

ADMINISTRATION AND REGULATION COMMITTEE

25TH FEBRUARY 2020 AT 6.00 P.M.

PRESENT: Councillors Akbar (Chair), Abid, Castleman, Lovell, S. Hussain, Mead and Wynn

1. APOLOGIES FOR ABSENCE (REF: 1)

Apologies for absence from the meeting was received on behalf of Councillor Adrees.

2. ELECTION OF VICE CHAIR (REF 2)

Resolved: Councillor Castleman was elected Vice-Chair for the remaining municipal year.

3. MINUTES (REF: 3.1)

Resolved: That the minutes of the meeting held on the 18 December 2019 be approved as a true and correct record of the meeting and the Chair be authorised to sign them.

4. PAY POLICY STATEMENT 2020/21 (REF: 7)

The HR Strategy and Policy Officer presented the report (Ref 8) which sought approval of the Pay Policy Statement 2020/21 for submission to the Full Council meeting on 24th March 2020.

She informed the Committee that the pay policy statement had be published on the Council's website by the 31st March 2020, which must contain a local authority's own policies towards a range of issues relating to the pay of its workforce in terms of:

- Remuneration of its Chief Officers
- Remuneration of its lowest paid employees and
- The relationship between the remuneration of its Chief Officers and the remuneration of those employees who are not Chief Officers

The statement identifies how pay is determined and defined for council employees and been reviewed and updated in response to the requirements between Chief Officers and the lowest paid in the Council.

The amendments made to the Pay Policy Statement 2020/21 is outlined below:

- i. **Section 3.16.** Approved Mental Health Practitioners when undertaking specific additional responsibilities now receive an allowance.
- ii. **Sections 4.1, 4.4, 4.5 and 4.7.** the Committee is recommended to allow these sections to be updated when the Joint Negotiating Committee (JNC) for Chief Executives of Local Authorities pay settlement for 2020/21 is agreed.
- iii. **Section 4.10.** The post title of Service Director, Revenues, Benefits and Customer Service was amended to Service Director, Customer Solutions, and a report would be submitted to Full Council on 24th March 2020, to approve the change in job title in order to amend Part 19 of the Council's Constitution (Management Structure) and Part 7 (Scheme of Delegation to Officers (Non-Executive Functions) in order to correctly align delegated powers to Service Director roles.
- iv. **Sections 5.2, 5.3 and 5.4.** the Committee is recommended to allow these sections to be updated when the Soulbury Committee nationally agreed rates is determined for 2020/21.
- v. **Section 5.6.** the Committee is recommended to allow this section to be updated when the National Joint Council for Local Government Services pay settlement for 2020/21 is agreed.
- vi. **Section 5.11.** Foundation (real) Living Wage (FLW). The Committee is recommended to allow this section to be updated in the event that the Committee agrees to adopt the uplift in the FLW to £9.30 per hour, with effect from 1st April 2020.
- vii. **Sections 5.14 and 5.15** Pay ratios between lowest/median full time equivalent earnings and the Chief Executive's earnings. The Committee is recommended to allow these sections to be updated when the 2020/21 pay settlements are all agreed and may cause the pay ratios to change.
- viii. **Section 9** will be updated to provide the link to 2019 Gender Pay Gap.
- ix. **Section 10** has been updated to outline recent and forthcoming legislative changes.

Resolved: (i) That the Committee is aware of the statutory responsibilities under the Localism Act 2011 to produce a pay policy statement annually by 31st March each year.

(ii) That the Pay Policy Statement 2020/21 as attached Appendix 1 to the report (Ref 8) be agreed.

(iii) That the Pay Policy Statement 2020/21 attached as Appendix 1 to the report be submitted to the Full Council meeting on 24th March 2020 for approval.

(iv) That the Pay Policy Statement 2020/21 be updated and re-published when the pay awards are settled be approved.

5. GENDER PAY GAP REPORT (REF: 9)

The HR Strategy and Policy Officer presented the report (Ref 9) which advised the Committee of the Council's 2019 Gender Pay Gap was measured in accordance with legislation introduced in April 2017, which required all local public sector organisations with 250 or more employees to capture specific gender pay gap data annually.

This was the third year of calculations which had to be published on the council's website by 1st April and required Full Council approval.

The Gender Pay Gap at the Council is slightly up on the figures presented last year with the mean gender pay gap at 7% at 31st March 2019 favouring men. The median gender pay gap for the Council is 12.62% again favouring men and Officers were looking at an action plan to see how this figure can be increased to include more women into the calculations. In terms of bonus gap for the council is 21.7% and favours women and remains static on the figure reported last year. Although the council does not indirectly pay bonuses it does have something similar in the terms the recruitment and retention payments for hard to recruit posts, which a large percentage of female employees received due to the posts they are in; and 25 year service incentives is also taken into account in the calculations. There was a change to the median gap which doubled in favour of female with a rise from 10% to 20%. Unfortunately, there was nothing the council could do to influence this whilst paying a large amount to females. In terms of the proportion of male employees receiving bonus payments this figure currently stands at 3.5% compared to females at 7%. The other data sets that have to be reported are in respect of quartile and calculations are made using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulation 2017. The data shows 31.8% male and 68.2% female which is widening the mean gender pay gap and other public sectors show 15% mean and Luton's median if 12.6% the council as a whole is 16.85% which is below the public sector gap on pay grades.

A Member commented on the report being comprehensive and it was good to see the Council was in a better position compared to other local authorities.

Resolved: (i) That the Committee is aware of the Council's statutory responsibilities under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 to calculate and publish its gender pay gap data for the snapshot date of 31st March 2020.

(ii) That the attached (Appendix 2) gender pay gap data for recommended for submission to the Council meeting on 24th March 2020.

6. THE LIVING WAGE (REF: 10)

The HR Business Manager, Strategy presented the report (Ref: 10), which requested the Committee to consider whether to apply the Living Wage rate of £9.30 per hour from 1st April 2020.

She informed the Committee there was respite last year as the Council did not need to pay any supplements due to the NJC pay spine which was equivalent to the £9.00 per hour living wage rate. However, this year foundation living rate had published the new living rate at £9.30 per hour, which the Council can choose to adopt or not. The Council was current rate of pay for employees on L1 to L2 on

NJC pay spine with effect from 1st April 2020 or wait for the national uplift announcement or chose not to pay the supplement to match the living wage.

She further added that from April last year all maintained schools paid the £9 per hour living rate and if the Committee recommend the pay supplement it will also be recommended to schools which will have to go to their governing bodies to adopt the £9.30 per hour foundation living wage rate.

A Member enquired whether schools could afford to adopt bearing in mind funding cuts to school budgets and was advised that was covered in section 27 of the report on page 44. However, the schools forum had already raised concerns and will look at their budget to determine if they can afford this or not but the Council cannot influence them to do so. Schools had also raised concern around affordability and whether it meant employing less staff if it rate was adopted and last time this happened the majority of schools chose not to adopt. The gender mix is 89% of 227 directly employed are female and schools account for 97% of female staff.

A comment from the Member commented on his ongoing concern of groups working at the airport and staff paid on lower grades

A Member suggested the Council should pay the minimum wage and was undecided on the recommendation but would support recommendation 1 for the increase to be made now.

The Chair enquired about the financial implications to the Council and advised that the increase was already reflected in the budget agreed at the Budget council meeting last week.

Resolved: That the Committee agreed that from 1st April 2020 the new living Wage rate of £9.30 per hour be adopted by the Council, by applying a pay supplement to the lowest two spinal column points (SCPs 1 and 2) on the NJC pay spine and that schools be encouraged to pay the same.

7. HR DOMESTIC ABUSE POLICE (REF: 11)

The HR Strategy and Policy Officer presented the report (Ref 11). She informed the Committee that the council in 2018 signed up to the 'Make a Stand' pledge, developed by the Chartered Institute of Housing in partnership with Women's Aid and the Domestic Abuse Housing Alliance. By agreeing the pledge the Council made for focus commitments to provide support for people experiencing domestic abuse and one of these was to put in place a HR policy to support members of staff who may be experiencing domestic abuse. The reporting of domestic abuse cases in Luton had seen an increase of 56% in the last two years. Domestic Abuse affects 1 in 4 women and 1 in 6 men with 75% of victims experience domestic abuse targeted by their abusers whilst at work which can be through phone calls or texts and 58% of women miss at least three days of work a month. The policy provides guidelines and a practical framework for employees and managers to seek and secure help, and forms part of the council's commitment to family friendly working and seeks to benefit the welfare of individual employees/workers in order to retain valued employees, improve morale and performance and enhance the reputation of the council as an employer of choice.

The policy will also demonstrate to other employers in Luton how they also can help tackle the problem of domestic abuse in the community.

The policy and toolkit is intended to be supportive and signpost employees to the most appropriate agencies for help, dependent upon their circumstances. Line managers can provide practical support in the workplaces and employees who feel unable to disclose information to their managers there is alternative support available from specialist domestic abuse service who offer advice, guidance and referral pathways for residents and employees.

The policy also includes a section on perpetrators support and access to programmes and the policy was developed with the Community Safety Partnership and other agencies.

Resolution: That the introduction of a Domestic Abuse Policy and accompanying guidelines and toolkit for employees and managers be approved.

8. REVIEW OF BUYING ADDITIONAL LEAVE SCHEME (REF 12)

The HR Strategy and Policy Officer presented the report (Ref 12) which provided a review of the buying additional leave scheme. She informed the Committee the scheme had been launched in 2018 and it was agreed to report back 12 months. Since the launch there had been 261 employees purchased additional leave, which equates to over eleven thousand additional hours bought with a saving to the council of £224,991. At the launch of the scheme, concern was raised around take up being disproportionate towards the higher grades and those employees being better able to afford to buy additional leave, this was not proven to be the case with take up tapering off at the higher grades and most applications coming from employees on L3 to M3, and due to the more favourable contractual leave offered at the higher grades.

Proportionally more women than men took advantage of the scheme, with 207 women applying for leave compared to 54 men. The gender split of the workforce is 67% female, 33% male and the take up rate for the scheme equates to 79% female, 21% male.

The trade unions are positive about the scheme and highlighted a particular service area where information on the purchase windows was not effectively disseminated and being followed up.

The scheme was not originally open to employees on fixed term contracts of less than 12 months and new starters was an area that posed a potential legal challenge to the council on less favourable treatment grounds. As a preventative measure it is intended to extend the scheme to all employees on fixed term contracts and new starters without the requirement of having to complete their probationary period.

The scheme currently allows employees to be reimbursed at the end of the holiday year if they have not utilised their bought holiday, which had a negative impact on cost centre budgets due to reimbursements made after the holiday and financial year end. It is proposed employees who purchase leave are encouraged to utilise it by applying the holiday carry forward arrangements to all holiday and for reimbursements to only be made in exceptional circumstances with the approval of the service manager.

She also asked the committee to amend the scheme to recognise employees personal circumstances may change where they can no longer afford to sustain the monthly repayments, and in such circumstances be given the option to cancel any leave purchased under the scheme not already taken.

Resolved: (i) That the take up and savings figures for the scheme to date be noted.

(ii) That the proposed changes to the scheme – specifically day 1 eligibility for all employees (paragraphs 17 and 20), limiting reimbursements to exceptional situations only (paragraphs 21) and making provision for applicants who experience financial hardship (paragraph 22) be agreed.

9. SELECTIVE LICENSING STAFFING (REF 13)

The Strategic Regulatory Manager presented the report (Ref 13) which sought approval for additional posts in the Licensing Service and Private Sector Housing.

He informed the Committee the report was a follow up to the Executive report that went to the January meeting and agreed to proceed with the implementation of a selective licensing scheme in the defined area (Biscot, Dallow, Farley, South and High Town wards), to have a property licence and apply to the Secretary of State to approve a selective licensing scheme across the whole of the local authority area.

He further informed members that the building research establishment stock modelling report estimated 10,196 private rented properties in the 5 target wards and 24,006 across the whole of the town.

There is expected to be an influx of applications and the purpose of this report is to request 4 additional licensing/processing posts and 4 private sector housing inspector posts, but in the first instance the request is to fill two of the positions for each of the posts.

The grade for the licensing posts is expected to be filled at the lower end of the Licensing service career progression scheme at L4 and the Private Sector Housing Inspector job description was yet to be evaluated but expected to equate to an L6/L7 grade.

A Member raised concern about the Committee being asked to agree when no figures on fees to cover the cost of the scheme had been made available and expected to be self-funding. The Officer provided assurance the scheme was self-funding and costs and figures to be reported to the 9th March 2020 Executive meeting.

The Service Director, HR and Monitoring Officer provided clarity on the report and asked the Committee to accept the creation of the posts and request the officer reports back to a future meeting with updates on the scheme.

In response to what would happen to posts after a year the Officer advised the scheme runs for 5 years and during that period officers in the posts would be busy processing applications.

In response to whether there would be a blanket charge he advised there would be no charge on privately rented residential properties outside of the designated area and fees would be reviewed through the scale of charges process.

Resolved: (i) That the creation of new posts to deliver the Selective Licensing regime as approved by the Executive on 13 January 2020 be approved.

(ii) that the increase in the establishment in both the Licensing and Private Sector Housing team of up to 4 licensing administration posts and up to 4 private sector housing inspectors posts be approved.

(iii) That the creation of a pool of casual Private Sector Housing Inspectors who can be called upon to meet peaks in demand to ensure licence condition inspections are carried out in a timely fashion be approved.

(iv) That the Strategic Regulatory Manager bring a progress report back to a future meeting which includes fees covering the cost of the selective licensing scheme to make it self-funding agreed by the Executive.

10. ADMINISTRATION AND REGULATION COMMITTEE WORK PROGRAMME 2019-20 (REF: 13)

Resolved: That the following items be included on the work programme 2020-21:

- Selective Licensing Update – Dave Stevenson – 16th December 2020
- Gender Pay Gap Action Plan – Kathy Williams – 16th December 2020

(meeting ended 19:05pm)