



MEETING : HUMAN RESOURCES COMMITTEE
VENUE : COUNCIL CHAMBER, WALLFIELDS, HERTFORD
DATE : WEDNESDAY 13 OCTOBER 2010
TIME : 3.00 PM

PLEASE NOTE TIME AND VENUE

MEMBERS OF THE COMMITTEE

Councillors D A A Peek (Chairman), J Mayes, J O Ranger, S Rutland-Barsby, N Wilson, M Wood and C Woodward

Substitutes

Conservative Group: Councillors J Demonti, P A Ruffles and
M P A McMullen
Liberal Democrat Group: Councillor A M Graham

(Note: Substitution arrangements must be notified by the absent Member to Democratic Services 24 hours before the meeting)

**CONTACT OFFICER: LORRAINE
BLACKBURN (01279) 502172**

PERSONAL AND PREJUDICIAL INTERESTS

1. A Member with a personal interest in any business of the Council who attends a meeting of the Authority at which the business is considered must, with certain specified exemptions (see section 5 below), disclose to that meeting the existence and nature of that interest prior to the commencement of it being considered or when the interest becomes apparent.
2. Members should decide whether or not they have a personal interest in any matter under discussion at a meeting. If a Member decides they have a personal interest then they must also consider whether that personal interest is also prejudicial.
3. A personal interest is either an interest, as prescribed, that you must register under relevant regulations or it is an interest that is not registrable but where the well-being or financial position of you, members of your family, or people with whom you have a close association, is likely to be affected by the business of the Council more than it would affect the majority of inhabitants of the ward(s) affected by the decision.
4. Members with personal interests, having declared the nature of that personal interest, can remain in the meeting, speak and vote on the matter unless the personal interest is also a prejudicial interest.
5. An exemption to declaring a personal interest applies when the interest arises solely from a Member's membership of or position of general control or management on:
 - any other body to which they have been appointed or nominated by the authority
 - any other body exercising functions of a public nature (e.g another local authority)

In these exceptional cases, provided a Member does not have a prejudicial interest, they only need to declare their interest if they speak. If a Member does not want to speak to the meeting, they may still vote on the matter without making a declaration.

6. A personal interest will also be a prejudicial interest in a matter if all of the following conditions are met:
 - the matter does not fall within one of the exempt categories of decisions
 - the matter affects your financial interests or relates to a licensing or regulatory matter
 - a member of the public, who knows the relevant facts, would reasonably think your personal interest is so significant that it is likely to prejudice your judgement of the public interest.

7. Exempt categories of decisions are:
 - setting council tax
 - any ceremonial honour given to Members
 - an allowance, payment or indemnity for Members
 - statutory sick pay
 - school meals or school transport and travelling expenses: if you are a parent or guardian of a child in full-time education or you are a parent governor, unless it relates particularly to the school your child attends
 - housing; if you hold a tenancy or lease with the Council, as long as the matter does not relate to your particular tenancy or lease.

8. If you have a prejudicial interest in a matter being discussed at a meeting, you must declare that interest and its nature as soon as the interest becomes apparent to you.

9. If you have declared a personal and prejudicial interest, you must leave the room, unless members of the public are allowed to make representations, give evidence or answer questions about the matter, by statutory right or otherwise. If that is the case, you can also attend the meeting for that purpose. However, you must immediately leave the room once you have finished or when the meeting decides that you have finished (if that is earlier). You cannot remain in the public gallery to observe proceedings.

AGENDA

1. Apologies

To receive apologies for absence

2. Minutes (Pages 5 - 14)

To receive the Minutes of the meeting held on 29 July 2010.

3. Chairman's Annoucements

4. Declarations of Interest

To receive any Member's Declaration of Interest and Party Whip arrangements.

5. Default Retirement Age (Pages 15 - 24)

6. Human Resources Management Statistics: April - September 2010 (Pages 25 - 30)

7. Local Joint Panel - Minutes of the meeting: 16 September 2010 (Pages 31 - 36)

(Members are asked to bring to the meeting a copy of the Local Joint Panel agenda for the meeting held on 16 September 2010).

8. Urgent Business

To consider such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration and is not likely to involve the disclosure of exempt information.

MINUTES OF A MEETING OF THE
HUMAN RESOURCES COMMITTEE HELD
IN THE WAYTEMORE ROOM, COUNCIL
OFFICES, THE CAUSEWAY, BISHOP'S
STORTFORD ON THURSDAY 29 JULY
2010, AT 1.30 PM

PRESENT: Councillor D A A Peek (Chairman)
Councillors J Mayes, J O Ranger,
P A Ruffles, S Rutland-Barsby, M Wood and
C Woodward.

OFFICERS IN ATTENDANCE:

| | |
|--------------------|--|
| Lorraine Blackburn | - Committee Secretary |
| Claire Burton | - Human Resources Officer |
| Alan Madin | - Director of Internal Services |
| Tinu Olowe | - Interim Head of People and Organisational Services |
| Jaleh Nahvi | - Human Resources Officer |

187 APOLOGY

An apology for absence was received from Councillor N Wilson. It was noted that Councillor P Ruffles was substituting for Councillor N Wilson.

RESOLVED ITEMS

188 MINUTES

RESOLVED – that the Minutes of the meetings held on 8 February and 1 March 2010 be confirmed as a correct record and signed by the Chairman.

189 STANDBY AND OUT OF HOURS CALL OUT POLICY

The Interim Head of People and Organisational Services submitted a report on a new Standby and Out of Hours Call Out Policy which would establish consistency across the Council. It was noted that those staff specifically affected were those working in Planning and Building Control and Environmental Health Officers. Staff had been consulted and their concerns were set out in the report now submitted. These issues of concern had now been resolved.

The report had been considered and supported by the Local Joint Panel at its meeting earlier on 29 July 2010. A copy of the Standby Duty and Out of Hours Call Out Policy was attached to the report now submitted.

The implications of the new policy meant that Officers in Environmental Health and the Standby Team would be paid more per annum and on average, the Building Control Officers would be paid approximately the same. Extra costs to Health and Housing would need to be found from existing salary budgets. Two Members of staff would be affected by the removal of a telephone line rental payment, as mobile phones had been provided.

The Interim Head of People and Organisational Services stated that the new policy had been supported by Corporate Management Team and if approved by Human Resources Committee, would be included in the new contracts to be issued as part of the Terms and Conditions review.

In response to a query from Councillor J Mayes, Officers confirmed that the Standby Rate per hour was £1.84. Councillor J O Ranger stated that this formed part of employees' pensionable pay. He also stated that there could be changes to the new Standby and Out of Hours Call Out Policy if the new European Work Directive was approved.

Members noted that the Local Joint Panel had resolved to recommend that the new Standby and Out of Hours Call Out Policy attached to the report now submitted, be supported.

RESOLVED – that the new Standby and Out of Hours Call Out Policy be approved. DIS

190 EXPENSES POLICY

The Interim Head of People and Organisational Services submitted a report concerning the introduction of a new policy which set out what and how employees could claim expenses, as well as guidelines on how to claim business mileage and expenses. The Expenses Policy would ensure that there was a consistent approach across the Council. The Policy was also in line with HM Revenue and Customs requirements.

It was noted that there had been consultation with Unison and the Local Joint Panel, at its meeting on 17 June 2010, had recommended support for the new Expenses Policy.

The Committee supported the new policy set out in the report now submitted.

RESOLVED – that (A) the new Expenses Policy be approved; DIS

(B) the Policy include provision to pay for journeys from home to normal work base, but only where the employee would not have been expected to make those journeys, e.g. call out on a non-working day or requiring a repeat journey on a working day, such payment to be subject to tax and both the employees' and employer's National Insurance; and

(C) the Policy continue to reimburse only for additional miles where it involved home to work travel to other than the normal work place.

191 DRAFT 2009/10 ANNUAL GOVERNANCE STATEMENT

The Leader of the Council submitted a draft 2009/10 Annual Governance Statement, attached to the report now submitted. The Statement had been submitted to a number of statutory

and regulatory committees and was now being reported to Human Resources Committee as part of the wider consultation process.

It was noted that the 2008/09 Annual Governance Statement had included thirteen measures to enhance East Herts Council's internal control framework during 2009/10. Eight outstanding actions had been carried forward and a further 11 actions had been added, the detail of which was set out in the report now submitted.

The Director of Internal Services stated that the report covered the governance of the Council and set out what arrangements were in place to ensure good governance.

Councillor C Woodward referred to the Sustainable Community Strategy and stated that he had not seen the Action Plan. He suggested that the list of committees detailed in that report, which carried out regulatory of scrutiny functions, be amended by the inclusion of Human Resources Committee. This was supported. Councillor C Woodward also requested that Audit Committee be requested to follow up on the Sustainable Action Plan. This was supported.

Councillor C Woodward expressed concern at the number of requests which had been submitted using the Freedom of Information legislation – forty in total; 37 of which had been submitted from Councillors over the last few months. He queried whether, from the viewpoint of good governance, something needed to be done to address this issue, as he felt that 37 requests using Freedom of Information, suggested that there was a governance problem. Members supported a request to ask Audit Committee to examine the number and sources of Freedom of Information requests.

The Director of Internal Services stated that there was nothing untoward regarding the processes in place. It was up to Members to use Freedom of Information if they so wished.

In response to a query from Councillor C Woodward, the Director of Internal Services explained the background to

internal control arrangements which were “red” and “amber”.

The Committee noted the report and requested Members comments set below be submitted to Audit Committee:-

RESOLVED – that (A) the Sustainable Action Plan be monitored; DIS

(B) the number and sources of requests which had been submitted using the Freedom of Information legislation be examined within the context of good governance; and

(C) Human Resources Committee be included within the list of regulatory or scrutiny committees as set out in the Annual Governance Statement 2009/10: Action Plan 2010/11.

192 HUMAN RESOURCES MANAGEMENT STATISTICS
(SICKNESS ABSENCE AND TURNOVER: 1 APRIL TO 31 MARCH 2010)

The Interim Head of People and Organisational Services submitted a report detailing the sickness / absence and turnover statistics for the period 1 April 2009 to 31 March 2010.

Sickness and absence:

The Committee was advised that short term sickness absence days per full time equivalent staff were 4.43 days against a target of 5 days. The main reason for short term sickness was “flu”. The Council had also achieved a reduction of long term sickness absence days of 2.04 against a target of 3 days for 2010/11. It was noted that the most common reason for long term sickness in 2009/10 was due to stress /anxiety /depression. In relation to Occupational Health Services, Officers were still exploring opportunities, via Pathfinder, to reduce the cost of the service.

Councillor J O Ranger felt that all staff should be

congratulated on the figures as presented. He referred to comments from the Local Government Employers Association on work related stress and the impact this had on long term sickness. Councillor C Woodward believed that a lot of work related stress was not work related and there was a need to “drill down” to get to the root of the problem.

The Committee noted the report and Officer’s recommendation that the short term sickness target of five days remain in place for 2010/11, but that the long term sickness be changed to 2.5 days giving an overall sickness absence target of 7.5 days for 2010/11. Officers also felt that further training be given to managers on stress awareness. It was also noted that Human Resources Officers were trying to find ways to reduce costs by ongoing partnership working.

Turnover:

The Interim Head of People and Organisational Services submitted a report analysing the turnover of leavers for the period 1 April 2009 to 31 March 2010. It was noted that turnover during 2009/10 was low, 5.39 % against a target of 12% (which equated to 20 leavers). The voluntary leaver’s rate was now shown as 3.5% against a target of 8% giving the Council a stability index (i.e. the retention rate of its employees) with over one year’s service) of 90%. A breakdown of the voluntary leavers by service, length of services and reasons for leaving were set out in the report now submitted.

It was noted that by using Manpower, the Council had reduced its recruitment costs by 35% and that 75% of staff had undertaken exit interviews. Officers advised that the Council had very few staff employed as temporary staff and no “interim” staff.

Councillor J O Ranger was pleased to note the figures in relation to exit interviews, but was concerned to note the responses in relation to question 10, relating to line management (56% of staff said that line managers seldom gave help or advice) and 50% of staff said that they (line

managers) seldom gave praise / recognition. Councillor J O Ranger stated that Heads of Service should watch this issue.

In relation to the demographics of the workforce, it was noted that a lot of people reaching retirement age were staying in the job they were doing, whilst other staff wanted to scale down and take a lower graded job. The Interim Head of People and Organisational Services said that the process was robust and was carefully monitored. The Council had both a Duty to Consider Working Beyond Retirement Policy and a Retirement Policy which detailed arrangements around flexible retirement. This enabled staff close to retirement to scale down their hours or take a job at a lower grade.

Councillor C Woodward also expressed concern regarding exit interviews and feedback in relation to question 10 referred to above. He suggested that training for line managers might be necessary. In relation to recruitment, he suggested that the Council should give further thought to placing recruitment advertisements in the reception foyer and local library. The Human Resources Officer explained that these were posted on the website, internal bulletins, the job centre and the local library. She undertook to investigate the possibility of putting the recruitment advertisements in the foyer.

The Committee supported the recommendations for moving forward in 2010/11 as set out in the report now submitted, including:-

Turnover – that these targets should remain unchanged;

Manpower Recruitment Contract – that this should continue to be monitored closely;

C3W – monitor closely and Human Resources to liaise with managers to find solutions to flexible working practices;

Demographics of Workforce – if current trends continued, the need to develop initiatives to attract

younger employees and strategies to support succession planning and talent management;

Review Staff Survey – to ensure talent and experience are retained within the Council; and

Terms and Conditions Review – monitoring response rates to the new contracts accepting the new Terms and Conditions and that these be reported to Corporate Management Team on a weekly basis.

Members congratulated Officers and Staff on the achievements made in relation to the improved figures and supported the recommendations concerning targets and stress related sickness as set out in Essential Reference Paper 'B'. Members further supported the recommendations concerning turnover targets, monitoring Manpower, C3W issues, demographics, a staff survey and the impact of the Terms and Conditions Review as set out in Essential Reference Paper 'C' and detailed above.

RESOLVED – that (A) in relation to sickness and absence, DIS

(1) short term sickness target of five days remain in place for 2010/11;

(2) long term sickness be changed to 2.5 days giving an overall sickness absence target of 7.5 days for 2010/11; and

(3) further training to managers on stress awareness be provided;

(B) in relation to Turnover, the targets should remain unchanged; DIS

(C) the Manpower Recruitment Contract continue to be monitored closely; DIS

(D) as the relocation phase of C3W progresses, this DIS

be monitored and Human Resources liaise with managers to find solutions in relation to flexible working practices;

(E) if the current trends in demographics of the workforce continued, the possible need to develop initiatives to attract younger employees and strategies to support succession planning and talent management be noted;

(F) a staff review survey be undertaken to ensure talent and experience are retained within the Council; and DIS

(G) those staff accepting the new Terms and Conditions contracts be monitored and reported on a weekly basis. DIS

193 LOCAL JOINT PANEL - MINUTES OF THE MEETING HELD ON 17 JUNE 2010

The Minutes of the Local Joint Panel meeting held on 17 June 2010 were considered.

The Committee considered Minute 7 (TOIL – Time Off in Lieu) and the decision to refer the matter to the Joint Secretaries of East of England Regional Council to advise / mediate.

Bearing in mind Members' concerns expressed elsewhere on the agenda regarding the issue of governance, the Director of Internal Services suggested that Members might wish to request that the Terms of Reference of the Local Joint Panel be reviewed in order to consider a different mechanism in dealing with minor issues of disagreement and to ask Audit Committee to take these concerns on board within the 2009/10 Annual Governance Statement. The Committee supported this approach.

RESOLVED – that (A) the Minutes of the Local Joint Panel meeting held on 17 June 2010 be received: and

(B) as far as the issue of governance was

concerned (as reported at Minute 191 above), a request that the Local Joint Panel's Terms of Reference be reviewed in order to develop a different mechanism for dealing with minor issues of disagreement be noted and that this comment be forwarded to Audit Committee.

DIS

The meeting closed at 2.35 pm

| | |
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| Chairman | |
| Date | |

EAST HERTS COUNCIL

HUMAN RESOURCES COMMITTEE – 13 OCTOBER 2010

REPORT BY INTERIM HEAD OF PEOPLE AND ORGANISATIONAL SERVICES

DEFAULT RETIREMENT AGE

WARD(S) AFFECTED: NONE

Purpose/Summary of Report

- To respond to the removal of the default retirement age.

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|---|--|
| <u>RECOMMENDATION FOR HUMAN RESOURCES COMMITTEE:</u> | |
| | |
| (A) | That Human Resources Committee approve the removal of East Herts retirement age from 6 April 2011. |
| | |
| <u>RECOMMENDATION FOR CORPORATE MANAGEMENT TEAM:</u> | |
| | |
| (B) | To consider and implement the transitional arrangements. |

1.0 **Background**

1.1 The Government is removing the Default Retirement Age (DRA) of 65 which was introduced in 2006. Removal of the DRA will begin in April 2011, with transitional arrangements covering the period until 1 October 2011. Individual employers wanting to continue to operate a compulsory retirement age must justify it by objective criteria.

1.2 In the future, an employer wanting to retire an employee must follow a fair procedure as set out in s.98 of the Employment Rights Act 1996 (capability, conduct, redundancy, illegality or some other

substantial reason). The Government may issue guidance or a more formal code of practice on handling retirement.

- 1.3 The Government has issued a consultation document which sets out the background to the DRA, and explains the transitional arrangements which the Government is proposing for its removal. Responses to the consultation are required by 21 October 2010.

2.0 Report

2.1 **Implementation and transitional arrangements**

- 2.1.1 New regulations come into force on 6 April 2011 with the following effects:

- The DRA and associated regulations will finish on 6 April 2011.
- Employers will be unable to issue new notifications of retirement using the DRA on or after 6 April 2011.
- Retirements using the DRA would therefore cease completely on 1 October 2011.

- 2.1.2 There will be a six month transitional period (6 April 2011 to 1 October 2011), so that retirements that were already in train can continue through to completion, provided that:

- a notification of retirement is issued by the employer prior to 6 April 2011;
- the date of retirement falls before 1 October 2011;
- all requirements of the default retirement age procedure are met.
- the clause in the Age Regulations which allows short notice of retirement, will be repealed on 6 April 2011, and such short notice notifications would not be permitted during the transitional period.

2.2 **Options for East Herts**

- 2.2.1 Moving forward from the repeal of the DRA the Council has two options:

1. To cease using a retirement age, and use the transitional arrangements to process any upcoming retirements before 1 October 2011.
2. Choose to continue using a retirement age. However, when the DRA is removed, organisations using Employer Justified Retirement Ages (EJRA) can be challenged in the courts to show that their retirement age is objectively justified.

HR are not aware of any council implementing option 2. It would be very difficult for the Council to justify a retirement age because:

- No role within East Herts has a statutory retirement age.
- Health and safety (in relation to capability of doing the job at an older age) and performance in general could be dealt with under the managing performance policy.
- There is no economic advantage to the Council.
- In the last three years 86% of requests to work beyond retirement have been granted, suggesting that East Herts is able to sustain the removal of the DRA without there being a significant change to its current situation.

2.3 Implications for staff savings which may be proposed in the Medium Term Financial Plan

2.3.1 There are currently 4 employees reaching 65 before 6 April 2011. Should these employees wish to continue working and make a request through the current duty to consider working beyond retirement policy the following options are available to the Council:

- Place the employee on a fixed-term contract ending by the 30th September 2011 (allowing the Council to give the employee six months notice in accordance with the transitional arrangements).
- Revert the employee to a permanent contract.
- Decline the request.

- 2.3.2 A further 6 employees are due to retire during the transitional arrangements (6 April 2011 – 30 September 2011). These employees may be retired if the full statutory procedure (6 months notice) is adhered to. It will not be possible to put these employees on any form of fixed term contract as this will mean the six month notice period will not be possible. Should the Council wish to retain these employees they should revert to a permanent contract when their current contract ends.
- 2.3.3 A further 3 employees are working beyond retirement whose current fixed term contracts expire after the 30 September 2011. Unless they choose to retire, these employees will need to revert to their original permanent status, be made redundant or be dismissed on the usual fair grounds.
- 2.3.4 There are currently 17 employees due to retire between 1 October 2011 and 31 March 2014 (end of the MTFP). It will no longer be possible to retire these employees unless they chose to leave. See Essential Reference Paper C for further information.
- 2.3.5 In August 2010 HR notified Heads of Service with staff due to retire between now and 2012 so that they are aware when planning.

2.4 **Changes to East Herts Policies and Procedures**

- 2.4.1 If East Herts no longer operates a DRA it will be necessary to make a number of changes:

2.4.2 **Contracts**

The retirement clause in the current contact will need to be amended. This could be done by issuing a contract amendment letter once the DRA is repealed.

2.4.3 **Policies and Procedures**

- Removal of the Duty to Consider Working Beyond retirement policy

- A new Retirement procedure would be necessary.
- Relevant changes to the Retirement Policy would need to be made.

2.4.4 Insurance

- Employees using council vehicles (vans, pool cars etc) need to be fit to drive and full licence holders. This is not affected by age and employees' licences are checked annually.
- There is no affect on employers' liability insurance.
- The Council's Group life insurance is capped at 65, if the Council chose to extend cover to all employees it may mean very high premiums. Cover is subject to a medical questionnaire and the provider would consider each case on its merits.
- Personal accident cover is currently capped at 70. There have been very few claims and the Council is the beneficiary. It is at the Council's discretion whether to pass the benefits on to employees. For older employees it may be possible to add on individuals on a case by case basis.

2.4.5 Pensions

No changes to pension arrangements will be necessary at this stage. Employees choosing to work after 65 continue to pay into the LGPS, building up benefits unless they choose to opt out of further payments and defer their accrued benefits. According to LGPS criteria employees receive their pension on retirement or the eve of their 75th birthday, whichever occurs first. Pension drawn after age 65 will be paid at an increased rate. Employees taking flexible retirement after age 65 will also have increased benefits to reflect late payment. The Council continues to pay employer's contributions for as long as employees pay into the fund.

2.5 **Draft response to consultation**

Please see Essential Reference Paper 'B' attached to the report now submitted for the draft response.

3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within Essential Reference Paper 'A' attached to the report now submitted.

Background Papers

None

Contact Officer: Tinu Olowe – Interim Head of People and Organisational Services.

Report Author: Jaleh Nahvi – Human Resources Officer

ESSENTIAL REFERENCE PAPER 'A'

| | |
|---|--|
| Contribution to the Council's Corporate Priorities/ Objectives: | Fit for purpose, services fit for you <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i> |
| Consultation: | Heads of Service & UNISON for information |
| Legal: | As detailed in the report |
| Financial: | As detailed in the report |
| Human Resource: | As detailed in the report |
| Risk Management: | As detailed in the report |

**Phasing out the Default Retirement Age
Consultation questions – draft answers**

Please note where the consultation document has not asked for explanation one has been provided for CMT in italics

A1. The Government intends to remove the Default Retirement Age. Do you agree that Schedule 6 of the Age Regulations (which deals with notifications of retirement and the 'right to request' to work past retirement age) should also be removed?

Yes

The current right to request puts an administrative burden on the Council and has strictly prescribed timings. If the DRA is to be removed it would be more sensible to allow organisations to develop procedures which work within their own timings and policies.

No

A2. If you disagree, please explain why:

B1. If Schedule 6 is removed, the laws on unfair dismissal and age discrimination will still apply. Do you have any concerns about how these laws would operate in the absence of Schedule 6?

Yes

No

B2. If you have concerns, please describe them:

What happens if someone is absence managed out on health/capability grounds and they argue that this is linked to their age? Will employers be at risk from claims?

What happens to insured benefits which cannot be offered to older employees due to provider's requirements? Age Regulations exemptions for insured benefits would be helpful for employers

C1. Thinking about retirement discussions between an employer and an employee, do you think it would be useful to have:

Formal guidance on how to discuss retirement in a mutually beneficial way

A statutory code of practice, including guidance, which covers retirement discussions

None of the above

Something else (please state below)

C2. Please explain your answer:

Guidance which outlines best practice would be beneficial to employers, however a statutory code of practice with nationally prescribed timings would be too rigid and may defeat one of

the aims of phasing out the DRA, namely removing the administrative burden of the current 'right to request' procedure.

C3. If you believe that additional guidance or a code of practice would be helpful, what topics do you think should be addressed? For example flexible retirement options, changes to duties and working hours, etc.

Timescales for discussing retirement (suggested rather than statutory) Flexible retirement, changes to duties/ grades and working hours, pension considerations (including future contributions).

D1. Do the proposed transitional arrangements strike the right balance between the policy aim of quickly phasing out the Default Retirement Age (and realising the benefits of doing so) and respecting the position of employers who have already made plans based on its use?

Yes

No

D2. If no, please explain your answer:

Many organisations use one year fixed-term contracts for employees over 65 and therefore now have staff on fixed-term contracts due to expire after 30th September 2011. As the transitional arrangements are only in place for 6 months (April 2011 – 30th September 2011) these employees will now need to be made permanent again (unless they choose to retire). This may have an affect on organisations' financial planning. A transitional period of 12 months from April 2011 to April 2012 would have been easier for organisations to manage.

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EAST HERTS COUNCIL

HUMAN RESOURCES COMMITTEE - 13 OCTOBER 2010

REPORT BY INTERIM HEAD OF PEOPLE AND ORGANISATIONAL SERVICES

HUMAN RESOURCES MANAGEMENT STATISTICS APRIL 2010 – SEPTEMBER 2010

WARD(S) AFFECTED: *None specific*

Purpose/Summary of Report

This report considers the HR performance indicators for the period 1st April 2010 – 30th September 2010

| <u>RECOMMENDATION:</u> | |
|-------------------------------|--|
| (A) | That the Committee considers the HR Management Statistics April 2010 – September 2010 and determines any action it wishes officers to take arising from that consideration |
| | |

1.0 Background

1.1 This report outlines the current performance against the annual HR targets as approved by the HR Committee.

2.0 Report

2.1 Turnover

2.2 The current turnover rate for the Council is 4.72%, this equates to 17 leavers in the first half of 2010/11. Base on this rate the projected turnover for 2010/11 is 9.44%, which is below the proposed target of 12%.

2.3 The current voluntary leaver's rate is 3.06%, the projected rate is 6.11% which again is below the target of 8%. The current

economic climate continues to affect the voluntary turnover as people are choosing not to move at this time.

2.4 The Council continues to encourage internal movement within the organisation to fill vacancies and all vacancies must be advertised internally first, unless there are clear business reasons for going to external recruitment immediately. This financial year 19 vacancies have been advertised internally first, with the majority appointed internally.

2.5 Five posts have been advertised externally, either where internal recruitment was not successful or whether the position required skills or qualifications not held by current members of staff.

2.6 Sickness Absence

2.7 Sickness Absence is divided into short and long-term sickness to enable easier analysis. Sickness absence is classed as long-term after the 28th day of consecutive sickness absence.

2.8 The following outturns are for the period 1 April 2010 – 31 August 2010.

2.9 The average short-term sickness absence per FTE is currently 1.43 days overall. At the current rate the projected short-term sickness for the year is 2.91 days against a target of 5 days. This is a positive outturn as it suggests that, even if there is the traditional peak in sickness over the winter months the Council will still be on target.

2.10 The average long-term sickness absence per FTE is 0.72 days per month. At the current rate the projected long-term sickness for the year is 1.46 days against a target of 2.5 days. As at 20 September 2010 there were 3 members of staff on long-term sick.

2.11 Sickness statistics are reported monthly to the Chief Executive, Directors and Heads of Service as part of the health check process. These forms have been updated to include more detail to assist Heads of Service when considering the overall picture of absence within their departments. The forms used to detail the level of short, long and overall sickness. The list of staff members on each of the three absence management triggers is now included and every month the increase/ decrease in the number of staff on the triggers is reported.

2.12 Training and Development / Performance Management

- 2.13 The outturn for Corporate Induction for the first two quarters of 2010 was 87.5%, against a target of 100%. There have been 8 new starters since April 2010 and all have attended an induction except one employee who could not attend due to annual leave. This individual will attend the next scheduled induction.
- 2.14 The Council's PDR Scheme runs on two cycles. The Revenues and Benefits Service have their full PDR in Jun/ July and achieved an outturn of 97.78% for 2010. The rest of the Council have a full PDR in Dec/Jun and a six month review in June/ July. The outturn for the 2010 review was 51.65%, against a target of 100%. This is below last year's outturn of 94.46%. The fall in returned PDRS forms may be attributed to the Terms and Conditions Review as managers have had to have a number of meetings with staff over the usual PDR review period and consequently some are running behind. HR are aware of those teams that have not returned forms and this will be picked up. The full PDRS cycle will commence in December. HR will be working with managers to achieve the quantity and quality targets.
- 2.15 In the half of the year 23% of staff received corporate training. The target for 2010/11 is to achieve an outturn greater than that for 2009/10 (85.44%). Last year the FISH! training course was rolled out to all staff and this accounts for the high level outturn. In comparison the 2008/9 the outturn was 51.25%.

2.16 Equalities Monitoring

- 2.17 There have been some minor changes to the outturns for SMG due to changes in staff.

2.18 Quarterly Outturns Overview

- 2.19 See essential reference paper b for outturn table

3.0 Implications/Consultations

Information on any corporate issues and consultation associated with this report can be found within Essential Reference Paper 'A' attached to the report now submitted.

Background Papers:

HR Management Statistics 2008/9 (HR Committee April 2009)

HR Management Statistics Apr 2009 – Nov 2009 (HR Committee January 2010)

HR Absence and Turnover Reports 2009/10 (HR Committee July 2010)

Contact Member: Cllr D Peek

Contact Officer: Tinu Olowe – Interim Head of People and
Organisational Services Ext 1635

Report Author: Jaleh Nahvi –HR Officer, Ext 1630

ESSENTIAL REFERENCE PAPER 'A'

| | |
|--|--|
| Contribution to the Council's Corporate Priorities/Objectives (delete as appropriate): | Fit for purpose, services fit for you <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i> |
| Consultation: | As this is a statistics update no consultation has been carried out. |
| Legal: | None |
| Financial: | None |
| Human Resource: | None |
| Risk Management: | None. |

ESSENTIAL REFERENCE PAPER 'B'

| | East Herts Target | Outturns as at 30 Sept 2010 |
|---|----------------------------------|--|
| ESTABLISHMENT | | |
| Total Headcount of Established Posts | N/A | 360 |
| Number of Funded Posts | N/A | 389 |
| Number of Vacant Posts | N/A | 18 |
| Current FTE | N/A | 306.46 |
| Established FTE | N/A | 322.53 |
| Vacant funded FTE posts | N/A | 16.08 |
| TURNOVER | | |
| Turnover Rate - Annual Accumulative (All Leavers as a % of the headcount) | 12% | 4.72% |
| Voluntary Leavers as a Percentage of Staff in Post | 8% | 3.06% |
| Percentage of Early Retirements | 3.23% | 0% |
| Percentage of Ill Health Retirements | 3.23% | 0% |
| SICKNESS ABSENCE - As at 31 August 2010 | | |
| No. of short-term sickness absence days per FTE staff in post | 5 days | 1.43 days |
| No. of long-term sickness absence days per FTE staff in post | 2.5 days | 0.72 days |
| Total number of sickness absence days per FTE staff in post | 7.5 days | 2.14 days |
| TRAINING | | |
| Percentage of New Starters receiving Corporate Inductions | 100% | 87.50% |
| Percentage of Staff with a Training Plan | 100% | 51.65% |
| Percentage of PDR reviews completed | 100% | 51.65% |
| Percentage of Staff that have received Corporate Training | 85.44% | 23.00% |
| EQUALITIES MONITORING | | |
| Percentage of SMG with a Disability | 11.76% | 5.55% |
| Percentage of Staff with Disabilities | 5.21% | 1.48% |
| Percentage of SMG from BME | 5.88% | 5.88% |
| Percentage of BME Employees | 2.30% | 3.32% |
| Percentage of SMG that are Women | 41.17% | 41.67% |
| Percentage of Women Employees | N/A | 61.94% |
| Percentage of Men Employees | N/A | 38.06% |

MINUTES OF A MEETING OF THE
LOCAL JOINT PANEL HELD IN THE
WAYTEMORE ROOM, COUNCIL OFFICES,
THE CAUSEWAY, BISHOP'S STORTFORD
ON THURSDAY 16 SEPTEMBER 2010, AT
2.30 PM

PRESENT: **Employer's Side**

Councillor M Wood (Chairman)
Councillors M R Alexander, L O Haysey and
J O Ranger

Staff Side (UNISON)

Mr C Clowes, Mrs J Sharp and Mr P Stevens

ALSO PRESENT:

Councillor D A A Peek

OFFICERS IN ATTENDANCE:

| | |
|--------------------|--|
| Lorraine Blackburn | - Committee Secretary |
| Tinu Olowe | - Interim Head of People and Organisational Services |

8 MINUTES

RESOLVED - that the Minutes of the meeting held on 29 July 2010 be approved and signed by the Chairman as a correct record.

9 APOLOGIES

Apologies were submitted from Claire Burton, Alan Madin, Councillors A P Jackson and S Rutland-Barsby, and Andy Stevenson. It was noted that Councillor L O Haysey was

substituting for Councillor A P Jackson and Councillor J O Ranger for Councillor S Rutland-Barsby.

10 CHAIRMAN'S ANNOUNCEMENT

The Chairman stated that he had agreed to accept two urgent items of business in relation to Terms of Conditions Review and Staffing Implications of the Emergency Budget Proposals.

11 REPORTS FOR THE SECRETARY TO THE STAFF SIDE
(VERBAL UPDATE)

The Acting Secretary to the Staff Side provided a verbal report stating that of the 103 votes cast, 33 had approved the revised Terms and Conditions proposals and 70 had rejected them. As such, there was a failure to reach a collective agreement. The Acting Secretary stated that Unison members had sought clarification on a number of changes e.g. in relation to the essential / casual car allowances, which could not be answered, and as such Staff were uncertain about how the scheme would work.

Unison stated that representatives had tried to be as neutral as possible in presenting the proposals, but there was too much uncertainty about how issues, such as the proposed attendance criteria, would work. There was a lot of distrust because the details of the scheme were not known, and Members were not prepared to accept a further 1% on that basis. Unison stated that their members were also aware that they would not be able to exercise a right to appeal or to take the matter to an Employment Tribunal if necessary and wished to reserve their rights.

The Panel received and noted the update.

RESOLVED – that the update be noted.

12 URGENT BUSINESS: REPORTS BY SECRETARY TO THE
EMPLOYER'S SIDE AND BY THE SECRETARY TO THE
STAFF SIDE

The Chairman reminded the Panel that he had agreed to accept two items of Urgent Business onto the agenda in order to prevent any undue delay in facilitating the business and the services of the Council.

(A) Terms and Conditions Review (Report by Secretary to the Employer's Side)

The Interim Head of People and Organisational Services explained that the report circulated as a supplementary item of business, had been superseded by the results of the recent ballot. The purpose of the report, had been to provide the Panel with an update in relation to the revised Terms and Conditions but that a collective agreement had not been reached.

Unison officers explained that there were issues and uncertainty about essential / casual car user arrangements. Within some job descriptions, staff had been told that they needed a car to do their job and yet were not eligible for an essential user allowance under the new proposals. Unison therefore felt that staff should not be required to bring their car to work on a daily basis. Unison Officers stated that Staff needed to know whether they needed to bring their car to work or not. Unison sought clarification that Staff could use public transport if necessary and whether staff would be disciplined as casual users, if they did not make their car available for work use.

The Interim Head of People and Organisational Services stated that staff needed to undertake their duties as required by their contract. If using public transport, this was an option if feasible. She stated that it was important that Officers were able to fulfil the requirements of their post. If staff travelled 2000 business miles they would be entitled to an essential car user allowance. If not they would receive a casual car allowance. She stated that Essential Car User allowances would be reviewed annually. She accepted that there would be exceptions, including mobility issues, and that these matters would be discussed with Line Managers.

In response to a query from Councillor M R Alexander concerning the 2,000 essential car user allowance and guidelines for claiming allowances, the Secretary to the Employer's Side undertook to provide Members with further information on claiming mileage and the Council's Expenses Policy. The Secretary to the Employer's Side stated that Heads of Service were asked to review mileage of their staff and the policy was based on the claims made.

Unison referred to other Councils and the use of the word "desirable" in terms of the need to have their car at work on a daily basis

RESOLVED - that (A) the report be noted;

(B) the Secretary to the Employer's Side circulate further information on claiming mileage and the Expenses Policy to all Members of the Local Joint Panel. DIS

(B) Staff Implications of Emergency Budget proposals - Secretary to the Staff Side:

The Secretary of the Staff Side acknowledged that the Council must manage its business and that the purpose of discussion was to avoid unnecessary redundancies. He stressed the need for good communication to take place. The Secretary to the Staff Side referred to the report to Corporate Business Strategy on 24 August (MTFP) which considered a number of proposals to achieve savings and which had staffing implications. The Secretary to the Staff Side referred to the imminent meeting of Council on 29 September, when Members, (via Corporate Business Scrutiny and the Executive), would be asked to agree to savings which had staffing implications (set out in Essential Reference Paper "H" – Executive 7 September 2010). Unison was concerned that the report had not only identified what savings needed to be made, but had identified posts for deletion and the reduction of hours of staff within Democratic Services and Electoral service areas.

It was noted that the measures which had been identified in the report to the Executive, were measures which had been identified within the MTPF in the previous financial year which were not agreed at that time, but Members had asked that these should be brought forward at a later date, if necessary.

Unison acknowledged that savings needed to be achieved but was concerned that proper consultation had not taken place. It sought amendment to the recommendation contained within the Executive minutes of 7 September 2010, specifically that Members be asked to approve "in principle", the measures being put forward where there were staffing implications, rather than agreeing to measures in absolute terms. Unison was concerned that there had not been proper consultation on what was being sought and this was contrary to agreed policies and undermined the Council's redundancy policy.

The Secretary to the Employer's Side stated that the savings identified in Essential Reference Paper H had already been set out the previous MTFP, but remained subject to approval. She stated that, in any event, where there were staffing implications, the appropriate procedures would be followed in line in HR policies; this would include informal and formal consultation with appropriate staff and UNISON.

It was acknowledged that Local Joint Panel would normally report to Human Resources Committee. However, Unison felt that Council on 29 September 2010 should be asked to agree only items where the savings did not identify specific posts for deletion, to enable appropriate consultation to take place.

Upon a vote being taken, the Panel agreed that Council be asked:

RESOLVED - (A) to identify service areas where cuts to staff applied: DIS

(B) to delete posts which have already been identified as "vacant posts" subject to an appropriate business case; and

(C) where staff reductions have been identified, the Director of Internal Services be requested to provide a report on how these can be implemented and that this be brought back for further consideration by Members in the New Year, after full consultation had taken place.

13 HEALTH AND SAFETY AT WORK ACT

The Local Joint Panel was advised that compliance statistics were identical to the last meeting and that Heads of Service continued to be pressed. It was noted that 11 out of 14 services were up to date with Risk Assessments.

In response to a query from Councillor M R Alexander concerning health and safety requirements for Home Workers, Unison explained that Staff had to complete a series of forms including risk assessments and that employees were trusted to work in a safe environment. Online assessments would be used in the future.

The Local Joint Panel asked that the Health and Safety Officer provide Members with further information of the safety aspects for Home Workers including risk assessments, DSE and screen usage.

RESOLVED – that (A) the update be noted;

(B) the Health and Safety Officer provide Members with further information on the safety aspects of Home workers including risk assessments, DSE and Screen usage. DIS

The meeting closed at 4.05pm

| | |
|----------|-------|
| Chairman | |
| Date | |