
BRECKLAND COUNCIL

At a Meeting of the

GENERAL PURPOSES COMMITTEE

**Held on Wednesday, 19 February 2014 at 10.00 am in
Norfolk Room, The Conference Suite, Elizabeth House, Dereham**

PRESENT

Mr P.J. Duigan (Chairman)	Mr R.F. Goreham
Mr T R Carter (Vice-Chairman)	Mrs S.M. Matthews
Mr S.G. Bambridge	Mr B J Skull
Mr W.P. Borrett	Mr A.C. Stasiak
Councillor M. Chapman-Allen	Mrs A.L. Steward
Mr C. S. Clark	Mr D.R. Williams JP

Also Present

Mr W.H.C. Smith

In Attendance

Ruth Hassall	- HR Manager
Helen McAleer	- Senior Committee Officer
Richard Wills	- Breckland Training Services Manager

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5/14 MINUTES (AGENDA ITEM 1)

The Minutes of the meeting held on 8 January 2014 were confirmed as a correct record and signed by the Chairman.

6/14 NON-MEMBERS WISHING TO ADDRESS THE MEETING (AGENDA ITEM 5)

Councillor Smith was in attendance as Executive Member for Corporate Services and Quality Assurance with responsibility for Human Resources and Training.

7/14 LOCAL JOINT CONSULTATIVE COMMITTEE : 6 FEBRUARY 2014 (AGENDA ITEM 6)

The Minutes of the Local Joint Consultative Committee (LJCC) meeting held on 6 February 2014 had been handed to Members before the meeting commenced.

The Chairman of the LJCC said that they had been very impressed by the presentations.

The recommendations in the Minutes would be taken under the relevant Agenda Items.

8/14 REVIEW OF REMUNERATION PACKAGE (AGENDA ITEM 7)

The Human Resources Manager presented the report.

The aim was to address the perceived inequality in the existing system and to enhance the rewards package. All the options had been looked at and there was a list of recommendations.

Targets would be strengthened to ensure that they were SMART (Specific, Measurable, Achievable, Relevant and Time Limited). Alongside the competency targets there would be assessments of behaviours. A new appeals process would be brought in for staff deemed to be under-performing.

It was felt that the current basic performance increase devalued the 'performing' achievement and therefore a new layer would be introduced below that level. There would be no cost of living increase but the 'performing' increase would be applied to all salary scales. That might mean that some people could end up being paid below the lowest level of their grade but there would be robust evidence to support the reason for that and very limited numbers of staff would be affected.

Underperforming staff would be given prior notification of their failure to maintain the necessary grade and support would be given to reach the required standard before capability measures were introduced.

All appraisers would be given training and briefings would be held for all staff on the changes to the scheme.

A significant change was that the apportionment of Performance Related Pay (PRP) had been made fairer. Currently the percentages for 'Performing' 'Over Achieving' and 'Exceptional' were pre-set and if the number of staff achieving those grades did not match the percentages it meant that some individuals had to be downgraded. In future, PRP would be apportioned on the basis of the number of people achieving each category. The pot of money available would remain unchanged, only the apportionment would change. The Union could negotiate on the split of the pot between the three categories.

It was acknowledged that times were lean and the Council was not in a position to offer large salary increases therefore additional elements of reward had also been looked at, which would not significantly increase costs.

It was proposed to roll-out Total Rewards which would enable staff to buy things through a 'salary sacrifice' scheme. Currently child care

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vouchers could be purchased in that way. In future it was intended that cycling and computing schemes would be introduced along with the chance to buy shop vouchers which would give a small discount. Staff would also have the opportunity to buy up to an additional five days' leave with the reduction in salary being spread across the year. It was not expected that the uptake of that option would be great, but it would be useful for planning parental leave. All cases would have to be agreed by the individual's Manager.

Finally, it was proposed to remove Grade 12 and uplift the bottom of Grade 11 to ensure that the lowest salary equalled the Living Wage.

Councillor Smith said the report was exactly what he had asked for. He wanted to get the linkage between pay and performance management back and to develop a quality assurance scheme in the Council. The new system was designed to motivate. The criticism of the current system was that it was diluted and not worth having. The change would reintroduce a more robust system which would be tied into the Performance Management system with four review periods compared to the current two. There would be a greater 'hands-on' review of performance so that people would know how they were doing.

He thanked Officers for the work they had done. The proposal would not inflate the wage budget but would create the means to reward people.

Councillor Borrett asked what assurance there would be that the setting of targets and the carrying out of reviews would form part of a Managers' targets.

The HR Manager advised that completion of mid-year targets was already a Senior Management target.

Councillor Smith explained that the Performance Management system was governed by indicators with Member input. Scrutiny and Audit would review the system thereby enhancing the power of Members to influence the motivation and activities of Officers.

Councillor Williams said that the LJCC had suggested that if an appraiser was absent when a review was due, that individual's Manager should take over the appraisal to ensure there was no delay in target setting. The flaw in the existing system was that targets were not updated regularly and therefore were not always relevant. The new system would overcome that problem and the Union were very appreciative of that.

Councillor Clark asked how many staff were under achieving and was advised that there were only two or three a year, based on those taken through the capability procedure.

Councillor Bambridge suggested that 360 Assessment should be used.

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The HR Manager explained that 360 Assessment was the gold standard and was a system where individuals received feedback from their managers, peers and those below them. However, to be effective it had to be administered externally which would involve a cost.

Councillor Steward thought the new proposals seemed comprehensive and anything that could incentivise staff was good.

Councillor Goreham agreed in essence but was concerned about the appraisal of those at the top. He wanted assurance that Senior Managers received the same scrutiny and performance management as those at the bottom. He also asked if staff agreed with the changes as the Council needed a happy work force.

The HR Manager confirmed that the scheme was applied across the board from the very top down and all appraisals were recorded by the HR department.

Councillor Williams confirmed that at the LJCC meeting Unison had been in agreement with the majority of the proposals and were pleased that their negotiations had been taken on board. Unison would be involved at every stage of the new process which would be a fair and proportionate system.

The Chairman noted that the recommendations from LJCC had made no changes in principle to the proposals. If approved the details would be sorted out by the Corporate Management Team. He suggested that a Standing Item be added to the Agenda for the next couple of meetings so that Members could receive a verbal update on progress.

Councillor Williams suggested that when the new Chief Executive was in post, their buy-in to the new proposals should be confirmed.

Councillor Goreham thought it would be a good idea to invite the new Chief Executive to visit every Standing Committee.

Subject to the Committee receiving regular updates it was **RESOLVED** that the following changes be made to the remuneration package:

Appraisals

- Introduce capacity to identify an employee as 'underperforming'.
- Integrate appraisal reviews with the existing 1:1's (introducing these if they are not in place), to ensure that adequate levels of support are provided and that targets remain applicable throughout the year.
- Separating the assessment and objective setting meetings.
- Introduce 'first line moderation' whereby assessments and objective setting are moderated by the managers manager,

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followed by a 10% spot check of targets applied, to ensure consistency across the organisation.

- That the completion deadlines for appraisals are staggered, with the more senior managers reviews being undertaken earlier in the year, so that the objectives of their direct reports can reflect the objectives they have been given.
- Introduce the assessment of behaviours alongside SMART targets.
- Employees will be given the opportunity to appeal against the targets set, if they feel that they are unfair, via the first line moderation process.
- Employees will be able to appeal if they are classified as 'under performing', via the first line moderation process.

Performance Related Pay

- No salary increase to be applied to those who are identified as 'under performing' until such time as their performance reaches required levels, (as defined in the appraisal document,) with no arrears paid.
- No longer provide 'cost of living' salary increases, grades will be increased annually at the same rate as the performance increase.
- The apportionment of PRP to be based on the number of people who achieve each category, (for example, it might be decided that all employees who achieve 'performing' or higher receive 0.5% increase, the remaining moneys can then be split between those who receive 'over achieving' or 'exceptional').

Reward

- Adopt a flexible benefit scheme, pending a further report from the Payroll and Reward Manager.
- Adopt a 'Total Reward' approach to remuneration, pending confirmation that the new HR system is able to support this function.
- Provide the option for staff to purchase up to five additional days annual leave.
- Remove grade 12 from the grading system due to its potential to bring the salary bands below the level of the NMW, with the base of the grade being increased to £14,760.00 per annum. This will not preclude paying apprentices or interns at a lower rate should schemes be introduced.

9/14 NEXT MEETING (AGENDA ITEM 8)

The arrangements for the next meeting on 2 April 2014 were noted.

It was agreed that the meeting scheduled for 21 May 2014 should be moved to avoid a clash with the European Parliamentary Elections to be

held on 22 May 2014. Details to be confirmed.

10/14 EXCLUSION OF PRESS AND PUBLIC (AGENDA ITEM 10)

RESOLVED that under Section 100(A) of the Local Government Act 1972 the press and public be excluded from the meeting for the following items of business on the grounds that they involve the disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Act.

11/14 BRECKLAND TRAINING SERVICES ANNUAL REVIEW 2012-13 (AGENDA ITEM 11)

An amended report had been tabled.

The Breckland Training Services (BTS) Manager gave Members a brief presentation on the progress of the Breckland Training Service so far.

The Service had commenced in September 2012 and all the aims for the first twelve months had been achieved or exceeded.

BTS had been branded and promoted to ensure visibility, with website optimisation work, a prospectus and flyers and a market stall promotional stand which was eye-catching and ensured that they stood out from the crowd at exhibitions.

Members were given examples of the different sorts of courses offered and the variety of organisations and Local Authorities that were clients of the Training Service.

One highlight of 2013 had been the hosting of the LGA challenge which had been so successful that they had been invited to host again in 2014. Another positive from that success was the additional business that had been generated by the delegates from the Challenge returning to their own Authorities and recommending the Training Service.

In fact, word-of-mouth recommendations and the reputation that the Service had achieved had proved to be the most successful promotional tools and had generated business, whereas the prospectus, which had been sent to every Authority in the country had generated none.

With regard to the future, the BTS Manager advised that to achieve the goals set for the next two years it would be necessary to make some changes:

- Improve resilience by getting more customers;
- Amend the organisational structure of BTS to split the work more evenly; and
- Review the pricing structure.

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Two risks to bear in mind were that the BTS Manager post expired on 30 April 2014 and that large numbers of changes could affect the quality of the service.

The Chairman asked about the value of the internal training that BTS provided to Members and Officers at no cost and the BTS Manager thought that it would equate to a large percentage of the annual training budget.

The BTS Manager left the room whilst Members discussed the recommendations.

Councillor Stasiak was concerned that if the BTS Manager left it would have a serious impact on the Service and Councillor Smith agreed. He explained his thoughts on the way forward.

Councillor Williams advised that the LJCC had supported the proposal to keep the BTS Manager.

Other Members agreed and Councillor Goreham remarked that it was brilliant to listen to the BTS Manager as he had such enthusiasm, drive and motivation. He was also appreciative of the enthusiasm of the Executive Member.

RESOLVED that:

- (1) the success of the project's first year as described in the BTS Annual Review be noted;
- (2) the Breckland Training Services Manager's post be made permanent and the Breckland Training Service be continued as a cost recovery service in line with its three year goals; and
- (3) the current HR training team structure be reviewed.

The meeting closed at 11.50 am

CHAIRMAN