and severance payments for the period 1 November 2017 to 31 March 2018.

In response to a question, it was clarified that the larger than usual number of compulsory redundancies in the Children and Adults Directorate in this period was a consequence of the transformation of Early Help Services, including Children’s Centres.

A Member referred to a recent Freedom of Information request on the number of suspended council employees and the costs involved over the financial years

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2012/13 to 2016/17 and proposed that a report on the issue of suspended employees be submitted to the next meeting. The Assistant Director – Transformation acknowledged this was an important issue but commented that it was important to see it in context. 51 staff had been suspended over the last 5 years out of a total of approximately 7,000 council and school employees. Where safeguarding was an issue the Council had no choice but to suspend and on occasions was dependant on external organisations completing their investigations before deciding whether a suspension could be lifted.

Decision:

The Committee agreed to:

- a) note the report, and;
- b) ask for a report to be submitted to the next meeting on the numbers of employees suspended, including the length of their suspensions and the costs involved, during the period 2012/13 to 2016/17.

74 Exclusion of the Press and Public

The Committee agreed to exclude the press and public during consideration of the exempt appendix to the report (Agenda item 9) published with the agenda which set out Early Retirement and/or Redundancy payments for the period 1 November 2017 to 31 March 2018 because consideration of these matters in public would disclose information falling within one of the descriptions of exempt information contained in Schedule 12A to the Local Government Act 1972, as specified below, and, in all the circumstances of the case, the public interest in maintaining the exemption, outweighed the public interest in disclosing the information.

Chairman

Date:

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