



Employment and Appointments Committee

Date:	Monday, 30 January 2012
Time:	6.15 pm
Venue:	Committee Room 2 - Wallasey Town Hall

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AGENDA

1. MEMBERS' CODE OF CONDUCT - DECLARATIONS OF INTEREST

Members are asked to consider whether they have personal or prejudicial interests in connection with any item(s) on this agenda and, if so, to declare them and state what they are.

2. MINUTES (Pages 1 - 4)

To receive the minutes of the meeting held on 22 November, 2011.

3. MANAGING ATTENDANCE (Pages 5 - 10)

4. UPDATE ON MANAGING WORKFORCE CHANGE AND REDEPLOYMENT (Pages 11 - 16)

5. CYCLE TO WORK SCHEME (Pages 17 - 22)

6. SENIOR MANAGEMENT RECRUITMENT

Report to follow.

7. SENIOR MANAGER - CONTRACT PROCUREMENT

Report to follow.

8. SENIOR MANAGEMENT CHANGES

Report to follow.

9. APPEALS SUB-COMMITTEE MINUTES (Pages 23 - 28)

The minutes of the Appeals Sub-Committee meetings held on 10 and 29 November and 20 December, 2011 are submitted for information.

10. ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR (PART 1)

11. EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC

The public may be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information.

RECOMMENDED –

That in accordance with section 100A (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following items of business, on the grounds that they involve the likely disclosure of exempt information as defined by the relevant paragraphs of Part 1 of Schedule 12A to that Act. The public interest test has been applied and favours exclusion.

12. EXEMPT APPENDIX - MANAGING WORKFORCE CHANGE AND REDEPLOYMENT (Pages 29 - 30)

Appendix 2 to agenda item 4, exempt by virtue of paragraph 1.

13. EXEMPT APPENDIX - SENIOR MANAGER - CONTRACT PROCUREMENT

Appendix to agenda item 7, exempt by virtue of paragraph 1.
(To follow)

14. EXEMPT APPENDICES - SENIOR MANAGEMENT CHANGES

Appendices to agenda item 8, exempt by virtue of paragraph 1.
(To be tabled)

15. ALLEGATIONS AGAINST EMPLOYEES (Pages 31 - 32)

Exempt by virtue of paragraph 1.

16. ANY OTHER URGENT BUSINESS APPROVED BY THE CHAIR (PART 2)

EMPLOYMENT AND APPOINTMENTS COMMITTEE

Tuesday, 22 November 2011

Present:

Councillor AER Jones (Chair)

Councillors	G Davies	P Hayes
	P Davies	M Johnston
	S Foulkes	P Kearney
	JE Green	L Rennie

42 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.

Councillor Foulkes declared a personal interest in the item, 'Appeals Sub-Committee Minutes', by virtue of a personal family interest (see minute 49 post).

43 MINUTES

The Committee was requested to receive the minutes of the meetings held on 29 September and 13 October, 2011.

In respect of minute 36 (29/9/11) (Interim Management Arrangements), Councillor Green asked for an update on the progress of recruitment to the various posts the Committee had agreed to establish and on the establishment of a Policy Unit.

The Head of HR and Organisational Development, in response, informed the Committee that the creation of a dedicated Policy Unit was now under discussion by the Corporate Governance Committee. In respect of external recruitment, the procurement process for consultants was now drawing to a close. A timetable would be drawn up to enable the commencement of the recruitment process.

Resolved – That the minutes of the meetings held on 29 September and 13 October, 2011, be approved.

44 DELIVERING THE INVESTMENT STRATEGY

The Acting Director of Regeneration, Housing and Planning submitted a report on the proposed changes to the establishment of the Investment Strategy Team in the Regeneration, Housing and Planning Department; consequent on the decision of Cabinet on 21 July, 2011 (minute 78 refers) to endorse a refreshed Investment Strategy. The delivery of the Investment Strategy was essential to the economic future of the borough and the purpose of this re-structure was to ensure that the key investment projects were managed in the most effective way possible.

The proposed establishment changes were as follows:

- Transfer of the Strategic Policy Manager from the Economic Policy Team to the Investment Strategy Team to become the Strategic Investment and Partnerships Manager at a grade of EPO8.
- Re-grading of the Investment Strategy Manager post from EP08 to EPO10.

The full year financial implications, including salary on-costs, of these recommendations would result in net additional costs of £12,365.28 to be met from existing resources.

Responding to comments from Members, the Acting Director elaborated on the role of the Strategic Investment and Partnerships Manager. The Head of HR and OD clarified the recruitment process for the currently vacant post of Economics Project Manager.

Resolved – That the changes to the establishment of the Investment Strategy Team detailed in the report be approved.

45 **MANAGING ATTENDANCE**

The Director of Law, HR and Asset Management submitted a report updating the Committee on the current attendance management position.

A breakdown of sickness absence figures for quarters 1 and 2 and comparative data for 2008/9, 2009/10 and 2010/11, by quarter and by full year, was shown in appendix 1 to the report. Sickness levels for quarter 2 (1.81 days) showed an improvement against previous years (2.16, 2.11 and 2.49). Should this be sustained throughout the year, the projected figure at the end of year would represent a significant improvement on the previous three years.

The report also contained benchmarking data from other sectors given in the Chartered Institute of Personnel and Development's Annual Survey Report 2011; progress on the implementation of the Fit4Wirral action plan and details on the flu vaccination programme.

Members commented upon the need to look at best practice in other authorities and to have comparator data from other metropolitan authorities. The Head of HR and OD responded that comparator data was provided to the Committee as and when it became available and lessons were learnt from other local authorities, one consistent point being to always apply the Council's attendance management policy.

Resolved – That the content of the report and the current sickness absence data be noted.

46 **WORKFORCE MONITORING 2011**

The Director of Law, HR and Asset Management submitted a report which gave a summary of the monitoring and analysis of the Council's workforce for quarters 1 and 2, 2011/12 (1 April 2011 to 30 September 2011) and the proposed outcomes and actions to be taken as a result. Appendices to the report fulfilled the Council's specific employment duties in relation to employment for race, gender and disability.

The Head of HR and OD highlighted the fact that, taking account of the numbers of employees who had left through last year's EVR/VS exercise, the overall workforce number had decreased by 1127 employees (19%) compared with 2010/11. She also confirmed that benchmarking data was available for other authorities and this could be provided for the Committee.

Resolved – That the report be noted.

47 UPDATE ON MANAGING WORKFORCE CHANGE AND REDEPLOYMENT

The Director of Law, HR and Asset Management, submitted a report providing an update on the management of workforce change and outlined progress on the successful redeployment of employees throughout the Council.

There were currently 14 people on the redeployment register.

The Leader of the Council suggested that a further report should include some more information on the issues surrounding those redeployees who had been on the register for some time.

Resolved – That the report be noted.

48 EMPLOYMENT AND APPOINTMENTS SUB-COMMITTEE MINUTES

The minutes of the Employment and Appointments Sub-Committee meetings held on 19 September, 10, 25 and 26 October, 2011 were submitted for information.

The Head of HR and OD informed the Committee that the new Director of Adult Social Services would be taking up his post on 1 January, 2012.

Resolved – That the minutes be noted.

49 APPEALS SUB-COMMITTEE MINUTES

The minutes of the Appeals Sub-Committee meetings held on 6 September and 5 October, 2011 were submitted for information.

Resolved – That the minutes be noted.

50 EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC

Resolved - That, under section 100 (A) (4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following item of business on the grounds that it involves the likely disclosure of exempt information as defined by paragraph 1 of Part I of Schedule 12A (as amended) to that Act. The public interest test has been applied and favours exclusion.

51 ALLEGATIONS AGAINST EMPLOYEES

The Director of Law, HR and Asset Management provided details of an allegation of serious or gross misconduct made against an employee and advised of the action taken.

The Head of HR and OD agreed to bring a report back to the Committee on the appeals procedure which would incorporate information on the situation in other authorities and the departmental responses to the recommendations made by the Appeals Sub-Committee consequent upon the hearing of individual appeals.

Resolved – That the report be noted.

WIRRAL COUNCIL

EMPLOYMENT AND APPOINTMENTS COMMITTEE

30 JANUARY 2012

SUBJECT:	MANAGING ATTENDANCE
WARD/S AFFECTED:	ALL
REPORT OF:	DIRECTOR OF LAW, HR AND ASSET MANAGEMENT
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR ADRIAN JONES
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

1.1 The purpose of the report is to update The Employment and Appointments Committee on the current position around attendance management.

2.0 RECOMMENDATION/S

2.1 That members note the content of the report and current sickness absence data.

3.0 REASON/S FOR RECOMMENDATION/S

3.1 To ensure members are aware of current sickness absence data and of developments in the management of attendance at work.

4.0 BACKGROUND AND KEY ISSUES

4.1 Analysis of Performance

A breakdown of sickness absence figures for quarter three and comparative data for 2008/9, 2009/10 and 2010/11, by quarter and by full year, is shown at Appendix One.

Sickness levels for quarter three (2.42 days) shows an improvement against previous years (2.85, 2.97 and 3.40).

The projected figures for 2011/12 have been calculated at 8.72 against a target for the year of 9.80 days.

4.2 Improving Performance

- 4.2.1 We have reported to previous committees the improvements already put in place to address attendance levels across the authority. As this month's figures demonstrate, these initiatives are continuing to show some improvement in levels of attendance. These will be further supported this quarter through a detailed work plan to address key areas across the Council where stress is identified as an issue.
- 4.2.2 The Employment and Appointments Committee in November 2011 asked if the Council could learn from the best performers from other Local Authorities and organisation's in other sectors whose absence data shows lower levels of absence. This is being progressed and a report will be brought to a future Committee.

4.3 Employee Health and Well Being

Work continues to implement the Fit4Wirral Action Plan, working alongside the Director of Public Health. This quarter focuses on the theme 'New Year New You'. Activities will include:-

- An employee roadshow delivered jointly with Wirral Community Health NHS Trust's Health Promotion Team taking key health and well being messages and support to employees across the borough.
- A work plan to address key areas across the Council where stress is identified as an issue.
- A new Fit4Wirral website, a central point for all health and well being information, advice and support for employees.
- The development of Fit4Wirral Champions who will inspire, motivate and raise the profile of health and well being across the Council.
- The Flu vaccination programme is continuing until the end of January 2012 with the Council providing seasonal flu vaccinations to key groups of staff aimed at front line employees and those caring for vulnerable people to help ensure continuity of services throughout the winter. Vaccinations are being delivered through mobile units and our Occupational Health Unit in Birkenhead.

5.0 RELEVANT RISKS

- 5.1 Failure to pro-actively manage sickness absence through early intervention, improved management information and health and well being initiatives could leave the Council open to legal challenge and increased costs.

6.0 OTHER OPTIONS CONSIDERED

- 6.1 None

7.0 CONSULTATION

7.1 Consultation with the Trade Unions has taken place regarding the revised Attendance Management Policy.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

8.1 There are no specific implications arising out of this report.

9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

9.1 There are no specific implications arising out of this report.

10.0 LEGAL IMPLICATIONS

10.1 There are no specific implications arising out of this report.

11.0 EQUALITIES IMPLICATIONS

11.1 There are no specific implications arising out of this report.

11.2 Equality Impact Assessment (EIA)

(a) Is an EIA required? No

(b) If 'yes', has one been completed?

12.0 CARBON REDUCTION IMPLICATIONS

12.1 There are no implications arising out of this report.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 There are no planning and community safety implications arising out of this report.

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APPENDICES

Appendix One: BVPI Absence figures by Quarter for Departments

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
A Managing Attendance Report is submitted to The Employment and Appointments Committee quarterly	
The Employment and Appointments Committee	22 November 2011

Absence figures by Quarter for Departments based on BVPI formula (16 Jan 2012)																						
Days Lost per FTE	2006-07	2007-08	2008-09					2009-10					2010-11					2011-12				
Department	Year	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Adult Social Services	18.23	16.73	5.38	5.51	6.64	5.67	23.21	4.87	4.57	5.57	4.94	19.95	4.36	4.89	5.29	5.34	19.88	2.73	3.11	4.25		14.04
Children and Young People	8.72	10.61	2.95	2.37	3.18	2.97	11.47	2.58	2.10	3.12	2.74	10.53	2.60	2.03	2.97	2.84	10.44	2.59	2.08	2.48		9.45
Finance	9.31	9.95	2.41	2.94	3.87	3.34	12.55	2.78	3.13	4.09	4.14	14.14	2.93	2.98	3.13	2.68	11.72	1.73	2.08	2.51		8.65
Law, HR & Asset Management	N/A	N/A	1.80	2.52	2.67	2.42	9.41	1.93	1.64	2.11	2.34	8.02	2.33	2.03	1.75	1.52	7.64	1.14	2.51	2.81		9.06
Regen, Housing & Planning	5.82	7.28	1.67	1.65	3.03	2.21	8.56	1.46	1.64	2.05	1.51	6.66	1.53	1.32	2.32	1.62	6.80	1.88	1.60	2.59		8.48
Technical Services	8.41	9.10	2.87	3.73	3.96	3.65	14.21	3.10	3.09	3.17	3.58	12.94	3.00	3.27	3.46	2.90	12.03	2.47	3.31	3.28		12.12
Teachers	6.33	5.43	1.88	1.04	2.49	2.31	7.72	1.43	0.68	1.73	1.68	5.52	1.58	0.79	1.88	1.97	6.22	1.48	0.73	1.51		5.12
Managed Schools	7.52	9.95	2.10	2.10	2.10	2.10	8.39	2.13	2.13	2.13	2.13	8.54	2.53	2.53	2.53	2.53	10.12	2.52	2.52	2.52		9.91
Total	9.21	9.79	2.76	2.49	3.40	3.08	11.74	2.49	2.11	2.97	2.79	10.35	2.52	2.16	2.85	2.70	10.22	2.15	1.91	2.42		8.72
Actuals at scheduled time	9.21	9.79					10.10					8.80					10.22					
Target	9.40	8.90					8.50					10.00					9.80					9.80

Notes

2008-09 onwards recalculated based on Organisation Structure at August 2011

Targets are based on calculation at scheduled time, not the higher figure including late returns.

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WIRRAL COUNCIL

EMPLOYMENT AND APPOINTMENTS COMMITTEE

30 JANUARY 2012

SUBJECT:	UPDATE ON MANAGING WORKFORCE CHANGE AND REDEPLOYMENT
WARD/S AFFECTED:	ALL
REPORT OF:	DIRECTOR OF LAW, HR AND ASSET MANAGEMENT
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR ADRIAN JONES
KEY DECISION?	NO

1.0 EXECUTIVE SUMMARY

- 1.1 This report provides an update for Members in relation to the on-going management of workforce change, and outlines progress to date on the successful redeployment of employees throughout the Council.

2.0 RECOMMENDATION/S

- 2.1 That the report be noted.

3.0 REASON/S FOR RECOMMENDATION/S

- 3.1 The report is for update purposes only therefore no decisions are required.

4.0 BACKGROUND AND KEY ISSUES

- 4.1 Wirral Council's redeployment policy was first implemented in 2008, and the redeployment register was introduced to support employees who may necessitate redeployment as a result of organisational change, the end of their fixed term contract or the employee's need for alternative employment as a result of a disability. Wirral Council is committed to ensuring the effective redeployment/resolution of employees placed on the redeployment register. This report updates Members on the steps taken to redeploy or find other resolutions for those employees currently on the redeployment register.
- 4.2 To ensure effective resolution or redeployment of employees placed on the register, the HR Team liaises with Managers across Departments and service areas to ensure employees are supported and managed through effective redeployment processes as defined in the Council's employment policies.
- 4.3 The HR Team match employees against vacancies which have been approved for release, and arrange for employees to attend priority interviews and undertake trial periods in new posts in order to secure alternative employment.
- 4.4 A 3 month development programme has been developed to support employees whilst they are on the Redeployment Register. All individuals when they are

placed on the Redeployment Register have a one to one meeting with a Human Resources Officer to discuss their development needs.

- 4.5 There are currently 13 employees on the redeployment register. Since the Employment and Appointments Committee in November, 2011, when there were 14 people on the register, 10 employees have been resolved as follows:

- 6 – Redeployed / New post
- 1 – Contract extended
- 1 – Contracts ended
- 1 – Resigned
- 1 – Other reason

- 4.6 At the Employment and Appointments Committee in November, 2011, Members requested that a further report should include more information on the issues surrounding those redeployees who had been on the register for some time. This information is detailed in Appendix 2, shown as an exempt item.

5.0 RELEVANT RISKS

- 5.1 There are no relevant risks.

6.0 OTHER OPTIONS CONSIDERED

- 6.1 None

7.0 CONSULTATION

- 7.1 No consultation took place in relation to this report.

8.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

- 8.1 There are no implications for voluntary, community and faith groups.

9.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

- 9.1 The Council has achieved major efficiency savings through a supportive redeployment framework, together with the consideration of and application of EVR/VS where appropriate.

10.0 LEGAL IMPLICATIONS

- 10.1 There are no legal implications.

11.0 EQUALITIES IMPLICATIONS

- 11.1 Equality Impact Assessments were conducted on all revised workforce change policies and the impact on employees redeployed.

12.0 CARBON REDUCTION IMPLICATIONS

- 12.1 There are no carbon reduction implications.

13.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 There are no planning or community safety implications.

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APPENDICES

Appendix 1 - Corporate Redeployment Register Update.

EXEMPT Appendix 2 – Information on redeployees on the Redeployment register

REFERENCE MATERIAL

No reference material included.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Employment and Appointments Committee	This report is a regular Committee item and is reported frequently to Employments and Appointments Committee.

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Employment and Appointments Committee – 30 January 2012

Corporate Redeployment Register Update – 8 November 2011 to 13 January 2012

1. Number of employees on corporate redeployment register by department:

Categories are: Organisational Change –OC, Disability – DDA and Fixed Term - FT

Department	8/11/11	13/1/12	DATE – sub totals by category			Months on Register					
			OC	DDA	FT	18+	12 to 17	7 to 11	4 to 6	2 to 3	Less than 2
Regeneration, Housing and Planning	1	1	0	0	1	0	0	1	0	0	0
CYPD	9	5	3	0	2	0	0	0	2	2	1
DASS	2	3	0	1	2	0	0	0	0	1	2
Finance	0	0	0	0	0	0	0	0	0	0	0
Law, HR and Asset Management	2	4	1	0	3	1	0	0	0	0	3
Technical Services	0	0	0	0	0	0	0	0	0	0	0
Total	14	13	4	1	8	1	0	1	2	3	6
			Total = 13								

The above are employees who have not yet secured an alternative permanent position

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WIRRAL COUNCIL

EMPLOYMENT AND APPOINTMENTS COMMITTEE

30 JANUARY 2012

SUBJECT:	CYCLE TO WORK SCHEME
WARD/S AFFECTED:	ALL
REPORT OF:	DIRECTOR OF FINANCE
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR ADRIAN JONES
KEY DECISION?	YES

1.0. EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to seek approval to replace the current Cycle to Work Salary Sacrifice Scheme with a simplified Cycle Loan.
- 1.2 The salary sacrifice scheme has operated successfully in Wirral since 2008. 464 employees have used the scheme to lease bicycles intended for use for travel to and from work. This nature of the scheme means the Council makes savings on employers' National Insurance contributions. However this has only been £21,120 over the three years of operation.
- 1.3 A ruling of the Court of Justice of the European Union (CJEU) regarding how VAT should be treated has made the administration of the scheme unwieldy. The ruling also makes the scheme less attractive to employees as they will become liable for VAT on the purchase price of the cycle.
- 1.4 It is proposed to replace the scheme with a more easily managed interest free loan which is cheaper to administer and affords staff the same opportunity to acquire cycles thereby continuing to support the positive health and environmental aspects of the scheme.

2.0 RECOMMENDATION

- 2.1. That the Salary Sacrifice 'Cycle to Work' scheme is ceased and replaced with an interest free Cycle Loan.

3.0. REASONS FOR RECOMMENDATION

- 3.1 The salary sacrifice scheme will be more expensive for the Council to administer from January 2012 when the implementation of a CJEU ruling changes the VAT implications. It will also be more expensive for employees as they will become liable for the VAT.
- 3.2 The scheme has proved effective with 464 people taking advantage of it. It is not clear how many of these cycles are actually used for travel to work as no arrangements currently exist to monitor this.

- 3.3 In order to maintain the positive health and environmental aspects of the scheme it is proposed to replace it with an alternative which is less costly for the Council to administer and more attractive to employees.
- 3.4 The Council already offers interest free 'Green Loans' which can be used to purchase cycles and travel passes. Approximately 100 employees are taking advantage of this.

4.0 **BACKGROUND AND KEY ISSUES**

- 4.1 The current Salary Sacrifice Scheme has been in operation since 2008. 464 employees have used it to purchase cycles from a contracted provider with a total value of £272,720. Employees lease back the cycles from the Council over an agreed period, excluding VAT which the Council is able to recover from HMRC. The lease payment is made by the employee as a 'salary sacrifice' and so the Council benefits from reduced National Insurance contributions. At the end of the lease period the employee may purchase the cycle at its current market value.
- 4.2 The 'salary sacrifice' arrangement is only valid if the cycle is mainly used for business purposes. This presents a tax compliance risk to the Authority as the failure to demonstrate this could result in HMRC penalties being imposed.
- 4.3 Guidance issued by HMRC in December 2009 changed the way the Council had to account for these leases as it set out a depreciation matrix that significantly increased the end of lease market value, disadvantaging employees.
- 4.4 A further change in legislation follows the CJEU ruling regarding Astra Zeneca. The impact of this ruling is that the lease arrangement will be subject to VAT based on the original purchase value rather than the current VAT free amount. The Council has to comply with this new ruling from January 2012. The implications are:-
- (a) The employee is worse off by the VAT included in the purchase price.
 - (b) The payroll system would have to be amended to be able to identify the VAT element of the salary sacrifices.
 - (c) There would need to be increased monitoring of cycle usage
 - (d) There would need to be additional tax reconciliation
- 4.5 In conclusion these legislative changes have made the scheme less attractive to the Council and the employees. An alternative arrangement should be devised that still encourages people to cycle to work.

PROPOSED POLICY

4.6 A working group comprising officers from Tax Compliance, Finance Administration, Sustainable Transport, and Human Resources met in August 2011 to review the implications of the changes in legislation and devise an alternative offer. The options discussed were:-

- (a) Maintain the current scheme
- (b) Cease offering any support for cycle purchases
- (c) Introduce an interest free Cycle Loan scheme
- (d) Introduce a Cycle Loan scheme with interest

4.7 Summary Options Appraisal

- a) Maintaining the current Salary Sacrifice Scheme is unlikely to attract new applicants as the financial benefits to employees have been reduced. This will also be costly to administer requiring additional resources in Finance. Failure to monitor proper usage exposes the Council to HMRC scrutiny and risk of penalty. Any such penalty would impact on the current 'low risk' status and attract HMRC investigation.
- b) Ceasing offering any support for cycle usage will not cost the Council. However the health and environmental benefits will be lost. Making interest free cycle loans available to staff, and promoting them, contributes to several policies including Wirral CRed, Wirral Carbon Reduction Plan, Wirral Council Travel Plan and the Merseyside Local Transport Plan.
- c) An interest free Cycle Loan is likely to attract new applicants and so will have positive health and environmental implications. The cost to the Council would be in administration and cash flow.
- d) A Cycle Loan scheme that charges reasonable interest, similar to that charged for people using the Assisted Car Purchase Scheme would be beneficial as above, but will avoid the cash flow costs. Given the current low interest rates this is not considered to be significant. It should also be noted that several local cycle shops offer interest free finance.

4.8 The Proposal

- a) It is proposed that the most beneficial option is to offer an interest free loan to employees for the purchase of a cycle. The loan period will be for 12 months.
- b) It is also proposed that a maximum loan amount is set at £1,500. Employees will be able to supplement their loan with any amount they so choose; an option that is not currently available.
- c) Loans could be used to purchase a combination of cycle and travel pass which could serve to reduce car usage in adverse weather conditions. This facility is already available and saves people about 16% on the cost of public transport. Promoting the scheme is likely to increase take-up.

4.9 The advantages of this proposal include:-

- (a) Continued promotion of healthy lifestyles and employee well being
- (b) Cycle purchases can be made from any provider
- (c) Employees own the cycle at the outset
- (d) Significantly reduced administration and monitoring
- (e) Outside the scope of VAT
- (f) Reduced risk of HMRC penalty

5.0. **RELEVANT RISKS**

- 5.1 Changing the current scheme to the one proposed reduces the risk of non compliance with CJEU ruling and reduces the risk of HMRC penalties.
- 5.2 All loans present a risk of non payment. This would be minimised by the repayments being deducted from salary. Setting a maximum limit will serve to deter people taking on unmanageable debt.

6.0. **OTHER OPTIONS CONSIDERED**

- 6.1 All options considered are contained within this report.

7.0. **CONSULTATION**

- 7.1 There has been some consultation with users of the current scheme. Once the impact of the CJEU ruling has been explained this alternative Cycle Loan Scheme is considered more attractive, particularly as the cycle belongs to the employee at the outset.

8.0. **IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

- 8.1 There are no direct implications.

9.0. **RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

- 9.1 This proposal reduces risk to the Council. The Council will lose the benefit of reduced Employers National Insurance contributions (£21,120 over 3 years). However this saving would be lost in any case as the administration cost of sustaining the salary sacrifice scheme would probably be more than the current saving.
- 9.2 This could be recovered by charging interest on cycle loans at 5% per annum.
- 9.3 Maintaining the current Cycle to Work Scheme will require additional resources to properly administer. The administration of the Cycle Loan Scheme can be accommodated within the Finance Administration Team.

10.0. **LEGAL IMPLICATIONS**

- 10.1 The Cycle Loan will be subject to a loan agreement between the Council and the employee.

11.0. EQUALITIES IMPLICATIONS

11.1 All permanent staff will be eligible to apply for a Cycle Loan. Previous restrictions on low paid staff would no longer apply. Setting a limit on the amount of the loan will serve to avoid financial hardship for some people on lower incomes.

12.0. CARBON REDUCTION IMPLICATIONS

12.1 There will be positive implications arising from increased cycle ownership and use for travel to and from work. These include reduced use of fossil fuels, vehicle emissions, congestion and pollution. If these can be calculated they will contribute to the carbon reduction target.

13.0. PLANNING AND COMMUNITY SAFETY IMPLICATIONS

13.1 People using cycles on busy roads may be exposed to more risk than people in their cars or using public transport. The Scheme will allow for people to include personal safety equipment, such as helmets, in the loan amount.

FNCE/14/12

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APPENDICES

None

REFERENCE MATERIAL

SUBJECT HISTORY (last 3 years)

Council Meeting	
None	

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APPEALS SUB-COMMITTEE

Thursday, 10 November 2011

Present: Councillors S Clarke D Mitchell
AER Jones

19 **APPOINTMENT OF CHAIR**

On a motion by Councillor Clarke, seconded by Councillor Jones, it was –

Resolved – That Councillor D Mitchell take the Chair for this meeting.

20 **EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC**

Resolved - That, under section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following item of business on the grounds that it involves the likely disclosure of exempt information as defined by paragraph 1 of Part I of Schedule 12A (as amended) to that Act. The public interest test has been applied and favours exclusion.

21 **DISMISSAL APPEAL**

The Sub-Committee convened to consider the appeal by an employee in the Adult Social Services Department against the decision of the Head of Service Provision to dismiss him from his current post. The appellant was represented by Mr Burroughs of Unite Union.

Resolved (2:1) (Councillor Jones voting against) - That, having considered carefully all the evidence, the Appeals Sub-Committee upholds the decision of the Head of Service Provision to dismiss the appellant from his post for serious misconduct.

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APPEALS SUB-COMMITTEE

Tuesday, 29 November 2011

Present: Councillors A Hodson J Stapleton
D Mitchell

22 APPOINTMENT OF CHAIR

On a motion by Councillor Stapleton, seconded by Councillor Hodson, it was –

Resolved – That Councillor D Mitchell take the Chair for this meeting.

23 EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC

Resolved - That, under section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following item of business on the grounds that it involves the likely disclosure of exempt information as defined by paragraph 1 of Part I of Schedule 12A (as amended) to that Act.

24 DISMISSAL APPEAL

The Sub-Committee convened to consider the appeal by an employee in the Adult Social Services Department against the decision of the Head of Personal Support to dismiss her from her current post. The appellant was represented by Ms Hall of UNISON.

Resolved - That, having considered carefully all the evidence, the Appeals Sub-Committee upholds the appeal and the appellant be reinstated in her post with effect from 11 October, 2011.

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APPEALS SUB-COMMITTEE

Tuesday, 20 December 2011

Present: Councillor AER Jones (Chair)

Councillors J Hale
M Johnston

25 EXEMPT INFORMATION - EXCLUSION OF MEMBERS OF THE PUBLIC

Resolved - That, under section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the following item of business on the grounds that it involves the likely disclosure of exempt information as defined by paragraph 1 of Part I of Schedule 12A (as amended) to that Act. The public interest test has been applied and favours exclusion.

26 DISMISSAL APPEAL

Further to minute 15 (6/9/11) the Sub-Committee reconvened to consider the appeal by an employee in the Technical Services Department against the decision of the Director to dismiss him from his current post.

Resolved (2:1) (Councillor Jones voting against) - That, having considered carefully all the evidence, the Appeals Sub-Committee disallows the appeal and upholds the decision of the Director of Technical Services to dismiss the appellant from his post.

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By virtue of paragraph(s) 1 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Agenda Item 12

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