

Medway Council
Meeting of Employment Matters Committee
Tuesday, 30 January 2024
7.00pm to 8.25pm

Record of the meeting

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

- Present:** Councillors: Hamilton (Chairperson), Animashaun, Fearn, Field, Filmer and Hackwell
- Substitutes:** Councillors:
Browne (Substitute for Cook)
- In Attendance:** Samantha Beck-Farley, Chief Organisational Culture Officer
Wayne Hemingway, Head of Democratic Services
Nicola Smith, HR Business Partner (Projects)
Nicola Trainor, Head of Council Planning and Programmes

574 Apologies for absence

An apology for absence was received from Councillor Cook.

575 Record of meeting

The record of the meeting of the Committee held on 6 December 2023 was agreed as a correct record and signed by the Chairperson.

The record of the meeting of the Joint Consultative Committee held on 6 December 2023 was noted.

576 Urgent matters by reason of special circumstances

There were none.

577 Declarations of Disclosable Pecuniary Interests and Other Significant Interests

Disclosable pecuniary interests

There were none.

Other significant interests (OSIs)

There were none.

Employment Matters Committee, 30 January 2024

Other interests

Councillor Animashaun disclosed that she is a member of Unison.

Councillor Browne disclosed that she is a member of Unison.

Councillor Field disclosed that he is a member, workplace rep and chair of a Union branch for the TSSA at Transport for London.

Councillor Hackwell disclosed that his wife is a casual employee of Medway Council.

Councillor Hamilton disclosed that she is a member of Unite the Union and the NEU trade union.

578 Pay Negotiations 2024/25

Discussion:

Members considered a report on the progress of the pay negotiations for the financial year 2024/2025, including the Council's pay offer for 2024/25 for consideration.

The Chief Organisational Culture Officer outlined the pay proposals set out in the report's recommendations, including reference to Unison's pay claim and the Council's financial challenges. Reference was made to the pay award for the previous year which was a flat £1,000 increase for all plus the introduction of a £500 gap between ranges 2, 3 and 4. She also referred to the proposal to provide an additional day's leave after 10 years' and 15 years' long service, as specified in paragraph 8.9 of the report.

Members then raised a number of questions and comments, some of which referred to matters discussed at the Joint Consultative Committee held immediately before this meeting, which included:

The Council's finances – it was commented that £10m was a significant sum to be set aside for pay rises if the Council was in financial difficulty and it appeared that savings were having to be made elsewhere within the budget to help pay for this increase.

Proposed pay award – it was commented that pay rises had been underfunded for many years and it was important to redress to help ensure that the Council could be an employer of choice. It was suggested that the proposed pay award of 5% was fair when compared to increases in the private sector and charity sector.

Staffing numbers and breakdown of sums allocated for pay – in response to a question seeking clarification on the number of employees who worked for the Council, the Chief Organisational Culture Officer confirmed that there were

Employment Matters Committee, 30 January 2024

1560 casual posts, 1761 full time posts, 558 part time posts and 118 agency staff, this meant that the full establishment was 3997, but not all of those staff would be on MedPay terms and conditions, e.g. a small number of staff would be on NHS or Soulbury conditions.

The Chief Organisational Culture Officer explained that the £10M consisted of approximately £602,000 to meet the national minimum wage increases, the cost of the 5% uplift in salaries was projected to be £3.7M, although this did not account for vacant posts. £370,000 was required to introduce career progression at the bottom of the pay ranges and the remainder of the £10M would be used towards the MedPay review. This review would assist in improving employee turnover rates and help address market drift as a consequence of the recent pay awards.

The Chief Finance Officer advised the Committee that the £10m should be considered in the context of a £400M net revenue budget and a £100m salary budget. The proposed 5% pay award was not considered out of kilter with the rest of the public sector and that correcting pay made financial sense for the organisation given that the Council's turnover and vacancy rates were high compared to other local authorities. Therefore, the draft budget proposed a meaningful pay award and continuing with the MedPay review including career progression would seek to address this.

Joint Consultative Committee (JCC) – comments from the JCC meeting held immediately before this meeting, which was attended by Unison representatives, included that those representatives felt that it was a decent pay award given inflation and the Council's budget position. Unison representatives were also asking the Council to look at returning to national terms and conditions and a 35 hour week going forwards.

Decision:

The Committee recommended to full Council:

- a) a Cost of Living Adjustment (COLA) of 5% is allocated for the 2024/25 pay award for all on MedPay Terms and conditions.
- b) the Range 3 pay band is lifted by £1,052 (excluding the 5% COLA increase).
- c) the Range 2 pay band is lifted by £547 (excluding the 5% COLA increase).
- d) a gap of £525 is introduced between the Range 1 and 2 pay bands.
- e) sleep in payments are increased by 3.88%.
- f) the Annual Leave entitlement is increased to 30 days per annum pro rata for R1-R3, after 5 years' continuous service.

Employment Matters Committee, 30 January 2024

- g) the current PDR levels and the associated performance related award attributed to them (i.e. levels 1A and 1B) be removed and instead an additional day's Annual leave awarded to everyone in 2024/25 and 2025/26 on MedPay terms and conditions who is not subject to formal performance management measures.
- h) to introduce a long service award of an additional day's leave at 10 and 15 years of service at all grades.

579 MedPay Review Update: Evaluation of Phase 1

Discussion:

Members considered a report on the progress of the MedPay Review, with a specific focus on the evaluation of phase 1. The HR Business Partner (Projects) highlighted the key issues from phase 1 of MedPay Review. In particular, 218 employees were included in phase 1, of which 155 received a pay increase, while 8 employees left, which was lower than the Council's average turnover rate. She also highlighted the Diversity Impact Assessment, whilst positive overall, showed that the highest percentage of people in age groups 50-59 who have had their salaries honoured (25% compared to the average of 12.3% across all groups) and this would continue to be monitored.

Members then raised a number of questions and comments, some of which referred to matters discussed at the Joint Consultative Committee held immediately before this meeting, which included:

Turnover rate in phase 1 – in response to a question, officers confirmed that the 3.5% turnover rate compared to 15-20% across the Council, although no target had been set thus far. It was also requested that actual numbers of staff be included in future Committee reports as well as percentages to provide more context.

Pay increases in phase 1 – in response to a question regarding the number of people receiving pay increases, officers advised that previously there was no pay progression, and taking this together with phase 1 reviewing the teams with the most significant pay and turnover issues, this would account for the 75% of employees who received pay awards, in this instance. Members were also advised that the pay increases had to be affordable.

Joint Consultative Committee (JCC) – comments from the JCC meeting held immediately before this meeting, which was attended by Unison representatives, included, the need for assurances the onboarding capability for future phases, plus assurances were sought for 50-59 year olds given the issues raised in the Diversity Impact Assessment, for example, salary honouring.

Job evaluation – it was commented that the use of a job evaluation system (JES) recommended by the Local Government Association reflected the use of best practice. In response to a question as to how well supported managers felt

Employment Matters Committee, 30 January 2024

to take a leading role in the process, the HR Business Partner (Projects) confirmed that officers were happy with the JES, external training was given to HR, who in turn were training managers and providing support to managers.

Diversity Impact Assessment – in response to a question regarding why more level C awards were being given to men, the HR Business Partner (Projects) advised the Committee that the information available had shown in the previous period more women had received level C awards than men. She stated that these were currently small cohorts, therefore, it was important to continue to monitor the results of the reviews. It was also noted that there was a 5% difference between men and women in honoured salaries and this would continue to be monitored.

Decision:

The Committee noted the report.

580 Update on Response to the Employee Survey 2022

Discussion:

Members considered a report which provided an update on actions taken in response to the Employee Survey 2022. The Chief Organisational Culture Officer highlighted key issues from the report, in particular the progress made against the action plan was set out in paragraph 4.1 of the report and the next employee survey would be undertaken in May 2024.

Members then raised a number of questions and comments, which included:

Employee communication and engagement – in response to a question regarding the partial closure of Gun Wharf, the Chief Organisational Culture Officer advised the Committee that post RAAC, employees were not quite as satisfied as before the partial closure, however, in terms of visibility more senior leaders were being seen at buildings away from Gun Wharf and she considered this was a good point of learning.

Bullying and harassment – in response to a question on deep dive activities, the Chief Organisational Culture Officer advised a deep dive exercise had been undertaken looking at trends such as age, disability and ethnicity, to see whether there were any trends and a number of exercises had been undertaken on this matter. With regards to the Speak up policy, the Chief Organisational Officer, outlined the work which was being undertaken in this area. It was also commented that an increase in the number of matters raised under the policy should be considered to be positive.

General – Members also commented on issues including flexible working, mental health issues, and that the risk management section in the report indicated the importance of staff.

Decision:

Employment Matters Committee, 30 January 2024

The Committee noted the report

581 Pay Policy statement 2024/2025

Discussion:

Members considered a report on the Pay Policy Statement for the financial year 2024/2025 in accordance with the Localism Act 2011.

In response to a question regarding the number of essential car users, the use of the NJC car mileage rates and the use of mobile phones, the Chief Organisational Culture Officer advised the Committee that in 2021/22 (the most up to date information available) there were 631 essential car users although that was likely to be lower now. With regards to mileage rates, she advised that a report would be brought forward to the Committee setting out a review, and that whilst mobile phone usage was not policed, officers would not be expected to use mobile phones for private calls during the working day.

Decision:

The Committee noted the Pay Policy Statement 2024/2025 as set out in Appendix 1 to the report and refers it to Full Council for agreement.

582 Gender Pay Gap

Discussion:

Members considered a report in line with the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 which required all employers with more than 250 employees to report annually on their Gender Pay Gap. This report provided details of the Council's results for this reporting year ahead of publication on the Council's website by 31 March 2024 and on the Government dedicated Gender pay gap reporting website.

The Head of Council Planning and Programmes highlighted the key issues from the report, stating that Council's workforce consisted of 74.4% female employees and 25.6% male employees. Whilst the national pay gap for 2022/2023 was 14.3%, the mean pay gap for Medway for 2023/2024 was 6.91%, the lowest level for five years and the median pay gap for the same period was 2.88%.

She also advised the Committee that the detailed gender pay gap results were set out in Appendix 1 to report, comparative data for the Council's neighbouring authorities at Appendix 2 to the report and whilst there was no legal requirement to provide this information, ethnicity and disability pay gap results were set out in Appendices 3 and 4 to the report.

Members then raised a number of questions and comments, which included:

Employment Matters Committee, 30 January 2024

Ethnicity pay gap – in response to a question regarding the upper middle and upper quartile pay gaps, the Head of Council Planning and Programmes advised the Committee that she had not had time to interrogate the data, however, further analysis would be undertaken as part of the Equality, Inclusion and Diversity Action Plan which would look at a number of issues including the reasons for the variances in the pay gaps.

Disability pay gap – in response to a question regarding lack of bonus pay for staff with disabilities, the Head of Council Planning and Programmes advised the Committee that the only bonus pay for staff was through the 1A MedPay award each year, which was awarded to low numbers (around 30 people in total), hence the low likelihood of disabled staff receiving bonus pay.

Staffing numbers – in response to a question regarding the Council's staffing numbers set out in the report compared with the information provided at the induction session for this Committee held in June 2023, the Chief Organisational Culture Officer advised the Committee that the figures broadly aligned. However, it was likely that there was a difference in the numbers used for casual staff, given, for example, some staff may have been used in one-off events such as the Medway Test. She undertook to provide the Committee with a briefing note clarifying the numbers regarding the staff establishment.

Gender pay gap results – it was commented that the gender pay gap of 6.91% compared to the national average of 14.3% should be celebrated, together with the ongoing downward trajectory of the gap. In response to a question as to how the Council could further improve, the Head of Council Planning and Programmes advised the Committee that she had not had time to interrogate the data, however, further analysis would be undertaken as part of the Equality, Inclusion and Diversity Action Plan to look at how the Council could make further improvements.

Decision:

The Committee noted the contents of this report in relation to the Gender Pay Gap prior to publication and to also note the ethnicity pay gap results, as set out in Appendices 3 and 4.

Chairperson

Date:

Wayne Hemingway, Head of Democratic Services

Telephone: 01634 332509

Email: democratic.services@medway.gov.uk