



## Employment and Appointments Committee

<b>Date:</b>	<b>Tuesday, 23 November 2010</b>
<b>Time:</b>	<b>6.15 pm</b>
<b>Venue:</b>	<b>Committee Room 2 - Wallasey Town Hall</b>

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## SUPPLEMENTARY AGENDA

### 2. MINUTES (Pages 1 - 4)

To receive the minutes of the meetings held on 16 September, 26 October and 11 November, 2010.

(The minutes for 16 September and 26 October meetings were circulated with the main agenda, the minutes for 11 November are attached).

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## EMPLOYMENT AND APPOINTMENTS COMMITTEE

Thursday, 11 November 2010

Present:

Councillor A Bridson (Chair)

Councillors S Foulkes  
JE Green  
P Davies

M Johnston  
L Rennie

Deputies

Councillors G Watt (in place of P Kearney)  
AER Jones (in place of M McLaughlin)

### 39 MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members of the Committee were requested to declare whether they had an interest, either personal or prejudicial, in any item on the agenda and, if so, to declare it and state the nature of such interest.

No such declarations were made.

### 40 HR POLICY CHANGES

The Director of Law, HR and Asset Management submitted a report on proposed changes to the Council's human resources policies.

The Interim Chief Executive introduced the report setting the context for the proposed policy changes. There were a number of challenges that had implications for Council staff and the manner in which services were delivered in the future. Next year's budget shortfall would be approximately £33m, over the next four years the current budget gap would be around £106 million. The recent invitations for applications for EVR and/or severance had elicited a large number of responses and it was the Council's intention to allow as many as possible to leave under the existing terms and conditions.

In his report the Director of Law, HR and Asset Management stated that it was important that the shape and structure of the Council was appropriate for the effective and efficient delivery of services and responsive to the needs of local communities. The challenges outlined by the Interim Chief Executive necessitated adjustments to the Council's policies to ensure that it was equipped to deliver workforce change speedily and fairly in the future.

The report and appendices gave details of proposed changes to the following policies:

- The Fixed Term Contracts Policy and Guidance
- The Restructuring Policy
- The Redundancy and Redeployment Policy
- The Transitional Pay Policy

- The proposed changes to the current discretion on severance
- Amendment to the current policy on discretionary severance payments

A four week consultation period with the Trade Unions was held between 20 September and 19 October 2010, during which time a number of meetings were held. A summary of issues raised and the Director's response was included within the report.

Letters from Unite and UNISON had been circulated to the Committee and were considered.

With the permission of the Chair both Joe Taylor, Branch Secretary of UNISON and Alan Calveley, Branch Secretary of Unite, addressed the meeting and spoke of the lack of time for any meaningful consultation to have taken place. The Council's workforce had always been willing to work with change and face the challenges brought about by financial constraints on the Council but these proposed policy changes would be a disaster for the Council and the workforce.

The Head of Human Resources and Organisational Development responded to the comments made and referred to the eight meetings which had been held with the Trade Unions. She also made reference to the Pensions Regulations and that the proposed policies were workable, affordable and would be kept under review. She emphasised that the policies were not contractual entitlements for employees but were statements of how the Council intended to treat its employees in relation to those subject areas and would always be kept under review by the Council in the light of changing circumstances.

The Leader of the Labour Group remarked upon the lack of any evidence within the report for what policies were in place in any comparator authorities and that there had been no chance for meaningful negotiation with the Trade Unions. He suggested that if these proposed policies were introduced it would mean that people would be less likely to go voluntarily in the future and more likely that there could be compulsory redundancies, something that the authority had always managed to avoid previously.

The Head of HR and Organisational Development responded to further comments from Members and also explained the proposed policies on fixed term contracts.

Councillors P Davies and A Jones also voiced their strong concerns at the proposed changes in policies particularly at a time when the workforce was already demoralised due to the forthcoming cuts in budgets and the reductions in staffing.

The Leader of the Council commented that the recommendations in the report did refer to the fact that the Council remained open for continued dialogue with the Trade Unions and also left open the opportunity for the Trade Unions to come forward with alternative proposals.

With the permission of the Chair, Joe Taylor, Branch Secretary of Unison, was given a further opportunity to make representations to the Committee.

It was moved by Councillor Foulkes and seconded by Councillor P Davies that –

“(1) This Committee is concerned that these proposals in effect create a two tier system in which those elected to go now are rewarded with a higher payment than those who may choose to go in the future, or who may be required to leave in the future as a result of changes in the way services are delivered and that this two tier system will cause considerable resentment in the work force at a time when the Council will need all the goodwill it can get in order to keep quality services running.

This Committee therefore asks that any decisions should be deferred until a full consultation has taken place with the unions and the administration has a clear idea of the restructurings that will be required and can match those restructurings to the necessary staffing.”

and, subject to (1) above being carried Councillor Foulkes proposed (2) and (3) as follows:

“(2) In response to the feedback received the Council remains open to continued dialogue with the Trade Unions and would welcome any further opportunity to discuss the content of the policies should specific proposals be tabled.

(3) This Committee requests the Head of Human Resources and Organisational Development to draft a Partnership Agreement for discussion with the Trade Unions to ensure that effective engagement continues on a range of issues affecting the Council and employees in the future.”

At 6.35pm, the Chair agreed to adjourn the Committee for 5 minutes so that Members had an opportunity to consider the wording of Councillor Foulkes’ motion which was then circulated.

The Committee reconvened at 6.40pm. Councillor Foulkes sought clarification on the recording of individual votes by Members. The motion was then put to the vote and it was lost (3:5) (Councillors P Davies, Foulkes and A Jones requested that their votes for the motion be recorded in the minutes).

Recommendations (1), (2) and (3) within the report were then moved in turn by Councillor Green, seconded in turn by Councillor Rennie, with each part being voted upon separately, it was -

**Resolved –**

**(1) (5:3) That this Committee approves the updated HR Policies listed below and detailed in the appendices to the report:**

- 1. The Fixed Term Policy and Guidance**
- 2. The Restructuring Policy**
- 3. The Redundancy and Redeployment Policy**
- 4. The Transitional Pay policy**
- 5. The proposed changes to the current discretion on severance**
- 6. Amendment to the current policy on discretionary severance payments**

**(2) (5:3) That in response to the feedback received the Council remains open to continued dialogue with the Trade Unions and would welcome any further**

**opportunity to discuss the content of the policies should specific proposals be tabled.**

**(3) (5:3) That this Committee requests the Head of Human Resources and Organisational Development to draft a Partnership Agreement for discussion with the Trade Unions to ensure that effective engagement continues on a range of issues affecting the Council and employees in the future.**