



**Scrutiny Committee**

**16:30 to 17:40**

**14 February 2019**

Present: Councillors Wright (chair), Fullman (vice chair), Carlo, Hampton, Raby, Smith, Stewart, Thomas (Va) and Thomas (Vi)

Apologies: Councillors Coleshill, Fulton-McAlister (M), Manning and Sands (S)

**1. Public questions/petitions**

There were no public questions or petitions.

**2. Declarations of interest**

There were no declarations of interest.

**3. Scrutiny Committee Work Programme 2018-19**

Members agreed that as relevant research was due to be published, the item on viability assessments would be replaced with an item on the scrutiny of Norfolk County Council's decision not to renew the Highways Agreement. The scope would be worked on by officers and agreed with the chair and vice chair.

The item on the New Anglia LEP would be considered in the new civic year as additional work was needed to devise a scope for this item.

**RESOLVED to:**

- (1) postpone the housing viability item to the new civic year; and
- (2) add an item to the scrutiny work programme for the 21 March 2019 meeting on Norfolk County Council's decision not to renew the Highways Agreement.

**4. Employment practice research**

The economic development officer presented the report.

The research had been commissioned following a motion passed by council in 2018. It was undertaken as three separate strands covering issues relating to zero hours

contracts, issues relating to hard to fill vacancies and the issues facing Norwich workers in relation to low pay and insecure employment.

The research had shown that younger and older employees were more in favour of zero hours contracts. Those employees of 'prime working age' on zero hours contracts often found it difficult to access mainstream financial products which could lead to anxiety, depression and a lack of motivation. Those on zero hours contracts were entitled to the same holiday pay as other employees but many were not aware of this.

The economic development officer gave the example of McDonald's as being a favourable employer to work for on a zero hours contract. Employees on these contracts had the same rights as permanent employees and once they had been employed on a zero hours contract for two years, they would be offered a permanent role. Members noted that 90% of these employees did not take the offer of a permanent contract.

The research policy recommendations were highlighted but it was explained that most of these were not within the gift of local authorities. Local authorities could however lobby central government on good working practices. The economic development officer said that the use of zero hours contracts would grow unless there was legislation in place to stop or regulate these.

Following the presentation of the report, members watched a short video on the Universal Basic Income in Finland <https://www.bbc.co.uk/news/world-europe-47169549>

Members discussed the next steps following the conclusion of the piece of research. When employees were asked what the council could do to support workers in low paid or insecure jobs, the answer was that employees did not know which agencies to approach for advice on employment rights. The economic development manager said that there would always be employers saying that they were not getting good quality applicants for the vacancies being advertised as school leavers still had a lack of skills. This could be improved by employers investing time in their workforces. The chair commented that he had been involved in a programme called 'World of Work' in which employees would visit their old school to speak to the students about work and what employers would expect of them. The economic development team had been involved in a small project on interview skills which had also shown some positive results.

Members discussed the training and wages in the care industry. A member commented that employees in this sector were expected to complete online training which was wholly inadequate for a practical job. There was not enough money in the care system to pay fairly for jobs as care companies were bidding for contracts which meant that it was a competitive systems and costs had to be kept as low as possible. The knock on effect of this was that employers were not able to pay salaries which were attractive enough to keep people in these roles.

A member asked whether the city council could pilot a co-operative model to run a care facility with a view to providing a more satisfying work environment. The

economic development officer said that this could be considered if the will and the resources were available to set up such a project.

The economic development manager said that Norwich had a resilient economy as it had a varied employment sector but the geography of the city also meant that it was a service area for a wide range of people. Although there was a wide spread of employment sectors, the salaries were not high and there were not many progression options; therefore skills provisions needed to be considered over a long term period to enable choice within the labour market and empowering employees through choice.

A member said that she had conducted some research around 'Deliveroo' drivers and had found that many did not know that they were self-employed. When these employees were asked what help could be given to them, they said that they wanted to move to an employment model. She also referred to taxi drivers and asked what could be done to alleviate these problems within small local firms. The economic development officer said that there was a need to advise workers of their rights as it was difficult to get to the employers. If employees could be educated on their rights, they could push this back to the employer.

The chair referred to the annual safeguarding briefing given to taxi drivers at city hall and queried whether this could be a forum to advise them of their employment rights.

A member commented that there seemed to be a great emphasis on investment in infrastructure where there should be more emphasis on soft infrastructure - investing in people including school leavers transitioning into work. If young people did not receive support at home, a mentor should be available to improve their chances of finding employment. The economic development manager said that mentoring scheme had been undertaking in many schools. The scheme was voluntary however which meant that those that needed it the most did not put themselves forward.

**RESOLVED** to ask officers to identify contact points that the council has with organisations and employers and consider how these could be used to inform people of their employment rights.

CHAIR