

Open

Council

Agenda

6pm
Wednesday, 27th September 2017
Council Chamber
Wyre Forest House
Finepoint Way
Kidderminster



Council

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COUNCIL MEETING

19th September 2017

TO ALL MEMBERS OF THE COUNCIL AND HONORARY ALDERMAN

PRESS AND PUBLIC

Dear Member

YOU ARE INVITED to attend a meeting of the Wyre Forest District Council to be held **at 6.00p.m. on Wednesday 27th September 2017**, in the Council Chamber, Wyre Forest House, Finepoint Way, Kidderminster.

The Agenda for the meeting is enclosed.

Yours sincerely

A handwritten signature in black ink that reads "I R Miller".

Ian Miller
Chief Executive

Declaration of Interests by Members – interests of members in contracts and other matters

Declarations of Interest are a standard item on every Council and Committee agenda and each Member must provide a full record of their interests in the Public Register.

In addition, alongside the Register of Interest, the Members Code of Conduct (“the Code”) requires the Declaration of Interests at meetings. Members have to decide first whether or not they have a disclosable interest in the matter under discussion.

Please see the Members’ Code of Conduct as set out in Section 14 of the Council’s constitution for full details.

Disclosable Pecuniary Interest (DPI) / Other Disclosable Interest (ODI)

DPI’s and ODI’s are interests defined in the Code of Conduct that has been adopted by the District.

If you have a DPI (as defined in the Code) in a matter being considered at a meeting of the Council (as defined in the Code), the Council’s Standing Orders require you to leave the room where the meeting is held, for the duration of any discussion or voting on that matter.

If you have an ODI (as defined in the Code) you will need to consider whether you need to leave the room during the consideration of the matter.

(A) TERMS OF REFERENCE OF THE COUNCIL

The Council

1. Is the ultimate decision making Body.
2. Determines the Budget (but reserves powers to itself in relation to requirements).
3. Is responsible for appointing (and dismissing) the Leader of the Council.
4. Appoints at its Annual Meeting, the Regulatory Committees, the Overview and Scrutiny Committee and any other Committees/Forums necessary to conduct the Council’s business.
5. Decides on matters where the Cabinet is not minded to determine a matter in accordance with Council policy.

(B) MATTERS RESERVED TO THE COUNCIL

1. Those reserved by Law e.g. levying a rate, borrowing money, promotion of or opposition to a Bill in Parliament.
2. Matters reserved to the Council by financial regulations.
3. The adoption and amendment of Standing Orders, including the powers and duties of Committees and other forums.
4. Power to make, amend, revoke or enact or enforce any byelaws.
5. The determination of the objectives of the Council.
6. Matters of new policy or variation of existing policy as contained within the budget and policy framework.
7. Local Development Framework adoption.
8. Any function where a decision would be contrary to a plan, policy, budget or strategy previously adopted by the Council, which would be contrary to the Council’s Standing Orders, Financial Regulations or Executive arrangements.
9. The Scheme of Delegations to Officers.

WEBCASTING NOTICE

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At the start of the meeting the Chairman will confirm if all or part of the meeting is being filmed.

You should be aware that the Council is a Data Controller under the Data Protection Act 1998. The footage recorded will be available to view on the Council's website for 6 months and shall be retained in accordance with the Council's published policy.

By entering the meeting room and using the public seating area, you are consenting to be filmed and to the possible use of those images and sound recordings for webcasting and or training purposes.

If members of the public do not wish to have their image captured they should sit in the Stourport and Bewdley Room where they can still view the meeting.

If any attendee is under the age of 18 the written consent of his or her parent or guardian is required before access to the meeting room is permitted. Persons under 18 are welcome to view the meeting from the Stourport and Bewdley Room.

If you have any queries regarding this, please speak with the Council's Legal Officer at the meeting.

* Unless there are no reports in the open session.

Wyre Forest District Council

Council

Wednesday, 27th September 2017

Council Chamber, Wyre Forest House, Finepoint Way, Kidderminster

Part 1

Open to the press and public

Agenda item	Subject	Page Number
1.	Prayers To be read by Dudley Anderson, Senior Leader of Cornerstone Family Church, Stourport on Severn.	
2.	Apologies for Absence	
3.	Declarations of Interests by Members In accordance with the Code of Conduct, to invite Members to declare the existence and nature of any Disclosable Pecuniary Interests (DPI's) and / or Other Disclosable Interests (ODI's) in the following agenda items and indicate the action that they will be taking when the item is considered. Please see the Members' Code of Conduct as set out in Section 14 of the Council's Constitution for full details.	
4.	Minutes To confirm as a correct record the Minutes of the meeting held on 26 th July 2017.	10
5.	Public Participation In accordance with the Council's scheme for public speaking at meetings of Council, one member of the public has registered to speak on behalf of both UNISON and GMB unions. <i>If you wish to speak on an urgent matter that has arisen since the deadline and you could not reasonably have known about it at the time, you should register your interest in speaking no later than 9am on the day of the meeting of Council. In the case of a request to speak on an urgent matter, the Solicitor to the Council will rule on whether or not the matter is urgent and that ruling will be final.</i>	

<p>6.</p>	<p>Questions</p> <p>Four questions have been submitted in accordance with Standing Order A5 by Members of the Council.</p> <p><i>In the case of an urgent matter that has arisen since the deadline above, and could not have been reasonably known at that time, it must be delivered in writing to the Solicitor to the Council no later than 9am on the day of Council.</i></p>	<p>16</p>
<p>7.</p>	<p>Chairman’s Communications</p> <p>To note the engagements of the Chairman of the Council since the Council’s last meeting.</p>	<p>17</p>
<p>8.</p>	<p>Leader of the Council Announcements</p> <p>To receive announcements from the Leader of the Council.</p>	
<p>9.</p>	<p>Motions Submitted under Standing Orders</p> <p>Two motions have been received in accordance with Standing Orders (Section 7, 4.1).</p> <p>Motion from Councillor Chris Rogers, Cabinet Member for Housing, Health and Well-being</p> <p>“This motion is to adopt the Motor Neurone Disease (MND) Charter, which sets out the care and support that people living with MND and their carers deserve and should expect.</p> <p>The MND Charter is made up of 5 points:</p> <ol style="list-style-type: none"> 1. The right to an early diagnosis and information 2. The right to access quality care and treatments 3. The right to be treated as individuals and with dignity and respect 4. The right to maximise their quality of life 5. Carers of people with MND have the right to be valued, respected, listened to and well-supported. <p>By adopting the MND Charter, this council agrees to promote the Charter and make it available to all councillors, council staff, partner organisations and health and social care professionals who deliver services for the council.</p> <p>We will raise awareness of MND and what good care looks like for those living with this devastating disease, as stated in the Charter, and do everything we can as the council to positively influence the quality of life for local people with MND and their carers living in our community.”</p> <p>Motion on NJC Pay from Councillor Nigel Knowles, Leader of the Labour Group</p> <p>This council notes that:</p> <ul style="list-style-type: none"> • NJC basic pay has fallen by 21% since 2010 in real terms • NJC workers had a three-year pay freeze from 2010-2012 	

	<ul style="list-style-type: none"> • Local terms and conditions of many NJC employees have also been cut, impacting on their overall earnings • NJC pay is the lowest in the public sector • Job evaluated pay structures are being squeezed and distorted by bottom-loaded NJC pay settlements needed to reflect the increased National Living Wage and the Foundation Living Wage • There are growing equal and fair pay risks resulting from this situation <p>This council withdraws from the position to date and in April 2018 will return to the NJC Negotiating Mechanism and supports the NJC pay claim for 2018, submitted by UNISON, GMB and Unite on behalf of council and school workers and calls for the immediate end to public sector pay restraint. NJC pay cannot be allowed to fall further behind other parts of the public sector. This council also welcomes the joint review of the NJC pay spine to remedy the turbulence caused by bottom-loaded pay settlements.</p> <p>This council also notes the drastic ongoing cuts to local government funding and calls on the Government to provide additional funding to fund a decent pay rise for NJC employees and the pay spine review.</p> <p>This council therefore resolves to:</p> <ul style="list-style-type: none"> • Call immediately on the LGA to make urgent representations to Government to fund the NJC claim and the pay spine review and notify us of their action in this regard • Write to the Prime Minister and Chancellor supporting the NJC pay claim and seeking additional funding to fund a decent pay rise and the pay spine review • Meet with local NJC union representatives at the earliest opportunity to advise of the change to previous negotiating position, which is now a return to the NJC and show support for the 2018 NJC pay claim and the pay spine review 	
<p>10.</p>	<p>Urgent Motions submitted under Standing Orders</p> <p>To consider motions in the order they have been received which, by reason of special circumstances, should be considered as a matter of urgency, in accordance with Standing Orders (Section 7, 4.1 (vii)).</p>	
<p>11.</p>	<p>Local Pay Arrangements, 2018-2022</p> <p>To consider a report from the Chief Executive on the implementation of local pay arrangements for the period 2018 to 2022, including changes to ongoing long service awards.</p>	<p>18</p>

12.	<p>Policy and Budget Framework</p> <p>Matters which require a Decision by Council.</p> <p>Recommendations from Overview & Scrutiny Committee, 7th September 2017</p> <ul style="list-style-type: none"> • Annual Report on Treasury Management Service and Actual Prudential Indicators 2016/17 <p>Please note that the reports and associated documents, referred to above, have been circulated electronically to Members. Public inspection copies are available on request. Please refer to the front cover for contact details.</p>	27
13.	<p>To consider any other business, details of which have been communicated to the Solicitor to the Council before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.</p>	
14.	<p>Exclusion of the Press and Public</p> <p>To consider passing the following resolution:</p> <p>“That under Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting during the consideration of the following item of business on the grounds that it involves the likely disclosure of “exempt information” as defined in the paragraph 1 of Part 1 of Schedule 12A to the Act”.</p>	

Part 2

Not open to the Press and Public

15.	<p>Capital Programme – Recommendations from Cabinet</p> <ul style="list-style-type: none"> • 14th June 2017 - Bewdley Medical Centre and Former Library – Redevelopment 	-
16.	<p>To consider any other business, details of which have been communicated to the Solicitor to the Council before the commencement of the meeting, which the Chairman by reason of special circumstances considers to be of so urgent a nature that it cannot wait until the next meeting.</p>	

WYRE FOREST DISTRICT COUNCIL

COUNCIL

COUNCIL CHAMBER, WYRE FOREST HOUSE, FINEPOINT WAY,
KIDDERMINSTER

26TH JULY 2017 (6PM)

Present:

Councillors: D Little (Chairman), J Aston, J Baker, R Bishop, S J Chambers, J R Desmond, N J Desmond, H E Dyke, P Dyke, N Gale, I Hardiman, J A Hart, M J Hart, K Henderson, V Higgs, A T Hingley, N Knowles, N Martin, S Miah, F M Oborski MBE, T L Onslow, C Rogers, J A Shaw, J D Smith, R J Vale, S J Walker, H S Williams, S J Williams and R Wilson.

C.23 Prayers

Prayers were said by Pastor Rob Palmer, Franche Community Church, Kidderminster.

C.24 Apologies for Absence

Apologies for absence were received from Councillors: J-P Campion (Vice-Chairman), S J M Clee, M Rayner and G C Yarranton.

C.25 Declarations of Interests by Members

There were no declarations of interest.

C.26 Minutes

Decision: The minutes of the meeting held on 10th May 2017 be confirmed as a correct record and signed by the Chairman.

C.27 Public Participation

There was no public participation.

C.28 Questions

Three questions had been submitted in accordance with Standing Order A5 by Members of the Council.

Question from Councillor S Miah to the Cabinet Member for Housing, Health and Well-being

In light of the tragic fire in Kensington could the Cabinet Member please tell me what steps are being taken to ensure that the high rise blocks in

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Kidderminster are as safe as they can possibly be?

What steps are being taken to reassure residents of those flats?

What steps are being taken to liaise with Hereford and Worcester Fire and Rescue Authority to ensure that any requirements or recommendations from the FRA are carried out?

Answer from the Cabinet Member for Housing, Health and Well-being

It is important to note that none of the high rise blocks in Kidderminster has cladding similar to that in the Grenfell Tower disaster. The Wyre Forest Community Housing blocks at Horsefair have brick and insulation exterior that was added in the 1980s.

The privately owned properties in Hoobrook are owned by a company named SM Properties. Some of the properties have been sold to leaseholders and some are rented out privately.

Wyre Forest Community Housing have shared with us information requested by ourselves and by the Department for Communities and Local Government on the nature of construction and we are aware they have sent the insulation material away for testing. We await the results of this. In addition they have been inspected by the Hereford and Worcester Fire and Rescue Service.

Residents of the Wyre Forest Community Housing properties have been visited by Wyre Forest Community Housing staff and the Hereford and Worcester Fire and Rescue Service officers and an emergency planning exercise was undertaken.

Residents of the privately owned Hoobrook flats will be visited by the Hereford and Worcester Fire and Rescue Service. The Hereford and Worcester Fire and Rescue Service will conduct an emergency planning exercise on these blocks on 10th August.

We have been in liaison with Hereford and Worcester Fire and Rescue Service since the fire and are awaiting further information from them so we can determine whether further action is required in relation to the privately owned properties. Officers from the Council visited the blocks and met with the owners and Hereford and Worcester Fire and Rescue Service on 18th July. We are now waiting on a copy of the Fire Safety Audit from Hereford and Worcester Fire and Rescue Service.

Supplementary question from Councillor S Miah to the Cabinet Member for Housing, Health and Well-being

The residents who had previously raised issues about problems with Grenfell Tower felt their voices were never heard and they were not being listened to.

What mechanisms will the Council put in place to make sure that this does not happen at Wyre Forest?

Supplementary answer from the Cabinet Member for Housing, Health and Well-being

I hope I have reassured you from the answer to the previous question that steps have been taken to ensure that residents are happy with the measures that have been taken. I am aware that following the exercise that was undertaken in the high rise buildings in the Horsefair, all the residents were complimentary of the Hereford and Worcester Fire and Rescue Service and were reassured. We await the further information on the buildings at Hoobrook.

Question from Councillor F Oborski MBE to the Leader of the Council

Could the Leader please tell me what expectation he has in terms of work/time commitment for Cabinet Members in Wyre Forest i.e. How many hours/days a week does he commit to as Leader and how much time do Cabinet Members commit?

Answer from the Leader of the Council

I have full confidence in the Cabinet Team that I lead and they all put in a substantial amount of time to ensure that they do their roles effectively. Obviously the role of being a Cabinet Member is exceptionally flexible and no two weeks in politics are identical. Work load and meeting commitments vary from week to week, but I have absolutely no hesitation in saying to this chamber that they all diligently put in the time that is required. If you look over the last 12 months or so, certain Members have left the Cabinet because of the demands of full time employment and that shows the weight of the role.

I always find it very difficult to talk about myself and how much time I commit; at times it feels like a seven day a week job. I can assure you there aren't many weeks that go by where I am not doing some work as Leader of this Council literally seven days a week.

Supplementary question from Councillor F Oborski MBE to the Leader of the Council

Every job that I have ever had in my entire working life was in the public sector, and every job that I have ever applied for had a job description and an announced time commitment. This is public money that is being spent on all our Councillors' allowances, wouldn't you agree with me that the public as our employers have a right to know how many hours a week each of us puts in?

Supplementary answer from the Leader of the Council

What I would agree with you on is that we are indeed elected members but I don't necessarily agree with the premise of your supplementary. I would like to think we put trust and faith in the very people who elect us because ultimately we are all answerable through the ballot box. My electors as

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indeed yours and everybody else in this chamber will tell us if we do a good job or not and they will do that regularly through the ballot box. It is fair to say that all of those here have the trust and confidence of those that elect them. The role of Leader is appointed by this Council, and if it does not have trust and faith in its Council Leader then no doubt this Council will tell the Leader.

Question from Councillor F Oborski MBE to the Leader of the Council

Could the Leader please tell me what progress has been made in getting a bus service diverted to serve the Leisure Centre?

Answer from the Leader of the Council

We were cautiously optimistic when we relocated our brand new leisure centre on the Silverwoods site that Diamond bus would see a commercial opportunity in providing a service, not only to the leisure centre but of all the residential properties on there. We didn't actually promise that there would be a bus route, and we were very clear that we wanted to do all that we could to encourage a commercial bus route. Regrettably, as it presently stands Diamond do not want to divert along Silverwoods Way. I am unhappy about that and in my role as Leader I have a meeting with the Cabinet Member for Highways and the Transportation Manager at the County Council this Friday and I promise to report back to Council.

C.29 Chairman's Communications

The Council received a list of functions attended by the Chairman or Vice-Chairman since the Council's last meeting.

C.30 Leader's Announcements and Report

The Leader of the Council referred Members to his tabled report.

C.31 Motions Submitted Under Standing Orders

There were no motions.

C.32 Urgent Motions submitted under Standing Orders

There were no urgent motions.

C.33 Review of the May 2017 Elections and the June 2017 UK Parliamentary Election

The Cabinet Member for Resources presented a report from the Acting Returning Officer for the UK Parliamentary election, Returning Officer for the District and Parish by-elections, Deputy Returning Officer for the County elections and Counting Officer for the Neighbourhood Plan Referendum, on the local elections held on 4th May 2017 and the UK Parliamentary election held on 8th June 2017.

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He moved the recommendations as set out in the report, which would authorise the Chief Executive to proceed with consultation proposals to review the polling places for Mitton ward. The Leader of the Council seconded the proposal.

Councillor Oborski thanked the Returning Officer and his staff for what she thought were extremely efficiently run and well conducted elections and particularly the count for the Parliamentary Election, which in her opinion was one of the best which had been undertaken in Wyre Forest.

Councillor Knowles expressed concern over the low turnout figures and felt there was a need for action to encourage more people to vote.

Decision:

- 1. The report on the Local elections in May 2017 and the UK Parliamentary election in June 2017 be noted.**
- 2. DELEGATED authority be given to the Chief Executive, in consultation with the Cabinet Member for Resources, to publish consultation proposals for a Polling Places review for Mitton ward to seek an alternative to St Wulstan's Community Centre, Stourport.**

C.34 Policy And Budget Framework – Matters which require a decision by Council

Recommendations from the Cabinet, 14th June 2017

- Churchill and Blakedown Neighbourhood Plan – Referendum**

The Cabinet Member for Planning and Economic Regeneration presented the recommendations which sought approval for the Churchill and Blakedown Neighbourhood Plan to form part of the Development Plan for Wyre Forest District Council. He advised that the results of the referendum held on Thursday 4th May 2017 concluded that four hundred and fifty five people (87.8%) voted in favour of the plan, which would allow the local community to have more control over the way their parish is developed.

The Leader of the Council said that 40% of the electorate had taken part in the referendum and he was happy to second the proposal.

Decision: The Churchill and Blakedown Neighbourhood Plan forms part of the Development Plan for Wyre Forest District Council.

C.35 Exclusion of the Press and Public

Decision: Under Section 100A(4) of the Local Government Act 1972, the press and 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 in paragraphs 8 and 9 of Part 1 of Schedule 12A of the Act.

Councillor V Higgs left the meeting at this point, (6.30pm).

C.36 Capital Programme – Recommendations from Cabinet

- **14th June 2017 – Bewdley Medial Centre and Former Library Redevelopment**

Decision: The item be deferred to the September meeting of Council.

- **11th July 2017 – Outline Business Case for Investment in Residential Units**

The Cabinet Member for Planning and Economic Regeneration presented the recommendations which sought approval for a proposal for the Council to purchase four two bedroom flats for private rent. He advised that the Council recognised there was a strong demand for good quality private rented housing within Wyre Forest to meet the rising housing need.

Councillor Knowles announced that there was full support for the proposal from the Labour Group.

Decision: The Capital Programme be amended to include the potential purchase of the units funded as set out in the exempt Cabinet report, with a reservation that expenditure is subject to the final business case and subsequent delegated decision whether or not to proceed.

There being no further business, the meeting ended at 6.36pm.

WYRE FOREST DISTRICT COUNCIL

**COUNCIL
27TH SEPTEMBER 2017**

QUESTIONS TO COUNCIL

1. Question from Councillor N Knowles to the Leader of the Council

Concern for housing provision has raised the issue of how to establish a self build scheme either as a joint exercise between Wyre Forest District Council as a land owner and the yet to be created self build group and/or with a co-operative housing group as a social landlord provider. How is the work going in developing such policies?

2. Question from Councillor N Knowles to the Cabinet Member for Planning & Economic Regeneration

Would the Cabinet Member and his colleagues take progressive action on Crown House using money made available to Wyre Forest District Council, demolish the building and clear the site for re-development?

3. Question from Councillor V Higgs to the Cabinet Member for Housing, Health and Well-being

Noting, and supporting, the recent use of Section 106 monies to enable four new houses to be offered at a "social" rather than an "affordable" rent, can the Cabinet member give further examples of district council interventions currently under consideration to increase provision of genuinely affordable housing association homes?

4. Question from Councillor J Shaw to the Cabinet Member for Operational Services

Is the Cabinet Member satisfied with public toilet provision in Stourport?

Chairman's List of Functions – 2017/18

JULY 2017

22nd Three Choirs Festival

AUGUST 2017

13th Oldington Bowls Club Tournament

19th Mayor of Kidderminster's BBQ

31st Ludlow Charity Market

SEPTEMBER 2017

2nd Stourport Carnival

4th Flag Flying Ceremony for Merchant Navy Day

8th Mayor of Bewdley's Severn Valley Trip

8th Mayor of Worcester's Inaugural Banquet

10th Induction of Reverend Carey Saleh as Vicar of Stourport & Wilden

13th Parish Chairmen Meeting

17th 150th Anniversary of the birth of Stanley Baldwin, Worcester Cathedral

23rd Mayor of Stourport's Steam Boat Trip

24th Evesham Civic Service*

24th Service to Commemorate the Centenary of the Battle of Passchendaele

* Denotes attendance by Vice Chairman

WYRE FOREST DISTRICT COUNCIL**COUNCIL**
27TH SEPTEMBER 2017**Local Pay Arrangements, 2018-2022**

OPEN	
CABINET MEMBER:	Councillor Nathan Desmond Cabinet Member for Resources
DIRECTOR:	Chief Executive
CONTACT OFFICER:	Ian Miller x 2700 ian.miller@wyreforestdc.gov.uk
APPENDICES:	Nil

1. PURPOSE OF REPORT

- 1.1 To authorise the Head of Paid Service to take steps to implement local pay arrangements for the period 2018 to 2022, including changes to ongoing long service awards.

2. RECOMMENDATION

The Council is asked to authorise the Head of Paid Service:

- 2.1 to issue a notice to the unions under section 188 of the Trade Union and Labour Relations (Consolidation) Act 1992, in order to seek implementation of the proposals set out in paragraphs 4.6 and 4.7 of this report;
- 2.2 to commence consultation with staff on the proposals in respect of pay increases for 2018 to 2022 and the phasing out of ongoing long service awards; and
- 2.3 if necessary, and following consideration of feedback received during the consultation period, for any staff who do not accept the proposals, to authorise a process of dismissal and re-engagement following 12 weeks' notice that would take effect on 31 March 2018.

3. BACKGROUND

- 3.1 Employee related costs including pay are the single largest controllable cost in the Council, at £10m a year. While the number fluctuates from month to month, the Council has the equivalent of about 310 full time employees of which about 10 posts are filled by agency staff. For 2014 to 2018, the Council has had local pay arrangements in place. It was not possible to agree these with the unions because they took the Council outside the national pay agreement. Most staff voluntarily accepted the arrangements; they had to be imposed on 45 employees or fewer than 15% of the workforce.
- 3.2 Council at its meeting in September 2016 approved the following remit for the Chief Executive as Head of Paid Service to negotiate with the recognised unions on local pay arrangements and changes to terms and conditions in respect of the period 2018 to 2022:

- that the cost of pay increases and any compensatory payments in respect of changes to terms and conditions across the four years should be kept within a ceiling of four per cent of the 2017-18 pay bill;
- that changes to terms and conditions should be proposed as part of an overall package, with an expectation that changes would be focussed on sickness pay and ongoing long service awards;
- that changes to sickness pay could include reducing the rate of pay during sickness absence and/or not paying sickness pay for the first few days of absence, subject to any appropriate exception on the first occasion to recognise staff who have not been absent for a significant period;
- to secure ongoing revenue savings, directly and indirectly. The precise amount to be achieved will depend on the package of changes that is implemented;
- that no changes are proposed that would reduce “ordinary” basic pay e.g. requiring staff to take unpaid leave or an across the board pay reduction;
- that Council’s endorsement of the finalised proposals will be sought prior to implementation with effect from 1 April 2018.

3.3 In the intervening period, eight negotiating meetings have been held with regional and local union representatives. The position reached is set out in summary in paragraphs 3.4 to 3.9 below.

Pay increases

- 3.4 By July 2017, it was apparent that that the unions and Council were too far apart to make any further meaningful progress. In the following areas, the gap was too wide to be bridged:
- a) The unions’ desire, expressed by UNISON in writing to the Council, to return to the national pay agreement. This includes a desire to revalue points on the pay scale above the lowest grades, as a consequence of changes relating to increases in the national minimum wage, in order to maintain at least partly some of the existing differentials;
 - b) The unions’ unwillingness to negotiate an agreement that would last for four years, in line with the remit set by Council last September.
- 3.5 These appear to be fundamental stumbling blocks even before the question of the value of future pay increases is considered. In this respect again, the unions’ aspiration (as expressed in a 5% national pay claim for 2018-19 alone) far exceeds what the Council would be able to afford as set out in the negotiating remit. The national pay claim is nearly double the rate of inflation at present.
- 3.6 There has been a formal exchange of letters with UNISON at national level along these lines. The stance set out in the Council’s response was supported by the political leadership of the Council, consistent with the remit agreed by the Council. As a result of the failure to reach agreement, despite strenuous efforts, this report recommends to Council that proposals in respect of pay increases should now be the subject of consultation with individual members of staff.

Ongoing long service awards (loyalty awards)

- 3.7 Most councils in the West Midlands, if they make payments in respect of long service at all, do so on the basis of one off payments. That is also the position in Wyre Forest but, under

arrangements agreed in 2003, approximately 50 staff who achieved the long service award by that date or in certain circumstances by 2013 receive an ongoing supplement to their salary. The ongoing long service awards are generally in the range of £300-400, whereas other staff who complete 20 years' service receive a one off payment of £400. The current arrangements discriminate between staff on the basis of when they commenced employment with the Council, and changes would allow a consistent approach for all employees. The negotiation process reached a position where the unions were prepared to put proposals to phase out ongoing long service awards to their members in a consultative ballot. The negotiated proposals were to phase out ongoing awards on the following basis, so that individuals would receive an award that reduced in value over time:

Year	Value of award as percentage of current award
2018/19	70%
2019/20	40%
2020/21	20%
2021/22	zero

- 3.8 The results of the consultative ballot were to reject the proposal in the case of UNISON although no response to reject the proposal was received by GMB. On this basis it will not be possible to conclude an agreement with the unions to implement the phasing out arrangements described above. In light of the results of the ballots, and given that the proposals had been negotiated with the unions' representatives, it is proposed to consult on the phasing out arrangements with individual members of staff.

Sickness pay

- 3.9 Despite intensive examination and negotiation with the unions about possible changes to sickness pay, no agreement has been reached. As far as it is possible to tell, no other council has sought to alter the national arrangements which provide 100% pay for the first 6 months of absence and 50% for the second six months. The unions have stressed the value of these arrangements in supporting staff who are ill, and they are generally more generous than anything available in the private sector. In order to make significant financial savings through change, it would have been necessary to implement radical reductions in the rate of sickness pay, and this is not considered to be appropriate. Instead discussions with the unions have identified a number of changes to procedure and practice which might assist with reducing costs. These include a targeted approach on staff with repeated sickness over a long period of time, where the unions are prepared to support firm action (up to and potentially including dismissal) against those who abuse the policies; a focus on particular factors that give rise to absence, such as mental health; and further training and support for managers in operating the policies. It is proposed to pursue to work jointly with the unions to implement these ideas instead. From the Council's perspective, not making changes to sickness pay would represent a significant shift in the original negotiating remit, when the unions have perhaps not demonstrated the same willingness to compromise.

The Council's financial position and the national context

- 3.10 The Council still has a significant financial gap to close between its projected expenditure and income by 2019-20. It is estimated that the gap in total approaches £2m. A number of steps have already been taken by the Corporate Leadership Team and Cabinet or are in hand to address the position. The Cabinet's Financial Strategy Advisory Group has commenced its work for 2018-19 and its advice will also inform the Cabinet's proposals for the financial strategy which are due to be reported to its meeting in December.

- 3.11 Inflation as measured by the Consumer Prices Index stands at 2.9%. The forecast by the Office for Budget Responsibility is for CPI to remain at or above 2% for the entire period.
- 3.12 An offer from Local Government Employers is expected shortly as part of the national negotiations on local government pay. Indications at the regional consultation meeting in July were that the Employers were looking at making a two year offer. 2018 might involve a “traditional” pay award of bottom loading (to keep the bottom scale points above the national minimum wage) and a percentage increase for other posts. 2019 might involve assimilation to a new pay spine, including potential implementation of a common percentage differential between grades. For many councils, there will be a significant overall cost to whatever deal is proposed, because of the response to the national living (minimum) wage, which is not an issue in Wyre Forest: the Council already pays the living wage calculated by the Living Wage Foundation, which exceeds the Government’s national living wage. The vast majority of councils in the West Midlands have assumed 1% increases in their medium term financial strategies but will have to meet the national agreement’s costs in full when confirmed even if they are higher.
- 3.13 The Local Government Employers have offered 2% to fire-fighters in 2017 with the possibility of 3% in 2018 if the Government funds it (which seems far from certain). The Fire Brigades Union has rejected the offer and the employers have in return indicated that they might revert to a lower offer of 1%.
- 3.14 In respect of other parts of the public sector, the Government’s consideration of pay has been delayed and only some pay settlements have been published at the time of writing this report. It will be noted that these announcements relate to pay awards for the current year, 2017-18, rather than the period for 2018 onwards which is addressed by this report.

Teachers	1%	With effect from 1 September 2017
Police	1% plus 1% bonus (the bonus is non-consolidated)	With effect from 1 September 2017
Prison officers	1.7%	With effect from 1 April 2017

4. KEY ISSUES

- 4.1 Agreement has not been reached with the unions on pay increases for the period 2018 to 2022 or on phasing out ongoing long service awards. The Council cannot absorb the cost of proposing more generous arrangements than have already been discussed with the unions – the impact of that would be to reduce the size of the workforce in order to fund more generous pay increases and continuation of the two-tier approach to long service awards. For example, if the unions’ pay claim of 5% was implemented in 2018 instead of the proposals set out in this report, the additional cost to the Council would be approximately £330k and, if this was to be paid for by reductions in the size of workforce, it would require the deletion of about 10-12 full time equivalent posts. Nor can the Council afford the cost of re-entering the national pay agreement, and the uncertainty and loss of control of costs in future years.
- 4.2 Local pay arrangements have the advantage of giving certainty to the Council in financial planning and to staff in knowing what increases they will see over a period. It will also allow the Council to respond to future increases in the national living wage in a way that best meets the Council’s needs. It is not possible to know whether such arrangements would “save” the

Council money in respect of any annual pay increases, as the national settlements for the period are not known. However these benefits need to be balanced against potential risks, for example in respect of staff morale or potential industrial action, which are mentioned below.

4.3 The remainder of this report considers the proposals to be implemented and the process and timing to secure implementation of a further period of local pay arrangements and the phasing out of ongoing long service awards. The proposals outlined below are believed to be fair and realistic, with front loading to recognise the current position on inflation, and against the backdrop not only of the financial situation facing the Council as a result of the Government’s austerity measures but also taking account of the scope of the proposals in the context of an overall package of terms and conditions that remain among the best available in the local economy. The Council offers flexible working arrangements, generous holiday allowances, an employee assistance programme that includes occupational health support, an earnings-related pension scheme which goes far beyond what is offered by most private sector employers. As a result of the proposals in this report, no change is proposed to the generous arrangements for sickness pay which provide 100% salary for up to 6 months and 50% salary for a further 6 months.

4.4 The Council depends heavily on the goodwill of staff, some of whom voluntarily work additional hours for no extra pay. Therefore account should be taken of the impact that the proposals might have on the commitment and morale of existing staff as much as on the recruitment of new staff. Since 2009, staff across the public sector, including in Wyre Forest, have experienced pay increases that are below the rate of inflation and in some years there have been absolute freezes. The table below shows the figures for the Council’s staff. Across nine years most staff will have received “cost of living” increases worth 5% when the proposals in this report are worth 4.5% over four years, and thus represent a more generous approach when compared with the last nine years. Nevertheless the pattern of below inflation increases across the public sector seems likely to continue, as the Government cannot afford to fund the public expenditure consequences of increasing pay in line with or above inflation when the austerity programme will continue at least until the middle of the next decade. The Council acknowledges staff’s unhappiness about the position, but the alternative is less attractive and is felt to have the potential to be even more damaging to morale and service delivery: the stark position is that increasing pay significantly beyond the remit already agreed by Council could be afforded only by reducing staff numbers. Thus the choice lies between the modest pay increases proposed in this report and job losses.

Pay increases in WFDC since 2009

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Pay increase	1% (1.25% for SCP 4-10)	Zero	Zero	Zero	1%	1.25%	0.75%	0.5%	0.5%
Inflation (CPI in April)	2.3%	3.7%	4.5%	3.0%	2.4%	1.8%	-0.1%	0.3%	2.7%

Note: national agreement applied prior to 2014-15.

- 4.5 Looking at the issue from the Council’s perspective, the local pay arrangements operated since 2014 have not had a discernible impact on recruitment and retention. There has been no evidence of people citing the pay increase arrangements as a reason to leave the Council’s employment, or that we have failed to fill certain jobs because of the pay arrangements. There are a few cases where the absolute levels of pay have been an issue in recruitment or retention but that would have been relevant even if the Council had stayed within the national pay agreement.
- 4.6 In respect of future pay increases, it is also worth bearing in mind that a proportion of the Council’s staff – typically about one quarter to one third in any given year (82 in 2015-16, 106 in 2016-17) – receive an incremental increase as they move through the salary scale for their post. The number varies from year to year depending on new recruits, promotions etc. This is in addition to any percentage increase in base pay.

The proposals

- 4.7 The proposal for **pay increases** involve an element of front-loading in 2018 in recognition of current levels of inflation and potential levels of pay offers across the public sector. There is a non-consolidated element worth 0.25% in the third and fourth years, to ensure that staff will receive at least 1% in every year.

Proposals for pay increases, 2018-2022

	2018-19	2019-20	2020-21	2021-22
Consolidated increase	1.5%	1%	0.75%	0.75%
Non-consolidated award	Zero	Zero	0.25%	0.25%
Total	1.5%	1%	1%	1%

However for staff on the existing living wage rate of £8.45 an hour, the proposal is that the rate of pay would be frozen until such time as it was exceeded by the Government’s national living (minimum) wage.

- 4.8 The proposal for phasing out ongoing long service awards is based on what was negotiated with the unions:

Proposal for phasing out ongoing long service awards

Year	Value of award as percentage of current award
2018/19	70%
2019/20	40%
2020/21	20%
2021/22	zero

Process of implementation

- 4.9 An employer has the ability to secure changes to terms and conditions in the event of failure to reach an agreed position with recognised unions. The Council used this process successfully in implementing the local pay arrangements for 2014-18. Ultimately this can involve a process of dismissing and re-engaging any staff who do not voluntarily accept new terms and conditions. In employment law terms, this has to be treated as redundancy even if it is the intention of the Council to continue to employ the individual in their job, which is the case in Wyre Forest. This is a legal and technical process and no one will lose his or her job with the Council. The case GMB v Man Truck and Bus UK Ltd (2000) set out the need to

issue a notice under section 188 of the Trade Union and Labour Relations (Consolidation) Act 1992 if it is the intention of the employer to change terms and conditions of employment. For the purpose of proposed “redundancies”, as the numbers of employees affected will be more than 100, the issuing of the Section 188 notice must take place at least 45 days before the terms and conditions are changed. During the 45 days there must be meaningful consultation with the trade unions in minimising the impact of the changes. Based on the negotiations thus far about pay increases, it is not expected that further consultation will result in agreement but the effort will be made nevertheless. In addition, during this period formal consultation will commence with all staff.

- 4.10 This report therefore seeks Council’s agreement to issue a section 188 notice to the unions and to continue negotiations with them for a maximum of 45 days. Having considered all feedback and if the position remains unchanged, thereafter proposals would be put directly to individual members of staff. Council’s authority is also sought for that and, for any staff who do not accept the proposals, to authorise a process of dismissal and re-engagement following 12 weeks’ notice. The expected timeline is that staff would be asked to return letters of acceptance by mid December and that formal letters of dismissal and re-engagement that would take effect on 31 March 2018 would be issued before Christmas.

Timetable

- 4.10 The timetable is as follows:

Full Council	27 th September 2017	
Issue S188 notice – 45 day consultation period to commence with unions and staff	29 th September 2017	Issue formal notice under S188 of the TU & Labour Relations (Consolidation) Act 1992 and HR1
Consultation meetings with unions	3 rd October & 23 rd November 2017	Currently planned
End of 45 day period	13 th November 2017	
Consider all feedback received	14 – 27 th November 2017	
Issue of individual employee letters of offer to local pay settlement and phasing out of ongoing long service awards	1 st December 2017	
Issue “chase” letters	10 th December 2017	As required
Deadline for return of individual acceptances	14 th December 2017	
Issue formal notices of dismissal and re-engagement	18 th December 2017	As required – issued only to staff who have not voluntarily accepted the changes
Date of formal dismissal and re-engagement - 12 weeks’ notice period to be given to all staff affected	31 st March 2018	12 weeks’ notice lessens administrative burden of individual notice periods, which vary
Changes take effect	1 st April 2018	1.5% pay increase paid with effect from April 2018; phasing out of ongoing long service awards commences

5. FINANCIAL IMPLICATIONS

- 5.1 The proposals in respect of local pay arrangements would not generate a financial saving compared to current base budget assumptions, which are for a 1% increase in each year of the financial strategy. Indeed the front-loading would add approximately £125k to operating costs over the first three years; however across the four years as a whole, the proposed increases to base pay are in accordance with the remit of 4%. In addition, the non-consolidated awards in the 3rd and 4th years add about £50k to costs although these are one off costs. The medium term financial strategy can plan for these impacts and they are not considered to add in a significant way to the financial challenge facing the Council.
- 5.2 The phasing out of ongoing long service awards would save approximately £16k a year when fully implemented. The cost saving will reduce to the extent that recipients leave the Council's employment before 2021. This saving addresses only a very small proportion of the estimated financial gap in 2019/20, less than 1%. Nevertheless even a modest contribution is welcome towards achieving a fully balanced budget.
- 5.3 The administrative costs of implementing the local pay arrangements can be absorbed within exiting budgets. The exception would be if any of the risks of challenge, which are explained in the risks section below, materialised, such as defending employment tribunal claims. It is not possible to estimate such costs in advance although they could be significant (for example, in the tens of £ thousands) depending on how many claims are received, whether external support needs to be secured in order to defend them and whether any of them succeed.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 The report mentions specific relevant provisions of employment law. All changes to terms and conditions, as well as the negotiations in respect of local pay arrangements, have been and will continue to be dealt with in accordance with relevant employment legislation and notification requirements of the national agreements.

7. EQUALITY IMPACT NEEDS ASSESSMENT

- 7.1 Equality assessment impacts have been undertaken on the proposed pay increases and ongoing long service awards and they demonstrate either no or no significant impacts on the six equality strands. Inevitably the phasing out of ongoing long service awards affects only older staff as they had all achieved a minimum of 20 years' service by 2013. However there are positive impacts for a greater number of staff from having consistent arrangements for all.

8. RISK MANAGEMENT

- 8.1 As noted above, the proposals in this report involve a range of risks, from potential impact on morale or commitment for all staff to the potential for industrial action by union members and possible individual or collective challenges in an employment tribunal. In respect of pay, the consultative ballots undertaken by UNISON and GMB indicated that a majority of members who took part in those ballots would be prepared to take industrial action short of strike action in the guise of "work to rule". Any industrial action would require authorisation by means of a formal ballot conducted in accordance with trade union legislation. There is a high risk that progressing the proposals in this report will trigger a formal ballot but, naturally, the results of any ballot cannot be predicted.
- 8.2 The other risks are mitigated by the steps that have been taken to negotiate with the unions over the past 12 months, which have allowed adequate time for negotiations and consultation.

Staff have been kept regularly informed of progress and communications will continue throughout the process. The Council would expect to defend any claims at the employment tribunal robustly as it has engaged in extensive consultation and negotiation with the unions and will continue to comply with all relevant requirements of employment law in implementing the proposals set out in this report. No such claims were forthcoming when local pay arrangements were implemented in 2014 and 45 staff did not voluntarily accept the changes at that time. All of them were dismissed and re-engaged, and no one lost his or her job: the same would apply if it became necessary to take such steps in respect of the proposals in this report.

9. CONCLUSION

- 9.1 The proposals seek to balance certainty for the Council and its staff with the need to keep costs under control and maintenance of an attractive package of terms and conditions overall. The Council is invited to authorise the Head of Paid Service to implement the proposals set out in paragraphs 4.6 and 4.7 in line with the processes and timetable set out in this report.

10. CONSULTEES

- 10.1 Cabinet
10.2 Corporate Leadership Team

11. BACKGROUND PAPERS

- 11.1 Local pay arrangements 2018-22, report to Council, 26 September 2016

WYRE FOREST DISTRICT COUNCIL

COUNCIL
27TH SEPTEMBER 2017

POLICY AND BUDGET FRAMEWORK
MATTERS WHICH REQUIRE A DECISION BY COUNCIL

RECOMMENDATIONS FROM THE OVERVIEW & SCRUTINY COMMITTEE –
7TH SEPTEMBER 2017

Purpose of Report

To consider recommendations from the Overview & Scrutiny Committee on matters outside the policy framework or approved budget of the Council.

SUPPORTING INFORMATION

Would Councillors please note that the related reports and documents have not been included in the Council book, as they have already been sent to Members via the Overview & Scrutiny agenda. A public inspection copy is available on request. The policy documents, referred to below, have been posted on the Council's website.

RECOMMENDATION TO COUNCIL	CHAIRMAN OF COMMITTEE
<p>Annual Report on Treasury Management Service and Actual Prudential Indicators 2016/17</p> <p>Recommend to Council to:</p> <ol style="list-style-type: none"> 1. Approve the actual 2016/17 prudential and treasury indicators. 2. Note the annual treasury management report for 2016/17. 	<p>Councillor H E Dyke</p>