

## Appendix 3



### Corporate Consultative Committee

Wednesday 21 June 2022

### On Teams

<b>Attendees:</b>	Samantha Beck-Farley, Nuala Beattie, Nicola Trainor, Katey Durkin, Tania Earnshaw, Mark Hammond, Philip Bunn, Emily Calder-Evans, Gina Graham (note taker)
<b>Apologies :</b>	Nicola Smith, Mick Simpkin

<b>1.</b>	<b>Apologies for absence</b>  Apologies had been received from Nicola Smith and Mick Simpkin.
<b>2.</b>	<b>Welcome and introductions</b>  SBF welcomed everyone to the meeting and introduced NB advising she would be starting in HR next week as the new Head of HR and Payroll. KD also joined the meeting for the pay negotiations item.  SBF advised there were no minutes of the last meeting unfortunately and asked if anyone could recall any actions arising from that meeting. NT said she had taken notes and would look back at these and update the group at the end of this meeting.
<b>3.</b>	<b>Reopening Pay negotiations</b>  SBF advised this item had been added to the agenda, further to an email exchange between the Chief Executive and the Unions.  MH said he had hoped to present a proposal to the group today but had been unwell so had not had time to put together anything more formal. MH advised a cost of living survey had recently gone out to members to gauge how they were feeling in these difficult times. The results received had been quite shocking with members advising they were using food banks, pay day loans and some had also had to take on a second job. The RPI is currently at 11.1% and the CPI is currently at 9%, taking these two figures together, some members are looking at an emergency situation with the lowest paid really struggling.

MH advised in light of this a request to reopen the pay negotiations was put forward which is still modest but needs to be discussed. The fuel prices are also due to be increased again in October / November so things will only get worse. Therefore, we need to explore ways in which we can help staff to get through these difficult times. TE added the cost of getting to work is also a concern and some staff are not managing.

SBF recognised the increasing challenges for staff around the cost of living and this had been discussed across the networks in Kent. Local authorities need to work together to tackle this and not be competing against each other, and the Kent HR Network had agreed not to compete against each other as we do not want to create a bidding war over salaries, so we need to be in regular dialogue with each other. SBF advised we need to have early and honest discussions around the impact on staff but we cannot commit to say things will change immediately. We have been looking at pay elements and bands already. SBF advised that lower paid staff in Medway will be better off as we have increased the bottom of the pay scale to £10PH and there are further favourable changes in National Insurance (NI) contributions due for July. We have looked at some case samples, and will be doing more on NI contributions and impact, but in the main people are not worse off than last year, but it is acknowledged due to the increase in NI contributions the impact of the cost of living award (COLA) is, in some cases, resulting in staff breaking even rather than seeing a pay increase. We will also be doing further analysis around mileage rates.

SBF asked the trade unions if there were any tangible facts from the cost of living survey undertaken, did it highlight how many staff were using food banks. This would be useful information to have. It will be difficult this year as we have an Election looming next year and we are also in the last year of Ofsted across Children's Services, so these factors need to be considered. However, we do not want staff to be in distress.

KD then addressed the group. An increase in the amount you can earn before paying NI contributions comes into play in July this year, so this is welcomed. The income tax threshold will also drop in April 2024. KD advised that the impacts affecting staff are also affecting Council budgets, as since they were approved in February the cost of social care placements continues to rise as our providers are putting up the cost of placements as their own costs are rising, but we do not have any additional funding. Energy cost forecasts are also showing a significant increase along with inflationary pressures on our main contracts for example with Highways, Waste etc, are also increasing. There is risk around our funding also as the majority of services are funded from council tax, so if people aren't able to pay their bills the council's income will reduce. KD advised we are currently looking at our Benefits service and looking at offering enhanced support and advice to our customers as we want to help them and change it to becoming more of a welfare service.

KD advised finance are meeting the council's senior members and corporate management team in early July to present early indications of our financial outlook for 2023/24. While in previous years the budget setting process has begun with a 1% assumption around pay, this year KD will set out the pay claim, recognising the emergency situation we are facing and ask the group to determine what assumption we start our budget build process from this year.

KD also said there are benefits and schemes that staff can access to help them and staff may not be aware they are entitled to these and there are links available that KD can share. TE asked that the Household Support Fund information be put on the intranet for staff to access which KD agreed to do.

SBF advised the group that she and KD now work in the same team and work closely together.

MH asked if there was a possibility that any money could be found this year for staff, perhaps before Winter, a one-off payment. KD advised that this could be a possibility, as Members are able to direct funds to their priorities. However Round 1 budget monitoring is a concern and there are lots of pressures in C & A and RCE that the Council will need to fund and that may need some use of reserves to balance the budget. However, a proposal could be brought forward which would need to show clear evidence and the level of support required and how that would impact the cohort of staff it intended to support. Any proposals / propositions put forward would need a clear governance structure.

MH said if something could be put on the JCC agenda, even an update, then this could be responded to. Also, Members would see this. SBF also said staff Exit Interviews are being monitored to see why staff are leaving. Relocating to a different area is one reason. Working from home is helping with fuel costs and for those coming in we have ensured the car parking is free. We need to make staff feel valued and invest in staff training, as this seems to be a contributing factor to people leaving. More testing of assumptions and fact finding can be done through the Medway Makers group. NT advised all small changes do make a difference and mentioned the Vectis scheme which is beneficial for staff and this could be promoted more. SBF agreed and said we need to think of a targeted campaign with Comms to make sure staff are aware of what help is available to them, raising the profile and focussing on financial well-being.

KD advised that the initial assumptions and projections that will form the financial outlook report will be being discussed at a joint meeting of the CMT and Cabinet on 4 July 2022, so if Unions wanted any proposals to be raised at that meeting KD would need to receive them by next week. MH advised it needs to be kept broad and not narrowed down, we need to consider how we can help staff.

KD said she had put two helpful links in the chat; Government Support link and Household Support fund for the group to look at. SBF thanked KD for her update and KD left the meeting.

4.

### MedPay Review

SBF gave an updated on the MedPay review and gave a powerpoint presentation to the group advising this will be on the EMC agenda. Members have not seen this yet, it has only been seen by CMT and Service Managers currently.

SBF advised the scheme is set and we now need to set the governance around this. This is about real progression and opportunities for staff. Staff will be able to get on a clear career path. We are starting to set up a Task Group / Engagement Groups. The aim is to retain staff, and reduce the risk of Equal Pay Claims. Currently, where we have not been able to recruit staff, we have taken on Locums which is very costly to the organisation.

Staff will need to demonstrate capability which would lead to a pay award and career progression. SBF advised the Pay Approach focusses on two distinctive parts; the Progression Framework which will be based on capability levels and the Market Allowance Framework which will be a defined pay range and allowance guidance for critical roles e.g. Planners. The Progression Framework will not only look at current pay but will be linked by job families, job roles, clear career pathways and common skills and competencies. This will be evidence based.

Staff may be leaving the organisation for other reasons than pay, there could be leadership problems etc. We need to grow our own staff and put plans in place to be fit for purpose. Also, currently the HR process is manual and this needs to be go through a transformation process and become more automated to make it easier. SBF gave an example advising we are struggling to recruit in Payroll, we are behind the curve as an organisation and we need to move forward.

Additional resource of a Range 7 Project Manager and x2 Range 5 Officers will be appointed to help with the Medpay review and look at the PDR system which needs to be reviewed.

SBF advised there will be three Groups. Group 1 will be looked at in year 1 and this will be 10% of staff who are often the highest paid that demand technical or professional skills. In Group 2 will be the majority of roles which are not as scarce in the market and these will be looked at in year 2 and Group 3 will look at the lower skilled roles and this will be done in year 3, if not before.

There will be three levels of capability within the Progression Framework, namely;

**Accomplished** – exceeds all the skills levels

**Practised** – demonstrates all the required skill levels

**Developing** – demonstrated some but not all of the required skill levels.

An example of points and salaries was shown to the group, advising staff could progress from developing to accomplished. Skills will need to be demonstrated to get to the next level. It will be a cultural shift for managers. An ideal guide to the

levels would be 20% in the developing range, 60% in the practised range and 20% in the accomplished range.

Business Partners are currently looking at the Framework. Managers will need to understand their service, it will all be evidence based. We need to respond to the market. SBF advised we need to make changes, we cannot do nothing and the current scheme is not fit for purpose. We are losing skilled workers and we need to hold on to staff so we need to look at career progression. This will of course come with risks; funding and budget pressures, financial forecasts will need to be done. We need to keep staff engaged and keep them informed. Engagement Forums will be set up and it was noted these changes may not go down well with some staff.

TE asked about the external benchmarking. SBF advised we are looking at this now. NT has been speaking to providers, and we will onboard a system so we can remain competitive and review as we go.

MH advised there will be challenges around the culture. This seems to be going in the right direction but it needs to be transparent, clear on how it will work, opportunities for staff and how to access skills, it needs to be perceived as fair. Transition will be a challenge as it is a developmental system so very different from what we currently have.

SBF said we need to look at managers direct reports, structures etc. The presentation given at Service Managers seemed to go down well. Coaching around leadership will need to be done and lots of Comms will need to take place before we go live. Also, secondment opportunities need to be embraced more within Medway. This will create turbulence amongst staff but the current pay element doesn't work so hopefully staff will embrace this change.

MH noted this is an opportunity to develop staff and this is a step in the right direction. SBF advised we are also looking at the way we recruit. There is a leadership journey which Jan St John Knight is looking at.

SBF said the group may want to reflect on this as there is a lot of information to take in. We want to include the Unions more in the process and not just update you. Comms and Engagement may be something the Unions want to get involved in going forward. TE agreed this was a good idea and asked if she could have a copy of the powerpoint presentation. SBF advised once this has been seen by staff then TE could have a copy of it. SBF also said she would be willing to meet with Union Reps if this would be helpful. The fortnightly TU meetings would also be kept as a standing item.

SBF said the next steps are for the Business Partners to link into services, recruitment and retention is important. The whole HR team will be involved in developing this product. We need to be more digital going forward and this will be a team effort.

<p><b>6.</b></p>	<p><b>Notes of last meeting</b></p> <p>NT had looked back at her notes of the last meeting and advised Nick Morgan had updated the group on ways of working and Rosie Wray had advised the group on HR investigation training and 20 managers would be trained to do these. NT confirmed that 20 staff had now been trained to undertake investigations and a suite of support tools were available to them on MedSpace. TE asked about the diversity details of these 20 managers and NT agreed to look into this.</p> <p>SBF updated on the ways of working item advising a survey had been carried out and everyone seemed happy so far. Hybrid working continues and it had been mentioned about the possibility of teams working set days in the office but nothing was set in concrete at this stage. First Aid and Evac Chair training has also been carried out. Car parking issues have now gone quiet. SBF thinks that by December the Phoenix group will be stood down and it will be business as usual.</p>
<p><b>7.</b></p>	<p><b>Any other business</b></p> <p>SBF updated the group on her new Management Team. Nuala Beattie has been appointed to the role of Head of HR and Payroll, Jo Budd will be responsible for Recruitment and Talent and Nicola Trainor will be leading on Council Plan and Programmes which will include leading on the MedPay project. The Council Plan refresh also comes under Nicola's role which Lesley Jones will be working on. Plans can be shared with you once these have been signed off.</p>
<p><b>8.</b></p>	<p><b>Date of next meeting</b></p> <p>SBF confirmed the date of the next meeting is 6 September and we have JCC and EMC taking place before this.</p> <p>SBF thanked the group for an honest discussion.</p> <p><b>Meeting ended at 14.36 hrs</b></p>