

# EMPLOYMENT COMMITTEE

3 March 2021

- \* Councillor Caroline Reeves (Chairman)
- \* Councillor Joss Bigmore (Vice-Chairman)
- \* Councillor Paul Spooner

\*Present

## **EM17 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES**

There were no apologies for absence.

## **EM18 LOCAL CODE OF CONDUCT - DISCLOSABLE PECUNIARY INTERESTS**

There were no disclosures of interest.

## **EM19 MINUTES**

The minutes of the meeting held on 1 February 2021 were confirmed as a correct record.

## **EM20 PAY AWARD 2021-22**

The Committee considered a report on the proposed pay award to staff for 2021-22. Councillors noted that the Managing Director had delegated authority to determine the annual pay award for all staff in the salary bands below Director level as set out in the Council's Constitution under Part 3, Delegation to Officers:

*In consultation with the Leader, to determine the annual salary increase to locally determined salary scales for grades below Director level, provided that the cost of such is within the relevant overall budgetary provision*

The Committee acknowledged that the Council was facing a severe financial shortfall in the next few years and immediate action was required to redress this. The cost of any pay award was significant, and this had to be balanced with the Council's ability to meet the costs of the award. In view of this, the Managing Director had agreed in consultation with the Leader of the Council, and with Unison, that no pay award would be made this year. However, it had been proposed that the lowest paid workers, (those on Band 2 and below) should receive a non-consolidated payment of £250 on 1 July 2021.

The Council's Pay Policy Statement 2021-22 had set out the Council's approach to reviewing levels of pay annually. It stated that the Council would ensure that overall remuneration packages aligned with market norms for local government and public sectors while at the same time taking account of pay levels in the local area, including neighbouring public sector employers.

It was the Government's view that Local Government should exercise restraint in making pay awards this year. Coupled with this, the UK currently had very low rates of inflation and had seen a contraction of pay rates in the wider UK economy. Each 0.5% pay award had a cost to the Council in the region of £135,000. The report included details of the pay awards that had been agreed by other Surrey councils for 2021.

The cost of making the proposed non-consolidated payment of £250 for staff on Bands 1 and 2 would be £63,000. As there was no budget provision made for a pay award this year, this would be funded by bringing forward funds set aside for next year's pay award (2022-23) as set out in the medium term budget approved by the Executive on 24 November 2020.

Incremental progression was a contractual benefit and 326 staff out of 683 staff, (almost half of our workforce) were eligible to receive incremental progression this year.

The Committee noted that the Managing Director had agreed a request from Unison, as part their pay claim this year, for the award of an additional day's leave on the anniversary of 15<sup>th</sup> and 25<sup>th</sup> year of service. This would be a non-consolidated gift in each of those years and not added to an employee's leave allowance and could not be claimed retrospectively.

The Committee, having discussed a number of options in relation to recognition of the hard work and dedication of the Council's staff over the past 12 months

RESOLVED: That the decision of the Managing Director not to make a pay award but to make a non-consolidated payment of £250 to all staff on Grade 2 and below on 1 July 2021 be endorsed.

Reason:

To ensure that the Council's lowest paid workers receive a payment in the absence of a pay award.

**EM21 AMENDMENTS TO PAY POLICY STATEMENT 2021-22**

The Committee was reminded that the Public Sector Exit Pay Cap Regulations, which came into force on 4 November 2020, implemented a £95,000 cap on exit payments in respect of staff and the Council, at its meeting on 8 December 2020, had approved the amended Pay Policy Statement 2020-21 to reflect the Regulations.

The Pay Policy Statement 2021-22 had been approved by the Council at its meeting on 10 February 2021. However, on 12 February 2021, the Government had revoked the Regulations, which meant that the 2021-22 Pay Policy Statement now needed to be amended.

The Committee considered a report, which would also be considered by the Council at its extraordinary meeting on 4 March 2021, which set out details of the required amendments to the Pay Policy Statement.

Having considered the report, the Committee

RECOMMEND: (to Council: 4 March 2021):

That the proposed amendments to the Pay Policy Statement for the 2021-22 financial year, shown by way of tracked changes in Appendix 1 to the report submitted to the Committee, be approved.

Reason:

The Pay Policy Statement 2021-22 required amendment following the Government's revocation of the Public Sector Exit Pay Cap announced on 12 February 2021.

**EM22 EXCLUSION OF THE PUBLIC**

The Committee

RESOLVED:

That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 1 of Part 1 of Schedule 12A to the 1972 Act.

**EM23 PROPOSED REDUNDANCY TERMINATION PAYMENTS ABOVE £95,000**

In the light of the amendments to the Pay Policy Statement for 2021-22 due to the recent revocation of the Public Sector Exit Pay Cap Regulations 2020 proposed in agenda item 5 that the Committee had recommended to Council for approval (see Minute EM21 above), the Committee was invited to consider two proposed redundancy termination payments which exceeded, in both cases, the £95,000 threshold.

The Committee considered a report on this matter which, due to the amounts involved, would need to be considered and approved by the Council at its extraordinary meeting on 4 March 2021. The Committee, having endorsed the proposed redundancy termination payments in both cases,

RECOMMEND (to Council on 4 March 2021):

That the proposed termination payments associated with the redundancy of two posts which exceed £95,000, as set out in the table in paragraph 3.1 of the report submitted to the Committee, be approved.

Reason:

To enable the payment of the full entitlement of termination pay to two employees whose posts have been made, or proposed to be made, redundant.

The meeting finished at 5.03 pm

Signed .....

Chairman

Date .....