

**Minutes of a meeting of the Employment Committee
held at the Town Hall, Peterborough on 31 March 2011**

Members Present: Councillors Fitzgerald, Seaton, Swift, Sandford and Walsh

Officers Present: Mike Kealey, Acting Head of HR
Gemma George, Senior Governance Officer
Karen Dunleavy, Governance Officer

Appointment of Chairman

RESOLVED: to appoint Councillor Fitzgerald as Chairman to the Committee for the duration of the meeting.

1. Apologies for Absence

Apologies were received from Councillor Cereste, Councillor Lamb, and Councillor Holdich.

2. Declarations of Interest

There were no declarations of interest.

3. Minutes of the Meeting held on 20 January 2011

The minutes of the meeting were approved as a true and accurate record.

4. Changes to Employee Terms and Conditions and Implementation of Employment Policies

The Committee received a report and presentation from the Acting Head of Human Resources outlining the introduction of parking charges, appeals process for employees identified as non Key Users and changes to the mileage claim rates for employees.

The report sought the agreement of the Committee to implement the changes to the employee terms and conditions, employment policies and guidance appended to the report, those being:

- 1) To implement the changes to the terms and conditions of employment relating to:
 - i) the implementation of a parking charge for staff;
 - ii) the removal of the essential car user allowance;
 - iii) changing the business mileage rate that can be claimed; and
 - iv) the removal of the salary subsidy childcare voucher scheme
- 2) To agree to the implementation of the following Employment Policies:
 - i) Travel and Subsistence Policy (attached at Appendix A);
 - ii) Car Parking Permit Salary Sacrifice Scheme (attached at Appendix B);
and
 - iii) Key User Status Guidance (attached at Appendix C)

Members were advised that the car parking policy brought together the practical arrangements around implementing the parking charges for employees.

Members were advised that from 1st April 2011, employees would be charged to park in the Council car parks in line with the arrangements outlined in Appendix A of the committee report on page 14, in rate table number 1. All charges would be set by linking actual amounts to be paid using a salary banding scheme. The actual amounts would range from the highest earners on £81,000, paying £835.08, to the lowest earners on £0-12,900, paying £210 per annum. A measure which had been developed to help employees with the costs would introduce a salary sacrifice arrangement in line with HRMC guidance. Under the salary sacrifice rules, although employees would pay the full gross amount, the HMRC rule allowed for a tax break, which would cost employees less in their net pay in the long run.

Consideration had been given for those employees working part time and the costs had been set at a pro-rata basis in conjunction with salary banding, which were detailed in Appendix A, on page 14 of the committee report, rate table 1.

Members were advised that there would be an occasional user's season ticket scheme introduced to help employees that did not wish to drive their car and this would also encourage employees to cycle or walk to work. This supported the Council's environmental objectives. The season parking tickets would be available to employees and would cost £2.30 per day.

Members were advised that the report, which had been circulated prior to the announcement of the HMRC change, detailed that the business mileage rates had been standardised at 40p as part of the cost saving measures. Members were informed that the rate was to change to 45p in line the new HMRC rate.

Members were advised that to encourage the environmental aspects, cycles and motorcycles would continue to be allowed to park for free.

The Travel and Subsistence policy was to introduce of the removal of the essential car allowance for employees. In order to support the removal it was recognised that some employees did need to use their cars for work purposes. Whilst introducing the parking scheme and the reduction of the mileage allowance that could be claimed, it would be necessary to introduce free parking to employees that had been identified as key users, where it was critical that they used their car for work purposes.

The key users criteria detailed on page 19 of Appendix B to the committee report had been developed in conjunction with the Union to identify employees that fell into the key user's status, such as Social Workers. Employees that received an essential car allowance payment would qualify for a free parking pass. Although a third of users were still under consideration.

Members were advised that page 11 of the Travel and Subsistence policy provided further information on how the salary sacrifice scheme worked in relation to parking charges. Employees could choose whether to pay under the salary sacrifice scheme or pay the full gross rate.

The Acting Head of Human Resources addressed the Committee and stated that throughout the process, communications with the Trade Unions had been positive with regards to how to take forward the changes to terms and conditions. As a consequence of the changes, many jobs would be saved.

Members commented that the work carried out by the Trade Unions and Council employees throughout the consultation with regards to moving forward the proposals in order to identify savings and save jobs, was to be commended.

In a response to a query raised by Members, the Acting Head of Human Resources confirmed that under section 4.5 of the report, it should state 'opting to take part in the Car Park Scheme' and not 'opting to take part in the Childcare Voucher Scheme'.

In response to a further question from Members about the terms conditions under point 5 of the Learning and Development section, the Acting Head of Human Resources confirmed that there had been no change to the existing Learning and Development policy and that details about parking arrangements needed to be incorporated in the Travel and Subsistence policy.

The Acting Head of Human Resources confirmed that a cycle to work scheme was to be introduced and as an incentive there would be the chance for employees to purchase bicycles at a discounted price.

Members questioned how essential car users had been identified and in response the Acting Head of Human Resources advised that an exercise had been carried out which involved contacting each department in order to identify the volume of miles claimed by essential users, this information had then undergone a consistency check. The Acting Head of Human Resources added that going forward; there would be a well defined process for any employee who thought that they would qualify for a free essential user car park pass. The applicant would need to justify and provide evidence to support their application, which would be presented before a validation panel whose member's would consist of Human Resources representatives, Trade Union representatives and Council Directorate representation. There would be an appeal process in place in the event of an application being turned down.

In a response to a question raised by Members about the removal of the childcare voucher scheme in paragraph 4.12 of the report, the Acting Head of Human Resources advised that as a part of the package of the terms and condition changes, it had been appropriate to remove the second level of childcare vouchers scheme which the Council operated and move it to the salary sacrifice scheme. The 41 people affected by the change had been written to and advised accordingly.

In a response to a question raised by Members about incentives for employees to use public transport, walk or cycle to work, The Acting Head of Human Resources advised that the Council had focussed on implementing the new car park pass scheme and Travel and Subsistence policy, but would explore alternative travel to work options with the Council's Travel Choice Team.

In a response to a question raised by Members about the car sharing scheme outlined on page 13 of the report, the Acting Head of Human Resources updated that one employee would apply for the car parking pass in their name and the pass issued would contain up to 4 registration numbers and that the pass would only be able to be used in one car at any time.

In a response to a question raised by Members, the Acting Head of Human Resources advised that employees could park in all car parks; however, there was to be a premium rate for the car parks which were more convenient and carried a higher parking charge.

RESOLVED:

The Committee agreed:

- 1) to implement the changes to the terms and conditions of employment relating to:
 - i) the implementation of a parking charge for staff;
 - ii) the removal of the essential car user allowance;
 - iii) changing the business mileage rate that can be claimed; and
 - iv) the removal of the salary subsidy childcare voucher scheme

- 2) to agree to the implementation of the following Employment Policies:
 - i) Travel and Subsistence Policy (attached at Appendix A);
 - ii) Car Parking Permit Salary Sacrifice Scheme (attached at Appendix B);
and
 - iii) Key User Status Guidance (attached at Appendix C)

Reasons for the decision:

The changes to terms and conditions and policies would help to ensure that the Council was able to meet its Medium Term Financial Plan and would reduce the amount of redundancies required by 60 full time equivalent positions.

Chairman
3.00pm - 3.45 pm