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EMPLOYMENT COMMITTEE

MINUTES OF THE MEETING of the Employment Committee held on
Tuesday, 14 June 2016 at 12.15 pm at the Conference Room B - Civic Offices

Present

Councillor Donna Jones (in the chair)
Councillor Luke Stubbs (Vice-Chair)
Councillor John Ferrett
Councillor Jim Fleming
Councillor Darren Sanders
Councillor Gerald Vernon-Jackson CBE

Officers Present

Michael Lawther, Deputy Chief Executive and City Solicitor
Jon Bell, Director of HR, Legal and Performance
Peter Baulf, Deputy City Solicitor and Deputy Monitoring Officer
Shaun Tetley, Payroll and Pensions Manager
Sue Page, Finance Manager
Roland Bryant, Learning and Development Business Partner

7. Apologies for Absence (AI 1)

Apologies for absence were received from the Chief Executive, David Williams.

8. Declarations of Members' Interests (AI 2)

There were no declarations of members' interests.

9. Minutes of the meeting held on 15 March 2016 (AI 3)

RESOLVED that the minutes of the meeting held on 15 March 2016 be confirmed and signed by the Chair as a correct record.

10. Corporate Health and Safety Annual Report (AI 4)

(TAKE IN REPORT)

Frank Regan presented the report which updated the Employment Committee on Portsmouth City Council's (PCC) health and safety (H&S) performance for the period 1 April 2015 - 31 March 2016.

The Chair thanked Mr Regan for his report and said that it was encouraging to see the downward trend in incidents. Mr Regan said that this was largely as a

result of good engagement - particularly with schools - and also engaging an external consultant had proved very helpful.

During discussion, the following matters were clarified

- There had been no incidents of legionella which was encouraging. Mr Regan said that the Council was pro-active in trying to prevent any outbreaks and that there had been much investment in this area over the last 4 to 5 years.
- He confirmed that no asbestos incidents relating to council work activities (including schools) were reported to the HSE or the H&S Unit.
- He said that the breakdown in paragraph 3.4.5 clarified the volume of violent incidents reported to the H&S Unit which was a result of pro-active reporting, as opposed to a serious issue of violence in the workplace, and demonstrated the council's 'zero' tolerance approach to violence targeting employees.
- He confirmed that contractors' incidents were also covered.
- With regard to the death at the leisure centre, Mr Regan said that the investigation was ongoing and that much work had been carried out with Parkwood to ensure their processes were robust.
- He also confirmed that a similar report from Housing & Property concerning PCC contractors was likely to have been carried out but his work was independent of that. The City Solicitor advised that the report from Housing and Property would not be within the remit of Employment Committee. However, it could go to Governance & Audit & Standards Committee.
- Mr Regan confirmed that PCC now had a database to support evidence as provided in Appendices 3 and 4. Mr Regan confirmed that the reporting system showed where improvements were needed but demonstrates that PCC is doing well as a corporate body.
- With regard to a query about legionella in relation to the Pyramids, Mr Regan said that the Pyramids had a legionella manager in post and there was a policy in place for legionella management. Significant repair work had taken place since the outbreak some years ago.

RESOLVED that the 2016/17 H&S action plan be agreed and endorsed by the Employment Committee.

11. Shared Cost Additional Voluntary Contribution Scheme (AI 5)

(TAKE IN REPORT)

Shaun Tetley, Payroll & Pension Manager introduced the report which seeks approval to implementing a shared cost salary sacrifice additional voluntary contribution (SSAVC) pension arrangement. He explained that the council had recently identified that there is scope to implement a shared cost SSAVC scheme for members of the Local Government Pension Scheme. He explained the advantages of implementing this new arrangement over the current scheme. In terms of both employee and employer National Insurance contributions.

Mr Tetley went on to explain that in order to ensure that the arrangement is compliant with the LGPS regulations, the SSAVC has to be set up as a shared cost scheme which means that both the employee and employer has to contribute to the SSAVC. He advised that the details are contained in the report. He also explained that it is critical that the scheme documentation is HMRC compliant. HMRC will not provide approval of any salary sacrifice scheme until it is live so to avoid this the intention is to go live with a single member of staff and apply for clearance before doing a full scale launch.

The following matters were raised during discussion:

- The chair of the committee said that information for staff would be prepared about the scheme and was pleased about the potential benefits to both employees and the employer.
- In response to a query about whether teachers would be able to take advantage of the scheme. Mr Tetley said that teachers are tightly governed and that their final pay could be affected. However PCC is currently investigating the scope to implement a shared cost SSAVC for members of the NHS and teachers' pension schemes.
- The two employers who have to date implemented shared cost SSAVCs are Northumberland County Council and Robert Gordon University in Scotland.

Mr Tetley said that it would probably take around four weeks to get approval and the scheme could start almost immediately after that.

RESOLVED that the Committee

- (1) approved the implementation of a shared cost salary sacrifice additional voluntary contribution (SSAVC) pension arrangement for members of the Local Government Pension Scheme (LGPS);**
- (2) Approved that earnings related payments, such as overtime, pay rises and redundancy are calculated on the notional salary and not the reduced sacrificed salary. (Section 3.6 of the report gives further details);**
- (3) Approved the inclusion of a new discretion in the Council's Discretionary Pension Policy Statement to authorise shared cost SSAVCs as one of PCC's discretions. (Section 3.7 of the report gives further details);**
- (4) Approved the implementation of a shared cost SSAVC scheme for members of the Teachers and NHS Pension Scheme, subject to this being approved by the relevant authorities.**

12. Sickness Absence Quarterly Report (AI 6)

(TAKE IN REPORT)

Jon Bell introduced the report which updates the Committee about levels of sickness absence across the council and actions being taken to manage absence. He said that much good work had been done but the sickness absence figures had remained fairly static and that HR needed to take some steps to reinvigorate progress. During discussion the following matters were raised:

- It was noted that Adult Services and Children's Social Care figures had worsened and were very high. Members felt it would be useful to invite the directors of the services concerned to attend the next meeting of Employment Committee so that they can explain to the committee any particular issues they felt could be affecting sickness absence.
- Paragraph 3.5 of the report mentioned that the council's declining headcount is having a distorting effect on the average sickness days per employee. Mr Bell advised that it was not possible to quantify how such distorting effects affect individual services, but he said that a reasonable assumption to make was that where the headcount drops that accounts for distortion.

With regard to flu jabs, Mr Bell advised that the government is keen to encourage people to take up the offer of flu jabs and advice from Public Health is that the promotion of flu jabs is worthwhile.

Members requested that Innes Richens and Alison Jeffery are invited to the next meeting to answer questions from committee members regarding sickness absence levels.

RESOLVED that the Committee

- **Continue to monitor sickness absence, and ensure appropriate management action is taken to address absenteeism.**
- **Approve the continuation of the flu jabs vaccination campaign, co-ordinated by Public Health, for a further year, to encourage the uptake of vaccinations, especially where Directorates have contact with NHS defined risk groups or have particularly low uptake in 2015. The cost of vaccinations to be covered by Directorates.**

13. Pay Policy Statement (AI 7)

(TAKE IN REPORT)

Jon Bell introduced the report and explained that although this came to the last meeting, members asked in the interest of transparency for the pay policy statement to be brought to Employment Committee earlier in the municipal year. The format of the report is the same as was approved last time. The council has been through a significant period of change and the pay structure may need to evolve as a result.

It was proposed by Councillor Gerald Vernon-Jackson, seconded by Councillor Darren Sanders that the committee look again at adopting the Living Wage as defined by the Living Wage Foundation.

On being put to the vote, this was CARRIED.

RESOLVED that Employment Committee

- (1) Approved the draft Pay Policy Statement attached as Appendix 1, and notes that it will be made available to the public, in draft form, on the Council's website;**
- (2) Requested the Director of HR Legal and Performance to report to Members any changes to the statement that become necessary during the coming year, and pass the final statement forward for approval by the Full Council by 31st March 2017;**
- (3) Agreed to look again at adopting the Living Wage as defined by the Living Wage Foundation.**

14. Apprenticeships - Progress and update report (AI 8)

(TAKE IN REPORT)

Mr Jon Bell introduced the report and invited Roland Bryant to assist with any queries that members raised. The report updated members of the Committee on the progress made in recruiting apprentices and provided an update on the introduction of the apprenticeship levy, public sector targets and the financial implications for Portsmouth City Council.

Members referred to paragraph 6.6 and 6.7 of the report asking for further details on how this would work in practice. Mr Bell said that further information was expected and the timescales were set out in paragraph 6.7.

During discussion members asked whether this could work to PCC's advantage overall. Roland Bryant said that in theory it would be possible to get back everything by ploughing the money into training however most of the apprenticeship posts would be at the lower levels of the salary scale. Some services such as Housing had been very successful in their use of apprenticeships. Mr Bryant said that where for example Adult Social Care is paying out of its own budget for people to receive training in QCF level 2, in future this could be financed from the levy pot. In effect this would shift the spend. The Chair of Employment Committee said that a more detailed report was already being worked on.

RESOLVED that Members:

- (i) Noted the progress in recruiting apprentices across the City Council;**

- (ii) **Noted the requirements of the Apprenticeships Levy ,the planned public sector targets and the financial implications of these;**
- (iii) **Noted the actions from the project plan for the introduction of the Apprenticeship Levy and planned Public Sector Targets.**

15. Changes to Senior Management Terms and Conditions to allow for shared management with Gosport Borough Council (AI 9)

(TAKE IN REPORT)

(Although the order of items was varied so that this item was dealt with immediately after the minutes from the previous meeting, for the purpose of the minutes, the item is being recorded in the order it appears on the agenda)

Michael Lawther left the meeting for this item as he is one of the senior officers affected by the report.

Peter Baulf, Deputy City Solicitor and Monitoring Officer was available to provide legal advice for this item.

Jon Bell introduced the item and said that Cabinet agreed that a report should be taken to Employment Committee to allow for the terms and conditions of our senior management posts to be modified so that they can work for both councils. This report seeks to gain Employment Committee's approval to these changes. He said that although the report referred directly to the three statutory officer posts, other employees may also be affected.

There followed a general discussion about the capacity issues in relation to the three statutory officers. The Chair of the Committee, Councillor Donna Jones said that much work had been done already to mitigate any capacity issues, particularly in respect of the s151 officer. Finance teams were more resilient going forward following a review. In addition, the day to day management of IT was no longer the responsibility of the s151 officer and work relating to the LEP was supported by other officers. Substantial ongoing savings were expected to be made by Gosport Borough Council as a result of the shared arrangements and the agreement reached meant that those savings would be shared with PCC.

During discussion,

- some Members expressed concern that discussions about the arrangements had not been shared sooner.
- some Members felt it would be useful to have a detailed report that included an employee tree showing the different staffing implications of the shared arrangements.
- some Members were concerned at the percentage of time the s151 officer was working at the Isle of Wight Council.
- some members felt that Employment Committee should receive updates on progress at certain intervals.

The Chair advised that once agreement had been reached, the s151 Officer and the Chief Executive intended to bring an overview of the expected workflow to the next Employment Committee meeting. However, the report brought to the meeting today was to seek agreement to modify the terms and conditions of our senior management posts so that they can work for both councils.

In response to a query, it was confirmed that advice received from the Deputy Chief Executive was that the Employment Committee should decide changes to terms and conditions - not full Council. Peter Baulf, deputy City Solicitor providing legal advice today, supported that view.

Jon Bell confirmed that a s113 agreement was being drawn up and this allows statutory functions to be carried out by employees as though the employees concerned were employed by that other council. It also clarifies situations concerning where liabilities fall where there are two employers involved.

In response to a query about why the decision on shared arrangements went to a full Council meeting at Gosport but not to a full Council meeting at Portsmouth, the Chair said she had received very specific advice on this. Gosport were in effect employing a new Chief Executive - Portsmouth was not. The decision for Portsmouth was a Cabinet decision. Gosport's governance is not through a Cabinet system of decision making. With regard to comments made about communicating the s151 officer's work at Isle of Wight Council, the Chair said that this was connected with devolution issues but took on board the comments made.

In response to a query about whether the agreement can be terminated if it does not work out well, it was confirmed that notice could be given by either side.

With regard to the three officers concerned, Peter Baulf advised that in effect these were secondments and the s113 agreement would cover this situation.

Members of the committee agreed that an update would be given via communication to all members at full council (subject to standing orders) and that update reports would be brought to Employment Committee in approximately 6 months' and 9 months' time.

It was proposed by Cllr Vernon-Jackson and seconded by Cllr Darren Sanders that a formal report on this issue be prepared to go to Full Council.

Upon being put to the vote, this was LOST.

RESOLVED that Employment Committee

- (1) Agreed that employees filling the posts identified through the emerging Section 113 Agreement between Gosport Borough Council and Portsmouth City Council should have their terms and conditions modified to allow them to work for both Gosport Borough Council and Portsmouth City Council.**

- (2) **Agreed to review the position at future Employment Committee meetings in approximately 6 and 9 months' time**
- (3) **Agreed that a communication be made at the next full Council meeting to the Lord Mayor and councillors to provide an update about this decision subject to taking advice on Standing Orders**
- (4) **Agreed that the Director of HR, Legal and Procurement provides a briefing to members of Employment Committee on how the working arrangements will be delivered in practice.**

16. Exclusion of Press and Public (AI 10)

It was proposed by Councillor Donna Jones and seconded by Councillor Jim Fleming that in view of the contents of the following item on the agenda the committee is recommended to adopt the following motion:

"That under the provisions of Section 100A of the Local Government Act 1972 as amended by the Local Government (Access to Information) Act 1985, the press and public be excluded for the consideration of the following item on the grounds that the report contains information defined as exempt in Part 1 of Schedule 12A to the Local Government Act 1972".

This was carried.

The meeting moved into exempt session.

17. Senior Management Structure - Director of Public Health (AI 11)

(TAKE IN REPORT)

The report was introduced by Mr Jon Bell who said that its purpose was to seek members' approval to engage with Southampton City Council with a view to securing a jointly appointed post to fulfil the statutory role of Director of Public Health (DPH) and subject to this to agree to the redundancy of the existing DPH. He further advised that assuming that agreement can be reached across the two councils, a joint appointment would be sought and details of how this would be done appear in paragraph 3.5.

The costs and savings associated with the redundancy of the existing DPH are attached in confidential Appendix 1.

Members felt that the opportunity to work with Southampton was to be welcomed.

The meeting moved back into open session.

RESOLVED that Members

- (i) Authorised the Chief Executive to engage with Southampton City Council to secure the appointment of a joint post across the two organisations to fulfil the statutory role of Director of Public Health (DPH)**
- (ii) Subject to (i) above, approved the redundancy of the existing Director of Public Health**
- (iii) Subject to (i) above, requested the Chief Executive to work with the new joint DPH to design and implement a suitable senior management structure to enable the delivery of Public Health services across Portsmouth and Southampton, and to continue to engage with Isle of Wight Council to pursue a closer integration.**

18. Date of Next Scheduled Meeting (AI 12)

The next meeting is scheduled for 13 September 2016.

The meeting concluded at 2.10 pm.

Councillor Donna Jones
Chair

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