

EMPLOYMENT COMMITTEE

MINUTES OF THE MEETING of the Employment Committee held on Tuesday, 4 November 2014 at 12.15 pm in The Executive Meeting Room - Third Floor, The Guildhall.

(NB These minutes should be read in conjunction with the agenda and reports for the meeting which can be found at www.portsmouth.gov.uk.)

Present

Councillor Donna Jones (Chair)
Councillor Luke Stubbs (Vice-Chair)
Councillor John Ferrett
Councillor Darren Sanders
Councillor Lynne Stagg
Councillor Gerald Vernon-Jackson

Officers Present

David Williams, Chief Executive
Michael Lawther, City Solicitor
Julian Wooster, Strategic Director
Jon Bell, Head of HR, Legal & Performance
Martin Putman, Port Manager
Ed Woodhouse, Head of Revenues and Benefits
Rob Watt, Head of Adult Social Care
Alan Cufley, Head of Corporate Assets, Business and Standards
Stephen Kitchman, Head of Children's Social Care & Safeguarding, SSC
David Mearns, Assistant Housing Manager, Housing Management
Chris Ward, Head of Finance and S151 Officer
Shaun Tetley, Payroll and Pensions Manager
Frank Regan, Health and Safety Manager

25. Apologies for Absence (AI 1)

There were no apologies for absence.

26. Declarations of Members' Interests (AI 2)

Councillor John Ferrett declared an interest in agenda item 10 - The Living Wage - as his partner works in a school in the city. He said he would leave the meeting for that item.

27. Minutes of the Meeting held on 16 September 2014 (AI 3)

RESOLVED that the minutes of the meeting of the Employment Committee held on 16 September 2014 be confirmed and signed by the chair as a correct record subject to the third paragraph on page 4 being amended as follows:

"Councillor Darren Sanders and Councillor Gerald Vernon-Jackson called for a vote to be taken on whether to include in proposed recommendation (iii) a specific target figure of 50 apprenticeships per year. This was lost on the casting vote of the chair."

28. Sickness Absence Report (AI 4)

(TAKE IN REPORT)

Jon Bell introduced the report and reminded members that at the previous Employment Committee on 16 September a request had been made for heads of those services, where the average per person per year sickness absence level was higher than eight days per year in August 2014, to attend the Committee.

The Head of Housing & Property Services was unable to attend the meeting and David Mearns attended in his place.

The Chair welcomed all those representing the six services who had been invited to attend the meeting and invited them to address the committee.

The Head of Children's Social Care & Safeguarding, Stephen Kitchman said that since 2013 there had been a reduction of one day and the trend was downwards. However, he acknowledged that sickness absence levels were still too high. He said that much work was being done within the service. Long term sickness was a big issue in that three people had been absent for more than one month. He advised that action taken included working with HR to ensure sickness was robustly managed. This had involved meetings with staff and managers and case conferences had also been held. There were a small number of people where sickness absence was disproportionately high. He expected that there would be a decrease in sickness as a result of these interventions.

The Head of Revenues & Benefits, Mr Edward Woodhouse said that the average sickness absence had reduced over the last 12 months and that the trend was still downwards. 13 members of staff (8 leavers and 5 suffering from serious health problems), contributed 308 days of absence. If these were taken out of the equation, sickness absence would be an average of less than eight days per person per year. He said that action taken included writing to all employees to say that sickness levels would be monitored and would be looked at on an individual basis. All staff in the Service will be written to, reminding them of the issues around sickness absence and of the responsibility to maximise attendance. He said he was taking steps to ensure

that referral to Occupational Health happened more quickly where appropriate. He also advised that managers would be further trained in an HR workshop around maximising attendance.

The Head of Adult Social Care (ASC), Rob Watt said it is not uncommon for higher levels of sickness absence to be reported in front line services such as Social Care which may be associated with the nature of the work. He said there had been a reduction in the overall figure but that the removal of one area of service from ASC, with traditionally low levels of sickness, has affected the statistics. Although the short term sickness absence was in line with the PCC average, the long term sickness statistics for his service were challenging. Action taken to try to improve the situation had included running workshops in dealing with sickness absence, trying to get Occupational Health referrals made within a few days of absence, encouraging the take-up of flu jabs, and encouraging the take-up of training such as manual handling etc. Workshops had been held including personnel from Occupational Health in an attempt to increase managers' knowledge and regular meetings were being set up to include the head of service, HR and senior managers to investigate what actions could be taken to further reduce incidence of sickness.

The Head of the International Ferry Port, Martin Putman said that sickness absence had been very bad over the last year. Part of this was because of a statistical error around results being calculated on an hourly basis which resulted in a greater number of average days absence being recorded. He said that industrial injuries had accounted for much of the absence but that these were becoming less frequent. Another factor was the older profile of employees. He said that much manual handling was involved in the work and this increased the risk factor for injuries. 64% of employees were shift workers and this also had an effect on the sickness absence figures. With regard to short term sickness, action being taken was through working with Occupational Health to ensure that return to work interviews were carried out. In some cases, this monitoring continued for up to 52 weeks. With regard to long term sickness, he said that the incidents had gone on much longer than he would have liked. He said that likely outcomes perhaps could be predicted earlier and action taken sooner. Work was taking place with HR. He was pleased to report that there was a reduction in industrial injuries this year and that more training was being given and more health checks carried out.

The Head of Corporate Assets, Business & Standards, Alan Cufley said that there had been a reduction from 11.5 days average sickness to 9.8 days. One member of staff's sickness absence had accounted for one day of the average sickness absence figures. Action being taken to improve the situation included an emphasis on the importance of back to work interviews. The service was working with HR and an analysis of data was being carried out to identify trends and areas for additional staff support. He said that sickness absence was raised regularly at team meetings and there was more focus on assisting colleagues return to work. He acknowledged that the increase in average sickness days from six to 11 in one year was a very large

increase but that had been caused by a number of long term sickness absences.

David Mearns, Assistant Housing Manager, attended the meeting in place of Owen Buckwell who was unable to attend. He advised that the service had a large and diverse group of staff numbering some 750 employees and that many of these work outside. He said that the service faces the same range of problems as the other services. Absence was a complex issue and staff who were happy in their work were more likely to have good attendance. He advised that 2½ years ago the service decided to adopt a fresh approach to sickness absence which was 13.1 days at that time. Housing and Property Services recognised that focussing on the value work in jobs was a motivating factor for staff who were then more likely to have better attendance. Managers had struggled to access the absence data on EBS so they now have access to a tailored monthly report for the staff in their team, providing full details of absence over the previous two years. Sickness absence had now reduced dramatically to the current level of 8.92 days per person per year average sickness absence. He said that there was still a downward trajectory in the sickness absence figures and he hoped that this would continue. Close monitoring took place.

The Chair thanked officers for their contributions. During discussion the following matters were clarified:

- Officers agreed that working with HR on sickness absence had been beneficial.
- The Chair said that PCC paid for the Occupational Health Service and she would be happy to receive any emails should there be any occupational health issues.
- It was confirmed that there was no particular trigger point before an occupational health referral could be made. For example if a person fell over and suffered an injury then managers would be able to refer that person to Occupational Health immediately.
- It was agreed, following suggestions from members of the committee, that members of staff would be asked for their ideas on how to reduce levels of sickness absence.
- It was agreed that there was a need to change the way the general workforce views sickness absence so for example it may be beneficial to post how many days were lost during the last week owing to people being off sick.
- It was confirmed that all HR business partners review absences of three months or more.

It was suggested that a report should be brought back to this committee on actions that could be taken to reduce sickness absence levels.

RESOLVED that the Employment Committee agrees to continue to support the implementation of good sickness absence management

practices and to ensure the appropriate management action is taken to consistently reduce absenteeism across services.

29. Senior Management Structure (AI 5)

(TAKE IN REPORT)

David Williams, Chief Executive, introduced the report and drew Members' attention to paragraphs 3.5 and 3.6 and section 4, People, Place and Performance. He said that section 6 sets out suggestions for consideration by Members and that the consultation process was set out in appendix C. He said that although his report was looking at reductions at Head of Service level and above, there was a need to also look at other management levels and this would require further work that would impact on other tiers of management within the organisation.

The Chair thanked Mr Williams for his report. She said in her view

- the senior grade posts should be those looked at including Strategic Directors and Heads of Service
- Education and Safeguarding should be kept separate
- With regard to Health and CCG, the new Care Act would have a big impact although it was an unknown quantity. This together with the Better Care Fund provided opportunities for management restructuring.
- Partnership working is crucial

The Chair also said that Health and Housing were important as well as Transport and Environment and perhaps a closer relationship between housing and transport would be useful.

She said she agreed with the recommendations in the report and that effectively it was now for the Chief Executive to bring back suggestions for a way forward.

Cllr John Ferrett said that the reality is that there would be cuts this year and for future years and therefore it was necessary to look at re-organisation. He said there was a need to move ahead with this in order to realise savings.

Cllr Stubbs said that PCC was facing a difficult situation and that although he personally did not think the current senior management structure was top heavy, the savings to be made meant there was no choice but to look at this again.

There was a short discussion about Education, as although central government appeared to be moving powers in relation to schools away from local authorities, the legal responsibilities were not being transferred.

Cllr Vernon-Jackson said that in order to maximise savings, definite proposals were needed as soon as possible.

Cllr Stagg said that in the event that services were merged under a new Head of Service, she had concerns about whether that person would have the requisite skills for the combined role.

In response to a query about shared services and working with others and whether others would be prepared to agree to this, the Chair advised she had

had positive responses from a number of organisations including from the NHS for example in relation to Clinical Commissioning.

The Chief Executive advised that one of the issues with shared working with the NHS is that whilst PCC has a geographical boundary, the health service does not. In general though, he said that there was much potential scope for shared working and that this was already being explored.

He also advised members that there was a potential issue with regard to amalgamating services as where the responsibilities are transferred to lower grades, the job evaluation scores would increase and pay bands may then go up. It was very difficult to predict the final impact on grades.

Cllr Vernon-Jackson said that there needs to be a balance between how the council runs against purely monetary considerations.

Members agreed that a report from the Chief Executive with specific proposals should be brought to a special meeting of this committee in December for consideration and decision in light of today's discussions.

RESOLVED that

- (1) Members considered the proposed reductions to the senior management structure as the basis for consultation with staff and unions**
- (2) Members agreed the wider consultation arrangements as the basis for drawing attention of all staff through existing internal communications channels**

30. Health and Safety Annual Report: 1/04/2013 - 31/03/2014 (AI 6)

(TAKE IN REPORT)

Mr Frank Regan, Health and Safety Manager, introduced the report which was to update the Employment Committee on Portsmouth City Council's health and safety performance for the period 1 April 2013 to 31 March 2014.

A deputation was made on this item by Mr Chris Pickett of Unison with regard to the Harbour School at Fratton.

The Chair said she was pleased with this report and thanked the Health & Safety Manager for his work. With regard to the Harbour School, the Chair confirmed she had visited it recently and was aware of the situation. She has arranged for copies of photographs of the school to be sent to central government asking for their help and she hoped to have a response in the next few weeks.

RESOLVED that the 2014/15 H&S action plan be agreed and endorsed by the Employment Committee.

31. Discretionary Pension Policy Statement Review (AI 7)

(TAKE IN REPORT)

A deputation was made by Mr Chris Pickett of Unison concerning paragraph 4.4 of the report which states that where a member elects to receive their pension benefits between the ages of 55 and 60, they will not receive benefits in accordance with the 85 year rule protection. Mr Pickett asked members to reconsider this. The Chair thanked Mr Pickett for his deputation.

Shaun Tetley introduced the report and said that since his original report at the last meeting, many authorities had been providing feedback to the Hampshire Pension Fund and as a result it was necessary to slightly revise it in light of the extra comments. The changes were outlined in the report and were relatively minor.

Following discussion members of the committee felt that it would be too expensive to accede to the union's request to change paragraph 4.4 to reinstate 85 year rule protection as outlined in that paragraph. Members felt that it was important to be equitable across the board. The Chair thanked the Payroll & Pension Manager for the report.

RESOLVED that Employment Committee approves the discretionary pension policy statement set out in Appendix 1 of this report with effect from 1 April 2014.

32. Shared Parental Leave and Pay (AI 8)

(TAKE IN REPORT)

The Head of HR, Legal & Performance introduced the report which was to advise members of statutory changes affecting leave entitlements for parents and establish a rate of pay for shared parental leave. He drew members' attention to paragraph 4 of the report which provided an explanation of options available. He said that to date, most authorities appear to be paying the statutory rate of pay during shared parental leave.

The Chair said that this was a welcome change in the legislation and was happy with the report and its recommendations. Councillor Darren Sanders said he welcomed the report but suggested that 2(ii) be changed to read "welcomes the statutory changes to leave entitlements for parents." This was agreed.

RESOLVED that the Employment Committee

- (i) welcomes the statutory changes to leave entitlements for parents.**
- (ii) Pays the statutory rate of pay during shared parental leave.**
- (iii) Requests the Head of HR, Legal & Performance to actively review the policy in light of demand for leave and emerging employment**

practice and report back to members if changes are required in light of experience.

33. Apprenticeships Follow-up Report (AI 9)

(TAKE IN REPORT)

The Head of HR, Legal & Performance introduced the report and outlined what had been done since the last meeting. A deputation was made by Mr Richard White. He said that although he was generally in support of apprenticeships he did have concerns that apprenticeships may be being used to replace higher paid staff. He was concerned that this was not used as a way of appointing people to do jobs at cheaper rates.

The Chair thanked Mr White for his deputation but disagreed that PCC is using apprenticeships as a form of cheap labour. She said that it was an option that was useful for getting people into work and her hope was that an apprenticeship can lead to a permanent role which would then lead to an increase in salary. She said that she fully endorses and supports the report brought forward by the Head of HR, Legal & Performance.

During discussion the following matters were clarified:

- The rate of £5.13 per hour set out in recommendation 2(iii)a. would apply to new apprenticeships only and that a salary pay protection would apply to existing apprenticeships.
- Councillor John Ferrett said that not all jobs were suitable for apprentices to be given. He did not think that roles where years of training were needed should be filled by an apprentice. He said that apprenticeships needed to be introduced with care. He was concerned to ensure that apprenticeships were only used where they were appropriate. He said he did not support the current recommendation 2(iii)a.

Following discussion, as an amendment, it was proposed by Councillor Darren Sanders, seconded by Councillor John Ferrett that the recommendations in the report be amended as follows:

1. To replace (iii)(a) with "retain existing rates for apprenticeships."
2. Insert "where appropriate" after the word "qualification" in (iii)(b).
3. To insert as a new final sentence in (iii)(c) "However, this may not be possible in some areas where agency staff are required to be fully qualified and able to operate with minimal support."

Upon being put to the vote this was carried. Upon the substantive recommendations being put to the vote, these were carried.

RESOLVED that

(1) Members

- (i) Note the positive progress to date in promotion apprenticeships within the council as detailed in Appendix 1.**
- (ii) Note the research that has been completed and the outcomes identified.**
- (iii) Agree the following recommendations for work to increase apprenticeship opportunities within the city council.**
 - a. Retain existing rates for apprenticeships.**
 - b. Continue to identify staff in post who could convert to an apprenticeship to enable access to a qualification where appropriate.**
 - c. Work with services with high agency costs to identify any possible apprenticeship opportunities. However, this may not be possible in some areas where agency staff are required to be fully qualified and able to operate with minimal support.**
 - d. Work with services to identify external funding opportunities to create supernumerary apprenticeship posts.**
 - e. HR officers to develop internal marketing and case studies to support apprenticeship recruitment.**

34. Living Wage (AI 10)

(TAKE IN REPORT)

Councillor John Ferrett left the meeting at this stage owing to his declared interest.

The City Solicitor advised that the report contained an exempt appendix and that if this was to be discussed at the meeting provision had been made for the committee to move into exempt session. The committee agreed to remain in open session until the exempt appendix was to be considered. The Head of HR, Legal & Performance introduced the report and said that the purpose of the report is to advise members of issues and risks associated with implementing the Living Wage and subject to these, to seek members' approval to implement the Living Wage. He said that most schools in the area appeared in principle to be in favour of introducing the Living Wage but that they had not yet committed to doing anything about it at present. He advised that he had contacted other councils. Southampton City Council had indicated that they would bring in the Living Wage but had not yet done so.

Brighton & Hove Council has introduced the Living Wage. He said that the legal advice being given to councils was probably the same, but that councils' appetite for risk differed. He advised that detailed financial comments were included in the report in section 8.

Mr Richard White of Unite gave a deputation. He said although he was in favour of the living wage being introduced, he was not in favour of it being a non-consolidated one-off payment. He said this led him to question the council's long term commitment to introducing the Living Wage as this could be removed if non-consolidated.

The Chair of the committee thanked Mr White for his deputation. She said that she was supportive of the introduction of the Living Wage.

The City Solicitor advised that if discussion on the exempt appendix took place this should be in exempt session.

It was proposed by Councillor Donna Jones, seconded by Councillor Luke Stubbs that the meeting moved into exempt session and this was agreed.

A discussion took place in exempt session. Following discussion it was proposed by Councillor Donna Jones, seconded by Councillor Luke Stubbs that the meeting moved back into open session and this was agreed.

The Chair said that the Living Wage would be ongoing and the City Solicitor was invited to read out the proposed wording which was a change to the recommendations in the original report. The committee voted to accept the revised wording.

RESOLVED that the Employment Committee

- (1) Agree to implement the Living Wage as decided at Employment Committee in March 2014 with effect from 1 November 2014;**
- (2) Pay the Living Wage as a non-consolidated one-off payment in March 2015 for the initial launch and thereafter as a monthly non-consolidated payment (subject to recommendation (3) below);**
- (3) Undertake an annual review to the Living Wage payment following the annual rate review by the Living Wage Foundation; that review will consider deletion of Band 1 and further consider whether it is appropriate to make the payment a consolidated payment;**
- (4) Note the legal advice in exempt Appendix A and the risks detailed in this advice.**
- (5) Request the Head of HR, Legal & Performance and the Head of Finance to draw up detailed criteria for applying the Living Wage payment where, for example, staff members start, leave or change jobs during the year, or who hold multiple jobs with the council, or who have transferred to the council from other organisations under TUPE rules;**

- (6) **Instruct officers to continue working with schools to ensure that, as far as possible, the Living Wage is also implemented in schools at the earliest possible opportunity.**

35. Date of Next Meeting (AI 12)

The date of the next scheduled meeting is 6 January 2015.

The meeting concluded at 3.15 pm.

Councillor Donna Jones
Chair