

AT A MEETING of the EMPLOYMENT IN HAMPSHIRE COUNTY COUNCIL COMMITTEE held at The Castle, Winchester on 12 March 2014.

PRESENT:

Chairman:
Councillor Stephen Reid

Councillors:

p	Vaughan Clarke	p	Keith House
p	Adrian Collett	a	Roy Perry
p	Keith Evans	p	John Wall
p	Tony Hooke		

24. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Roy Perry who was on County Council business elsewhere.

25. DECLARATIONS OF INTEREST

All Members who believe they have a Disclosable Pecuniary Interest in any matter to be considered at the meeting must declare that interest and, having regard to the circumstances described in Part 3, Paragraph 1.5 of the County Council's Code of Conduct, leave the meeting while the matter is discussed, save for exercising any right to speak in accordance with paragraph 1.6 of the Code. Furthermore, all Members with a Non-Pecuniary Interest in a matter being considered at the meeting should consider whether such interest should be declared, and having regard to Part 5 Paragraph 2 of the Code, consider whether it is appropriate to leave the meeting while the matter is discussed, save for exercising any right to speak in accordance with the Code.

26. MINUTES

The Minutes of the meeting held on 12 November 2013 were confirmed as a correct record and signed by the Chairman.

Matters arising:

In regard to Minute 18, the Chairman invited the Chief Executive to provide information regarding the County Council's Special Recognition Scheme. The Chief Executive reported that a total of 367 special recognition payments had been made in 2012/13 which averaged at £416 before tax and 82% of which were paid to staff in the lowest four grades with no payments being made to Chief Officers.

27. **CHAIRMAN'S ANNOUNCEMENTS**

- a) The Chairman confirmed that on 10 March 2014 a Member Panel had recommended an appointment to the post of Head of HR and Workforce Development reporting to the Director of Corporate Resources. This is a joint appointment for Hampshire County Council, Hampshire Constabulary and Hampshire Fire and Rescue Service as part of the new H3 Partnership joint working arrangements.
- b) The Chairman invited the Chief Executive to update the Committee on the LGA Peer Challenge that was carried out during 28-31 January 2014. The Chief Executive confirmed that the LGA Peer Review report would be considered by Cabinet on 24 March 2014. It was a very complimentary report about the County Council, its staff and morale, its financial management and its resilience. The report would be circulated to the Committee.
- c) The Chairman thanked the Committee members for their contribution, and that of the subsequent Members Working Group, in agreeing a way forward in the formulation of recommendations to the County Council on 20 February regarding an amendment to the current Members' Allowances Scheme in relation to Minority Group Spokespersons' allowances together with a Scheme covering the four-year period 2014/15 to 2017/18, which had been approved.

28. **ORGANISATION OF ADULT SOCIAL CARE AND THE BETTER CARE FUND**

The Committee considered the report of the Chief Executive (Item 5 in the Minute Book). The report detailed the need to identify and establish transition arrangements between Hampshire County Council and the five Clinical Commissioning Groups (CCGs) in order to meet the requirements of the Better Care Fund (BCF). This would realise resources in the region of £80m annually for the Hampshire geographic area with approximately £40m available to the County Council to support Adult Social Care. It would therefore be a significant piece of work to identify how the six organisations would come together to manage the resources effectively whilst recognising the likelihood of moving into the territory of joint commissioning of services and joint appointments, the latter of which would require the agreement of the Committee. The BCF would also be a potential vehicle for health reviews to be conducted to monitor and inform the effective use of resources going forward. It was also recognised that cultural issues would present challenges and it was essential that the County Council be open to new ideas and face up to the issues.

During the ensuing discussion, the importance of commissioners working together and fully co-ordinated to meet patient needs was highlighted. An example was given of a hospital serving the north of Hampshire as an acute provider being located in Surrey but having most of its patients coming from Hampshire. This particular provider was also in the process of acquiring additional facilities which would bring Berkshire into the equation. Members expressed the view that a clearly defined and simplified organisational structure that the patient would be able to understand was paramount.

RESOLVED:

That the report be approved and that a further report on the appropriate organisational changes be brought to the Committee in the summer of 2014.

29. LOCAL GOVERNMENT PENSION SCHEME (LGPS) 2014

Councillors Stephen Reid and John Wall declared an interest as members of the LGPS.

The Committee considered the report of the Director of Corporate Resources (Item 6 in the Minute book) informing the Committee of changes to the LGPS in 2014 and sought approval of proposed policy statements. In introducing the report, the Director of Corporate Resources reported on the ministerial statement to Parliament delivered by Brandon Lewis MP on 11 March 2014 in regard to pensions for Councillors under the LGPS. As part of the changes new Councillors in England and other elected office holders would no longer be able to join the Scheme from 1 April 2014, and Councillors currently in the Scheme will have their access to it terminated at the end of their current fixed term of office.

The Director of Corporate Resources confirmed that Councillors would be kept informed of any further developments should they arise.

RESOLVED:

- a) That the changes to the Local Government Pension Scheme (LGPS) from 1 April 2014 be noted.
- b) That the proposed policy statements be approved for:
 - those who stopped contributing to the LGPS between 1 April 2008 and 31 March 2014 (Appendix 1)
 - members who continue in the scheme or join it from 1 April 2014 (Appendix 1).

30. OPTIONS FOR APPLYING THE LIVING WAGE

The Committee considered the report of the Director of Corporate Resources (Item 7 in the Minute Book) which set out options for applying the Living Wage. In expanding on the key points within the report, the Director drew Members attention to the Local Government Association's position in regard to how the Living Wage is currently calculated and the effects of 'capping', the reporting of employer studies by the Living Wage Foundation and the potential risks of applying the Living Wage.

Members noted that the County Council's total package for its employees was above the Living Wage once the full terms and conditions of employment were taken into account, with elements such as pension, annual leave entitlement and sickness absence pay being more generous than many employers' and all above the statutory requirement. It was further noted that the County Council was continuing to deliver public services in challenging financial circumstances and that applying the Living Wage at this time would add almost £1m to the County Council's wage bill and have significant impact on schools. It would generate upward pressure on the budget at a time when the organisation was looking for a downward trend, would have the knock on effect of making services less competitive, such as adding an extra 5p to the price of a child's school meal and would require additional savings across the organisation which could lead to job losses. Furthermore, the County Council was not currently experiencing recruitment and retention issues at the lower end of the salary ranges and Members were reminded that the County Council was progressing steadily through an innovative transformation programme focussing on building capacity and resilience for the future, and protecting jobs and staff pay going forward.

During the course of discussion a range of views was expressed, some supporting the introduction of the Living Wage and some not supportive of its introduction in the current climate, being mindful of the details set out in the paragraph above. In conclusion the Chairman thanked all Members for their careful consideration of the information provided in the report and for the thoughtful debate that had ensued.

RESOLVED:

That the Living Wage not be applied.

31. EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED:

That the press and public be excluded from the meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present there

would be disclosure to them of exempt information within Paragraph 4 of Part I of Schedule 12A to the Local Government Act 1972, being information relating 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 office holders under, the Authority. Further, it is considered that, in all the circumstances, the public interest in maintaining this exemption outweighs the public interest in disclosing this information. Whilst there may be a public interest in disclosing the information namely transparency in the County Council's business, it is felt on balance that this is outweighed by factors in favour of maintaining the exemption, namely that disclosure of the information would be prejudicial to the free and frank provision of advice and be otherwise prejudicial to the effective conduct of public affairs.

32. CORPORATE TRAVEL APPROACH

The Committee considered and approved the exempt report of the Director of Corporate Resources (Item 9 in the Minute Book) providing further information, as requested by the Committee regarding proposals for a corporate travel approach.

(SUMMARY OF AN EXEMPT MINUTE).