

EMPLOYMENT PANEL

MONDAY, 14 AUGUST 2017

PRESENT: Councillors Lisa Targowska (Chairman), Eileen Quick (Vice-Chairman), Phillip Bicknell, Paul Brimacombe, Stuart Carroll, Lynne Jones, MJ Saunders and Edward Wilson

Officers: Terry Baldwin and Karen Shepherd

APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Dr L Evans.

DECLARATIONS OF INTEREST

None received.

MINUTES

RESOLVED UNANIMOUSLY: That the Part I minutes of the meeting held on 13 June 2017 be approved.

RESULTS OF PAY REWARD PROCESS 2017

Members considered the results of the 2017 pay reward process. Members noted that, for the first time in some years, the council had agreed to give both a Pay Award and Pay Reward. All staff had received a 0.8% Pay Award and budget had been made available for Pay Reward, although this figure had been less than in previous years because of the Pay Award.

Members commended officers on the fact that all staff had a completed appraisal by 31 March 2017.

The Head of HR confirmed that 11 appraisal score reviews were requested, with three being upheld. Less appeals were made than the previous year, and less were upheld. Staff were now more used to the system although there had been some feedback that the scheme was still complicated, particularly for staff at the top of a grade. Members had approved a number of changes to the scheme for the following year, to address such issues. Feedback had also been received that some staff were disappointed that a smaller amount was available for Pay Reward than in previous years.

Councillor Saunders highlighted that that some 10% of employees received an outstanding score and had been rewarded with an increase (unrelated to promotion) of just less than 2.2%. In excess of one third who had been given an excellent rating received a total increase just short of 1.5%; this was also a very credible figure in the context of public sector pay awards across the UK. Councillor Saunders suggested a table showing the base figure of 0.8% and increments associated with good/excellent/outstanding scores, alongside any increases associated with promotions or grade changes, would be useful so that the average increase in employee salary was clear. He expected that a person outside the council would believe no one had received more than 1%.

The Head of HR confirmed that HR reviewed each of the cases relating to the 30 staff deemed as 'Requiring Improvement' as at 31 March 2017. Approximately half had already moved out of the category; others had six month improvement plans in place. He would be able to circulate a table giving further details, although this would likely be in Part II due to the small cohort. Councillor Quick suggested figures by directorate would be useful in this respect. Councillor Brimacombe commented that he felt the term 'Requires Improvement' could be misleading as even those at good, excellent or outstanding would have areas to improve. The Head of HR explained that the term 'Requires Improvement' linked to Ofsted and was a recognised term.

Councillor Brimacombe commented that more than half were deemed good/excellent/outstanding, which was commendable, but cautioned about grade inflation. Some schemes were normative: Individuals were graded against others, so there was never more than 10% in the top grade. The Head of HR confirmed that safeguards were in place including moderation of objectives undertaken by service leaders and moderation of scores at Directorate and CMT level.

Councillor Bicknell asked if there were any environmental factors that were affecting officers' ability to perform? Details about department and grade would be needed to ensure Members had the full picture. The Head of HR commented that he could draw out any lessons learned from the individual cases for the next paper. He commented that someone was deemed 'Requiring Improvement' as soon as they dropped below 78 points. A number of the individuals concerned were very close to 78 so, with an improvement plan in place, quickly moved out of the category.

Councillor E. Wilson commented that the 0.8% Pay Award was good news; many private firms could not afford to give pay rises at the moment. He asked whether being graded as 'outstanding' provided motivation and helped to retain staff. The Head of HR responded that the outstanding results were across a variety of grades. The Pay Award had been welcomed by staff, along with a reward scheme that recognised performance. Some feedback from those receiving outstanding scores had related to the limited funding available compared to previous years.

Councillor Saunders commented that the analysis previously requested by Councillor Quick could be found in the appendix to the Part II report the Panel had received at a previous meeting. The only significant bias he could identify was that those scoring at the lower end tended to be older.

The Head of HR agreed to circulate the statistics in relation to length of service.

RESOLVED UNANIMOUSLY: That Employment Panel notes the report.

REVISION TO GRIEVANCE PROCEDURE

Members considered an amendment to the council's grievance procedure. The Head of HR explained that the procedure currently had three stages. An employee who remained dissatisfied with the outcome of their grievance at stages one and two was able to have their grievance heard at stage three by the Member Employment Appeal Panel (EAP). The report recommended shortening the current procedure and was in accordance with the ACAS code. Since the beginning of 2016 only 3 of the 14 grievances had been taken to the EAP level and of these all three had not been upheld. The decision reached by officers was

supported by Members. The proposal meant that Members would only hear grievance appeals for members of the senior leadership team.

The Chairman commented that she was supportive of removing the Member element which was inefficient, dragged the process out and did not add a lot of benefit. Member involvement for grievances by senior officers was appropriate, for example for the Managing Director this could go the Lead Member for decision and the Leader for appeal.

Councillor Saunders commented that this presented a dilemma. He had sat on panels and was conscious of the important role played by Members in considering the evidence and coming to a balanced judgement. The second element was the desire for the employee to feel they had a line of appeal to people perceived to be unencumbered by the organisational structure. If the policy was amended as proposed, he struggled to see that the employee would feel their manager and the other managers above them would have the necessary independence and objectivity they would expect and deserve.

The Chairman commented that outside the public sector it would be unusual to find that someone outside the organisation in question would be involved in making the decision. The process could be improved by allowing the appeal to be made to HR, who would then appoint an appropriate investigator and decision maker at least one grade above and in another department. Any appeal would be to an individual in another department.

Councillor Saunders commented that he appreciated that a complicated but deliverable set of Chinese walls could be put in place to seek to ensure the party taking the initial judgement had no operational responsibility for the area in question, but as you went up the organisation, the pyramid tightened. Additionally, the council promoted collaboration and co-operation between teams therefore it was difficult to ask someone to be independent for the purposes of an investigation yet work collaboratively at other time. The only alternative was some sort of Member involvement in the appeal process.

Councillor Brimacombe commented that most organisations did not use independent people because they did not have the option. The council was lucky to have independent people embedded and should see this as a virtue. The principle of an independent person was an effective check and balance. The council should hold itself to a higher standard and have a more robust system.

Councillor Jones commented that the council was much smaller now than a few years ago, so officers were more likely to know each other, which would make it more difficult to identify an individual who would be seen as independent. The necessary degree of separation did not now exist.

Councillor Bicknell commented that in his view councillors were not independent, many were involved in service areas. The proposal was only to remove the grievance aspect; Members would continue to consider disciplinary appeals.

Councillor Carroll supported the continuation of Member involvement. He felt that it was odd to have a process where a grievance was submitted to a line manager, this should go to HR. However, despite best efforts, some people would still believe the HR department would work for the benefit of the

organisation not the employee. In other organisations the HR reporting line was taken away from the operational structure to try to overcome this perception. Where it was done well, a process would include a mechanism for independent review, for example consultants.

The Head of HR explained that the Shared Audit and Investigation team was used to undertake investigations. Complex investigations or for more senior individuals would involve independent investigators. The main benefit of the proposal in the report was the reduction in the timescale to get a final decision. The current process allowed 20 working days for an appeal to be heard; this extended process could be uncomfortable for the employee. The Chairman commented that a significant amount of officer time was involved in putting the appeal together.

Councillor Saunders commented that he felt it would be inappropriate to remove Member involvement. However he accepted the current process represented a level of bureaucracy that was out of proportion with the benefit provided. He therefore suggested that officers be requested to bring a report to a future Panel meeting to include options that achieved the objective inspired by the report but maintained a meaningful role for Members.

Councillor Quick commented that the council should seek to be one of the best employees in the area. It was important that grievances were dealt with in a satisfactory manner. If the third level of Member involvement was chopped out this could be perceived as the council trying to gag an employee's grievance and to stop them having contact with Members.

The Head of HR confirmed that the trade unions had not as yet fed back in relation to the report.

RESOLVED UNANIMOUSLY: That Employment Panel requests an options paper be presented to the October 2017 meeting of the Panel on amendments to the grievance procedure.

LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE PUBLIC

RESOLVED UNANIMOUSLY: That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the remainder of the meeting whilst discussion takes place on item 7 on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 1-7 of part I of Schedule 12A of the Act.

The meeting, which began at 6.30 pm, finished at 7.18 pm

CHAIRMAN.....

DATE.....