

Minutes

Corporate Consultative Committee

07/09/2021

Conducted via TEAMS

10.00am- 12.00noon

Present: Samantha Beck-Farley (Head of HR), Nicola Trainor (Deputy Head of HR- Operations), Nicola Smith (Deputy Head of HR- Strategy), Tania Earnshaw (Unison), Mark Hammond (Unison), Emily Calder-Evans (NEU), Katey Durkin (Head of Finance Strategy)- part, Paul Boyd (Head of Business Change)- part

1. Apologies for absence (SBF)- Phillip Bunn- ASCL, Tania Earnshaw (Unison), Karen Turner- AEP, Claire Dent- Prospect, Adam Lincoln- UCU

2. Welcome and introductions (SBF)

SBF opened the meeting and made introductions

3. Mid-term Financial Position (Katey Durkin- KD)

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KD advised her role as Head of Finance Strategy is to manage the accounts and accountants, and look after money from a strategic point of view. Last year's Corporate Consultative Committee meeting was at the end of October, so the budget build process was further along, with more government documents published than we have at this stage. KD showed and provided an overview of the current year's budget.

It is not anticipated that any further Covid funding will be received after the current financial year. This year's budget assumed £4 million had been used from the reserves; one-off money we need to find to balance next year. The current year budget monitoring forecasts an overspend of around £9million. The key pressure is on Children and Adults through placement costs. There is a £7.6 million overspend forecast on Childrens' Social Care. There are more placements than budgeted for; 54 instead of 47 budgeted. There are 65 placements in Supported Accommodation, and

56 were budgeted. The complexity of needs are requiring homes rather than family or foster care placements. The lowest residential placement cost is only £990, the highest almost £11,000. The variance is even higher for Supported Living. There is a significant overspend, backed by interesting activity and complexity. Adults Social Care adds another £1 million overspend, mainly around disability and mental health services.

Regeneration, Culture and Environment (RCE) looks to be underspent by £4 million; but when we built the budget we assumed the income generating services would only make what they did in 2020/21, with the difference funded from reserves. Services are recovering better than originally projected, but they are £4 million short of the base budget target.

The full Revenue Budget Monitoring 2021/22 Round 1 report can be found in the public domain on the Council website:

<https://democracy.medway.gov.uk/mgconvert2pdf.aspx?id=59429>

Every year we undergo a process to develop medium term plans, and work with Service Managers to develop projections of what they need to spend, what funding we get and what we earn. Normally there is a gap and we spend the rest of the financial year trying to close that until we have to, by law, present a balanced budget to Council in February. The government had said it would try to give us multi years' funding so it is known for 5 years ahead, but then the pandemic hit, then Brexit. We assume the government will just announce a 1 year projection in the Autumn statement, so we aren't doing 5 year projections now, instead we will send a one year outlook for 2022/23 to Cabinet in September. Our 5 year projections will be published alongside the budget that goes to Cabinet. We are still working to identify pressures, but there are some significant issues already. In Children and Adults, there is continued growth in number and complexity, and therefore cost of placements so each will add in excess of £10 million. Leisure and Culture are still not back at previous levels, which is another couple of million. There are also inflationary uplifts built into some our largest contracts i.e., highways and waste and they will add another couple of million. All grants except Covid are expected to be the same in 2022/23 as they were in 2021/22. In longer term we hope for good news, as the government's Fair Funding Review is due in 2022; this is the mechanism that allocates national funding allocations down to individual local authorities. It is supposed to distribute funding on a fair basis across needs and resources but is based on data from 2013. Growth in business rates is strong, which is also good for Medway. We are assuming there will be no growth on Council tax with more needing support for this. The effects of the end of the furlough scheme are still uncertain. We recognise this is the beginning of the process to agree what staff might get for pay settlements, the budget is for a 1% uplift on pay- this might change as a result of the process.

The Ministry of Housing, Communities and Local Government have recommended a fairer, more robust and long-term plannable funding. The Prime Minister is briefing the Cabinet. There is an expected 1.2% increase on National Insurance, used to fund the backlog in NHS direct support, then diverted to support social care. All local authorities are in a very similar position, a funding boost or changes to the framework is needed. KD is active in group which go to the unitary and upper treasurers and are part of a consultation and lobbying campaigns we can be. The government understand social care is the biggest issue facing authorities.

MH thanked KD for a very understandable and clear update. MH queried why it is always 1% for the cost of living. Inflation is a certain amount, the Council say they have budgeted 1% or lower, it doesn't matter what inflation is. There doesn't seem to be anything that matches.

KD responded that it is in part about a precedent, it has been allowed up until now, and that is the starting point and the notional figure. At the point we publish financial outlook projections, it is both rooted in real fact and a process of negotiation with yourselves, government etc. E.g., with 5% the gap would be huge- there is overspend of 10 to 15 million in social care, 5 million in RCE. It would be unaffordable. It is chiefly about the balance of affording the budget.

MH replied that it is the notional figure of 1%, they work round it, unions put their claim in but it sets the mental framework in with Councillors' work when they have negotiations, though it is understood that is why it is put in at 1%. If there is funding or a settlement, when we start the process we can have a conversation with CMT, around what should it be. We have tried to put in a minimum we can start a conversation around. We can ask if we can start from a different place.

SBF added that we will discuss when the claim goes in as an AOB. We can look at what your predictions are, rather than focus on the numbers, what means it for the council and have another meeting before the pay claim meeting with the Chief Executive.

Action – *SBF to meet with unions with regards to the pay claim prior to meeting with the Chief Executive.*

4. Hybrid working update (Paul Boyd- PB)

PB advised that he is the Head of Business Change, who has met attendees on previous projects. PB has responsibility for the office footprint project. This involves vacating Level 2 or certain areas of Gun Wharf to other areas along with the hybrid working aspect. It is being

linked together in a single project looking at logistics, HR, site policies and wellbeing of staff. This is being done under the Silver Command structure used for covid- Project Phoenix. The first meet is this afternoon to tie things together, with focus on Gun Wharf moves. The project is dynamic and changes as restrictions are removed, announcements made, and feedback from staff. It is continuously updated and fed into the Project Phoenix group, Transformation Board and CMT. We send regular emails to all of our staff. There is a page on Medspace with all of the latest information and communications.

PB shared proposed desk plans for the levels. The Mayor's Parlour and entrance to ICT and the basement will remain on Level 2, and some teams will also remain. 255 desks will be relocated to other areas. It is a fresh look at how we locate teams, and break down silos. The relocation aims to promote innovation and collaboration across service areas. We did consider blanket policies i.e., no services have desks, all work from home. However there are different circumstances, not all have suitable space at home and service requirements differ, to address inequalities within services. Service Managers know their teams and managers best. It is informed by the staff survey feedback that it is important to have service areas, and managers control within these. Some prefer fixed, some rotate, some are permanently remote. We are also exploring alternatives to Gun Wharf. We are part of a separate project with others in the South East, those in Folkestone can go to the office there. There are mechanisms in place to monitor the take up of this.

HR and Payroll will move to the window side of Level 3, Public Health will occupy the same space. There will be 24 hot desks for any staff to use between them. CABs will move to a Level 4 call centre.

Strands across the project include culture change, behaviour change, constant feedback, messaging around the building. It is a longer term project, looking at broadside, the lease ends in 2024. Initial scoping and discussions have started, in a future phase, we will cease the lease and move staff to Gun Wharf and to other areas occupied by Childrens' Services.

A formal review will be done in 6 months' time, to evaluate how we have done, take a temperature check, and then finally a longer-term property review, looking at leased buildings and whether there are any to sell or repurpose.

AG expressed that car parking is very difficult for staff working at Gun Wharf. Are there any arrangements for extra with additional staff coming?

PB responded that parking is on the agenda for Project Phoenix today. The decision was taken to leave the barrier up. It is OK until 9.30, after which it gets fuller. However there is a whole section out due to repairs, we have to balance this and make sure it is fair. If the barrier was put down, the car park may be empty and it would have to go back up. Other car parks are less full. We been trying to push the message not to rush back. We are seeing a natural tendency for people to come back, and are managing that. It is a work stream in the project group.

SBF advised there are a number of car parks that belong to Medway, people do have passes. They are just not in the immediate vicinity. Disabled spaces are ring fenced. Project Phoenix will make a decision around the previous policy where only a handful have access. There is something around the luxury of working from home, it is a perk for those who have to come in to have parking, it must be fair and consistent for all and not just the role you do. SBF echoes Paul around culturally we have a huge challenge, we have the paper on it, there is debate around what it means for Medway, it is a cultural piece and supporting managers will be key. The next few months in HR will be busy, there is quite a bit of work to do to make sure it is fair, right and consistent. The policy will be cleared through appropriate channels, when it lands there will be questions, and employees are waiting for something to guide them. Project Phoenix is looking to get quick decisions and collectively come together. We will not have the luxury of time. Trade Unions will hear what is going on, and be kept in loop, there will be a formal update in December.

5. Review of Action Log

Travel

NT advised that research around essential car user allowances was commenced about a year ago. In recognition that the council has a climate change agenda action plan, and the car user scheme does not support this in rewarding high gas using vehicles with higher pence per mile. We have done benchmarking comparison work. Wider than that, there are different levels of car user status. We are moving to a hybrid model. Lots of things to consider in light of this, for example, is the cycle to work scheme relevant, is it right to offer incentives for public transport etc. It is not just one piece of work. We are looking to reprioritise and reenergise that piece of work, looking at car parking and the link to travel, at Project Phoenix. There is work to do around subsistence and ad hoc benefits. More consultation will be done that will then feed into a policy that will come out, but not this side of Christmas. NT encouraged all to keep feeding into this so that we can ensure all is captured.

Disability Sickness Absence Policy

NT stated that the policy timetable has been pushed back to accommodate the hybrid working policy work, to which there are many elements i.e., DSE, Managing Performance, and accompanying guidance packages. The policy timetable has therefore been parked, we will see what elements come out and then revisit it. Any pay changes need to go through full Cabinet. Some timelines are driven by the number of meetings authorities have to go through.

We will get Other Ways Of Working policy and guidance out and then revisit the timetable, and share for December, for the following quarter.

Medpay Review

SBF provided an update that she has been networking with those who need to be involved in the Medpay review. SBF will do a very simple outline of what it might look like and how we tackle it. There are pockets where we are struggling to retain or recruit i.e., Childrens' Social Care and Legal, and also junior staff in Customer and Business Support. There are pockets of workforce design and activity looking at pay and structures. We are looking at market conditions, attraction, retention. SBF has put some proposals together making us more competitive in Childrens, market premias are not being reviewed, there is a career progression framework in place in Childrens', and in leisure. The Business Partners are collating all of the different variations from this pop-up activity outside of Medpay. We are gathering all data to feed into the paper, but also tackle the here and now problems. It is likely to be over a number of years. We go with targeted areas first. It is about pay structure and reward, not just Medpay. Medpay is the policy, the review is wider. We need to tackle all of the issues, not just uplift. It needs to be dripped in, affordable, built into a 5-year plan. Assumption planning is taking place with some of those forecasts. SBF will share and seek feedback as it goes through BSD at the end of October, and CMT at the beginning of November.

MH queried if the new policy would have to include PRP given the history and pre-occupation, is it a pre-condition.

SBF replied that there is not thought to be an appetite for automatic progression. We have to factor in the programme of frameworks, and make sure staff are continuously improving. There is an element of PRP, so it is done more fairly and consistently. Such as using job families rather than directorates. I.e., EAs, how are they assessed as a consistent group, should be all together on the job family. If it remains, we will do this annually. People need to be able to progress through the framework in specialist areas, have the opportunity to progress. We need to motivate and excite people, push them down career paths, progressions.

Assessment needs to be fair and open. Consistency in ways to motivate and reward. There are a few different options. People are not happy to go back to what was and annually uplift. It does not work for retention, it is difficult to retain very good staff when all are uplifted. There is a lot to be included.

6. AOB

Term time only calculation (NS)

NS provided an update on Term Time only calculations. GMB and Unison are affected. At the last meeting facilitated by ACAS, employers put a final offer on the table. NS is yet to write out the final offer, it is in progress but complex. NS needs to produce an FAQ, Kent's FAQ is 5 pages. NS is trying to take some lessons learnt from neighbouring authorities. The intention to schedule a meeting on 15th or 16th September. It has been agreed ACAS need not facilitate. Chris Kiernan would like to attend, consultations with academy trusts to get a collective agreement are substantial. NS is hoping this will simply be a way of improving the FAQs if they are done right, making them understandable. NS has also had to have meetings with Payroll and Systems. There are areas for which NS still needs to work on to extract data. The compensatory sum is up to 2 weeks' gross pay for those eligible. Based on length of service, whether they were employed during the period, and current rates of pay. There are only 50 term time only employees on Medpay. It could have been on be on rates of pay at the time or on the date the payment is made, which is a higher amount. Unions rejected the NJC award nationally so it is not known whether 2021 NJC pay award will be in place for school based staff at point of payment. The final decision is to be taken on whether to use working hours now, or when the payment was due i.e., 31/03/2020 before the new calculations came in. NS feels it should be at the date the calculations were introduced, either way there is lots of admin work to get data. Anyone who puts in an ET claim has to sign a COT3. A mechanism needs to be in place, making it clear what needs to be done. A meeting with GMB and Unison is to follow.

Pay Claim

SBF asked that as EMC is slightly sooner, the pay claim be submitted by 22nd October. The Chief Execs as needs to be released for publication then.

Action – *GMB and Unison to submit pay claim by 22nd October.*

7. Date of next meeting

The next Corporate Consultative Committee meeting is on Tuesday 14th December. The time is amended to 2pm, via TEAMS.