

Minutes of the meeting of the Staff and Pensions Committee held on 9 September 2019

Present

Members of the Committee

Councillors Bill Gifford, John Horner, Kam Kaur (Chair), Bhagwant Singh Pandher and Bob Stevens

Other members in attendance

None

Officers

Neil Buxton, Pension Services Manager

Felicity Davies, Strategy and Commissioning Manager, HR&OD

Andy Dunn, HR Business Partner, Communities

Sarah Duxbury, Assistant Director, Governance and Policy

Chris Norton, Strategy and Commissioning Manager (Treasury, Pension, Audit & Risk)

Keira Rounsley, Senior Equality and Diversity Advisor

Paul Williams, Democratic Services Team Leader

1. General

(1) Apologies for absence

Apologies were received from Councillor Richard Chattaway

(2) Members' Disclosures of Pecuniary and Non-pecuniary Interests

None

(3) Minutes

The minutes of the meeting held on 28 June 2019 were considered. It was noted that contrary to that stated, Councillor Izzi Seccombe was not present at the meeting on the 28 June 2019. Members agreed that, taking account of the change required regarding Councillor Seccombe, the minutes be signed as a true and accurate record by the Chair.

Before the commencement of the meeting members were informed that for the foreseeable future Councillor Richard Chattaway will remain as a member of the Staff and Pensions Committee.

2. Annual Equality and Diversity Workforce and Gender Pay Gap

The Chair welcomed Keira Rounsley (Senior Equality and Diversity Advisor) to the meeting. Following a brief introduction members' questions and observations were invited.

Councillor Bill Gifford (referencing page 5 of 10) expressed his concern over low reported promotion rates particularly amongst younger and BAME employees. Members agreed that there is a clear need to understand why this is. In response, the committee was informed that having recognised the issue this is now being followed up through talent management initiatives, workforce analytics and the People Strategy through talent development and career progression.

Councillor John Horner informed the committee that at the meeting of the Pension Fund Investment Sub-Committee held on the morning of the 9 September it had been reported that the number of members of the Warwickshire Pension Fund had decreased whilst the number of deferred pensions had increased. Councillor Horner asked if this was indicative of staff feeling the need to leave the employment of the County Council in order to gain promotion. In response, Neil Buxton (Pensions Services Manager) stated that the number of members of the fund has increased but academisation has resulted in the loss of Council staff as their schools change status. Felicity Davies (Strategy and Commissioning Manager, HR&OD) observed that unlike previous generations, young people frequently change jobs and many often change careers. The introduction of flexible working is expected to appeal to a range of demographics including young people. A good strong brand for the County Council would also serve to attract them to the organisation.

It was agreed that an update on the position be presented to the Staff and Pensions Committee in 6 to 9 months

Resolved

- 1) That the Council's Equality and Diversity Workforce and Gender Pay Gap Report, as outlined at Appendix A of the report, is published on the Council's website, to meet the statutory requirement to publish annually equality information relating to employees, including gender pay gap information;
- 2) That the Council's gender pay gap figures, based on 31 March 2019, are published on the government's gender pay gap website, as required by the gender pay gap regulations;
- 3) That elected members endorse the areas identified for future work proposed in section 5 of the report; and
- 4) That elected members note previous work undertaken in section 6 of the report.
- 5) That officers be requested to present an update report to the committee in six or nine months.

3. Employee Sickness Absence Management

Andy Dunn (HR Business Partner, Communities) summarised the key elements of the report after which members of the committee commented and asked a series of questions.

Councillor John Horner observed that there is a distinction between stress and pressure. Stress often results from circumstances at home whilst pressure can be the result of work. With stress and depression being the largest cause of sickness,

Councillor Horner questioned what the County Council could do to reduce it. Felicity Davies responded by stating that at present the cause of any stress is not monitored. However, it has been recorded through the Employee Assistance Programme that 75% of referrals concern home related issues. Staff, she added, are encouraged to take responsibility for their own well-being and there is evidence that the Council's well-being initiatives are having a positive impact.

The Committee recognised that a significant proportion of staff (c40%) have not recorded any sickness absence in the last year. The Committee also acknowledged the observation made by officers that initiatives that have been put in place will take some time to take effect.

The committee recognised that sickness levels are generally lower amongst staff in the private sector and that some local authorities appear to be performing better than others in managing sickness.

It was noted that when staff are off sick the burden of work falls on those that continue at work.

Resolved

That the Committee:

- 1) notes the performance information in relation to the management of employee sickness absence during 2018-19;
- 2) endorses a target reduction to 9.04 days per employee for 2019-20; and
- 3) supports a proactive approach to the health and wellbeing of employees and in managing employee sickness absence.

4. New Starters – Flexible Working

Felicity Davies explained to the committee that after over 20 years the current flextime arrangement that applies to most staff under the green book terms and conditions is now considered obsolete. New technology such as Microsoft 365 allows for greater flexibility of working, moving away from traditional office-based approaches. The committee was informed that the Trades Unions had been consulted on the proposals and those who have responded are supportive of them. It was noted that flextime is not available to Hay staff.

Councillor Bill Gifford suggested that flexible working practices should serve to make the County Council a more attractive employer.

Councillor John Horner expressed some reservations stating that in his role he wants to be able to access and speak to staff in their offices. Technological solutions such as Skype are not conducive to free-flowing communication and problem solving. In response to this the committee was informed that the value of face to face communication is recognised and the extent to which flexible working is used will vary from team to team. Offices will need to be staffed but some teams will find that they can make more use of technology to conduct their business.

In response to concerns that the new system could be open to abuse the committee was told that managers will be required to monitor outcomes, moving away from a focus on presenteeism.

Councillor Kam Kaur (Chair) observed that for this new approach to succeed the Medium-Term Financial plan, the performance framework and the People Strategy will all need to work together.

Resolved

That the Committee agrees to amend the Council's standard terms and conditions of employment for staff new to Warwickshire County Council such that flexi time is not included in the contract of employment.

5. Local Government Pension Scheme – Update

Neil Buxton summarised the published report. Members' attention was drawn to the outcome of the McCloud Judgement which led to the suspension of a series of proposals originally made by the Local Government Pension Scheme Advisory Board. (para 2.1.3 of the report). The cost implications of this are yet to be established but the effect of any costs may be spread over many years as the pension fund is long term in nature.

Regarding valuation cycles it was recognised that increasing these from 3 to 4 years could carry greater risk for pension funds. However, interim updates at 2 years are expected to reduce that risk. In addition, where there are observed to be significant events such as a large number of early retirements, funds will be able to undertake interim valuations. The 2019 valuation will not take account of the McCloud judgement as it is too soon to gauge its impact.

Regarding the cap on exit payments (section 4.0), Neil Buxton stated that where large numbers of staff are released early this can place an excessive strain on the pension fund. The scheme has been proposed in order to reduce the number of "fat cat" payments. However, there is some concern that long serving employees on relatively low incomes could lose out through the introduction of the cap.

Councillor John Horner observed that staff are rarely aware of the value of the employers' contribution to their pension. At the County Council this is around 21%. This information should be included on pay slips. In response it was suggested that those on higher salaries tend to be aware of this but those on lower salaries are not. Also, in general young people have little understanding of pensions as they appear of little relevance to them.

Resolved

That the Committee notes the report.

6. Pension Fund Admissions – Academies

Following an introduction and in response to a question from Councillor John Horner it was confirmed that actuaries review the position of each academy or trust. This creates a considerable amount of work, but it does enable each school to be tracked and if one closes then it can be picked up individually.

Resolved

That the Staff and Pensions Committee delegates authority to the Strategic Director for Resources to approve applications from the listed schools converting to academy status, subject to the applications meeting the criteria:

- St. Gabriel's (Houlton CoE Multiple Academy Trust; 20 August 2018)
- Stockingford Primary School (Inspired Education Trust: 1 September 2019)
- Kineton High School (Stowe Valley; 1 September 2019)
- Henry Hinde Juniors Academy transferring from the National Education Trust to the Transforming Lives Education Trust (TLET) (1 August 2019)

7. ABM Catering

The committee considered and agreed its support for this proposal.

Resolved

That the Staff and pensions Committee approves the application from ABM Catering for admission and authorises the Strategic Director for Resources to complete the arrangements to be admitted to the Warwickshire Pension Fund.

8. Chartwell (Compass) Catering

The committee considered and agreed its support for this proposal.

Resolved

That the Staff and Pensions Committee approves the application from Chartwell (Compass) Catering for admission and authorises the Strategic Director for Resources to complete the arrangements to be admitted to the Warwickshire Pension Fund.

9. Any Urgent Business

None

10. Next Meeting

The Committee noted that the next meeting would be held on 10 October 2019

The meeting rose at 2.53p.m.

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Chair

Actions Resulting from this Meeting

	Action	Due Date	Responsible Officer(s)
1.	Item 2 - An update report be presented to the committee in 6 to 9 months	March or June 2020	Felicity Davies/Keira Rounsley