

MANAGEMENT TEAM

7 March 2023

REPORT OF ASSISTANT DIRECTOR OF PARTNERSHIPS

A. UPDATE TO STAFF ALLOWANCES POLICY

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT

To present the Council's updated Allowances Policy February 2023.

EXECUTIVE SUMMARY

This report has been prepared to inform Management Team of some minor updates that have been made to the Allowances Policy (*see Appendix A – changes can be identified in red text*). The updates include reference to the long established committee attendance allowance (*previously not included*), including its link to the NJC pay award and the extension of entitlements around the authority's out of hours' response to emergency incidents.

The Council first introduced an updated Allowances Policy in April 2018 to recognise that the Council provides services to residents, sometimes requiring a response outside of standard working hours.

The principles of this policy are as follows:

- To ensure staff are paid in a consistent way throughout the organisation;
- To compensate staff providing a contractual out of hour's standby service to meet the Council's statutory duties;
- To ensure that payment structures are fair and sustainable for the future;
- The Council wants to be a responsible employer to meet the health and safety and well-being needs of staff by encouraging the use of TOIL for recovery from supporting service delivery outside of standard working hours.

The Conditions of Employment with Tendring District Council, including pay, in the main conform to those established for local government generally by the National Joint Committee (NJC). Agreements reached by the NJC are 'collective agreements'. However, the majority of allowances paid by the authority are localised arrangements which have been reached via a 'Collective Consultation' exercise with both staff and Unison when the original Allowance proposals were introduced.

The 2022/23 pay award saw certain statutory allowances updated by 4.04 per cent, this percentage increase has been applied to the long-standing committee attendance allowance paid to officers for Member meetings outside of standard office hours. This payment will be kept under review in line with future NJC pay award outcomes.

It should be noted that other localised allowance payments such as 'standby' etc. sit outside of the NJC framework and therefore will remain at the current rate as identified in the Schedule of Rates that accompany the Allowances Policy. However, HR and Council Tax Committee members were informed at the last meeting that a review is ongoing in respect of these rates.

The extension of emergency out of hours' payments, mirror the previously established standard 'standby' payment framework to ensure staff involved in an emergency incident are fairly compensated for their contribution.

It is considered that the minor changes made to the Allowances Policy can be authorised via the delegations afforded to the Assistant Director (Partnerships) as follows:

"Minor amendments to Human Resources Policies and Procedures necessary as a result of legislation, national guidance or best practice".

It is therefore proposed that if agreed, the updated policy will be reissued to staff (*via Ping!*) and managers will be informed of the key changes. This will follow the publication of an Officer Decision which will include the agreement of the Chair of the HR and Council Tax Committee.

RECOMMENDATION(S)

It is recommended that:

- (a) The updated Allowances Policy set out in Appendix A be adopted.**

REASON(S) FOR THE RECOMMENDATION(S)

To ensure the Council complies with its statutory obligations around Working Time Regulations and National Minimum Wage and that a fair and consistent approach to payments for out of hours services is applied.

ALTERNATIVE OPTIONS CONSIDERED

It is considered that there is no alternative option but to implement to updated Allowances Policy to ensure the Council complies with its statutory obligations around Working Time Regulations and National Minimum Wage.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The Council's Allowances Policy, supplements the statutory annual Pay Policy Statement. It recognises that as a *'Community Leader'*, on occasion, the Council's officers will be required to respond outside of standard working hours to provide services to its residents.

The framework identified in the updated Allowances Policy, provides a fair and consistent approach to payments for these services, thus contributing to the Corporate Plan 2020/24 priority requirement of *'strong finances and governance'*.

This framework also supports the ability of the Council to recruit and retain talented individuals, thus contributing to the Corporate Plan 2020/24 priority of *'delivering high quality services'*.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

The Council's Constitution part 3.19 delegates authority to the Assistant Director (Partnerships) in consultation with the Corporate Director (Operations and Delivery) to make minor amendments to Human Resources Policies and Procedures as necessary as a result of Legislation, national guidance or best practice.

Inclusion of the committee attendance arrangements within the policy will negate any possible risk to the Council of a Working Time Regulation and/or National Minimum Wage related claim.

FINANCE AND OTHER RESOURCE IMPLICATIONS

Following discussion with the Section 151 Officer, it has been determined that in respect of any increased costs in relation to the extension of the emergency out of hours’ payments, the services will fund any costs incurred. This will be subject to regular monitoring, and if necessary, a possible longer term response will be considered as part of the regular financial reporting mechanism.

At the time of writing, the position regarding the pay award for 2023/24 remains outstanding between National Employers and National Unions.

USE OF RESOURCES AND VALUE FOR MONEY

External Audit expect the following matters to be demonstrated in the Council’s decision making:

- A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;*
- B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and*
- C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.*

As such, set out in this section the relevant facts for the proposal set out in this report.

The following are submitted in respect of the indicated use of resources and value for money indicators:

<p>A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;</p>	<p>Tendring District Council recognises in the context of managing public resources, remuneration needs to be of an adequate level in order to secure and retain high quality employees dedicated to the service of the public, whilst ensuring value for money to the public purse.</p> <p>The primary aim of the Allowances Policy is to set a framework which sets Tendring District Council’s policy for Overtime, Standby and Disturbance Payments, including those covered by Emergency Planning.</p>
<p>B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and</p>	<p>The Council follows the transparency requirements on remuneration as set out in the Local Government Transparency Code 2015.</p> <p>The Council’s annual Statement of Accounts is published on the authority’s website.</p>

	Our transparency pages also include a full list of monthly salaries, including additional payments information across all pay bands.
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	As a major employer in the district, the Council's ambition is to contribute to building a more prosperous local community by modelling good employment practice, including ensuring fairness in the way that it pays and rewards its existing and future employees.
MILESTONES AND DELIVERY	
<ul style="list-style-type: none"> (a) Consultation with Union Chair (b) Management Team 7 March 2023 (c) Consultation with Cllr Chapman (HR & Council Tax Committee Chairman) (d) Publication of Officer Decision. 	
ASSOCIATED RISKS AND MITIGATION	
By adopting the updated Allowances Policy, the Council will encourage employees to support its statutory duty to respond to emergency demands outside of office hours, and also mitigate the current potential risk relating to not meeting the National Minimum Wage criteria for out of hours Member led meetings.	
OUTCOME OF CONSULTATION AND ENGAGEMENT	
Full consultation has taken place with the local Unison Branch Executive and they are supportive of the updated Allowances Policy	
EQUALITIES	
<p>The Equality Act 2010 legally protects people from discrimination in the workplace and in wider society.</p> <p>In line with the Public Sector Equality Duty, public bodies such as the Council must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.</p> <p>The Council is committed to being an inclusive employer in all of its people policies and practices. In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation and identified best practice.</p>	
SOCIAL VALUE CONSIDERATIONS	
<p>The Council aims to lead by example as a major local employer. This includes following recognised best practice and keeping up to date with legislation.</p> <p>Examples of this include being a Disability Confident Leader and an Employer Recognition Scheme Gold Award holder; both of these commit the authority to being an advocate in these areas.</p>	
IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030	
This report has no direct implication on the Council's aspiration to be net zero by 2030.	

OTHER RELEVANT IMPLICATIONS	
Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.	
Crime and Disorder	N/A
Health Inequalities	N/A
Area or Ward affected	None directly.
ANY OTHER RELEVANT INFORMATION	
There are no background papers associated with this report.	

PART 3 – SUPPORTING INFORMATION

BACKGROUND
The Localism Act 2011 requires this Council to produce a Pay Policy Statement by 31 March 2012 and every subsequent financial year thereafter. The Allowances Policy, is an extension to the Pay Policy Statement and is referenced within.
PREVIOUS RELEVANT DECISIONS TAKEN BY COUNCIL/CABINET/COMMITTEE ETC.
Full Council adopted the Pay Policy Statement for 2023/24 at its meeting on 2 March 2023.
BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL
N/A

APPENDICES
Appendix A – Allowances Policy

REPORT CONTACT OFFICER(S)	
<i>Include here the Name, Job Title and Email/Telephone details of the person(s) who wrote the report and who can answer questions on the content.</i>	
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