

# Minutes of a meeting of the **Employment Committee** held at the **New Council Chamber, Town Hall, Reigate** on **Tuesday, 12 September 2023 at 2.30 pm.**

**Present:** Councillors V. H. Lewanski (Chair); R. Biggs, J. Baker (Substitute), J. C. S. Essex (Substitute) and N. D. Harrison (Substitute)

The Chair notified the Members of the Committee that the agenda would be reordered to take items on the Organisational Development & Human Resources Staffing Update, Pay Award 2024/25 and Pay Policy Statement first. The minutes of the meeting are presented in the order as listed in the agenda.



## **13 Apologies for Absence**

Apologies were received from Councillors Adamson, Chandler and Tary with Councillors Harrison, Essex and Baker respectively substituting.

## **14 Minutes of the Last Meeting**

**RESOLVED** that the Minutes of the meeting held on 20 June 2023, be approved and signed.

## **15 Declarations of Interest**

There were none.

## **16 Organisation Development & Human Resources Strategy 2023 - 2026 Update**

The Head of Organisational Development & HR introduced the item. Members were reminded that the Committee's Terms of Reference included oversight and engagement with the Organisation Development & Human Resources Strategy. It was reported that work had commenced on drafting the strategy. This would set out the priorities aligned to the Corporate Plan. Consultation on the strategy had been extensive including with the Management Team, Heads of Service, Unions and the Portfolio Holder. The feedback received was being assessed. It was intended that the strategy be presented to the Committee later in the calendar year.

**RESOLVED:** to note the Organisation Development & Human Resources Strategy 2023 – 2026 update.

## **17 Ways of Working**

The Strategic Head of Organisation & Transformation introduced the item with it being noted that ways of working included hybrid working. The objective of the strategy was to ensure that everyone had the correct tools needed to fulfil their role. Interviews had been conducted with members of the senior management team. A staff survey was

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being commissioned to be launched in October 2023. The draft strategy was being reviewed by Sustainability Officers and Data Protection Officer following wider consultation with Health and Safety, IT, the Unions, the Portfolio Holder and the Employment Committee itself.

The impact on recruitment and the terms and conditions of employment were noted should there be a desire to shift to more face-to-face interaction. This was reflected in the draft policy.

It was agreed that the information from the Local Government Association Hybrid Working Group would be distributed to the members of the Committee.

**RESOLVED:** to note the update on ways of working.

### **18 Pay Policy for 2024/25**

The Head of Organisational Development & HR introduced the item. The Committee was given initial sight of a draft of the Pay Policy for 2024/25 which required Council approval prior to it being adopted at the start of the next financial year. The policy was a requirement under the Localism Act 2011 and had to set out the Council's pay policies from the highest to the lowest paid, detailing the relationship between the Chief Officers (the Head of Paid Staff, the Section 151 Officer, the Monitoring Officer, and the Director).

The Pay Policy provided an overview of the Council's commitment to fair pay in terms of a real living wage for all employees. This figure would be revised and an updated version of the policy would return to the Committee for final approval.

In response to questions asked by the members of the Committee, it was clarified that:

- Members would be provided with more information to explain the overall salary increase between 2022/23 and 2023/24.
- The Council had not received any equal pay claims. Pay scales were based on the job evaluation scheme.
- The requirements around benefits other than pay would be clarified although it was established that the only variable benefits were performance related pay and pension contributions. The latter were set by the Local Government Pension Scheme in accordance with salary bandings.

**RESOLVED:** to note the draft Pay Policy Statement for 2024/25.

### **19 Future Work Programme**

**RESOLVED** that the work programme be noted.

### **20 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:

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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.

### 21 EXEMPT: Pay Award 2024/25

The Managing Director updated the Committee on progress to agree a Pay Award for 2024/25.

**RESOLVED:** to note the update provided.

### 22 EXEMPT: Organisational Development & Human Resources Staffing Update

The Head of Organisational Development & Human Resources (OD & HR) introduced the item explaining that the Committee was being asked to consider the implications of the OD & HR restructure and a related redundancy. The context was provided; the OD & HR service was being restructured so it was best able to support the organisation resulting in a £100k per annum cost saving from April 2023 and a reduction in Full Time Equivalents from 13 to 11.

A full consultation process had been undertaken with staff and relevant Trade Unions. The Management Team and Portfolio Holder had been kept informed during this process.

The six positions in the tier immediately below the Head of Service were being deleted (including three vacant roles). Of the three remaining roles, one officer was being redeployed and one was being made redundant under delegated approval.

The Committee was asked to focus on the other redundancy case as this would result in a total statutory exit cost to the Council above £100K. It was a requirement of the Localism Act 2011 that exit payments/costs above this threshold required the approval of Full Council. It was explained that this figure comprised statutory and contractual entitlements only (including redundancy pay and pay in lieu of notice, annual leave and accrued time off). There was no enhanced element to the payment being made.

It was explained that there was entitlement to receive benefits from the Local Government Pension Scheme immediately due to meeting the qualifying criteria. This figure was estimated and would be finalised via the Surrey County Council Pensions team when an exit date was confirmed. The payment was significant (the majority of the exit costs) due to the age and length of service of the officer. The estimated total exit cost figure was quoted as £151,379.92.

In response to questions asked by the members of the Committee, it was clarified that:

- It was the Council's policy to only allow five days of annual leave to be carried forward (36 hours) each year. This had been impacted by the pandemic but all

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staff had been asked to bring their leave back in line with this requirement by April 2023.

- The report balanced the redundancy costs of one role only against the savings being achieved. The full financial implications of the restructure needed to be set against the savings to be gained. The total estimated cost of the two redundancies (including early access to pension and contractual payments owed) was £238k (estimate) against an ongoing cost saving of £100k per annum. The overall cost was estimated at this stage due to the pension costs needing to be confirmed by Surrey County Council's Pensions team. As per the Council's Redundancy, Redeployment & Early Retirement Policy, the cost to the Council of these redundancies could be recouped within 5 years.
- It was established that whilst the reference was to the deletion of six roles, taking into account existing empty posts, ceasing the employment of consultants and redeployment of one staff member, the overall reduction was two FTE (from 13 to 11.)

### **RESOLVED that the Employment Committee:**

- (i) Note the forecast statutory and contractual payments owed to the referenced Officer in Appendix 1 as a result of redundancy;

Recommend to Council:

- (ii) That the employment of the Officer referenced in Annex 1 ends by redundancy (dismissal) on 22 September 2023 with notice to dismiss given on this date and employment terminated on this same date;
- (iii) That delegated authority to approve the final payment, when employer pension costs are confirmed, be granted to the Managing Director (Head of Paid Service) and Chief Finance Officer (Section 151 Officer) in consultation with the Deputy Leader and Executive Member for Finance, Governance and Organisation.

## **23 Any Other Urgent Business**

There was none.

The meeting finished at 15:21