

**URGENCY ITEMS - MINUTE OF DECISION**

**Delegation arrangements for dealing with matters of urgency**

Paragraph 7.2.1 of the Council's Constitution provides that Chief Officers may take urgent decisions if they are of the opinion that circumstances exist which make it necessary for action to be taken by the Council prior to the time when such action could be approved through normal Council Procedures. They shall, where practicable, first consult with the Leader and Chairman (or in their absence the Vice-Chairman) and the Opposition Spokesperson of the appropriate committee.

Given the current emergency in respect of the Covid 19 pandemic and the decision taken to suspend committee meetings while social distancing measures continue, the urgency decision provision under Paragraph 7.2.1 of the Council's Constitution has been widened to extend the consultation to include the Leaders of all the political groups on the Council.

**Subject: LGV Driver Retention Scheme**

**Appropriate Committee: Policy & Finance Committee**

**Details of Item**

**Background Information**

Members will be aware of the current national/international shortage of lorry drivers that is effecting many areas of our daily lives. From supply chain to service provision, the situation at the present time is very concerning. What we now see happening within the haulage industry is many companies offering extremely large wages and or sign up/loyalty bonuses in order to attract or retain staff. The waste sector, and in particular local authorities are not exempt from these pressures and it can only be a matter of time before we at NSDC are struggling to maintain front line services (in particular refuse collection and street cleaning), which given the environmental and financial successes of recent Cleaner, Safer, Greener efforts, this would be very costly both financially and by way of reputation.

At the time of writing we have already lost 3 LGV drivers within the last 3 weeks to local companies offering between £38k and £45k per year for 40 hour, Monday to Friday working weeks. For comparison, currently LGV drivers in our employ earn between £22k and £23.5K per year. Obviously this has already had a detrimental effect on front line services and management feel that it is extremely important that we find a solution that will allow us to at least attempt to retain and or recruit staff.

Some authorities have offered small bonuses which have not been tied to loyalty whilst others have looked to implement a market supplement which will then become part of new terms and conditions and thus not time limited.

It is hoped that the current situation won't last and we will see a return to something like normality within the industry in the short to medium term so our solution needs to be appropriate and time limited.

## **Proposal**

As few of the solutions already tried by other authorities seem suitable in our case we have looked to offer a "retention payment" is offered to all operatives holding an LGV licence. This would take the form of a "one off" £5,000 payment to be paid through the salary payments to all who remain with us for the next 12 months.

Anyone who leaves during that period would not receive any payment. In addition daily payments would be withheld for excessive sickness. Should an operative leave and forego the payment, an incentive payment to new starters will be offered during the recruitment procedure.

In addition to the retention scheme department managers have also asked that the current training budget of £3,600 be doubled to allow the "in house" training of more drivers.

Updated requirements around LGV training payback are being negotiated with the trade unions but these are unlikely to have any additional financial impact on the authority.

## **Finance (FIN21-22/8818)**

SLT and Finance colleagues have been consulted on this proposal and it has been agreed that the maximum cost of the project, should all 28 employees accept the proposed retention payment as 100% cash, of £161,070, could be met in the following way.

The funding would be taken from underspends which were transferred to reserves at 2020/21 year end in lieu of the Contain Outbreak Management Fund (COMF) grant spend. The council has received another £160k of COMF grant for 2021/22, and some of the projects which had originally been planned to be funded from that grant are now no longer required.

In addition it is likely that the training budget will be underspent due to all levels of training not always going as planned and the additional LGV training could then be funded. Should this not be the case, the additional could be financed from the Change Management reserve.

Members can also be assured that Human Resources have been fully consulted during the drawing up of this proposal and that the trade unions will be consulted on all aspects of the solution.

## **Time Frame**

Obviously the response to this current issue needs to be put in place as soon as possible and so an urgent decision to proceed is requested.

## **Decision**

The payment of the “Retention Payment” as a one off solution to address the current shortage of drivers and to try and mitigate against a mass exodus of employees during the next 12 months.

## **Members Consulted:**

Councillor David Lloyd – Chairman and Leader of the Council

Councillor Keith Girling – Deputy Leader of the Council

Councillor Paul Peacock – Opposition Spokesperson

Signed

A handwritten signature in black ink, appearing to read 'M.F.', followed by a period.

Date 20/10/21

Matthew Finch  
Director – Communities & Environment