

DRAFT

Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

PERSONNEL COMMITTEE

MINUTES OF THE MEETING HELD ON MONDAY, 12 FEBRUARY 2018

Councillors Present: Pamela Bale (Chairman), Paul Bryant (Substitute) (In place of Dennis Benneyworth), Richard Crumly (Vice-Chairman) and Mollie Lock

Also Present: Robert O'Reilly (Head of Human Resources), Katie Penlington (Human Resources Officer), Rebecca Bird (HR Officer) and Stephen Chard (Principal Policy Officer)

Apologies for inability to attend the meeting: Councillor Dennis Benneyworth and Councillor Carol Jackson-Doerge

PART I

3. Minutes

The Minutes of the meetings held on 8 February 2017 and 9 May 2017 were approved as true and correct records and signed by the Chairman.

4. Declarations of Interest

There were no declarations of interest received.

5. Statutory Pay Policy 2018 (C3278)

The Committee considered a report (Agenda Item 4) concerning the Council's Statutory Pay Policy Statement 2018.

Robert O'Reilly explained that Section 38 of the Localism Act required local authorities to publish an annual pay policy statement. The statement was required to set out policies in relation to:

- (1) Remuneration of its chief officers.
- (2) The remuneration of its lowest paid employees (and the Council's definition and reasons for defining it).
- (3) The relationship between the remuneration of its chief officers and those who were not chief officers.

The Pay Policy Statement was required to be published from 1 April 2018 and would be presented for approval at the Full Council meeting on 1 March 2018.

Robert O'Reilly referred Members to the text highlighted in red italics in both the covering report and the draft Statement. This related to the pay award and the relevant text/figures would be confirmed once the pay award, to be implemented post April 2018, had been agreed. Robert O'Reilly clarified that a 2% pay award had been recommended for staff on spinal column point (SCP) 20 and above. Staff beneath that SCP were recommended to receive a higher percentage increase. However, this proposal had yet to be accepted by trade unions and there had been some debate among unions, including Unison, over not accepting this proposal and taking industrial action.

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Robert O'Reilly also highlighted that the 2018 Statement had been updated to reflect the increase to the Living Wage by the Living Wage Foundation to £8.75 per hour. The Council paid a living wage supplement to corporate employees who would otherwise be paid less than this hourly rate.

The proposal for a 2% pay award for 2018/19 was also proposed for 2019/20. A restructure was also planned of the pay structure for lower grades for implementation from 2019/20 and alongside this it was likely that the Living Wage would increase to £9 per hour. Therefore, additional and more complicated work would need to be undertaken in producing the 2019 Statement.

Robert O'Reilly's final point, in presenting this report, was that since the 2017 Pay Policy Statement was approved, the Executive had given approval to make a targeted recruitment payment in aiding recruitment to the Head of Children and Family Services. This was approved in order for the Council to be competitive in recruiting to this very important post. Although the need to make this payment had not transpired in successfully recruiting to the position, the 2018 Pay Policy Statement retained the power to make this targeted recruitment payment in recruiting to the Head of Children and Family Services in future.

Councillor Richard Crumly voiced concern at having an automatic agreement to make the targeted recruitment payment. He felt that any variation to the set pay scales should only be agreed by the Executive, particularly when the Council's finances including salary budgets were strained. Robert O'Reilly clarified that this targeted recruitment payment only related to the Head of Children and Family Services, and reiterated that the Executive had already given approval to make this payment if necessary when recruiting to this post. Councillor Mollie Lock agreed that it was important for the Council to be competitive when recruiting to this important senior role.

If it was the case that Executive approval would have to be sought to make the targeted recruitment payment when recruiting to the Head of Children and Family Services again in the future, Robert O'Reilly confirmed that it would take a minimum of six weeks to gain Executive approval before recruitment could commence which would clearly lengthen the recruitment process.

A strong field of candidates had been attracted to the Head of Children and Family Services position and this was aided by the total salary on offer inclusive of the targeted recruitment payment. Councillor Crumly accepted the payment was just for recruitment to the Head of Children and Family Services, but remained concerned should this payment become a 'standing order' and stated the need for any potential increase to this payment to be carefully considered.

Councillor Crumly queried the Council's expenditure on salaries in the current financial year and how this compared with the forecast for 2018/19. Robert O'Reilly agreed to provide this information outside of the meeting, it could however be the case that the information was already available in the Revenue Budget papers circulated for the Executive meeting on 19 February 2018.

Councillor Paul Bryant referred to the red text/figures which remained to be confirmed. He was concerned at the impact should a pay award in excess of 2% be agreed and felt that any potential pay increase beyond the 2% should at least be capped, although he queried whether it was possible to not approve the Pay Policy Statement until the pay offer had been agreed. Robert O'Reilly stated that the Localism Act required the Pay Policy Statement to be published by 1 April each year. He also added the fact that the Pay Policy Statement had been approved in advance of the pay award being agreed on many previous occasions.

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Councillor Bryant queried whether there was scope for the Personnel Committee to revisit the Pay Policy Statement should the pay award exceed 2%. Robert O'Reilly suggested that the Committee could recommend approval of the document to Full Council on 1 March 2018 on the understanding that the pay award would not exceed 2%. However, if this was to transpire, then the Pay Policy Statement could return to Personnel Committee and Council in order to be re-determined. Councillor Bryant accepted this approach. Robert O'Reilly also explained that should the pay award be considered unaffordable then this would also need to be a matter for Personnel Committee and Full Council.

Councillor Crumly queried the level of weight to be given to union comments in setting this document/the pay award. Robert O'Reilly explained that some local authorities were Green Book employers and this meant that any nationally agreed pay awards were automatically implemented as per the terms and conditions set by the National Employers for Local Government. However around a third of local authorities were not Green Book employers and this included West Berkshire Council. To date, the Council had always mirrored the national pay award, but retained the ability to deviate from that approach by being external to the Green Book. Councillor Bryant felt it was important to retain this flexibility. Robert O'Reilly agreed and stated that he felt the Council had the appropriate level of flexibility.

In noting the Council was not a Green Book employer, Councillor Crumly asked what liaison was required with trade unions. Robert O'Reilly explained that the Council was required to consult trade unions but there was not a need for trade union approval of a policy etc. This would be required if the Council became a Green Book employer.

Councillor Crumly then asked whether there would still be the prospect of strike action if the Council followed the Green Book. Robert O'Reilly confirmed that trade unions could still take strike action to obtain an improved national position for all regardless of whether they were Green Book employers or not.

Councillor Pamela Bale proposed that the Pay Policy Statement 2018 be recommended for approval by Full Council, subject to appropriate references being made in the documentation in the event that the pay award exceeded 2%.

Councillor Bale also reiterated the point that the pay scale structure needed to be simplified, this was also commented on at the Personnel Committee held a year ago. Robert O'Reilly reaffirmed that amendments to the local structure would be considered for the 2019 Pay Policy Statement alongside national changes.

RESOLVED to recommend to Full Council, at its meeting on 1 March 2018, that the Pay Policy Statement 2018 be approved for publication in accordance with s38 of the Localism Act 2011, subject to appropriate references being made in the documentation in the event that the pay award exceeded 2%.

6. **Buying Additional Leave (PC3410)**

The Committee considered a report (Agenda Item 5) which sought to explore whether the Council should do more to encourage employees to buy additional leave (excluding schools).

Robert O'Reilly explained that this item had been presented to Committee following a request by Councillor Lee Dillon. The ability to buy additional leave was not something that had been raised by employees either directly or via the 'Let's Chat' workshops. He also highlighted that local government employees enjoyed more annual leave than those working in the private sector. Staff could also take time off in lieu and unpaid leave was already available to employees in particular circumstances.

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A concern arising from employees buying additional leave was the increased workload impact this would have on other members of staff. Robert O'Reilly gave the Officer view that the potential to buy additional leave should not be advertised with the option of taking unpaid leave already available.

Councillor Paul Bryant sought to understand whether a saving could be made if employees bought additional leave or would any saving need to be used to offset the cost of overtime being paid to cover workload requirements. Robert O'Reilly explained that no corporate savings could be assumed from this approach and agreed that costs could be incurred from paying overtime, i.e. to a part time employee increasing their hours to cover the workload. Overtime was paid at time and a third.

Councillor Bryant felt it was questionable whether more should be done to 'encourage' staff to buy additional leave (in line with the view of the Head of Human Resources). He felt that staff could take unpaid leave if necessary. Councillor Pamela Bale added that unpaid leave had to be an exception rather than the rule. The ability to buy additional leave was a further exception. She added her concern at the impact on existing staff who would need to cover any outstanding workload.

Councillor Mollie Lock then sought to clarify Councillor Dillon's viewpoint on this matter. His view was that, potentially, a member of staff could, at the start of the leave year (which mirrored the financial year), make a request to buy additional leave. The salary deduction could then be spread over the course of the year. If the request was made without this level of notice then the cost would need to be met within that month's pay.

Councillor Lock fully understood Councillor Dillon's suggestion, but gave her view that this approach could over complicate matters and it was more straightforward for unpaid leave to be deducted from the relevant month's pay.

Councillor Richard Crumly noted from paragraph 5.2 of the report that the Council used the deduction rate of 1/365 of annual salary for each day of unpaid leave. He queried why this was the case as this methodology included weekends. Robert O'Reilly explained that this approach was in line with case law and followed the 1870 Apportionment Act. Robert O'Reilly agreed to provide the case law information to Councillor Crumly. He accepted that the 1/365 model meant staff would pay less for additional leave than would be the case with weekends excluded, but this was also the method used to pay staff who left the authority for any untaken annual leave – i.e. lower cost at that stage.

Councillor Bryant queried what form publicity of this option would take and whether staff would need to apply for additional leave by completing a form. Robert O'Reilly confirmed this would be the case if Personnel Committee approved doing more to encourage employees. However, the Officer recommendation was to take no further action in terms of encouraging staff to buy additional leave. The Council's website already outlined the options available to staff.

Councillor Crumly returned to the point that local government employees enjoyed more annual leave than those working in the private sector. He queried what happened in the event that staff did not take all their annual leave. Robert O'Reilly confirmed that staff could carry over a maximum of five days into the new leave year. He added that the taking of annual leave was always at the line manager's discretion.

In closing and summarising the Committee's debate and position on this matter, Councillor Bale stated that while the Committee noted the proposal, it took the decision to not do anything further to encourage employees to buy additional leave. This was enforced by the existing ability to take unpaid leave in exceptional circumstances.

RESOLVED that nothing further would be done to encourage employees to buy additional leave.

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7. Date of Next Meeting

The Committee noted the next meeting was scheduled for Monday 26 March 2018 at 10am. There was however potential for this date to be brought forward and this would be confirmed.

(Post meeting note: the date of the next meeting had been brought forward to Wednesday 7 March 2018 at 11.30am).

(The meeting commenced at 2.00pm and closed at 2.40pm)

CHAIRMAN

Date of Signature