

PERSONNEL COMMITTEE MEETING MINUTES - 8 NOVEMBER 2018

Present: Councillor Brock (Chair);
Councillors Lovelock (Vice-Chair), Maskell, Skeats and Hoskin

Apologies: Councillors

6. MINUTES OF PREVIOUS MEETING

The Minutes of the meeting held on 12 July 2018 were confirmed as a correct record and signed by the Chair.

7. SENIOR MANAGEMENT STRUCTURE PROPOSAL

The Chief Executive submitted a report to agree next steps in developing senior management capacity in light of two upcoming retirements and the changing needs of the Council. A copy of the current senior management structure was attached to the report at Appendix 1, a copy of the proposed senior management structure was attached at Appendix 2 and the draft role profiles were attached to the report at Appendix 3.

The report detailed the changes at directorate level for Resources, Environment and Neighbourhood Services and Adults and explained that three existing Directors would be refocused as Executive Directors but that the number of Directors would remain the same. Two new Deputy Director posts would be created for the Directorate of Social Care and Health and the Directorate of Economic Growth and Neighbourhood Services. Heads of Service would be refocused as Assistant Directors.

Resolved -

- (1) That the senior management structure, set out at Appendix 2, attached to the report, be approved in principle, subject to the outcome of consultation with the staff affected by the proposals and the Trade Unions;
- (2) That pending the outcome of the consultation exercise, the Chief Executive, in consultation with the Leader of the Council and Leader of the Opposition, be delegated authority to oversee its implementation.

8. NEW NJC PAY SPINE - PROPOSAL FOR IMPLEMENTATION

The Head of HR and Organisational Development submitted a report that outlined the background to the new pay spine and made a recommendation for implementing the new pay spine at the Council. A copy of the new NJC pay spine was attached to the report at Appendix 1 and an Equality Impact Assessment was attached to the report at Appendix 2.

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The report stated that the Council's current NJC pay spine had ten RG grades with RG1 having new spinal column point (scp) 11 as its highest point and RG2 had it at its lowest point. The Council used scp 11 as the lowest entry point for roles within the NJC spine. The introduction of an additional five scps to the new pay spine would have the effect of extending RG4 from its current position of eight scps to a total of 12. There was no requirement to use all of the scps in the new pay spine and the NJC agreement was silent on the approach to be taken by councils with regards to the chronology of assimilation and increments (whether to assimilate to the new pay spine first and then apply an increment or vice versa). The two approaches would produce different outcomes but either approach would be acceptable and whatever option was taken should be implemented consistently across all employees who were covered by the agreement.

In anticipation of the new national pay spine being introduced, a provision of £515k had been made in the 2019/20 budget to accommodate the increased cost of implementing the pay spine. A pay modelling exercise had been carried out using three options and these were set out in a table. The saving on selecting option 2 over option 1 was a reduction of £0.049m on total cost. If option 3 was chosen, and the new scale points were introduced into the existing grading structure, this would be the lowest cost option but would also have the impact of extending RG4 from its current position of eight scps to a total of 12. This would mean it would take employees 11 years to reach the top of the grade, rather than eight years as now, which could potentially create equal pay implications. The alternative was for a new grading structure to be designed to accommodate the new scale points. However, this would be more complex to achieve and was not recommended at the current time.

The report recommended the introduction of the new pay spine using option 2 (to consider awarding the increment first and then assimilate the employees to the new pay spine) and to introduce the new pay spine without the new scps. This option was £100k less than the budget provision and was set out in a table in the report.

It would be imperative that appraisals were completed by the due date of end of February 2019 as this was the mechanism for determining if an increment was due so that an employee could then be transferred to the new pay spine and would receive the 'cost of living' pay award.

Resolved - That the proposal to implement the new pay spine using Option 2 (to consider awarding an increment first and then assimilate employees to the new pay spine, and to introduce the new pay spine without the new spinal column points) with effect from 1 April 2019 be agreed.

9. SALARY SACRIFICE SCHEMES

The Head of HR and Organisational Development submitted a report that proposed the implementation of three new salary sacrifice schemes, for a workplace nursery, Additional Voluntary Contributions and lease cars, which would allow employees to save on tax and National Insurance. A revised copy of the Pay Policy Statement was attached to the report at Appendix 1.

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Workplace Nursery - The provider had estimated that 90% of Kennet Day Nursery users who were employees of the Council would use the salary sacrifice scheme. The management fee for the Council would be 2% of the annual childcare fee paid by all users of the nursery, the fee would be paid for two years, the cost of which would be taken from the Employer's National Insurance contributions savings which would be made by the Council. At the end of two years, the Council would retain all savings that had been made. As an indicative figure, this meant that the fee would be around £19k for two years and the saving to the Council would be around £130k for two years based on current usage, from which the management fee would be taken.

Additional Voluntary Contributions (AVCs) - Paying AVCs through salary sacrifice would allow employees to add more money to their pensions by not paying National Insurance contributions on the amount sacrificed and the savings of tax and National Insurance would be used to make additional contributions to an employee's individual pension pot. The provider expected an average take up rate of 5% of existing LGPS members. The management fee would be 4% per year for three years, the cost of which would be taken from the Employer's National Insurance savings made by the Council. At the end of the three years the Council would retain all the National Insurance savings. As an indicative figure this meant that the total management fee for three years would be around £45k, with the savings to the Council being around £189k for three years from which the management fee would be taken. The Council's Statement of Policy about Exercise of Discretionary Functions under the Local Government Pension Scheme would need to be amended to allow it to pay a contribution where an employee had elected to pay an AVC by salary sacrifice.

Lease Cars - Under this scheme the employer would lease the car from the provider and the employee would enter into a three year agreement to lease the car from the Council. The monthly cost would depend on the value of the car. Cars would be available for the employee without the need to provide a deposit and no credit check would be made. However, employees would be provided with a full breakdown of the monthly cost by the provider so that they could check affordability. In addition, salary could not be sacrificed to a level below the national minimum wage. The provider had estimated that around 2% of employees would use the scheme. The saving on National Insurance contributions would depend on the employee's choice of car, but an 'average' car could result in £688.29 National Insurance saving each year or £51,622 per annum, if 2% of employees used the scheme.

Resolved -

- (1) That the introduction of salary sacrifice schemes for a workplace nursery, Additional Voluntary Contributions (AVCs) and lease cars be agreed;**
- (2) That the amendment of the Council's Discretions Policy to allow the Council to pay shared cost Additional Voluntary Contributions where an employee has elected to pay AVCs by salary sacrifice be approved.**

10. REVIEW OF THE COUNCIL'S EMPLOYMENT POLICIES

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The Head of HR and Organisational Development submitted a report that presented a review of the Council's employment policy framework which aimed to ensure that all employment policies were clear, easy to understand, up to date and reviewed regularly. The following appendices were attached to the report:

Appendix A	List of all existing employment policies;
Appendix B	Proposed Disciplinary Policy;
Appendix C	Proposed Grievance Policy;
Appendix D	Proposed Managing Sickness Absence Policy;
Appendix E	Proposed Managing Poor Performance Policy;
Appendix F	Proposed Bullying and Harassment Policy;
Appendix G	Proposed Flexible Working Policy;
Appendix H	Proposed Social Media Policy;
Appendix I	Equality Impact Assessment.

The report explained the all employment policies would be reviewed by HR before then end of March 2019 and submitted to the Committee for approval, following consultation and negotiation with the trade unions. The policies contained in the report had been prioritised because they did not reflect current employment legislation and hence had put the Council at risk. The policies had been re-written with four principles in mind and broadly reflected the template policies that were available on the Unison website, where available. In future all employment policies would be reviewed every two years or sooner if legislation required it.

For each of the existing policies which needed to be revised the issues that needed to be addressed, and additional key changes that were being proposed, were set out in a timetable that had been included in the report. In all cases, any issues that had been highlighted had been addressed in the revised policy. The process for agreeing the policies with trade unions was set out in the report, trade unions representatives had been unable to agree the policies with their members within the timetable. However, at a meeting in October 2018 individual views of the full-time trade union officials from Unite, Unison and NEU were discussed and the policies were amended to take account of their views. A communication plan was also being drawn up to communicate the revised policies, once agreed, to managers and employees.

Jackie Yates, Director of Resources, reported that once the new employment policies had been approved a communications plan would be implemented which would make use of the intranet and well as work with the trade unions to ensure all staff were aware that the policies had been changed. There would also be training for all managers so that they understood what was expected of them and, in respect of bullying and harassment, what was not acceptable behaviour.

The Committee discussed the report and agreed that the new employment policies should be approved subject to final consultation with the trade unions.

Resolved -

- (1) That the following employment revised/new policies be approved, subject to one final consultation meeting with the trade unions:**

- (a) Discipline
 - (b) Grievance (including collective grievance)
 - (c) Managing sickness absence
 - (d) Managing poor performance
 - (e) Bullying and harassment
 - (f) Flexible working
 - (g) Social media
- (2) That the Head of HR and Organisational Development be granted delegated authority to make minor revisions to HR policies to ensure they are kept up to date, in consultation with the Lead Councillor for Corporate and Consumer Affairs, for example to reflect changes in job titles or departments names and to make changes relating to administration of systems once iTrent self-service has been rolled out (for example to incorporate online sickness reporting when this replaces the paper-based system referred to in the Sickness Absence Management Policy).

11. EARLY RETIREMENTS AND REDUNDANCIES

The Head of HR and Organisational Development, the Monitoring Officer and the Head of Finance submitted a joint report, which set out seven requests for dismissal on the grounds of redundancy and two requests for early retirement on the grounds of redundancy. The proposals, together with the financial implications, were set out in a schedule appended to the report.

Resolved -

- (1) That the dismissal of employment on the grounds of redundancy of employees A, C, D, E, F, G and H and the early retirement on the grounds of redundancy of employees B and I be approved on the terms set out in the schedules appended to the report subject to the conclusion of all outstanding matters in each case, including ongoing consultation with the employees and their representatives and efforts to secure alternative employment, where appropriate;
- (2) That the proposal set out in (1) above be approved on the basis of the financial implications set out in paragraphs 4.1.1 and 4.1.2 of the report, and that authority to conclude the proposal be delegated to the Head of Finance, the Monitoring Officer and the Head of HR and Organisational Development (acting jointly) within that framework, and subject to the maximum ceiling identified for each individual proposal.

(Exempt information as defined in Paragraph 1).

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(The meeting closed at 7.15 pm)