

EMPLOYMENT PANEL

MONDAY 4 APRIL 2011 AT 2.00PM

PRESENT: Councillors Bloxham, Glover, J Mallinson, Mitchelson, Stothard and Weber.

EMP.09/11 APOLOGIES FOR ABSENCE

There were no apologies for absence.

EMP.10/11 DECLARATIONS OF INTEREST

There were no declarations of interest in respect of any of the items on the Agenda.

EMP.11/11 MINUTES OF PREVIOUS MEETINGS

RESOLVED – That the minutes of the meeting held on 4 January 2011 be agreed as a correct record of the meetings and signed by the Chairman.

A Member stated that the Minutes referred to “a Report on capacity at the Assistant Director level of the Council’s staffing structure be brought to Members of the Employment Panel with a recommendation as to whether the post of Assistant Director (Economic Development) should be permanently filled” being brought back to the Panel within 6 months. The Chairman confirmed that the issue would be raised at a meeting of the Panel hopefully before the end of April.

EMP.12/11 LOCAL GOVERNMENT PENSIONS SCHEME REGULATIONS – EMPLOYER DISCRETIONS

The Personnel Manager presented report RD.01/11 which advised Members that the Local Government Pension Scheme (LGPS) contained a number of discretions that the employer could, if it wished, adopt. Some of those discretions must form part of a published written policy whether or not the employer intended to adopt them. When the LGPS regulations changed in 2006 and 2007, Members were presented with reports and made decisions on those discretions the Council adopted. The Personnel Manager explained that the report was a ‘housekeeping’ report that dealt with those discretions that the Council had not adopted but nevertheless required a written policy.

The Personnel Manager gave a summary of the regulations requiring a written policy and indicated which of the policies had been adopted. Discretions for which published written policies were still required included:

- whether to augment membership of an active LGPS member

- whether to grant additional pension to an LGPS member
- flexible retirement
- whether to grant application for early payment of pension benefits on or after age 55 years and before age 60 years
- whether to waive, on compassionate grounds, the actuarial reduction to benefits paid early, and
- applications for early payments of benefits from leavers between 1/4/1998 and 31/3/2008.

The Personnel Manager made recommendations to Members based on the information provided and related to cost and the need to be able to make a compassionate decision in exceptional circumstances.

There was some discussion around the wording of the recommendation relating to actuarial reduction to benefits paid early. A Member believed that the recommendation should be re-worded to avoid confusion. The Assistant Director (Governance) advised that actuarial reduction to benefits paid early would be considered on its merits and would only be waived on compassionate grounds in exceptional circumstances.

A Member queried what the exceptional circumstances were and who would consider the circumstances. The Assistant Director (Governance) advised that the decision would be taken by the Personnel Manager in consultation with Officers from Finance and advised that individuals had the right of appeal to an Appeals Panel if they were not satisfied with that decision.

A Member stated that the proposals referred to a business case in respect of granting application for early payment of pension benefits on or after age 55 years and before age 60 years but there was no mention of that in the recommendations. The Assistant Director (Governance) advised that the matter would be included in the recommendations when the Personnel Manager amended the policy. The Personnel Manager explained that the issue was part of the legislation and the Council were obliged to consider the application as part of a business case.

The Personnel Manager explained that the dates specified in the report – 1 April 1998 and 31 March 2008 – were specifically stated in the legislation as dates before and after were covered by other legislation.

RESOLVED – That the Panel approve the policy subject to the amendment to the wording in respect of actuarial reduction to benefits.

EMP.13/11 ABUSE OF DRUGS AND ALCOHOL POLICY UPDATE CONSULTATION

The Assistant Director (Governance) presented report GD.28/11 that sought to update the Council's existing Abuse of Drugs and Alcohol Policy which was written in 1990. The revised Policy had been updated to more accurately reflect current terminology and had also been amended to more clearly identify how the Council

proposed to address the issue of those employees whose work may be compromised by the misuse of alcohol or drugs.

The Assistant Director (Governance) outlined the background to the report and advised that in the last few years there had been occasions when managers had suspected that a small number of employees may have potentially been under the influence of drugs or alcohol whilst at work. The original policy did not clearly state the consequences of failing to abide by the policy content or the means available to managers to establish any suspected contraventions.

The Assistant Director (Governance) explained that with regard to the Management of Road Risk Policy formally agreed in 2010, clear reference was made under the section "Fitness to Drive" as to the requirements and consequences of employees misusing alcohol and/or drugs. That included "drivers may be subject to random checks to confirm their fitness to drive on City Council business". Section 2.1 of the updated Policy highlighted the means available to managers to establish any suspected contraventions of the policy. Within the updated Policy that inference was broadened to take account of all employees whose misuse of drugs or alcohol may affect their judgement, safety awareness and work performance adversely. It also referenced that such employees not only put themselves at risk but could also place fellow employees, customers or members of the public at potential risk. That was particularly true for employees who used higher risk equipment such as chainsaws and vehicles. However impaired judgement may also have consequences in other circumstances.

The Assistant Director (Governance) advised that formal consultation would take place with the Trades Unions and Staff the result of which would be brought back to the Employment Panel.

A Member queried the definition of "dependence" as it could also apply to conditions such as smoking tobacco and obesity.

Members were concerned whether or not managers would be happy to take on the role of administering the tests should they be required. The Assistant Director (Governance) stated that there had been long deliberation about the wording of that section of the policy and he believed that although managers may feel uncomfortable the policy ensured that managers had to have reasonable grounds for requiring a test to justify taking such a course of action. The testing apparatus would be held centrally by the Health and Safety Manager and any persons using the equipment would be appropriately trained.

Some Members were uncomfortable with the testing of staff. The Assistant Director (Governance) assured Members that the testing would be carried out as soon as possible following the Health and Safety Manager being advised. A Member stated that managers needed to be cautious that they were not seen as discriminating against members of staff. The Assistant Director (Governance) explained that managers could infringe a person's human rights if it was felt necessary and proportionate. The Assistant Director (Governance) advised that the policy would be amended to read "on justifiable grounds".

A Member was concerned that the testing could be used as a tool to intimidate people. The Assistant Director (Governance) stated that a manager would have to be able to produce reasonable grounds for testing and that if a person was tested and no drugs or alcohol was present, the person could be showing signs eg slurring words, for a different, possibly medical, reason.

The Personnel Manager advised that the emphasis of the policy was to provide help and support to people who needed it.

RESOLVED: 1.) That the draft policy be circulated to staff and Trades Unions for consultation.

2.) That an indication that the use of the policy would be monitored be included before the document was circulated for consultation

EMP.14/11 EMPLOYEE BENEFITS

The Organisational Development Manager presented Report CE.11/11 concerning the introduction of several new employee benefits. The Organisational Development Manager advised that reward and recognition initiatives were considered as part of the Pay and Workforce Strategy but the main focus was on monetary rewards. The Organisational Development Manager requested Members to consider the introduction of several new employee benefits as part of working towards a total reward approach.

The Organisational Development Manager indicated that there were a wide range of benefits that could be offered to employees that supported employee engagement as well as effective pay and reward strategies such as flexible working, recognition of achievement and learning and development opportunities. The Organisational Development Manager explained that officers had focussed initially on holiday purchase, cycle to work and sabbaticals in order to gauge interest from employees for those types of reward.

The Organisational Development Manager advised that there would be no financial cost to the Council as any costs would be met from income generated from the holiday purchase scheme. It was suggested that the initiatives ran for an initial two year trial period before evaluating them in the light of operating experience and any changes in relevant legislation.

The Organisational Development Manager explained how the holiday purchase scheme, the cycle to work scheme and sabbaticals would operate. She advised that the schemes would have implications for payroll, pensions, National Insurance and tax so a small working group of relevant staff had been set up to look at developing policies and procedures.

The first benefit to be introduced would be the holiday purchase scheme that would generate income to pay employer pension contributions and any additional administrative support needed. The Organisational Development Manager explained the draft policy and advised that, if approved, would be introduced at the next

Management Briefing before going out for consultation with staff and the Consultative Joint Committee.

The Organisational Development Manager further advised that it would be difficult to estimate how much income would be generated by the holiday purchase scheme as it was dependent upon a number of factors, but recommended, for the pilot programme, that the income be used initially to fund employer pension contributions and any additional administrative support needed. Any extra income under £20,000 would be used for other employee health and wellbeing initiatives and any over £20,000 could be used as a saving.

The Organisational Development Manager recommended that Members approve the draft purchase of additional annual leave scheme for consultation, and powers be delegated to draft and consult on policies for the sabbatical and cycle to work schemes to the Organisational Development and Personnel Managers.

A Member was concerned that the number of staff was reducing and workloads increasing and yet a policy was being proposed that would allow members of staff to take more leave or sabbaticals and queried whether it was a form of unpaid leave. The Organisational Development Manager explained the difference between unpaid leave and the Holiday Purchase Scheme and stated that it would be difficult to know what the take up would be which was why a pilot for 2 years was proposed. The Organisational Development Manager assured Members that managers would ensure business was covered and that the additional leave was at the manager's discretion.

In response to a query from a Member the Personnel Manager explained that members of staff could currently be granted unpaid but only in exceptional circumstances. A Member asked whether the current unpaid leave policy could be extended. The Organisational Development Manager explained that under the current system the salary of a member of staff taking unpaid leave would be adjusted in the following month's salary. The Holiday Purchase Scheme allowed staff to spread the cost over the remainder of the leave year.

A Member was concerned that the policy would not be implemented fairly across the Council and also that delivery of service could be affected.

A Member queried whether figures for requests for unpaid leave could be obtained. The Personnel Manager explained that the figures would not give a true indication as unpaid leave requests were usually for emergency situations and the Holiday Purchase Scheme was for longer, planned periods of leave.

The Organisational Development Manager advised that, as part of the recent Employment Survey, some staff had indicated that the Cycle to Work Scheme was most popular but that there was a degree of interest in the Holiday Purchase Scheme and Sabbaticals. She explained that she could look at other Councils, such as Barrow and South Lakeland who run a Holiday Purchase Scheme, to ascertain the take up and success of the scheme.

A Member advised that under Job Evaluation officers were tasked with looking for cost neutral benefits for staff. He explained that the Holiday Purchase Scheme was the first one to be proposed but that he had reservations around delivery of service. The Assistant Director (Governance) explained that once the Holiday Purchase Scheme was in place it would generate funds to enable the Cycle to Work Scheme and sabbaticals to progress.

The Personnel Manager explained that if a person took a sabbatical the Council would be obliged to pay the pension contributions if the employee elected to continue in the Local Government Pension Scheme and pay the employee's contribution. A Member believed that needed to be made clearer in the policy.

There was discussion around sabbaticals and the Personnel Manager advised that sabbaticals had been granted in the past but it was on an unofficial footing and the policy would formalise the issue. She explained that the policy would let staff be aware and allow time for replacement cover if necessary. She further explained, in response to a query from a Member, that if a replacement was necessary, it would not necessarily be at the same pay point within the grade as the person on sabbatical so the costs would be reduced. Also, as the scheme would be covered by income from the Holiday Purchase Scheme there would be no cost to the Council. The Organisational Development Manager also explained that approval to an application for the Holiday Purchase Scheme would be sought from the relevant manager, with an appeal to the relevant Assistant Director if necessary. Approval for an application for sabbatical would be sought from the relevant Assistant Director.

Members stated that they would support a sabbatical if it was taken to undertake full-time study. The Organisational Development Manager explained that the Council currently allowed time off on a part-time/block basis for study.

A Member believed that a sabbatical scheme could be seen as discriminatory as it was allowing additional time off for people who could afford it. He also believed that in the current economic climate it was the wrong time for staff to be allowed sabbaticals for travel or to take part in a hobby.

The Organisational Development Manager explained that if the employee chose to continue contributions to the pension scheme while on additional purchase annual leave or sabbatical the Council would have to pay its contributions. They would be the same as if the employee was at work.

A Member proposed that more information be sought with regard to the Holiday Purchase Scheme, that the Cycle to Work scheme was satisfactory and that sabbaticals should be dismissed. As the Cycle to Work Scheme would not be able to operate without the success of the Holiday Purchase Scheme it was agreed that no further work should be undertaken on the Cycle to Work Scheme at present, and that the information regarding the Holiday Purchase Scheme in other Councils would be brought to the Panel at a meeting in May.

There was discussion about changing the way the annual leave year was calculated but it was agreed to maintain the current system. There was also discussion on

whether staff should be allowed to carry forward leave from one leave year to the next and Members requested that a report be brought to them on that subject.

RESOLVED: 1.) That further information be sought in respect of the Holiday Purchase Scheme and a report brought back to the Panel in May.

2.) That work on the Cycle to Work Scheme be postponed until a decision is made on the Holiday Purchase Scheme

3.) That the Sabbatical scheme be dismissed.

EMP.15/11 PUBLIC AND PRESS

RESOLVED – That in accordance with Section 100A(4) of the Local Government Act 1972, the Public and Press were excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information relating to the financial or business affairs of a particular person (including the authority holding the information) and exempt information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority, as defined in Paragraph Numbers 3 and 4 of Part 1 of Schedule 12A of the 1972 Local Government Act.

EMP.16/11 PRINCIPAL OFFICERS CAR LEASE SCHEME

The Assistant Director (Governance) presented report RD.02/11 concerning the Principal Officers Car Lease Scheme. The report advised members of the feedback resulting from the consultation undertaken with lease car holders. The proposals consulted on were to terminate the scheme by giving the six months notice period set out in the terms and conditions in the Scheme agreement.

The Assistant Director (Governance) reminded Members of the background to the report and advised that 15 members of staff had been consulted; nine responses were received. The responses were summarised in the report and highlighted by the Assistant Director (Governance).

The Assistant Director (Governance) explained that there would be no additional cost to the Council if the termination period was extended to 9 months and minimal cost if extended to 12 months. He advised that some members of staff would agree to that proposal and would be issued with a variation of their contract. Others who did not agree with the proposal would see their contract terminated and re-instated under different terms.

The Financial Services Manager explained, in response to a query, that the lease car company had advised that cars would be made available for purchase during the term on the lease at market value.

RESOLVED:

That, taking account of the consultation responses:

- 1.) the Council's Principal Officer Lease Car Scheme be ended via a 12 month notice/compensation period
- 2.) compensation be as specified in the report.

(Meeting ended at 3.30pm)