

# Agenda

## Employment Committee

Thursday, 12 January 2023 at 6.30 pm

New Council Chamber, Town Hall, Reigate



Members will assemble at the Town Hall, Reigate. Members of the public and Officers may attend remotely.



Members of the public may observe the proceedings live on the Council's [website](#).

**Members of Reigate and Banstead Borough Council are respectfully summoned to attend a meeting of the Borough Council on Thursday, 12 January 2023 at 6.30 pm.**

*Prior to the commencement of the meeting, prayers will be said by the Mayor's Chaplain*

**Mari Roberts-Wood**  
Managing Director

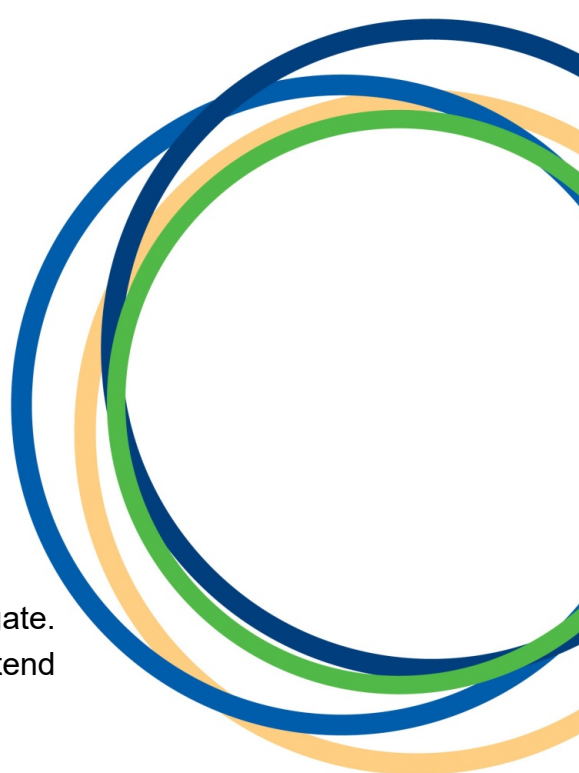
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**Reigate & Banstead**  
**BOROUGH COUNCIL**  
Banstead | Horley | Redhill | Reigate



**1. Apologies for Absence**

To receive any apologies for absence.

**2. Declarations of Interest**

To receive any declarations of interest.

**3. Minutes of the Last Meeting** (Pages 5 - 12)

To approve the minutes of the meeting of the Committee held on 3 November 2022.

**4. Pay Policy Statement 2023/24** (Pages 13 - 26)

For the Committee to consider the Pay Policy Statement for 2023/24.

**5. Workforce Data Summary (six-month update)** (Pages 27 - 38)

For Members to receive and consider the six-month workforce data summary update.

**6. Future Work Programme** (Pages 39 - 40)

For the Committee to consider its work programme for the rest of the 2022/23 municipal year.

**7. Exempt Business**

RECOMMENDED that members of the Press and public be excluded from the meeting for the following items of business under Section 100A(4) of the Local Government Act 1972 on the ground that:

- i. It involves the likely disclosure of exempt information as defined in paragraph 2 of Part 1 of Schedule 12 A of the Act; and
- i. The public interest in maintaining the exemption outweighs the public interest in disclosing the information.

**8. EXEMPT: Pay Award 2023/24**

To receive a further verbal briefing on the pay award for 2023/24 from the Managing Director.

**9. Any Other Urgent Business**

To consider any item(s) which, in the opinion of the Chair, should be considered as a matter of urgency – Local Government Act 1972, Section 100B(4)(b).

Note: Urgent business must be submitted in writing but may be supplemented by an oral report.



### **Our meetings**

As we would all appreciate, our meetings will be conducted in a spirit of mutual respect and trust, working together for the benefit of our Community and the Council, and in accordance with our Member Code of Conduct. Courtesy will be shown to all those taking part.



### **Streaming of meetings**

Meetings are broadcast live on the internet and are available to view online for six months. A recording is retained for six years after the meeting. In attending any meeting, you are recognising that you may be filmed and consent to the live stream being broadcast online, and available for others to view.



### **Accessibility**

The Council's agenda and minutes are provided in English. However, the Council also embraces its duty to anticipate the need to provide documents in different formats, such as audio, large print or in other languages. The Council will provide such formats where a need is identified prior to publication or on request.



**Notice is given** of the intention to hold any part of this meeting in private for consideration of any reports containing "exempt" information, which will be marked accordingly.

## Minutes of a meeting of the **Employment Committee** held at the **New Council Chamber - Town Hall, Reigate** on **Thursday, 3 November 2022 at 7.30 pm.**

**Present:** Councillors ; V. H. Lewanski, J. S. Bray, P. Chandler, T. Schofield and M. Tary

**Attended remotely:** Councillors

**Visiting Members present:**

### **13 Apologies for Absence**

There were no apologies for absence with all Members of the Committee in attendance.

### **14 Declarations of Interest**

There were none.

### **15 Minutes of the Last Meeting**

**RESOLVED** that the Minutes (public and exempt) of the meeting held on 19 July 2022 be approved and signed.

### **16 Hybrid working**

The Interim Strategic Head of Corporate Resources provided the Committee with a verbal update on the hybrid working project. It was outlined that various phased reintroductions to the workplace had been completed with video meeting facilities in the Town Hall being provided and extended. Reception was open from 9am to 2pm every weekday with it being explored to extend this to 5pm daily. Whilst there was active encouragement to return to the workplace, this was not mandated. An asset review was being undertaken to better inform the progression of hybrid working policy as it was thought the Council no longer needed all its office space. The Managing Director highlighted the environmental and financial benefits of hybrid working as well as this allowing recruitment from a larger talent pool.

The Committee explored the extent of the return to the workspace with it being established that 40 – 60% of static staff were regularly working at one of the Council's sites. It was emphasised that it was for Heads of Service to determine the suitability of remote working depending on the needs of their service. It was noted that there had been no reduction in service levels as a result of hybrid working. Assurance was provided regarding resident accessibility to services – for example planning drop-ins were available, housing staff were onsite every working day from 9am to 5pm and all the Council's Community Centres were open as expected. Opening the Reception for

# Agenda Item 3

**Employment Committee, Thursday, 3rd November, 2022**

longer would depend on this being established as the best use of resources with demand having shifted during the pandemic from face-to-face to contact by phone. The offices in reception were also being reconfigured to address staff safety issues.

**RESOLVED:** to note the verbal update on hybrid working.

## 17 Pay Policy Statement 2023/24

The Interim Strategic Head of Corporate Resources introduced the item. It was highlighted that the statement was required to be published in accordance with the Localism Act and was provided to the Committee in draft format for its comments. The figures (including the pay gap and chief officer remuneration) would be updated once these became available with the statement due to return to the Committee in its final format in January 2023 for recommendation to Council for approval.

The Committee explored if the ratios quoted within the consideration of the relationship between senior management pay and the pay of all other employees were correct. This was to be verified by Officers. It was also noted that there was a disparity between bonuses available to senior managers and all other staff. The Managing Director provided reassurance that this was being explored as part of the Financial Sustainability Programme and the workstream on pay scales and the bonus scheme.

**RESOLVED:** to note the draft Pay Policy Statement for 2023/24.

## 18 Future Work Programme

The Committee considered its future work programme.

**RESOLVED** that the work programme as presented be accepted and implement for the remainder of the 2022/23 municipal year with the following amendments:

- The Pay Policy Statement would return to the Committee at its January 2023 meeting for recommendation for approval to Council in its final and not its draft format; and
- There would be no need for the Committee to give further consideration to the Pay Award for 2022/23 and therefore this item could be removed from the future work programme for the Committee's January 2023 meeting.

## 19 Exempt Business

**RESOLVED** to exclude members of the press and public from the meeting for this item of business under Section 100A(4) of the Local Government Act 1972 on the grounds that:

1. It involved the likely disclosure of 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 officer holders, under the authority; and
2. The public interest in maintaining the exemption outweighed the public interest in disclosing the information.

# Agenda Item 3

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## 20 **EXEMPT: Pay Award 2022/23**

The Managing Director provided the Committee with a verbal update on the 2022/23 Pay Award.

**RESOLVED** to note the verbal update provided by the Managing Director on the 2022/23 pay award.

## 21 **EXEMPT: Pay Award 2023/24**

The Managing Director provided the Committee with a verbal update on the 2023/24 Pay Award.

**RESOLVED** to note the verbal update and endorse the proposal for the 2023/24 award as outlined by the Managing Director.

## 22 **EXEMPT: Financial Sustainability**

The Managing Director provided the Committee with a verbal update on the Financial Sustainability Programme.

**RESOLVED** to note the verbal update provided by the Managing Director on the Financial Sustainability Programme.

The Chair returned the meeting to public session.

## 23 **Any Other Urgent Business**

There was no other urgent business for the meeting to consider.

The meeting finished at 8.54 pm

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<b>Signed off by</b>	Luci Mould, Director
<b>Author</b>	Ann Slavin, Interim Strategic Head of Corporate Resources
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<b>To</b>	Employment Committee Full Council
<b>Date</b>	Thursday 12 <sup>th</sup> January 2023
<b>Executive Member</b>	Portfolio Holder for Corporate Policy and Resources

<b>Key Decision Required</b>	N
<b>Wards Affected</b>	N/A

<b>Subject</b>	Pay Policy Statement for 2023/24
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<b>Recommendations</b>
<b>i. That the Employment Committee note the report for recommendation to Council of the Pay Policy Statement, for the year 2023/2024</b>
<b>Reasons for Recommendations</b>
To ensure that the Council complies with the requirement in the Localism Act 2011, to approve and publish an annual Pay Policy Statement, in advance of the financial year to which it relates.
<b>Executive Summary</b>
<ol style="list-style-type: none"> <li>1. The Pay Policy Statement sets out how the Council determines appropriate employee remuneration, in terms of salary and performance related pay.</li> <li>2. Statistical information provided within the statement demonstrates the relationship of remuneration between different levels of employees, such as Chief Officers and the lowest paid employees.</li> <li>3. The Pay Policy Statement reaffirms the Council's ongoing commitment to paying a fair and real living wage to all employees and workers, above national minimum wage levels.</li> </ol>

# Agenda Item 4

## **Statutory Powers**

4. The Localism Act 2011 ('the Act') provisions in relation to 'Pay Accountability' set out the requirements for Councils to determine and publish annual pay policy statements.
5. Relevant authorities are required by section 38(1) of the Act to prepare pay policy statements. These statements must articulate an authority's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff (or 'chief officers') and its lowest paid employees.
6. The Act defines remuneration widely, to include not just pay but also charges, fees, allowances, increases, enhancements of pension entitlements etc, and termination payments.
7. The guidance, "Openness and accountability in local pay: Guidance under section 40 of the Localism Act" (plus any supplementary guidance issued from time to time) sets out the key policy principles that underpin the pay accountability provisions in the Act.
8. Pay policy statements must be prepared for each financial year and must be approved by the Council.

## **Background**

9. The pay policy statement must be approved by the Council in advance of the financial year to which it relates.
10. The Council must publish the statement on its website and may choose to expand the publication in other ways as part of its approach towards transparency.

## **Key Information**

11. The pay policy statement must set out the Council's policies relating to:
  - Chief Officer remuneration,
  - Remuneration of its lowest paid employees plus the definition used for this group and the reason for adopting that definition,
  - The relationship between Chief Officer remuneration and that of other staff
12. For the purposes of the statement, 'Chief Officer' includes a total of four positions; Statutory Chief Officers (Head of Paid Service, Monitoring Officer and Section 151 Officer) and Non-Statutory Chief Officers (Director(s) - who report directly to the Head of Paid Service).
13. The pay policy statement sets out the Council's commitment to paying a fair wage for all, regardless of employment status.
14. Statistical and salary data is correct as at 1 January 2023.

<b>Legal Implications</b>
15. There are no adverse legal implications arising from this policy statement other than those set out in the body of this report or the Statement itself.
<b>Financial Implications</b>
16. There are no financial implications arising from this policy statement other than those set out in the body of this report or the Statement itself.
<b>Equalities Implications</b>
17. There are no adverse equalities implications arising from this policy statement, which confirms that the Council's approach to pay helps to mitigate equal pay issues.
18. Equality Impact Assessments are considered at every stage of reviewing the Council's approach to pay, or policy impact on remuneration.
<b>Communication Implications</b>
19. Once approved, the report is published annually on the Council's website and internal intranet.
<b>Environmental Sustainability Implications</b>
20. The Council is committed to taking action to address environmental sustainability and climate change issues. There are no environmental implications in issuing this Pay Policy Statement.
<b>Risk Management Considerations</b>
21. The Council's strategic risk register risks SR2 and SR5 have associated impact on delivery of this Pay Policy Statement.
<b>Consultation</b>
22. Representatives from the two Unions the Council recognises; Unison and GMB, will be consulted on the Pay Policy Statement.
23. Employment Committee will be consulted on the Pay Policy Statement.
<b>Policy Framework</b>
24. The Pay Policy Statement helps to ensure that talented high performing employees are attracted and retained.
25. This directly and indirectly supports the Council's Corporate Plan, by ensuring that the Council (councillors and officers) has the right skills to deliver the plan, through attraction, retention and reward.

# Agenda Item 4

<b>Background Papers</b>
None



# Pay Policy Statement 2023/2024

This Pay Policy Statement (the '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 regarding the Council's approach to setting the pay of its employees.

Reigate and Banstead Borough Council provides a wide range of services to around 150,900<sup>1</sup> residents, as well as visitors and businesses in the Borough. To be able to provide these services, we depend on our employees.

As of 1 January 2023, we engaged 514 directly employed permanent or fixed term employees. 56% were male and 44% female.

We also engaged 108 casual workers<sup>2</sup>.

## Background

The Council opted out of the terms and conditions of employment operated by the National Joint Council (NJC) for Local Government Services in 2003, and since then has adopted local terms and conditions of employment.

The local pay scales cover all employees of the Council (including Chief Officers as defined below) and was approved by the Council following negotiation with relevant bodies in 2002/3.

As required by law, the Council auto enrols all eligible employees into a pension scheme - the Local Government Pension Scheme (LGPS).

Relative to other parts of the country, the borough is expensive to move to and live in. The Council also operates in a competitive local recruitment market made more challenging by the proximity to London and large local employers.

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<sup>1</sup> 2021 Census data

<sup>2</sup> Casual workers are people who would work for us on an 'as and when' basis when required, normally paid an hourly rate

Competition for some specialist roles remains high nationally and with our neighbouring Local Authorities, competing for the same skills and experience.

## Aims of the Council’s approach to pay and reward

The Council is mindful of the following five aims in its approach to pay and reward. We want to:

- 1) Recruit and retain appropriately experienced and qualified people;
- 2) Be an employer of choice;
- 3) Provide reward and recognition of high organisational performance at individual and team levels;
- 4) Maintain cost effectiveness and provide value for money; and
- 5) Comply with equal pay legislation.

## Salary Budget

The Council’s base revenue salary budget continues to be well managed and is built each year to reflect the resource required to deliver our ambitious corporate plan priorities.

Year	Salary Budget <sup>1</sup>	FTE (from budget reports) <sup>3</sup>
<b>2023/24</b>	£25.9m <sup>2</sup>	530.0
<b>2022/23</b>	£24.9m	533.6
<b>2021/22</b>	£23.5m	534.0
<b>2020/21</b>	£28.5m <sup>4</sup>	534.0
<b>2019/20</b>	£22.1m	487.5
<b>2018/19</b>	£19.5m	485.1
<b>2017/18</b>	£19.5m	483.0
<b>2016/17</b>	£18.6m	-
<b>2015/16</b>	£18.0m	-

1. Source: Annual Budget Book
2. Subject to 2023/24 budget approval cycle and pay award consultation
3. FTE figures were not included in published budget data prior to 2017/18.
4. A £6.2m one-off employer’s pension contribution was made in 2020/21

The salary budget is set taking into account various factors, including the two elements considered when reviewing employee pay:

- An annually reviewed **organisational pay award** paid to employees which recognises (but is not directly linked to) cost of living and overall organisational performance. This can be a consolidated award (percentage or fixed value increase), a non-consolidated award (based on a percentage or fixed value) or a mixture of both.
- An incremental pay increase and/or bonus may be awarded for individual performance, based on the appraisal schemes detailed below ('Components of Employee Total Reward').

## Organisational Pay Award

The organisational pay award is usually reviewed annually, and where applicable, pay negotiations are held between the Council's management, any staff association representatives, and recognised trade unions. Longer term awards may be negotiated by agreement.

These negotiations take into consideration a range of factors; including (but not limited to) the following:

- Results of external pay benchmarking to ensure the Council is able to recruit and retain appropriately experienced and qualified employees; that it remains competitive and an employer of choice within Surrey and the immediate surrounding area (including the close proximity to London);
- Recruitment and retention trends. e.g., turnover and identification of skill types or service areas where recruitment is difficult;
- The nature and level of other benefits (i.e. non-salary) provided to employees;
- The level of the national 'Real Living Wage', and statutory National Minimum Wage rates; and
- The wider economic environment and affordability.

## Real Living Wage

The Council has committed to ensuring the pay rates of apprentices, casual workers and pay scales of employees mirror the national 'Real Living Wage' as determined by the Living Wage Foundation<sup>3</sup>, as a minimum level of pay. From 1 April 2023 the minimum pay rate the Council will pay, will be £10.90 per hour. This commitment also applies to workers in any companies that the Council owns and operates.

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<sup>3</sup> The Living Wage Foundation is a campaigning organisation in the United Kingdom which aims to persuade employers to pay a living wage. The organisation was established in 2011, publishes an annual Living Wage figure and for a fee accredits employers who pay at the rate of the "living wage".

The Council has reviewed the official accreditation requirements set by the Living Wage Foundation and is confident requirements for our directly employed staff are met. To be officially recognised as an accredited Real Living Wage employer, we also need to formally review the pay arrangements of our contracted services to ensure compliance. Once complete, official accreditation can be applied for if required.

## Definition and remuneration of Chief Officers

The Council's senior management team consists of 18 officer roles; four of whom are considered to be Chief Officers for the purposes of this policy statement, under the definition in the Localism Act 2011 and Local Government and Housing Act 1989:

- Statutory Officer, Head of Paid Service role (Managing Director)
- Non-Statutory Officer, reporting to Head of Paid Service (Director)
- Statutory Officer, Section 151 Officer role (Chief Finance Officer)
- Statutory Officer, Monitoring Officer role (Strategic Head of Legal & Governance)

Where any role listed above is vacant at time of reporting, the midpoint of the salary range will be used for the purposes of reporting in this document.

As of 1 January 2023, the average salary of the four Chief Officers is £111,979, which now includes the adjustments to remuneration applied for the statutory officer roles/duties – see explanation below 'Exceptional Increases and Additions to Remuneration for Chief Officers'.

Including the salaries of the fourteen other officer roles which make up the wider senior management team of the Council, the average salary then becomes £87,718.

In 2022, the remuneration of the Chief Officers was confirmed through an external job evaluation and pay benchmarking exercise.

## Definition and remuneration of lowest paid employees

To enable meaningful comparison, the Council looks at full time equivalent salaries for this definition. The lowest paid employees are on Administrative 3, Operative 3, or Apprentice grades. These employees include (but not limited to): Support Assistants, Box Office Assistants, Streetsweeper-Drivers and Grounds Maintenance Operatives. As of 1 April 2022 the bottom point on the payscale for full time work was £18,849 (£10.04 per hour); part-time employees are paid on a pro-rata basis.

From 1 April 2023, the minimum hourly rate of pay for any direct workers such as apprentices and casual workers of the Council, will be at least UK Real Living Wage (£10.90 per hour), which is in excess of the statutory National Minimum Wage rates.



## **The relationship between Chief Officer pay and the pay of all other employees**

The Council pays all employees including Chief Officers, on the same incremental payscale structure.

Using the full-time equivalent salary, the average pay for employees other than Chief Officers is £31,855.

Using the full-time equivalent salary, the average pay for Chief Officers is £111,979.

The ratio of Chief Officers' pay to the average pay of other employees is 3.5 : 1.

The ratio of the pay of the highest paid earner - the Head of Paid Service, to the pay of the lowest paid employee is 7.3 : 1.

## **Components of employee total reward**

The total reward package for all employees (including Chief Officers) comprises of salary, Local Government Pension Scheme employer contribution (where the employee has not opted out), enhanced holiday entitlement (in excess of statutory requirements), enhanced sick pay (in excess of statutory requirements), enhanced maternity/paternity leave and pay (in excess of statutory requirements), adoption leave, shared parental/parental leave and pay, free parking (where allocated), agile working benefits and other standard elements of contractual remuneration required in law.

All eligible employees<sup>4</sup> have the opportunity to take advantage of a number of salary sacrifice schemes including Childcare Vouchers, Cycle to Work scheme and Leisure Centre membership, and benefit from discounts on shopping, entertainment, and holidays through the employee benefits schemes.

All employees (including Chief Officers) are subject to an annual assessment of their performance, and where performance meets the appropriate standard, a contractual increment will be given, until the maximum of the applicable grade for the role is reached (individual performance award).

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<sup>4</sup> Childcare vouchers are only available for staff who joined prior to September 2018

For Chief Officers and members of the senior management team, the performance appraisal scheme results in one of five levels of rating; Outstanding Performer, Very Good Achiever, Good Achiever, Effective Manager, Improvement Required. A rating in one of the top three categories can result in a bonus of either 10%, 5% or 2.5% (according to the rating) and can also result in an incremental increase within the pay scale, up to the maximum point for the role. (N.B. the middle rating results in either an increment or bonus – not both.)

For all other employees, the performance appraisal scheme results in one of four levels of rating; Outstanding Performer, Consistently High Performer, Good or Not at Required Standard. A rating of Outstanding Performer or Consistently High Performer can result in an incremental increase within the pay scale, up to the maximum point for the role. Employees who receive an Outstanding Performer rating receive a non-consolidated bonus of 2.5%, or 3% if at the maximum point for the role.

Annually staff may also be eligible to 'jump the bar', which enables employees to progress to the next level in their pay scale. Staff and managers are required to demonstrate/evidence the advancing or advanced characteristics at the level above the current progression level as described in individual's role profiles which is assessed against the required competency characteristics/framework. This may result in an incremental increase.

## **Remuneration of employees on appointment**

As is the case in the appointment of new employees across the Council, Chief Officers are generally appointed towards the bottom of the grade for the role or at a market level of pay negotiated on appointment.

In line with the constitution, approval of pay on appointment is made by the Head of Paid Service or officer(s) nominated by them. For external candidates, the appointment of the Head of Paid Service, Section 151 Officer, and Monitoring Officer is through recommendation from the Employment Committee to Full Council for ratification. Where an existing officer at the Council is considered for a statutory officer role, the designation is a matter for Full Council, decision after the proposed designation has been discussed informally with the Employment Committee. The appointment of Directors (Non-Statutory Officers reporting directly to the Head of Paid Service) is made by the Employment Committee.

## **Assessing the gender pay gap**

The gender pay gap is the difference in the average hourly wage of all men and women across a workforce.

The gender pay gap is not the same as unequal pay, which is paying men and women differently for performing the same (or similar) work. Unequal pay has been unlawful since 1970.

A gender pay gap does not necessarily indicate the existence of an equal pay problem, albeit a gender pay gap may be a trigger for further investigation about the reasons why the gap exists.

The Council's ability to use a formal job evaluation process, use of structured pay scales, and defined processes and procedures to award performance pay increases, limits inequality in pay for roles of similar value, between the genders. As the Council has over 250 employees, by law we must publish and report specific figures around our gender pay gap as of 31 March of each year (relating to the previous year's data).

Each year, the Council's gender pay gap figures are compared against preceding year and examined to identify if there is an inequitable cause of a significant gap between genders, which may need addressing.

Our gender pay gap figures for the past four years show that we do have a gap in terms of 'average hourly pay', but it is a gap in the favour of women - we are among a small percentage of organisations who, on average, pay women more.

The gender pay gap reports can be found via the Council's website: [https://www.reigate-banstead.gov.uk/info/20091/organisation\\_and\\_services/737/open\\_data\\_transparency](https://www.reigate-banstead.gov.uk/info/20091/organisation_and_services/737/open_data_transparency)

## **Exceptional increases and additions to remuneration for Chief Officers**

The Head of Paid Service (or another nominated senior officer) receives additional payments for election duties when acting as Returning Officer or Acting Returning Officer. Some of these payments made will be funded by the Government or Surrey County Council, depending on the type of election. For local elections, the Returning Officer fees are paid by the Council. The Returning Officer or Acting Returning Officer is able to make payments to any Deputy they appoint.

The Head of Paid Service, Section 151 Officer and Monitoring Officer<sup>5</sup> positions previously attracted an additional 10% salary payment respectively, to compensate for the additional statutory duties and responsibilities delivered. After the recent senior management structure review (November 2021), the pay grades were re-aligned to account for these duties within their job descriptions rather than paying an additional honorarium payment. Payments (a proportion of the 10% salary payment) can be made to deputies in these roles, should the need arise.

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<sup>5</sup> A description of the functions of each statutory officer is provided under Article 13 of Part 2 of the [Council's Constitution](#).

## **The use of market supplements, honoraria and one-off payments**

In a few cases the Council also pays market supplements to specific groups of employees where there is evidence that the pay scale determined for the role is significantly out of alignment with the pay market, and / or where there is difficulty recruiting and retaining employees. These payments are non-contractual, and currently apply to a total of four positions in Development Management.

The Head of Service for OD&HR, Chief Finance Officer and Chair of the Employment Committee are consulted on the application of any new market supplements, as per the Constitution. Other payments as described below are approved by Officers through delegated authority outlined in the constitution.

On occasion, temporary honorarium payments are paid to employees, when they carry out additional roles or other duties at a higher level e.g., providing cover for a higher graded colleague while they are on maternity leave.

There are also specific conditions for one-off bonus payments, which provide incentive and rewards for specific and exceptional achievements, such as the following:

- For delivering one-off projects clearly outside the responsibilities of the job
- For successfully carrying out something which was exceptionally difficult, or working to a much higher level for a temporary period of time
- For working unusually long or inconvenient hours because of a particular problem

## **Chief Officers' payments on ceasing to hold Office**

Chief Officers who leave the Council's employment, may receive exit payments above contractually agreed limits in exceptional circumstances only in line with the Council's procedure for approving exit payments. These are subject to the consultation with the Head of Paid Service, Section 151 Officer (or delegated official if the compensation relates to either role) and Monitoring Officer where applicable.

There is a prescribed arrangement for settlement payments approval in consultation with the Employment Committee:

- payments of £100,000 and above must be approved by a vote of full council, as set out in the Localism Act 2011;
- payments of £20,000 and above, but below £100,000, must be personally approved and signed off by the Head of Paid Service, with a clear record of the Leader's approval and that of any others who have signed off the payment;

- payments below £20,000 must be approved according to the local authority's scheme of delegation.

## **Publication and access to information relating to remuneration of Chief Officers**

A summary of Chief Officers' pay is published as part of the Council's annual statement of accounts and is available via the Council's website: [http://www.reigate-banstead.gov.uk/info/20210/finance/268/annual\\_financial\\_reports](http://www.reigate-banstead.gov.uk/info/20210/finance/268/annual_financial_reports)

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# Agenda Item 5



<b>Signed off by</b>	Luci Mould, Director
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<b>Email</b>	ann.slavin@reigate-banstead.gov.uk
<b>To</b>	Employment Committee
<b>Date</b>	Thursday, 12 January 2023
<b>Executive Member</b>	Portfolio Holder for Corporate Policy and Resources

<b>Key Decision Required</b>	N
<b>Wards Affected</b>	(All Wards);

<b>Subject</b>	Workforce Data Summary 2022/2023 (Quarter 2-Update)
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<b>Recommendations</b>
<b>The Employment Committee is asked to note the content of the bi-annual Workforce Data summary, comprising sickness absence and employee turnover data as at the end of Quarter 2 2022/23.</b>
<b>Reasons for Recommendations</b>
Bi-annual workforce data for sickness and turnover is provided to the Employment Committee for oversight, being part of the Council's quarterly KPI performance reporting.
<b>Executive Summary</b>
This report and annex provides the Employment Committee workforce data for the six months to 30 September 2022.

<b>Statutory Powers</b>
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# Agenda Item 5

1. The Equality Act 2010 states public authorities must comply with the public sector equality duty.
2. The public sector equality duty is a duty on public authorities to consider or think about how their policies or decisions affect people who are protected under the Equality Act.
3. The Council is required to publish annual equality information documents. One of these is the Workforce Statistic document (workforce data summary) which includes information on protected characteristics<sup>1</sup> under the Equalities Act as well as sickness absence and staff turnover.

## Background

4. It was agreed at the Employment Committee on 29 July 2019, that Workforce Statistics data will be reported annually, at the first Employment Committee meeting of the municipal year, with the exception of sickness and turnover data.
5. It was agreed that sickness and turnover data would be reported twice a year to the Committee, at the end of quarter 2 and quarter 4.
6. The information provided in the annex relates to sickness absence and turnover data to the end of quarter 2. This data helps provide an indication of the organisation's overall 'health'.

## Key Information

7. The Council needs to understand, plan and develop its workforce requirements for the future in order to provide excellent services to the community it serves and to support the Council's vision, aims and values.
8. Key workforce information helps to inform and shape this; sickness absence and employee turnover in particular.
9. The latest sickness absence and employee turnover data and narrative is contained within annex 1.

## Options

10. N/A – the report is for noting

## Legal Implications

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<sup>1</sup> The characteristics that are protected are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, ethnicity, religion/belief, gender, sexual orientation



11. As the report is for noting, there are no legal implications.
<b>Financial Implications</b>
12. As the report is for noting, there are no direct financial implications.
<b>Equalities Implications</b>
13. As the report is for noting, there are no equalities implications directly related to the report/data presented. An equalities impact assessment will be considered when the sickness absence policy is next reviewed.
<b>Communication Implications</b>
14. As the report is for noting, there are no communication implications. The Council publishes annual equality information on its website.
<b>Environmental Sustainability Implications</b>
15. As the report is data for noting, there are no environmental sustainability implications to consider.
<b>Risk Management Considerations</b>
16. Risks associated with staff sickness absence and turnover is managed in line with the operational risk register.
<b>Other Implications</b>
<ul style="list-style-type: none"> <li>• None.</li> </ul>
<b>Consultation</b>
17. The sickness absence and staff turnover is reported under the Council's performance KPI's on a quarterly basis.
18. The Employment Committee is consulted bi-annually on the data.
<b>Policy Framework</b>
19. This supports the Council's Corporate Plan, by ensuring that the Council has an effective workforce to deliver against corporate objectives.
<b>Background Papers</b>
None

# Agenda Item 5

<b>Annexures</b>
Workforce Summary (sickness absence and staff turnover) at quarter 2 2022/23.

## **ANNEX 1**

### **Workforce Data Summary – Quarter 2 Update 2022/23**

1. RBBC's workforce is key to the success of our organisation and service delivery, and therefore consideration of our employee workforce data is essential to help guide future workforce planning and organisational strategy.
2. In addition to employee demographics, we also capture and analyse additional data to help us measure the success of our people management strategies, policies and procedures.
3. We use various methods to resource the work of the Council – permanent and fixed term employees (with full time and part time hours worked), workers (including casual workers), agency staff, contractors and ad hoc consultants. For the latter three groups of worker, we do not hold direct/personal data about them as they are not directly employed by the Council. The information contained within this report therefore relates to directly employed staff.
4. The Portfolio Holder for Corporate Policy and Resources/Chair of the Employment Committee will also be consulted in the case of unusual or unexpected issues (raising of exceptional circumstances) occurring within the organisation, including sickness absence concerns.
5. At the Employment Committee meeting on 29th July 2019, it was agreed that employee demographic and organisation workforce measures data would be reported to the Committee annually, at the first Employment Committee meeting of the municipal year, with the exception of sickness absence and turnover data. These two measures would be reported to the Committee twice a year - at the start of the municipal year and again after six months (i.e. Q2 and Q4 reporting). The information below is therefore the six-month update to the Employment Committee on sickness absence and turnover data as the end of quarter 2 2022/23.

#### **Organisation workforce measures**

6. On a regular basis, we collate data on a number of indicators to help us assess the organisation's health of workforce stability, performance and effectiveness of people management policy & procedures. These are reported internally to the officer Corporate Pay Group and the Corporate Governance Group.

#### **Employee sickness absence**

7. The most recently available sickness absence data information contained within this report is a rolling cumulative 12-month period.
8. The average total number of days lost to sickness absence has decreased overall and is currently at 3.22 days when compared to the previous reporting period and remains under our target of 4.0 days. It should however be noted that COVID-related absences are now included in our standard sickness absence reporting.
9. The Chartered Institute of Personnel & Development's (CIPD) 'Health and Wellbeing at Work Report' released in April each year is usually the most up to date report available to compare our averages against other public sector and

private sector organisations. The pandemic and the government's response in terms of interventions made, has had a deep impact on the UK labour market. Temporary absences from work increased nationally as many businesses had to close temporarily or operate at reduced capacity, with considerable numbers of employees furloughed, shielding or isolating. The disruption to many businesses in terms of working time has been incalculable in many ways and still continues to have impact.

10. The survey data for April 2022 shows that two years on, the coronavirus pandemic continues to heavily influence employee health and wellbeing. The virus has caused severe disruption due to absence, while many organisations have employees with long COVID. Although organisations are clearly still committed to supporting their people, evidence suggests that activity in this area is starting to slip nationwide, and a more holistic approach – based on the health risks and needs of the workforce – is needed.

### **Key findings of the CIPD report**

11. There is less management focus on health and wellbeing compared with the first year of the pandemic. Evidence points to a small but disappointing slip in attention to employees' mental and physical health. Seven in ten (70%) of HR respondents agree that employee wellbeing is on senior leaders' agendas (down from 75% last year) and 60% believe that line managers have bought into the importance of wellbeing (down from 67% last year).
12. More organisations are taking steps to tackle presenteeism. Working when ill (presenteeism) remains prevalent – and is even higher for those working from home (81% versus 65% among those in a workplace). In response, 52% of HR respondents to the survey are taking steps to address this trend and investigate potential causes.
13. COVID-19 continues to have a huge impact on employee health. Only 3% of organisations haven't suffered any COVID 19-related absence, and just under half (46%) have employees who have experienced – or are experiencing – long COVID. Long COVID is now a major cause of long-term absence.
14. New or better support for people working from home. Just under three-quarters of organisations (72%) are providing new or better support for people working from home. For example, nearly half (47%) are encouraging more responsible use of digital technologies, acknowledging that regular movement breaks and time away from screens are essential for health and wellbeing.

### **What this means for the Council**

15. The Council takes its staff health and wellbeing very seriously and has measures in place to track, monitor and where possible prevent re-occurring illness.

16. The emerging HR&OD strategy also focuses on wellbeing and the Council will be producing a wellbeing sub strategy in the new Municipal Year.
17. Benchmarking of our sickness absence data remains a challenge more broadly. This is due to how data is recorded, measured and calculated by other organisations – so there's a risk we could be comparing apples with pears. This remains the case even for Local Authority organisations – no standard definition is applied to determine what constitutes short-term absence or long-term absence.

### **Reasons for absence**

18. The top ten reasons for sickness absence are shown on the final page of this report.
19. ONS data revealed that depression rates in the UK had doubled since the COVID-19 pandemic began and this continues to be a featuring trend within the Council (although not the main cause of sickness).
20. In addition to offering employees access to the Employee Assistance Programme (a free and confidential service to staff provided by the Council, which grants online and face to face Counselling and support), we equip managers and employees with the skills to manage and reduce the negative effects of these conditions, through personal resilience training and mental health first aid. The figures are showing a slight upward trend in absences related to stress, anxiety or depression. As well as continuing to work with managers on the individual cases to support employees and manage these absences, HR are reviewing the data in a broader sense to consider and recommend corporate interventions needed in this area and will be addressed in the new wellbeing strategy.
21. Back related pain continues to be the main cause of sickness absence and HR work closely with Health & Safety on this matter to better mitigate this cause of sickness.

### **Employee turnover (attrition)**

22. RBBC's voluntary (resignation) employee turnover rate has increased to 16% compared to the target rate of 12%.
23. This is not an unusual trend in the general marketplace at present. Due to COVID employees were deferring moving jobs due to uncertainty and job security during the pandemic. As restrictions have relaxed and the rise of the 'great resignation' took hold in the marketplace (and indeed a period of reflection by some individuals with work/life balance or simply leaving the marketplace altogether) the Council has seen numbers of resignations slowly rise. We anticipate this trend to continue at least for the next two quarters (resignations early in the new year are common as employees look to start new roles). We will continue to monitor the rates and compare exit interview data to see what further interventions (if any) are required or if this is simply natural churn after a challenging two years, which will settle back to a natural pattern.

24. Again, similar to the sickness benchmarking challenge, our neighbouring local authority colleagues approach the recording and reporting of turnover figures in different ways.

### **Conclusion**

25. In summary, we are seeing there has been a downward trend in our short-term sickness absence overall and in terms of staff turnover, we are currently above our threshold target and expect this to continue for at least the next 6 months, however it is an issue that HR and managers are closely monitoring.

## Q2 2022/23 Key Performance Indicators

KPI	Status	Portfolio Holder
<a href="#"><u>KPI 3 – Staff Turnover</u></a>	<b>RED</b>	<b>Clr Lewanski</b>
<a href="#"><u>KPI 4 – Staff Sickness</u></a>	<b>GREEN</b>	<b>Clr Lewanski</b>

## KPI 3 – Staff turnover

	TARGET	ACTUAL	STATUS
Q1	12%	10%	GREEN
Q2	12%	16%	RED
Q3	12%		
Q4	12%		

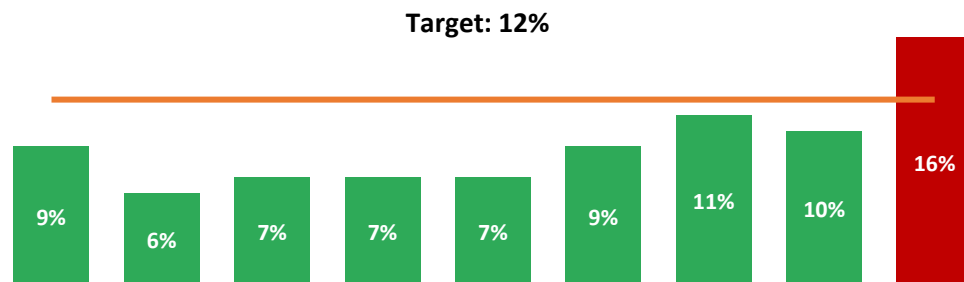
### Description

This indicator tracks the percentage of staff that leave the organisation on a voluntary basis. The performance reported is for a cumulative rolling 12 month period.

### Narrative

Levels of staff turnover were in excess of target in Q2. However, the Council has previously seen lower than expected turnover (see historic trends in the graph below). The Pandemic, a buoyant labour market and pent-up demand for a move in job are likely to have contributed to this increase. The current uptick in turnover is being managed, with workloads carefully monitored and balanced and resources redeployed if required.

Staff Turnover



## KPI 4 – Staff sickness absence

	TARGET	ACTUAL	STATUS
Q1	4 days	3.95 days	GREEN
Q2	4 days	3.22 days	GREEN
Q3	4 days		
Q4	4 days		

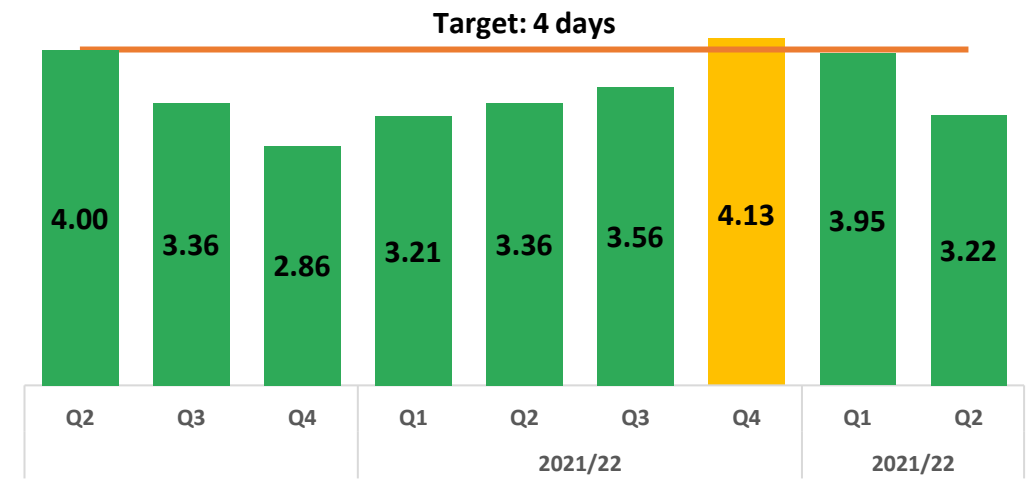
### Description

This indicator tracks the average duration of short term sickness absence per employee. The performance reported at the end of each quarter is for a cumulative rolling 12 month period. The indicator measures all non Covid-19 short term sickness absence.

### Narrative

Q2 has seen staff sickness levels remain within target range with levels down slightly from Q1, to just over 3 days average for the Q2 reporting period.

Staff sickness absence (days)



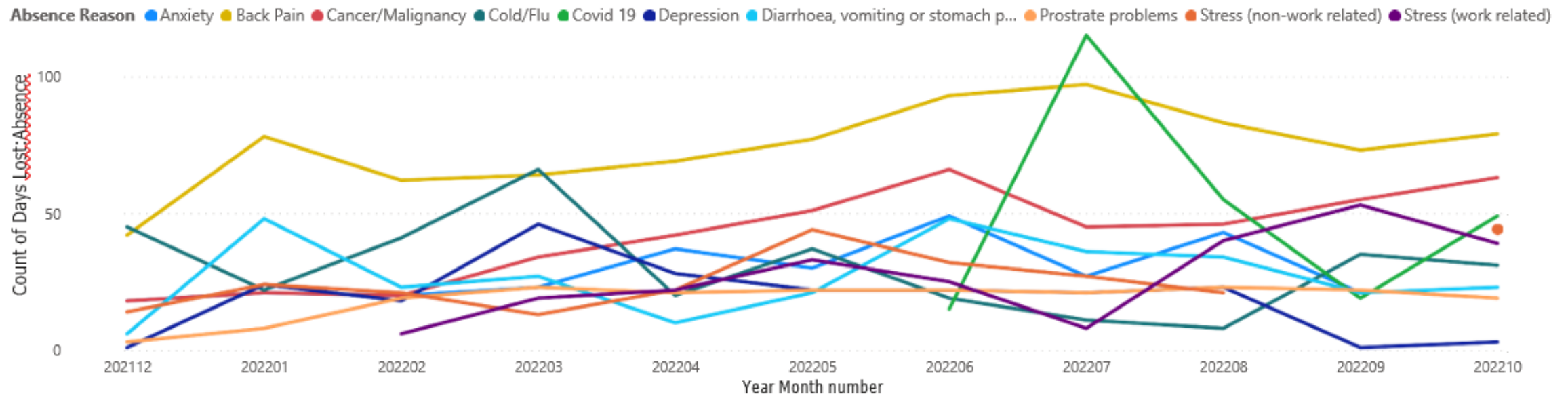


Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
				2021/22			2022/23	

Days lost to the top 10 absence reason in the last year (Covid excluded)



88 Days lost to the top 10 absence reason in the last year (Covid excluded)



**Employment Committee**

**Work Programme 2022/23**

Meeting 1 (11 July 2022)	Meeting 2 (3 November 2022)	Meeting 3 (12 January 2023)	Meeting 4 (28 March 2023)
Election of Chair/Vice-Chair	Hybrid working	Pay Policy Statement 2023/23	Draft Organisational Development and HR Strategy
Review Committee Terms of Reference	Pay Policy Statement 2023/24 <del>EXEMPT: Pay Award 2022/23 update</del>	Workforce Data Summary (six-month update)	Pay Award 2023/24 update (Pay Policy Statement) – TBC
Senior Management scoping/benchmarking and recommendations to Council (including 151 Officer appointment)	<del>EXEMPT: Pay Award 2023/24</del>	Future work programme	Future work programme (2023/24)
Pay Award 2022/23 update (verbal – part 2)	<del>EXEMPT: Financial Sustainability (impact on the resourcing implications of the organisational strategy)</del>	<del>EXEMPT: Pay Award 2023/24 update</del>	
Workforce Data Summary and Organisation Development Update	Future work programme		
Employment Committee Member training			
Future work programme			

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Pending

- Armed Forces Covenant

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