

## **EMPLOYMENT PANEL**

**WEDNESDAY 28 JANUARY 2015 AT 4.00PM**

**PRESENT:** Councillor Glover (Chairman) Councillors Bloxham (as substitute for Councillor Mitchelson), Burns, Mallinson J, Stothard and Weber.

**OFFICERS:** Town Clerk and Chief Executive  
Financial Services and HR Manager  
Organisational Development Manager  
Interim HR Advisory Services Team Leader

### **EMP.01/15 APOLOGIES FOR ABSENCE**

An apology for absence was submitted on behalf of Councillor Mitchelson.

### **EMP.02/15 DECLARATIONS OF INTEREST**

There were no declarations of interest affecting the business to be transacted at the meeting.

### **EMP.03/15 PUBLIC AND PRESS**

It was agreed that the items of business in Part A be dealt with in public and the items of business in Part B be dealt with when the public and press were excluded.

### **EMP.04/15 MINUTES OF PREVIOUS MEETINGS**

The Chairman reminded the Panel that they had considered the Apprenticeship Scheme Framework at their meeting on 2 September 2014. The Panel had:

“RESOLVED – 1) That the Employment Panel approve the following changes to the Apprenticeship Scheme Framework as set out in report CE.09/14:

1. Change to the rate of pay for Level 3 apprentices to be job evaluated;
2. Change to timescale on when apprentices can apply for internal vacancies

2) That the Organisational Development Manager contact the TUC to determine if they had a new recommended rate of pay for apprentices following the increase to the apprentice National Minimum Wage.

3) That the differential rate of pay between the apprentice National Minimum Wage recommended rate of pay for year one Level two apprentices and the City Council’s rate of pay be calculated as a percentage and this percentage be used to calculate the future rate of pay for year one Level two apprentices.

4) That the rate of pay for year one Level two apprentices would increase on 1 October each year in line with the Government’s increase to apprentice pay rates and that the apprentice pay rate would not increase with the cost of living increase that City Council staff receive.”

The Chairman had circulated an email to the Employment Panel informing them that the percentage differential between the National Minimum Wage for apprentices and the City Council’s rate was 14% which was an increase from £3.00 to £3.42. The Chairman asked the Panel to confirm the resolution from the 2 September 2014 which approved the increase.

RESOLVED – 1) That the minutes of the meeting held on 2 September 2014 be agreed as a correct record of the meetings and signed by the Chairman.

2) That the resolutions taken by the Employment Panel (EMP.11/14 refers) on 2 September be agreed.

### **EMP.05/15 PAY POLICY STATEMENT**

The Financial Services and HR Manager presented report RD.54/14 containing the Policy Statement on Pay for Chief Officers.

The Financial Services and HR Manager reported that Section 38 (1) of the Localism Act 2011 required English and Welsh Authorities to produce a pay policy statement for the Chief Executive and Chief Officers for 2012/13 and for each subsequent financial year.

The Statement attached to the report detailed the pay and associated benefits for Chief Officers and had been amended where necessary for 2015/16 which was subject to the approval of full Council.

RESOLVED – 1) That the amended 2015/16 Policy Statement on Chief Officers Pay be recommended to Council for approval.

2) That responsibility be delegated to the Financial Services and HR Manager to make any necessary changes to the 2015/16 Policy Statement on Chief Officers Pay, prior to Council, to take into account the decision of the Employment Panel relating to the Council's Pension Discretions.

### **EMP.06/15 PENSIONS DISCRETIONS – STATEMENT OF POLICY**

The Financial Services and HR Manager presented report RD.55/14 on the impact of the introduction of the Local Government Pension Scheme Regulations 2013.

The Financial Services and HR Manager reported that the introduction of the Local Government Pension Scheme Regulations 2013 (LGPS 2013) had necessitated a review of the Council's discretions in relation to the award of pension and compensatory payments to scheme members. Many of the changes had been 'housekeeping' to make the existing policy compliant with the requirements of the new regulations; however, it was also deemed best practice to review the said policy on an annual basis to ensure that it continued to be fit for purpose.

Furthermore, a specific discretion within the Council's existing policy in respect of augmenting pension service was no longer permitted and alternative options were set out in the report for Members consideration. The Council's draft discretions were set out in the appendix to the report.

The Council's existing policy allowed augmentation. This permitted scheme members to purchase additional pension service, utilising the enhanced redundancy payment to fund the purchase. The LGPS 2013 meant that the facility for employers to grant extra 'augmented' membership of the Pension Scheme was no longer available and options in respect of the change were set out in the report. The Financial Services and HR Manager advised the Panel that any extra actuarial strain incurred as a result of the change must be met by the enhanced redundancy payment.

Once approved, the Statement of Policy must be issued to Cumbria County Council as administering authority of the Cumbria LGPS.

The Interim HR Advisory Services Team Leader clarified the changes and outlined the impact to the authority and explained that the new scheme would be cost neutral for the authority.

RESOLVED – 1) That the Employment Panel approve the amendments to the Council's "Employer Discretions – Statement of Policy" in compliance with the Local Government Pension Scheme Regulations 2013 (LGPS 2013).

2) That the existing discretion be replaced with the facility to convert the enhanced redundancy policy to grant annual pension to those active members leaving on grounds of redundancy or business efficiency, but opt not to award after 6 months of leaving. The Panel noted that there would be no cost to the authority.

3) That the Financial Services and HR Manager be delegated to make the required amendments reflecting the above decision to the Pay Policy Statement 2015/16 for Chief Officers for approval by Council and carry out the appropriate consultation.

## **EMP.07/15 REVIEW OF EMPLOYEE BENEFITS**

The Organisational Development Manager submitted report CE.01/15 which gave information on the wide range of benefits available including how they were promoted to staff. It also considered ideas for new employee benefits which could be introduced in 2015.

The Organisational Development Manager reminded the Panel that, in 2011, it was decided that the range of employee benefits on offer be expanded to aid successful recruitment and retention of staff and to help increase morale and staff wellbeing.

Since 2011 the City Council had introduced the Holiday Purchase Scheme, Cycle to work Scheme, Computers for Staff Scheme and the Car Scheme. Full details of each scheme were encompassed in the report.

There were two new employee benefits which the City Council could consider introducing in 2015. These were a Train Season Ticket Scheme and a Learning Loans Scheme.

The Train Season Ticket was offered by Northern Rail and would be free to set up and run for the City Council. The benefit for staff would be the opportunity to pay for the ticket over twelve months plus twelve weeks of free travel. The scheme was not a salary sacrifice scheme so staff repaid the total cost of the season ticket through payroll deductions over the twelve months.

The Learning Loans Scheme would enable the City Council to support staff to do work related learning and development that can not be supported through the Qualification Study Budget or team training budgets. The scheme would be a salary sacrifice scheme so staff would make tax and national Insurance Contribution (NIC) savings and the Council would make a saving on Employer's NIC for each qualification or course.

The Panel considered, in detail, each of the schemes contained within the report and the Organisational Development Manager clarified a number of issues. The Panel had raised concerns regarding the impact of the Holiday Purchase Scheme on services and were reassured that any holidays purchased were at the discretion of the line manager.

RESOLVED – That further work to develop a Train Season Ticket Scheme and a Learning Loans Scheme be approved and reported back to a future Employment Panel.

*The Town Clerk and Chief Executive and the Organisational Development Manager left the meeting.*

## **EMP.08/15 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 item of business on the grounds that it involved the likely disclosure of exempt information as defined in the paragraph number (as indicated in brackets against the minute) of Part 1 of Schedule 12A of the 1972 Local Government Act.

## **EMP.09/15 CHIEF EXECUTIVE REMUNERATION**

(Public and Press excluded by virtue of Paragraph 3)

The Chairman submitted report RD.56/14 regarding the remuneration package for the Chief Executive which was defined under the Council's Pay Policy Statement for Chief Officers.

The remuneration package for all Chief Officers, including the Chief Executive, was clearly defined under the Council's Pay Policy Statement for Chief Officers. Whilst the Deputy Chief Executive and Directors progress through their grades on an annual basis until the top of the grade was reached, subject to satisfactory performance, pay rates for the Chief Executive could only be amended on a decision by the Chairman of the Employment Panel usually following a request from the post holder.

The Pay for the Chief Executive was a single point within a range plus a car allowance totalling 9.09% of salary or participation in the Chief Executive or Chief Officer Car Lease Scheme to the same value. The pay rate was reviewed each time the post was vacant and may be reviewed between those periods. Although there had not been a request for the pay rates within the salary range to be reviewed, there had been a request by the post holder to progress through the salary band.

The Chairman outlined the current salary for the Chief Executive and the rate point being paid. He detailed the reasons for the progression request and gave a comparison to other Cumbrian District Councils.

The Panel had a detailed discussion regarding the Chief Executive's request; they took into consideration the comparisons to other Cumbrian authorities and the City Council's Chief Officers Pay Policy.

The Chairman outlined the options open to the Panel and following voting thereon it was:

RESOLVED –1) That three pay points be introduced within the Chief Executive's existing Council approved salary band;

2) That the pay points be set at £96,627, £100, 544 and £104, 462 and that the Chief Executive be moved to the mid point of the three points on 1 April 2015;

3) That the Policy with regard the Chief Executive's progression does not change and he/she must formally request any pay changes;

4) That the Financial Services and HR Manager be delegated to amend the Pay Policy Statement 2015/16 for Chief Officers to reflect the above changes for approval by Council.

(The meeting finished at 5.40pm)