

Employment Committee

Minutes of the meeting held on Wednesday 22 March 2017 at the Town Hall, Royal Leamington Spa at 4.30 pm.

Present: Councillor Mrs Bunker (Chairman); Councillors Doody, Harrington, Mobbs, Murphy, Noone, Parkins and Rhead.

31. **Apologies and Substitutes**

- (a) There were no apologies for absence; and
- (b) Councillor Mrs Falp substituted for Councillor Heath and Councillor Cain substituted for Councillor Rhead.

32. **Declarations of Interest**

There were no declarations of interest.

33. **Minutes**

The minutes of the meeting held on 14 December 2016 were taken as read and signed by the Chairman as a correct record.

34. **Members/Trades Unions Joint Consultation & Safety Panel**

The minutes of the meeting of the Members/Trades Unions Joint Consultation & Safety Panel held on 8 December 2016 were noted.

35. **Revenues Officer**

The Committee considered a report from Finance which advised that as a result of an on-going increase in council tax work (primarily relating to the increased number of properties in the District), it was proposed to increase the establishment by one Revenues Officer.

The report advised that in recent years there had been a substantial increase in the volume of correspondence received by the Revenues Section within Finance in respect of Council Tax and the main reasons for this were summarised in the section 3.1 of the report. The reasons included an increase in the number of properties in Warwick District, an increase in "buy to let" properties and the changes introduced to discounts and exemptions.

An increase in correspondence levels was evidenced in 3.2 of the report covering financial years 2015/16 to 2016/17. This increase had, in turn, impacted on an existing backlog of work which despite being closely monitored had resulted in the oldest item in the work queue being 60 days old.

The report proposed increasing the Finance establishment by one additional full time permanent Revenues Officer from 1 April 2017 at an additional cost of £30,100, allowing for on-costs and eventual top of scale.

EMPLOYMENT COMMITTEE MINUTES (Continued)

This funding had been agreed by Members in the February 2017 Budget Report.

The Head of Finance introduced the report and provided a summary of the increased workload that the team had experienced in the past twelve months. In response to questions from Members, the Head of Finance confirmed that:

- the post would be permanent;
- the post would be advertised internally to begin with before being advertised externally;
- The Finance service area had undergone one redesign and was due for another one in the near future;
- It would be possible to detail the increase in Buy To Let properties in graph form covering the past five years;
- In relation to the oldest item in the work queue being 60 days old, the workload had been at its peak at that time and had now reduced to a 20 day backlog.

Having considered the report and having heard from the officers present, the Committee

Resolved that the Finance establishment be increased by one additional full time permanent Revenues Officer from 1 April 2017.

36. Project Manager – Car Parks fixed term contract extension

The Committee considered a report from Neighbourhood Services which requested the extension of a Project Manager post covering Car Parks for a further twelve months.

The Executive had agreed in June 2016 to fund the post for a maximum of two years and the successful candidate was recruited to the position in November 2016 on a one year fixed term contract.

The report explained that the Council no longer had an internal engineering department which had placed limitations on how the Council could approach car park improvement works. A number of the multi-storey car parks had reached the end of their operational life, as had the payment equipment within the car parks. In addition, the existing officer resource within Contract Services had been unable to apportion the sufficient time to these multiple projects.

The Executive had agreed to a maximum £105,000 to fund a temporary project manager which was to be funded through the Service Transformation Reserve. The expenditure figure quoted was a maximum amount and any unused funding provision would be returned to the respective Reserve as appropriate.

The report advised that it had now become apparent that in order to deliver the full range of ongoing car park projects, the post needed to be extended by a year. A breakdown of the current postholder's workload was provided at sections 3.2 to 3.5 of the report.

EMPLOYMENT COMMITTEE MINUTES (Continued)

The Head of Neighbourhood Services introduced the report and summarised the various projects relating to car parks, how these were to be delivered and the impact the projects would have on the individual towns.

Following a question from Councillor Noone, officers from Human Resources clarified that the employee currently in this post was working on a secondment basis so the rules relating to becoming a permanent employee did not apply.

In response to questions from Councillors, the Head of Neighbourhood Services advised that;

- he could not guarantee that the work on these projects would be completed within 12 months and that a lot of work needed to be carried out to enable officers to reach a decision point;
- he accepted that the post may need extending in the future;
- with regard to the Linen Street Car Park, there was some urgency to complete work and reports would be forthcoming in due course.

Having considered the report and having heard from the officers present, the Committee

Resolved that the current one year fixed term contract for the Project Manager – Car Parks, due to expire in November 2017, be extended until November 2018.

37. Pay Policy Statement

The Committee considered a report from HR and Finance which presented the Council's Pay Policy Statement for 2017-18 as required under the Localism Act 2011, 2011 Chapter 20, Part 1 Local Government, Chapter 8 Pay Accountability. The report set out the authority's policies for the financial year relating to the remuneration of chief officers, the remuneration of the lowest paid employees and the relationship between the remuneration of its chief officers and its employees that were not chief officers.

The report gave a definition of chief officers and lowest paid employees. It covered different elements of remuneration and outlined the guidelines and policies that governed remuneration.

The Pay Policy Statement was attached as Appendix 1 to the report and Members were asked to recommend approval at the next full Council meeting. In addition, the report recommended the publication of the approved Pay Policy Statement on an Annual Basis with reviews and amendments in-year if required, subject to agreement at Council.

The report summarised the main points from the Pay Policy at section 8.2 of the report and outlined the mandatory information that had to be included.

EMPLOYMENT COMMITTEE MINUTES (Continued)

The Chairman addressed Members and brought their attention to page 4 of Appendix 1 which advised that the implementation of the National Living Wage from April 2016, whilst having no immediate budgetary impact, would necessitate a review of the Council's grading structure and the deletion of spinal column points 6 and 7 (Grade J).

Having considered the report and having heard from the officers present, the Committee

Recommended that

- (1) Council approve the Pay Policy Statement, detailed at Appendix 1 to the Minutes, presented and agree for its publication for the 2017-18 financial year; and
- (2) Council agree to publication of the approved Pay Policy Statement on an annual basis with reviews and amendments in-year if required subject to agreement at Council.

38. People Strategy Update

The Committee considered a report from HR which updated Members on the progress made on the People Strategy Action Plan as discussed at the People Strategy Steering group (PSSG).

The purpose of the People Strategy was to support the Council's Fit for the Future programme of work. Its aim was to ensure that the approaches to resourcing, learning and development, cultural change and organisational development were designed to deliver the workforce that the Council required. The People Strategy Action Plan underpinned the People Strategy and reported progress to SMT, CMT, People Strategy Steering Group and Employment Committee.

The People Strategy Steering Group comprised of Cllr Mobbs, Cllr Mrs Bunker, Cllr Barrott and Cllr Falp and was supported by Heads of Service from Culture, Neighbourhood Services, Development Services, the HR Manager and HR Senior Officer.

The report detailed the areas of success within the agreed People Strategy themes for the period January to March including Leadership and Organisational Development, Workforce Planning and Performance, Equality and Diversity and Learning and Development.

The HR Manager outlined the report and advised that the PSSG met quarterly prior to Employment Committee. Members were also advised that Child Sexual Exploitation training was being rolled out for all staff who's roles brought them into contact with people and young families.

In response to questions, the HR Manager advised that:

- There was a possibility that the Work Perks Scheme could be rolled out to Councillors, however, there was a cost involved. In addition, the

EMPLOYMENT COMMITTEE MINUTES (Continued)

scheme had only been running since December and officers were keen to review that it was working before increasing roll out.

- Data had highlighted that there were only specific areas where the retention of staff was an issue and these were being monitored to see if further work was needed.
- It had been noted that Planning was an area that appeared to struggle with the retention of officers, however, this was recognised as a nationwide issue. In addition, the data from exit interview feedback did not flag this as a specific concern.
- E-learning was another training tool which individuals could access in their own time.
- HR were working closely with service area managers to assist employees to reach their potential, provide secondment opportunities and supply leadership and management courses.
- The absence data was being looked at and would be reported to SMT.

Having considered the report and having heard from the officers present, the Committee

Resolved that the report be noted.

39. **Public and Press**

Resolved that under Section 100A of the Local Government Act 1972, the public and press be excluded from the meeting for the following items, by reason of the likely disclosure of exempt information within paragraphs 1 and 2 of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006, as set out below.

Minute Nos.	Para Nos.	Reason
40, 41, 42 & 43	1	Information relating to an individual
40, 41, 42 & 43	2	Information which is likely to reveal the identity of an individual.

The full text of Minutes 41 to 44 were recorded in a confidential minute which would be considered for publication following implementation of the relevant decisions. A summary is as follows:

40. **Minutes**

The confidential minutes of the meeting held on 14 December 2016 were taken as read and signed by the Chairman as a correct record.

The full text of Minutes 41 to 43 were recorded in a confidential minute which was to be considered for publication following implementation of the relevant decisions. A summary is as follows:

EMPLOYMENT COMMITTEE MINUTES (Continued)

41. **Housing Related Support – Management Proposals**

The Committee approved the recommendations in the report.

42. **Revision of the Bereavement Services Staffing Structure in Neighbourhood Services**

The Committee approved the recommendations in the report.

43. **Health & Community Protection Service Area Re-structure**

The Committee approved the recommendations in the report.

(The meeting ended at 5.56pm)

PAY POLICY STATEMENT 2017/18

Introduction and Purpose

Warwick District Council aims to have a comprehensive remuneration package that is appropriate and fair for all levels of role and responsibility; ensuring that transparency and equality underpins any rewards.

Under section 112 of the Local Government Act 1972, the Council has the "power to appoint officers on such reasonable terms and conditions as authority thinks fit".

This Pay Policy Statement sets out the Council's approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011. The purpose of the statement is to provide transparency with regard to the setting of pay for its employees by identifying:

- the detail and level of remuneration of its most senior staff i.e. 'chief officers', as defined by the relevant legislation
- the methods by which salaries of all employees are determined
- the Committee responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council

Once approved by Full Council, this policy statement will come into immediate effect and will be subject to review on a minimum of an annual basis in accordance with the relevant legislation prevailing at that time. This is the sixth Pay Policy Statement published; the first was for 2012/13.

REMUNERATION PROVISIONS

Definition of Chief Officers

The definitions of Chief Officer are taken from the Localism Act 2011 and set out in Article 12 of the Council's Constitution as:

Chief Executive
Deputy Chief Executive
Heads of Service
Section 151 Officer
Monitoring Officer

Definition of Lowest Paid Employees

These are employees in Grades J and I of the NJC grading structure which are the bottom two bands in the scheme. The grading and banding is underpinned by Hay job evaluation scheme. Currently those employees in Grade J account for a very small proportion of the workforce, therefore Grade I is also included.

In October 2014 the Living Wage Foundation rate (£8.45 wef 1.4.17) was introduced as a discretionary supplement to ensure that all staff paid below the Living Wage Foundation rate were uplifted to that rate. The implementation of the statutory National Living Wage from April 2016 (£7.50 per hour wef 1.4.17

EMPLOYMENT COMMITTEE MINUTES (Continued)

for those 25 or over), whilst having no immediate budgetary impact will necessitate a review of the Council's grading structure and the deletion of spinal column points 6 and 7 (Grade J).

Apprentices are employed on a lower wage as they are considered to be on a training agreement with the Council, rather than a full employment contract.

The recommended pay rates should not be lower than the National Minimum Wage and according to research for the National Apprenticeship Scheme, the average pay for an Apprentice is £170 per week which is what the Council has based Apprentices' pay on.

Section 1- POLICY ON REMUNERATION OF CHIEF OFFICERS

1. Levels of Pay for Each Chief Officer

The Chief Executive as head of the paid service is employed on the JNC terms and conditions of service and paid a salary that is a spot payment, commensurate with the role.

The Deputy Chief Executives, Heads of Service (which include the Monitoring Officer and the Section 151 Officer) are paid within the Warwick Senior Management Grades (WSMG) on a salary which is considered a market rate within the local government sector. There are 3 salary scale incremental levels; the current levels of pay for each Chief Officer are set out in Appendix 1.

Employer contributions for LGPS for 2017/18 is 19.6% and Employee contributions can be found at www.warwickshire.gov.uk/pensions

These elements of remuneration for 2016/17 are set out below. This is subject to a 1% pay award with effect from 1st April 2017.

2. Elements of Remuneration for Each Chief Officer

In addition to the basic salary outlined above, Chief Officers may claim business mileage as a Casual Car User; none of the Chief Officers are in receipt of an Essential Car User Allowance payment.

The Chief Executive is the Council's Returning Officer and receives an Election Allowance. This allowance is set by central government and it varies each year depending on the number and type of elections held in each year.

The Council's Monitoring Officer role is carried out by one of the Deputy Chief Executives as part of the current role; a separate payment for Monitoring Officer is not made.

For an exceptional piece of work or an exceptional achievement, a Chief Officer may be awarded an honorarium. The Chief Executive can approve this for any employee and this is either paid as a one off payment or can be a monthly allowance for a temporary period.

EMPLOYMENT COMMITTEE MINUTES (Continued)

3. Pay Levels on Recruitment

The pay level offered on recruitment is typically the bottom point of the salary grade for all roles including Chief Officers. In situations, however, where the individual recruited has a high level of knowledge or skills, and/or previous relevant experience, a higher salary up to the maximum salary for that post, may be authorised by the Chief Executive.

The majority of Chief Officers are appointed by the Employment Committee (which reflects all political parties) exercising their delegated powers as outlined in the officer employment procedures.

This excludes the appointment to the role of Head of Paid Service (Chief Executive) and any other posts where the salary is greater than £100,000 where the Employment Committee recommends the appointment to Full Council for approval.

4. Increases to Pay

Any cost of living increases agreed through JNC are applied to Chief Officers pay. This is typically on 1st April each year and incremental increase to their pay will be applied as follows:

- Chief Officers appointed between 1st October and 31st March will receive an increment on 1st October the following year and thereafter
- Chief Officers appointed between 1st April and 30th September will receive an increment on 1st April the following year and thereafter.

There are 3 levels of increment; the first is the recruiting salary, the second level is automatic but the final level is subject to a satisfactory performance as signed off by their line manager. It may be withheld if the Chief Officer is deemed to not have a satisfactory performance appraisal or has a live formal written warning for conduct or performance issues.

Where a Chief Officer has given exceptional performance then they may be awarded additional increments outside of the normal incremental timescale as detailed above - subject to their pay not exceeding the maximum salary for their post. This would be authorised by the Chief Executive.

Chief Officers' pay will be benchmarked regularly against the market to ensure consistency is maintained both in the peer local authorities and nationally if relevant. Where there are significant changes in market rates then a pay benchmarking assessment will be carried out for Chief Officers.

Where a Chief Officer is temporarily working in a higher level role, (duration of 3 months or more) this may be recognised by payment of an honorarium or the higher salary relevant to that role on a temporary basis.

5. Performance Related Pay or Bonuses

Exceptional performance of Chief Officers is recognised by either accelerated increments or an honorarium as detailed previously. Poor performance may result in an increment being withheld.

EMPLOYMENT COMMITTEE MINUTES (Continued)

6. Termination Payments

In the case of redundancy, a severance payment would be made to a Chief Officer in line with the current the Redeployment and Stability of Employment policies and as per the Redundancy Calculator, subject to Statutory Maximum (which takes account of all the costs of the termination).

Leavers who wish to apply for Early Retirement or Flexible Retirement may do so in accordance with the associated policies for early retirement and flexible retirement, subject to Statutory Maximum.

In the case of termination due to Ill-health, a termination payment would not be applicable but a higher pension benefit may be approved by the pension scheme. The pension benefit may include a lump sum in addition to an on-going pension payment.

On termination of employment, if it is not possible or desirable for the Chief Officer to serve their contractual or statutory notice period, then a payment may be made in lieu of the notice period.

Any contractual payments such as outstanding annual leave are usually included in payments on termination of employment. Similarly any monies owing to the Council would be deducted from payments made on termination.

The Council may choose to make a payment under a Settlement Agreement to protect against compensation claims that could be expensive or bring the Council into disrepute. Typically such payments are less than a year's salary, and will be subject to Statutory Maximum. The approval for payments of this nature need to have the support of the Chief Executive who will then seek approval at Executive Committee.

Section 2 - POLICY ON REMUNERATION OF ALL EMPLOYEES AND IDENTIFICATION OF OUR LOWEST PAID EMPLOYEES

Our definition of the lowest paid employees within the Council is determined by the grade for their post, which is underpinned by Hay job evaluation scheme. Market supplements may be given to some posts where there are recruitment and retention difficulties. Currently none of our lowest paid employees receive a market supplement on their salary.

The Council implemented a discretionary supplement in October 2014 for staff paid spinal column point 10 and below to bring their hourly rate in line with National Living Wage (NLW). The NLW rate was increased to £8.45 in October 2016 and it was agreed within the February 2017 Budget Report to implement the increase with effect from 1st April 2017 for Council staff.

Using the Hay Job Evaluation process, the Councils uses the nationally negotiated pay spine (further details can be found at www.LGE.gov.uk) as the basis for its local grading structure. This determines the salaries of the large majority of the workforce – apart from Chief Officers - together with the use of other nationally defined rates where relevant. The last increase to the national pay scheme was April 2016 and a 1% pay award is agreed for April 2017.

EMPLOYMENT COMMITTEE MINUTES (Continued)

All other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and/or as determined by the Council. In determining its grading structure and setting remuneration levels for all posts, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required.

New appointments will normally be made at the minimum of the relevant grade, although this can be varied where necessary to secure the best candidate. From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector.

During 2012/13, the Council fulfilled its commitment to employ Apprentices and had two young people engaged under this scheme. They were paid at the average pay rate for Apprentices which is £170 per week. Both apprentices secured fixed term posts within the Council. In 2014/15 two more Apprentices were recruited. There are currently four apprentices within the authority and options are being explored to increase this intake.

Section 3 - THE RELATIONSHIP BETWEEN REMUNERATION OF CHIEF OFFICERS AND OTHER EMPLOYEES

The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers (as included within the Hutton 'Review of Fair Pay in the Public Sector' 2010). The Hutton report was asked by Government to explore the case for a fixed limit on dispersion of pay – in that a public sector manager cannot earn more than 20 times the lowest paid person in the organisation. The report concluded that the relationship to median earnings was a more relevant measure and the Government's 'Code of Recommended Practice on Data Transparency' recommends the publication of the ratio between highest paid salary and the median average salary of the whole of the Council's workforce.

Currently the average (mean) of the Chief Officers' pay is 3.1 times that of the rest of the employees. The highest earning Chief Officer earns 4.6 times the mean of the rest of the employees. The highest earning Chief Officer earns 12.1 times the lowest paid employees.

Currently the median Chief Officers' pay is 2.7 times that of the rest of the employees. The highest earning Chief Officer earns 4.6 times the median salary of the rest of the employees.

These figures are accurate as of January 2017 and exclude any other payments or allowances.

EMPLOYMENT COMMITTEE MINUTES (Continued)

As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available benchmark information as appropriate.

Section 4 - PUBLICITY AND ACCESS TO INFORMATION

This policy including Appendices will be available on our web site www.Warwickdc.gov.uk.

Section 5 - RELATED DOCUMENTS

Early Retirement	Flexible Retirement
Redeployment and Stability of Employment	Ill-Health Retirement Policy
Recruitment Policy	Honoraria Policy
Final Increment Scheme for Chief Officers	Capability Policy
Disciplinary Policy	Car Users guidelines
Hay Job Evaluation Scheme Outline	

Date of first issue:	March 2012
Date of Version 2:	March 2013
Date of Version 3:	March 2014
Date of Version 4:	January 2015
Date of Version 5:	March 2016
Date of Version 6:	March 2017
Date of next review:	January 2018

WARWICK SENIOR MANAGERS GRADES
(WSMG Scheme for Chief Officers excluding the Chief Executive)

Basic Pay

Grade	Post	Starting Point	Mid Point	Max Point
	Chief Executive	£97,674	-	£108,015
WSMG1	Deputy Chief Executive	£80,355	£83,703	£87,051
WSMG2	Head of Finance	£71,082	£73,917	£76,749
WSMG3	Head of Housing & Property Services	£56,979	£59,355	£61,731
WSMG3	Head of Neighbourhood Services	£56,979	£59,355	£61,731
WSMG3	Head of Cultural Services	£56,979	£59,355	£61,731
WSMG3	Head of Development Services	£56,979	£59,355	£61,731
WSMG3	Head of Health and Community Protection	£56,979	£59,355	£61,731

Chief Officers and Chief Executive will receive a 1% pay award with effect from 1.4.17 which is not reflected in the above figures.

ELEMENTS OF REMUNERATION FOR CHIEF OFFICERS**Car Mileage Payments**

The accumulative mileage claim for the Chief Officer population for 2016/17 is approximately £1,783. It is estimated that the figure would be in the same region for 2017/18.

Election Allowance for 2017/18 (Chief Executive only)

The fee paid to the Returning Officer is determined by legislation and the recovery of the costs for the Returning Officer duties at a UK or European Election is met from Central Government funds and as such does not constitute a cost the Council.

Honorarium Payments

None expected for Chief Officers in 2016/17

Relocation Scheme

None anticipated for 2016/17

Mortgage Subsidy Scheme

None currently