

Notice of Meeting

Personnel Committee

Monday, 9th February, 2015 at 2.30 pm
in Committee Room 1 Council Offices
Market Street Newbury

Date of despatch of Agenda: Thursday, 29 January 2015

For further information about this Agenda, or to inspect any background documents referred to in Part I reports, please contact Moira Fraser on (01635) 519045 / 519465

e-mail: mfraser@westberks.gov.uk / smann@westberks.gov.uk

Further information and Minutes are also available on the Council's website at www.westberks.gov.uk



To: Councillors Peter Argyle, Adrian Edwards, Tony Linden, Mollie Lock (Vice-Chairman), Andrew Rowles and Quentin Webb (Chairman)
Substitutes: Councillors David Allen, Jeff Brooks, Paul Bryant and Tim Metcalfe

Agenda

Part I	Page No.
1. Apologies for Absence To receive apologies for inability to attend the meeting (if any).	
2. Minutes To approve as a correct record the Minutes of the meeting of the Committee held on 28 May 2014.	5 - 12
3. Declarations of Interest To remind Members of the need to record the existence and nature of any Personal, Disclosable Pecuniary or other interests in items on the agenda, in accordance with the Members' Code of Conduct .	
4. Recruitment and Selection Policy Updates (PC2928) <i>Purpose: To seek approval for two key changes to the Council's Recruitment Policy in relation to advertising posts; to allow services to advertise in alternative publications/websites at their own expense; to allow the Head of HR to approve simultaneous external and internal advertisement of posts.</i>	13 - 16
5. Employee Performance Management: Revised Policies and Procedures (PC2929) <i>Purpose: To seek approval for the introduction of performance grades at appraisal for all corporate employees. To seek approval for the use of a competency framework for all corporate employees as part of the appraisal process. To seek approval for the introduction of a new 'enhanced support' procedure for employees who are underperforming but who fall short of the requirements of the formal capability procedure.</i>	17 - 56
6. Statutory Pay Policy (C2833) <i>Purpose: To present a pay policy statement for the Council to be published in April 2015 for approval.</i>	57 - 72

Andy Day

Head of Strategic Support

If you require this information in a different format or translation, please contact
Moira Fraser on telephone (01635) 519045.



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DRAFT

Note: These Minutes will remain DRAFT until approved at the next meeting of the Committee

PERSONNEL COMMITTEE

MINUTES OF THE MEETING HELD ON WEDNESDAY, 28 MAY 2014

Councillors Present: Peter Argyle, Adrian Edwards, Tony Linden, Mollie Lock (Vice-Chairman), Andrew Rowles and Quentin Webb (Chairman)

Also Present: Sean Anderson (Head of Customer Services), Rosemary Culmer (Unison Secretary/Staff Co-ordinator), Jane Milone (Human Resources Manager), Robert O'Reilly (Head of Human Resources), David Pearson (Unison Chair), Stephen Chard (Policy Officer) and Paul Watkins (NASUWT)

PART I

4. Minutes

The Minutes of the meetings held on 4 February 2014 and 15 May 2014 were approved as true and correct records and signed by the Chairman.

5. Declarations of Interest

Councillors Tony Linden, Andrew Rowles and Quentin Webb declared an interest in Agenda Item 5, but reported that, as their interest was personal and not prejudicial or a disclosable pecuniary interest, they determined to remain to take part in the debate and vote on the matter.

6. Recognising Continuous Service with Academy Schools (PC2774)

The Committee considered a report (Agenda Item 4) which proposed a reversal of the current policy of the Council not to recognise continuous service with academy schools for the purpose of occupational benefits.

Robert O'Reilly introduced the report and reminded Members of the Personnel Committee's decision in 2011 to approve a policy for the Council not to recognise continuous service of employees working in academy schools for the purpose of calculating entitlement to occupational benefits such as sick pay, maternity/paternity/adoption pay and leave, and annual leave. This decision was taken at a time when the potential for a local authority maintained school to convert to academy status was relatively new and there were concerns at the time as academies could alter the terms and conditions of its employees from the terms and conditions used in maintained schools.

In August 2013, trade unions, via the Joint Consultative Panel (JCP), requested that the Personnel Committee review the policy for reasons including the concern that the policy prevented schools from recruiting the best people, as those working in an academy were being put off by the fact that they would not have their academy service recognised for the above mentioned occupational benefits. Headteachers had also highlighted this as a barrier to recruitment. In addition, the potential for an academy to alter the terms and conditions of staff had not been an issue.

Councillor Peter Argyle queried whether the continuous service of teachers in private schools was recognised. Robert O'Reilly confirmed that this was not the case and

PERSONNEL COMMITTEE - 28 MAY 2014 - MINUTES

academy staff were, at present, considered in the same way as someone working in a private school. This would also be the case for free schools.

Councillors Quentin Webb and Mollie Lock reported that as Members of the JCP they were present for the JCP discussion on this matter.

At the JCP, trade unions had requested to attend Personnel Committee to put forward their views and Members agreed to suspend standing orders to allow the representatives to do so.

Councillor Webb welcomed the trade union representatives to the meeting and invited them to make their points.

David Pearson made the following points on behalf of Unison:

- The Unison members to whom this report related were primarily support staff working in schools. He was pleased to note the recommendation of the report to recognise service in academy schools which would be advantageous to both staff and schools. Headteachers had also given their support to the recommendation.
- Approval of the Officer recommendation would show support and appreciation to loyal members of staff, many of whom had worked in a local authority school for some years and had no control over becoming a member of staff of an academy. Therefore, their academy service should be recognised.
- The change to the policy would have minimal cost impact on the Council and schools.

Councillor Tony Linden queried whether the service of staff who worked in a free school should also be recognised. David Pearson explained that the concern of trade unions was in relation to staff who had been TUPE'd (Transfer of Undertakings (Protection of Employment)) to academies at short notice. Free schools had not been a consideration of previous discussions, but further debate could be held by the JCP and/or Personnel Committee if this was felt necessary in future. Robert O'Reilly confirmed that TUPE would not apply to an individual working at a free school.

Paul Watkins, representative of the teaching union (NASUWT), but also speaking on behalf of other teaching unions, made the following points:

- He gave his strong support to the recommendation outlined in the report. He was an employee of a West Berkshire Council maintained school which converted to an academy and was of the hope that his academy service would be recognised if he was to move to a maintained school.
- The view of the JCP was sensible as the landscape had changed from the time when academies were first introduced and only a small number existed, as many of West Berkshire's secondary schools had since become academies.
- Mr Watkins was pleased to note the support of Headteachers. He also commented that West Berkshire was an expensive place to live and work and there should be no additional barriers to recruitment.

Rosemary Culmer, also speaking for Unison, was pleased that the policy was being reconsidered.

Councillor Lock referred to paragraph 3.2 of the report which stated that as of October 2013, four out of five of the other Berkshire unitary authorities had chosen not to recognise academy service and questioned whether this was still the case. Robert O'Reilly confirmed this was still the position, but felt it was likely that other local authorities would follow the Council's proposals to recognise academy service.

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Councillor Webb was of the view that the proposals had a number of positive benefits which far exceeded concerns. He then referred to paragraph 4.3 of the report which gave two options for recognition of academy service:

- (1) Recognise service in West Berkshire academies only; or
- (2) Recognise all academy service

Option two was recommended by Officers and this was proposed for acceptance by Councillor Webb. Councillor Linden seconded the proposal which was then approved.

Councillor Webb highlighted the importance of supporting school staff and recognising both their work and length of service.

Councillor Linden queried how this decision would be publicised. Robert O'Reilly advised that it would be reported as part of the HR schools newsletter. David Pearson added that it would be circulated to trade union representatives.

RESOLVED that the current policy of the Council would be changed to allow recognition of service in all academy schools for occupational benefits.

Members agreed to reinstate standing orders.

7. Local Government Pension Scheme 2014 Policies (PC2826)

(Councillors Tony Linden, Andrew Rowles and Quentin Webb declared a personal interest in Agenda item 5 by virtue of the fact that they were members of the Local Government Pension Scheme. As their interest was personal and not prejudicial or a discloseable pecuniary interest they were permitted to take part in the debate and vote on the matter).

The Committee considered a report (Agenda Item 5) which proposed the Council's policy in relation to a number of the Local Government Pension Scheme (LGPS) Regulations.

Robert O'Reilly explained that with effect from 1 April 2014, the LGPS Regulations 2013 and the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 came into force. Under these Regulations, it was a requirement of LGPS employers to prepare, maintain and keep under review a statement of policy concerning a number of discretions made available throughout the Regulations. The report and its appendices outlined the changes required and made a number of recommendations for Member's consideration. The recommendations took into account the views expressed by Management Board Members. Advice had also been sought from the Royal Berkshire Pension Fund.

LGPS 2013 Regulation 16 – Additional Pension Contributions

Recommendation: not to fund an employee's additional pension contributions. Robert O'Reilly commented that funding an employee's additional pension contributions had not previously been the Council's practice and it was not felt that a change would be necessary.

RESOLVED that the recommendation be agreed.

LGPS 2013 Regulation 30(6) – Flexible Retirement

Recommendation: to accept applications where there was no cost to the employer subject to there being no detrimental impact on the service. Robert O'Reilly commented that this was a significant change to the LGPS as it enabled a LGPS employee to retire at the age of 55, with reductions to their entitlement. This was currently at the age of 60.

(Councillor Tony Linden left the meeting at 2.56pm).

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Jane Milone added that, if approved, the Council's retirement procedure would be amended to reflect this.

RESOLVED that the recommendation be agreed.

LGPS 2013 Regulation 30(8) – Waiving of Actuarial Reduction

Recommendation: that a decision to waive any actuarial reduction would only be considered where there would be a financial or other benefit to the employer.

RESOLVED that the recommendation be agreed.

LGPS 2013 Regulation 31 – Award of Additional Pension

Recommendation: not to award additional pension except in the following circumstances:

Additional pension under regulation 31 might be awarded to an employee who would otherwise be eligible for a lump sum compensation payment under the WBC Discretionary Compensation policy. Where the employee agreed to forgo the lump sum payment (in excess of any statutory redundancy compensation) that would otherwise have been paid, the Council would award additional pension actuarially equivalent in value to the lump sum compensation payment, provided that the additional annual pension would not exceed the statutory limits.

(Councillor Linden returned to the meeting at 2.59pm).

Jane Milone explained that approval of this recommendation would offer employees the opportunity to invest in their LGPS, with no additional cost to the Council. This was in line with current policy.

RESOLVED that the recommendation be agreed.

LGPS (Transitional Provisions and Savings) 2014 Schedule 2; (2) and (3) – Switching on the 85-year Rule

Recommendation: any decision to 'switch on' the 85-year Rule would only be considered where there would be a financial or other benefit to the employer on each occurrence as it arose subject to the financial implications.

RESOLVED that the recommendation be agreed.

LGPS 2013 Regulation 9(1) (3) - Contributions

Recommendation: to set employee contribution rates at 1 April each year and make no changes throughout the year. Robert O'Reilly pointed out that differing ranges of contribution were in place. Sean Anderson added that employees had the right to appeal the decisions made. This would be determined by the Section 151 Officer and, if necessary, by the Local Government Ombudsman.

RESOLVED that the recommendation be agreed.

LGPS 2013 Regulation 17(1) – Shared Costs Additional Voluntary Contributions

Recommendation: not to apply this discretion.

RESOLVED that the recommendation be agreed.

LGPS 2013 Regulation 22(7) 22(8) – Merging of Deferred Member Pension Accounts with Active Member Pension Account

Recommendation: to allow an active member to elect not to aggregate a deferred member's pension account to an active member's pension account beyond the 12 month deadline only where there was no financial risk to the employer and it was of benefit to the member.

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RESOLVED that the recommendation be agreed.

LGPS 2013 Regulation 100(6) – Inward Transfers of Pension Rights

Recommendation: to not extend the 12 month deadline.

RESOLVED that the recommendation be agreed.

LGPS 2013 Regulation 21(5) – Assumed Pensionable Pay

Recommendation: each case would be examined at the appropriate time. Robert O'Reilly explained that this related to 'regular lump sum payments' and contribution rates would apply.

RESOLVED that the recommendation be agreed.

LGPS 2013 Regulation 74 – Applications for Adjudication of Disagreements

Recommendation: the Council appoint Andy Walker (Section 151 Officer) as the Adjudicator for this purpose. Jane Milone advised that it was a recommendation of the LGPS to name the responsible individual.

RESOLVED that the recommendation be agreed.

8. Personal Relationships at Work Policy (PC2811)

The Committee considered a report (Agenda Item 6) which proposed the adoption of a policy which set out how the Council would deal with close personal relationships at work which might involve, or be perceived to involve, conflicts of interest.

Councillor Quentin Webb queried to whom an employee would disclose a personal relationship and the format for doing so. Jane Milone explained that an officer would need to disclose the information and seek a view from their line manager (or the next tier of management if the relationship was with the line manager). The line manager would seek further advice if necessary.

The policy had been drafted at the request of Corporate Board to ensure clear guidance was in place to help protect employees. Many other local authorities already had a policy in place for reporting relationships both within the organisation and with contractors.

Elements of the draft policy already existed in the Officer Code of Conduct and as part of the Council's recruitment processes. The policy would bring together the necessary elements into one place, but it was not the intention to significantly change existing arrangements.

In terms of the actual format for disclosing information, it was Robert O'Reilly's general expectation that, following discussion between the employee and their line manager, it would be put in writing in an e-mail and a note placed on the individual's HR file.

Councillor Adrian Edwards stated that he was very uncomfortable with the proposals outlined in the report and could not support the recommendation to adopt a policy. He felt the need for a policy was a concern in terms of human rights and was overly bureaucratic when considering that a Code of Conduct was already in place.

Robert O'Reilly agreed this was a sensitive issue, but reiterated that elements of the draft policy were already in existence in other documents and the policy would serve to bring this together in one place as requested by Corporate Board.

Councillor Edwards queried whether this applied to relationships between Councillors and employees of the Council/Council contractors. Robert O'Reilly explained that as Councillors were elected they were not subject to contract rules of procedure. However, Councillors had their own Code of Conduct to adhere to.

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Robert O'Reilly acknowledged the concern in relation to human rights, but assured Members that a similar policy was in place in other local authorities and the Council's draft policy took into account guidance from the Council's on-line employment law provider (XpertHR). However, if the policy was not approved then current arrangements would continue.

Councillor Andrew Rowles queried whether consideration was needed in relation to an employee's membership of an external organisation. Jane Milone advised that employees would need to consider how any relationship or membership could be perceived externally in terms of decision making.

Jane Milone advised that trade unions had been consulted and comments were received, but this only led to minor amendments to the draft policy. A suggestion of Unison was to include some guidance as an appendix which could consist of examples of actions to take in certain scenarios by employees and managers. This was something which could be provided.

Councillor Mollie Lock referred to paragraph 1.3 of the covering report and agreed it was important to strike a balance between intrusion into the personal lives of employees and the organisation's ability to address justified concerns.

Councillor Edwards felt that the integrity of managers and employees should be relied upon, and the need to report a personal relationship should be covered as part of existing policies when necessary.

Robert O'Reilly agreed there was a need for a common sense approach, but restated the view of Corporate Board that there was a need for a formal mechanism to report personal relationships.

Councillor Webb queried whether there was potential to strengthen the Code of Conduct and other processes as opposed to forming a new policy. Jane Milone advised that the Code of Conduct was not owned by HR.

Councillor Peter Argyle advised that he was sympathetic to the views of Councillor Edwards. However, he was not overly concerned at the proposal to adopt the policy which would serve to tidy up current documents/processes. Councillor Lock felt that the existence of a single policy would make referencing easier for employees and managers.

Councillor Rowles expectation was that a degree of common sense would be exerted in terms of recruitment and work with contractors, and these processes could be managed appropriately through the Code of Conduct. He then queried whether there were examples of issues being caused by a close personal relationship. Robert O'Reilly advised that no issues had been formally highlighted, but there was anecdotal evidence of staff members feeling disadvantaged as a result of relationships between colleagues.

Councillor Tony Linden gave his support to the recommendation to adopt a policy.

Councillor Edwards did not support the recommendation. He felt it would be an unnecessary intrusion, it raised concerns of human rights and it was already managed by existing policies.

Councillor Rowles felt there was scope to review the policy if there was agreement to adopt it or reconsider the decision in a year's time if it was not adopted.

Councillor Edwards proposed to reject the Officer recommendation to adopt the policy. This was seconded by Councillor Rowles with a request that the decision be reviewed and reconsidered in a year's time. Councillor Edwards accepted this addition to his proposal.

The proposal was lost on the Chairman's casting vote.

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Members then considered approval of the Officer recommendation to adopt the policy and this was approved on the Chairman's casting vote. Councillor Edwards requested that his vote against the Officer recommendation be recorded.

RESOLVED that the Personal Relationships at Work Policy be approved.

9. Date of Next Meeting

Potential dates for the next meeting would be circulated when necessary.

(The meeting commenced at 2.30pm and closed at 3.46pm)

CHAIRMAN

Date of Signature

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Agenda Item 4.

Title of Report:	Recruitment and Selection Policy updates
Report to be considered by:	Personnel
Date of Meeting:	9 February 2015
Forward Plan Ref:	PC2928

Purpose of Report: To seek approval for two key changes to the Council's Recruitment Policy in relation to advertising posts; to allow services to advertise in alternative publications/websites at their own expense; to allow the Head of HR to approve simultaneous external and internal advertisement of posts.

Recommended Action: To approve the proposed changes to policy.

Reason for decision to be taken: to respond to the changing recruitment environment in the economic upturn

Other options considered: n/a

Key background documentation: WBC Recruitment and Selection Policy, Procedures and Guidance

Published Works: None

The proposals will also help achieve the following Council Strategy principle:

CSP8 - Doing what's important well

The proposals contained in this report will help to achieve the above Council Strategy priorities and principles by:
streamlining the Council's recruitment procedures.

Portfolio Member Details

Name & Telephone No.:	Councillor Alan Law - Tel 07973 538008
E-mail Address:	alaw@westberks.gov.uk
Date Portfolio Member agreed report:	19 January 2015

Contact Officer Details

Name:	Jane Milone
Job Title:	HR Manager
Tel. No.:	01635 519238
E-mail Address:	jmilone@westberks.gov.uk

Implications

Policy:	There are two minor changes to policy - see recommendations
Financial:	none
Personnel:	none
Legal/Procurement:	none
Property:	none
Risk Management:	none

Is this item relevant to equality?	Please tick relevant boxes		Yes	No
Does the policy affect service users, employees or the wider community and:				
• Is it likely to affect people with particular protected characteristics differently?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Is it a major policy, significantly affecting how functions are delivered?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Will the policy have a significant impact on how other organisations operate in terms of equality?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to an area with known inequalities?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
Outcome (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)				
Relevant to equality - Complete an EIA available at http://intranet/EqIA				<input type="checkbox"/>
Not relevant to equality				<input checked="" type="checkbox"/>

Is this item subject to call-in?	Yes: <input checked="" type="checkbox"/>	No: <input type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
The item is due to be referred to Council for final approval		<input type="checkbox"/>
Delays in implementation could have serious financial implications for the Council		<input type="checkbox"/>
Delays in implementation could compromise the Council's position		<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>
Report is to note only		<input type="checkbox"/>

Executive Report and Summary

1. Introduction

- 1.1 The Council's Recruitment and Selection Policy sets out how the organisation will recruit and select the right people to fill vacant posts, in a fair way which avoids unlawful discrimination. The Policy is supplemented by Procedures and Guidance for managers which details how each stage of the process works. These three elements are published as one document, with the various forms available on the intranet.
- 1.2 In WBC, managers are responsible for recruiting and selecting new employees. HR place advertisements, provide advice and support to managers on shortlisting, interviewing and making offers of appointment, and correspond with applicants and appointees throughout the process.
- 1.3 HR keep customer satisfaction under review and recently held an 'Even Better Recruitment' event involving managers from across the Council. They were invited to comment on current processes and suggest changes which could improve their experiences of recruiting staff. Actions are under way to implement many of these changes. In addition, as the economic climate changes, the Council has to adjust its recruitment policies to keep the process effective and efficient.
- 1.4 This report seeks approval for two key changes to respond to the more competitive recruitment environment in which the Council's recruiting managers are operating.

2. Proposal one

- 2.1 The current version of the Recruitment and Selection Policy was launched in 2009. It provided for all posts to be advertised internally first for two weeks, to allow internal applicants to apply for redeployment*, potential promotion and/or other career opportunities without external competition in the first instance. Simultaneous external and internal advertising was only allowed if agreed with the trade unions (where, for example, there was clearly no suitable pool of internal applicants).
- 2.2 Because all decisions were taken by a single Staff Side Coordinator, these could be delayed by annual leave or other unavailability; managers complained that their ability to recruit from the best possible field was being impaired by these delays, especially in the new economic climate where the Council is facing serious competition from the private sector and other public sector employers for staff.
- 2.3 It is proposed that this policy is amended to allow the Head of HR to approve simultaneous internal and external advertising of vacant posts; this is already happening by agreement with Unison and GMB. The principle will be retained that posts should be advertised internally only at first, unless there is a good reason for believing that there will be no suitable internal applicants and that a delay in external advertising would be unreasonable. The unions will be informed each time such a decision is made and will be able to veto it if they object. The Head of HR may delegate the decision to one of the HR Managers if he is unavailable.
- 2.4 *It should be noted that a separate Redeployment Bulletin is published regularly when a number of employees are at risk of redundancy as a result of post deletions to meet savings targets.

3. Proposal two

- 3.1 In 2013 a decision was taken to reduce spending on recruitment advertising, as part of required savings, by introducing a policy of on-line only advertising. This was achieved through a HR subscription to Jobs Go Public which links with a number of other websites advertising public sector and other vacancies. The decision reflected a general change in the way that candidates search for and apply for jobs, and the fact that the economic climate meant that the Council had relatively high applicant numbers for posts. Purchasing additional services from JGP has also helped HR to continue to provide a high level of service with reducing resources.
- 3.2 As a result of this decision, however, there is no money left in the HR Recruitment budget to fund additional advertising on other websites or in printed publications. As the economic climate changes, and the job market becomes more competitive again, the Head of HR is being asked to approve more exceptions to the 'on-line on JGP only' rule to meet the needs of managers who are not able to recruit suitable applicants by this route alone (for example, Children's Social Workers). Services have to meet the cost of additional advertising from their own budgets.
- 3.3 At the Even Better Recruitment event, managers pointed out that, although the potential to approve exceptions existed, it was not part of the Policy. Therefore, some managers were not taking advantage of the potential to advertise elsewhere, albeit at their own expense.
- 3.4 It is proposed that the Policy is amended to allow recruiting managers to advertise vacant posts on other websites or in printed publications where they believe that the regular 'on-line only' route will not produce the necessary quantity or quality of applicants to fill the post successfully. The costs of this additional advertising will be met by the recruiting service.

4. Equalities Impact Assessment Outcomes

- 4.1 This item is not relevant to equality.

5. Conclusion

- 5.1 The implementation of these changes will allow the Council to respond to changes in the recruitment market and continue to run efficient and responsive recruitment campaigns.

Appendices

There are no appendices to this report.

Consultees

Local Stakeholders: n/a

Officers Consulted: Managers attending Even Better Recruitment Day in October 2014, Corporate Board

Trade Union: Rosemary Culmer, Eddie Hunter

Agenda Item 5.

Title of Report:	Employee Performance Management: Revised Policies and Procedures
Report to be considered by:	Personnel Committee
Date of Meeting:	9th February 2015
Forward Plan Ref:	PC2928

Purpose of Report:	<p>To seek approval for the introduction of performance grades at appraisal for all corporate employees.</p> <p>To seek approval for the use of a competency framework for all corporate employees as part of the appraisal process.</p> <p>To seek approval for the introduction of a new 'enhanced support' procedure for employees who are underperforming but who fall short of the requirements of the formal capability procedure.</p>
Recommended Action:	<p>To approve the changes to the Employee Performance Management Procedure and for the implementation of the Enhanced Support Procedure, with effect from 1st April 2015.</p>
Reason for decision to be taken:	<p>The Leader of the Council and the portfolio holder for Human Resources want to introduce a system of performance grades for employees. It is expected that this will allow performance to be linked to reward in the future.</p>
Other options considered:	<p>not to introduce performance grades at appraisal</p>
Key background documentation:	<p>None</p>
Published Works:	<p>None</p>

The proposals will also help achieve the following Council Strategy principle:

CSP8 - Doing what's important well

The proposals contained in this report will help to achieve the above Council Strategy priorities and principles by:

providing clear feedback to employees on their performance, and a strategy for supporting those who are underperforming to improve to a satisfactory level.

Portfolio Member Details	
Name & Telephone No.:	Councillor Alan Law - Tel 07973 538008
E-mail Address:	alaw@westberks.gov.uk
Date Portfolio Member agreed report:	29/01/15

Contact Officer Details	
Name:	Jane Milone
Job Title:	HR Manager - Corporate HR
Tel. No.:	01635 519238
E-mail Address:	jmilone@westberks.gov.uk

Implications

Policy:	Approval is sought for a change to policy on employee performance management; to introduce the use of performance grades at appraisal, and to introduce an enhanced support procedure for underperforming employees.
Financial:	none
Personnel:	See policy implications
Legal/Procurement:	none
Property:	none
Risk Management:	none

Is this item relevant to equality?	Please tick relevant boxes	Yes	No
Does the policy affect service users, employees or the wider community and:			
• Is it likely to affect people with particular protected characteristics differently?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Is it a major policy, significantly affecting how functions are delivered?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Will the policy have a significant impact on how other organisations operate in terms of equality?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to an area with known inequalities?		<input type="checkbox"/>	<input checked="" type="checkbox"/>
Outcome (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)			
Relevant to equality - Complete an EIA available at http://intranet/EqIA			<input type="checkbox"/>
Not relevant to equality			<input checked="" type="checkbox"/>

Is this item subject to call-in?	Yes: <input checked="" type="checkbox"/>	No: <input type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
The item is due to be referred to Council for final approval		<input type="checkbox"/>
Delays in implementation could have serious financial implications for the Council		<input type="checkbox"/>
Delays in implementation could compromise the Council's position		<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>
Report is to note only		<input type="checkbox"/>

Executive Summary

1. Introduction

- 1.1 Employee performance management (EPM) is an important tool to ensure that employees are focussed on activities and targets that support the Council to achieve its aims and its statutory responsibilities.
- 1.2 The Council's current EPM policy and procedure has been in place since 2006. Recently, some members of the Executive (including the Leader and the portfolio holder for Human Resources) have met the Head of HR to discuss moving to a system of performance appraisal which could ultimately be linked to reward.
- 1.3 This process will begin by introducing an appraisal process for all employees which allocates a performance grade of 1-5 (with 1 being unsatisfactory and 5 being excellent).
- 1.4 Human Resources has therefore revised the Employee Management Procedure used for all employees (apart from schools), with effect from 1st April 2015, and developed a new Enhanced Support Procedure to support employees who are underperforming.

2. Proposals

- 2.1 Personnel Committee is asked to approve:
 - (1) The introduction of performance grades at appraisal for all employees;
 - (2) The introduction of a competency framework for employees and managers which will be used as part of the appraisal process;
 - (3) The introduction of a new appraisal form;
 - (4) The introduction of a new Enhanced Support Procedure to provide extra help for employees judged to be underperforming but not meeting the criteria for the formal Capability Procedure; and
 - (5) A revised Employee Performance Management Procedure that takes account of points 1-4 above.

3. Equalities Impact Assessment Outcomes

- 3.1 This item is not relevant to equality.

4. Conclusion

- 4.1 These proposals will improve the quality of employee performance management in the Council, by providing graded feedback on work performance to all employees, and additional support to those who are underperforming to help them reach a satisfactory level of performance.

Executive Report

1. Introduction

- 1.1 Employee performance management (EPM) is an important tool to ensure that employees are focussed on activities and targets that support the Council to achieve its aims and its statutory responsibilities.
- 1.2 The Council's current EPM policy and procedure has been in place since 2006. It applies to all employees, excluding those working in schools, and provides for;
- (1) An annual appraisal which considers performance over the previous 12 months, sets objectives to be achieved over the next 12 months, and reviews learning and development needs and how these will be met.
 - (2) A six month review at which the manager meets the employee to review progress, and revise objectives if necessary.
 - (3) In between these dates, managers and employees are expected to meet regularly (once every four to six weeks) for 'one-to-one' or 'supervision' meetings.
- 1.3 In 2012, a new approach to appraisal was introduced for senior managers (CDs, HoS and those reporting to HoS) which introduced weighting of objectives and scoring of performance for the first time. New forms were introduced to record the appraisal discussion and scoring.
- 1.4 Since then, some members of the Executive (including the Leader and the portfolio holder for Human Resources) have met the Head of HR to discuss moving to a system of performance appraisal for all employees which could ultimately be linked to reward.
- 1.5 Human Resources has therefore designed a new corporate appraisal form, to be used for all employees with effect from 1st April 2015, which requires the appraiser to allocate a performance grade. The EPM procedure has been updated to reflect the new approach. In addition, a new procedure has been designed to provide enhanced support to employees whose performance is less than satisfactory but is not poor enough to require the use of the formal capability procedure.

2. New appraisal form and performance grades

- 2.1 The appraisal form (see appendix A) has been completely revised. It takes account of feedback from senior managers on the form introduced in 2012, and of the elected members' desire to see performance graded for all staff.
- 2.2 Most sections have room for comments from both the appraiser and the appraisee. This means that the form can be completed in draft before the meeting, if either or both want to, to help guide the discussion.
- 2.3 Performance is appraised against achievements, taking account of objectives set at the previous appraisal or at the six-month review and any other significant achievements in the year, and also against a set of competencies (see section 3) agreed for all WBC employees and managers.

2.4 An overall performance grade is allocated as follows;

5 – Excellent performance; The employee has achieved or excelled on all* his/her objectives, achieved more outside those objectives, has improved his/her knowledge and skills, and has demonstrated competencies in line with the WBC framework.

4 – Good performance; The employee has achieved all* of his/her objectives, has improved his/her knowledge and/or skills, and has demonstrated competencies in line with the WBC framework.

3 – Satisfactory performance; The employee has achieved most of his/her objectives (including the most important), and has demonstrated competencies in line with the WBC framework.

2 – Underperformance; The employee has achieved some of his/her objectives but not the most important ones.

1 – Unsatisfactory performance; The employee has failed to meet most or all of his/her objectives and/or has failed to meet the minimum performance standards expected in the job role.

2.5 If a grade of 2 is allocated, no incremental increase will be paid; the Enhanced Support Procedure (see section 4) will be implemented. If a grade of 1 is allocated, no incremental increase will be paid; the formal Capability Procedure will be implemented.

2.6 New objectives are set and given either a High or Medium priority. The form is designed to encourage the setting of SMART objectives (i.e. specific, measurable, achievable, relevant, and time-bound).

3. Competency framework

3.1 Objectives set at appraisal describe what is to be achieved. Competencies set out how they should be achieved. Many organisations use competencies to guide employees and their managers with regard to the behaviours and skills that are expected of them. The competency framework is a useful tool when determining objectives and learning and development needs as it can be used to identify gaps in expectations that need to be addressed.

3.2 The competency framework designed for WBC is very simple. Divided into eight broad areas, it has a set of expectations for all employees (e.g. 'Display respect for customers/clients/colleagues' or 'Seek opportunities to improve skills and understanding') and an additional set for managers (e.g. 'Expect, encourage and support high standards of performance from team members'). It was designed in HR based on research into competency frameworks in other organisations and taking account of the Council's aims and objectives.

3.3 The framework has been the subject of consultation with the trade unions and with Corporate Board and Corporate Management Team.

4. Enhanced support procedure

- 4.1 The Enhanced Support Procedure is new (see Appendix B). It has been designed to address the new performance grade category of 2. These are employees whose performance at appraisal is assessed as less than satisfactory ('underperformance'), but does not meet the criteria for the formal capability procedure. Those who are not already at the top of the grade will not receive an incremental increase from 1st April.
- 4.2 The Enhanced Support Procedure will help employees whose work performance is dipping below a satisfactory level to raise their performance to be at least satisfactory. The procedure should be used in a positive way to encourage and support employees to improve their performance. Employees will have up to a year of structured additional input to help them raise the standard of performance.
- 4.3 If an employee is judged at the six-month review to have improved to at least satisfactory, the increment withheld at the start of the year may be reinstated (but not backdated) for the rest of the year.
- 4.4 The key difference between this procedure and the formal Capability Procedure is that the Capability Procedure may lead to dismissal if performance does not reach a satisfactory level within a limited timescale (up to 13 weeks with a potential extension of six weeks). If an employee's performance on the Enhanced Support Procedure is judged to have dropped to the extent that it meets the criteria for the Capability Procedure, then the manager will need to swap to that procedure to deal with the matter.

5. Training on the new process

- 5.1 Workshops have been scheduled between January and March 2015 for all appraisers to receive training on the use of the new form, the competency framework and on allocating performance grades at appraisal. A pilot session in December provided useful feedback to inform the workshop content and format. The workshops will be delivered by HR.
- 5.2 An e-learning package is being developed for us by our e-learning partner, Learning Pool, and will be available in January for all appraisers who are unable to attend the classroom sessions or who want to refresh their understanding..
- 5.3 A communications strategy will be launched to explain the new forms to appraisees before they have their next appraisal.

6. Recommendations

- 6.1 Personnel Committee is asked to approve:
- (1) The introduction of performance grades at appraisal for all employees;
 - (2) The introduction of a competency framework for employees and managers which will be used as part of the appraisal process;
 - (3) The introduction of a new appraisal form;

- (4) The introduction of a new Enhanced Support Procedure to provide extra help for employees judged to be underperforming but not meeting the criteria for the formal Capability Procedure; and
- (5) A revised Employee Performance Management Procedure that takes account of points 1-4 above.

Appendices

Appendix A - New Appraisal Form

Appendix B - New Enhanced Support Procedure

Appendix C - revised Employee Performance Management Procedure

Consultees

Local Stakeholders: None

Officers Consulted: Corporate Board, Corporate Management Team

Trade Union: Unison, GMB

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Appraisal Form

Use this form to record the key points of the annual appraisal meeting and the six month appraisal review meeting.

This blank form is designed to be completed electronically.

Name of Employee	
Name of Appraiser	
Date of Appraisal	
Date of Six Month Review	

Guidance Notes

The purpose of the annual appraisal meeting is to:

- A.** Review achievements in the past 12 months against the objectives set at the last appraisal meeting, the six-month review and/or other objective-setting meeting;
- B.** Review individual competencies against the WBC standards framework for employees and, where appropriate, the WBC standards for leaders and managers;
- C.** Allocate an overall performance grade (1-5) based on achievements and competencies;
- D.** Determine SMART objectives for achievement over the next year. For managers these will include targets related to Corporate Health Indicators and Key Performance Indicators;
- E.** Review learning and development over the past 12 months, and identify current and future learning needs and how these will met over the next period (the Personal Development Plan);
- F.** Discuss other factors relevant to work performance and planning (career aspirations, retirement plans etc).

The purpose of the six month review meeting is to review progress on the work objectives and the Personal Development Plan, note achievements and set new or revised objectives as necessary.

It is the appraiser's responsibility to:

- **Complete the appraisal form promptly following the annual appraisal meeting and six-month review meeting;**
- **Provide a copy, no later than 10 working days after the appraisal meeting, to the employee for their comments and signature;**
- **Provide a final signed copy of the form to their own line manager after the annual appraisal meeting.**

Other significant achievements during the past 12 months	Evidence of achievement		Importance High/Medium
	Appraiser's comments	Appraisee's comments	

Taking account of how far the objectives have been achieved, and other significant achievements, focussing on those with 'high' importance, determine an overall grade for achievement for the period, where 1 is unsatisfactory and 5 is excellent.

Overall achievement grade	Comments from Appraiser on achievements	Comments from Appraisee on achievements

Part B – review of competencies against WBC standards framework

WBC Standard (see appendix for full details)	Evidence of competencies	
	Appraiser's comments	Appraisee's comments
Working with people		
Working with money and assets		
Making decisions		
Learning and development		
Using information and technology		
Representing the Council		
Approach to work		
Managing performance (managers only)		

Taking account of the competencies demonstrated by the appraisee in his/her work, determine an overall grade for competencies for the period, where 1 is unsatisfactory and 5 is excellent.

Overall competency grade	Comments from Appraiser on competencies	Comments from Appraisee on competencies

Part C – Allocation of overall performance grade

Taking account of the achievements in Part A (i.e. ‘what’ has been achieved) and the behaviours and competencies demonstrated in Part B (i.e. ‘how’ it has been achieved), allocate an overall performance grade for the period;

5 – Excellent performance; The employee has achieved or excelled on all* his/her SMART objectives, achieved more outside those objectives, has improved his/her knowledge and skills, and has demonstrated competencies in line with the WBC framework.

4 – Good performance; The employee has achieved all* of his/her objectives, has improved his/her knowledge and/or skills, and has demonstrated competencies in line with the WBC framework.

3 – Satisfactory performance; The employee has achieved most of his/her objectives (including the most important), and has demonstrated competencies in line with the WBC framework.

2 – Underperformance; The employee has achieved some of his/her objectives but not the most important ones. *No incremental increase will be paid. The Challenge and Support Procedure will be implemented.*

1 – Unsatisfactory performance; The employee has failed to meet most or all of his/her objectives and/or has failed to meet the minimum performance standards expected in the job role. *No incremental increase will be paid. The Capability Procedure will be implemented.*

Overall Performance Grade	Comments from Appraiser on performance grade	Comments from Appraisee on performance grade

Part D – Objectives for next 12 months

Objectives should be Specific, Measureable, Achievable, Relevant and Time-bound (SMART)

- *For managers, these should include objectives related to the achievement of relevant Key Performance Indicators (KPIs) and Corporate Health Indicators (CHIs)*
- *For all employees, consider the principles and priorities set out in the Council Strategy*
- *Each objective should be rated High or Medium (identify no more than 3 or 4 with High importance)*
- *New objectives may be added at the six month review meeting*

SMART objectives set at <u>Annual Appraisal</u>			Importance High (H) or Medium (M)	Six month review comments
Objective	Key activities and dates	Expected outcome(s)		

SMART objectives set at <u>Six Month Review</u>			Importance High (H) or Medium (M)
Objective	Key activities and dates	Expected outcome(s)	

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Part E – Review of learning and development

Development objective set at last appraisal/six month review, or at other time during the year	Activity undertaken and associated costs	Evidence of impact on individual and team/service/directorate/organisation	
		Appraiser's comments	Appraisee's comments

Personal Development Plan for next 12 months (also use this section for objectives set at six month review)

Development objective	Actions which will achieve the objective	Date(s)	Costs	Six month review comments

Part F – Career planning and other issues

Record discussion points on career aspirations, retirement plans and/or other issues in the box below.

Comments and signature

	Comments on this appraisal review	Signed	Date
Appraisee			
Appraiser			
Appraiser's Manager			

A copy of the completed appraisal should be retained confidentially by the appraisee and appraiser

Appendix – WBC framework standards for competencies

The following competencies are expected of all employees of West Berkshire Council.
Managers and leaders are also expected to display the competencies listed under 'leaders of people'.

	All employees	Leaders of people
When working with people	<ul style="list-style-type: none"> Display respect for customers/clients/colleagues Work as part of a team to achieve goals Listen to other points of view Deliver a high standard of customer service Communicate effectively 	<ul style="list-style-type: none"> Understand stakeholders' motivation and objectives Be a skilled influencer (communicate the vision and objectives, inspire and motivate, develop buy-in and trust) Expect, encourage and support high standards of performance from team members Use a range of leadership styles appropriate to individual team members and the situation Develop team working and a sense of common purpose; manage conflict
When working with money and other assets	<ul style="list-style-type: none"> Ensure value for money Adhere to Council financial procedures Use Council equipment with care Manage budgets responsibly Minimise waste 	<ul style="list-style-type: none"> Evaluate priorities and keep them under review, adapting as required to ensure best use of resources Encourage creativity, continual improvement and efficiencies
When making decisions	<ul style="list-style-type: none"> Make prompt and fair decisions within his/her remit Assess risks appropriately Seek advice as needed Maintain records of decisions 	<ul style="list-style-type: none"> Develop and empower team members to be able to make sound decisions (coaching) Be a decisive thinker (analyse data, information and problems, identify and evaluate options, make sound recommendations and decisions) Assess future requirements and priorities to inform decision making and service planning (change management, horizon scanning, SWOT, adaptable) Take and implement difficult and/or unpopular decisions where required

	All employees	Leaders of people
In relation to learning and development	Learn continually through experience Seek opportunities to improve skills and understanding Coach and guide colleagues	Clearly communicate and promote decisions Actively develop the team to meet current and future challenges Encourage team members to reflect on experience and learning; actively encourage transfer of learning Seek feedback on own performance to improve self awareness and own development needs
When using information and technology	Use Council systems effectively Safeguard sensitive and personal information	Seek improvement/efficiency through use of technology
When representing the Council	Maintain effective relationships with partners Display high standards of personal conduct	Develop an effective network both within and outside the Council Develop and maintain effective collaborative working both within the Council, and between organisations working in partnership
In their approach to work	Focus on priorities Work to the best of his/her ability Strive to deliver high standards Use initiative and seek creative solutions Display integrity and openness Ensure own personal safety and that of others in the workplace	Be a role model (demonstrating drive, purpose, integrity, fairness, enthusiasm, openness, resilience) Adapt to change, taking prompt and appropriate remedial action where required
When managing performance		Set/agree clear objectives, and quality and performance measures (for tasks and staff) Monitor and evaluate budgets, staff performance, and objectives Recognise good performance, and challenge underperformance and conduct

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Enhanced Support Procedure

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Related Documents

Reference	Title	Tier
	Employee Performance Management Policy	
	Capability Procedure	

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DRAFT

1. Purpose

- 1.1. This procedure should be used to support employees whose performance at appraisal is assessed as less than satisfactory ('under performance'), but does not meet the criteria for the formal Capability Procedure.
- 1.2. The Enhanced Support Procedure is designed to help employees whose work performance is dipping below a satisfactory level to raise their performance to be at least satisfactory. The procedure should be used in a positive way to encourage and support employees to improve their performance.

2. Applicability

- 2.1. This procedure applies to all employees of the Council (excluding teachers and school based staff).
- 2.2. This procedure has been the subject of consultation with the trade unions and has been agreed by the Chief Executive and the Personnel Committee.

3. Roles and Responsibilities

- 3.1. Overall responsibility for Employee Performance Management within WBC rests with the Chief Executive.
- 3.2. Line managers are responsible for ensuring that employee performance is appraised on an annual basis, in line with the Council's [Employee Performance Management \(Appraisal\) Policy](#).
- 3.3. Line managers are responsible for determining a performance grade as part of the annual review of performance.
- 3.4. Line managers are responsible for implementing the Enhanced Support Procedure for employees whose performance is judged at appraisal to fall below a satisfactory level, but which is not judged to require the formal Capability Procedure. This will be as a result of achieving a grade of 2 at appraisal ('under performance')
- 3.5. Employees are responsible for taking advantage of the support offered by this procedure to improve their work performance.

4. Principles

- 4.1. Employees on this procedure will be working satisfactorily or better in some aspects of their job. Managers and employees should reflect on these positive experiences when considering how to tackle areas which are less than satisfactory.
- 4.2. Normal performance management processes, in the form of one-to-one meetings and six-month review meetings, should continue during the period of support and challenge. These meetings may be extended to review progress under the procedure as well as to discuss the work programme.
- 4.3. This use of this procedure does not ultimately lead to dismissal. There is therefore no requirement to allow an employee on the procedure to be accompanied by a trade union representative or work colleague at any meetings between the line manager and the employee. The line manager has the discretion to allow the

employee to be accompanied at a meeting if this is requested. HR can advise on this.

5. Triggering the Enhanced Support Procedure

- 5.1. At the annual appraisal meeting, the line manager will consider all the evidence about the employee's performance over the past year, including achievements at work and competencies demonstrated, and allocate an overall performance grade of 1-5 (definitions are set out in the Employee Performance Management Procedure).
- 5.2. An employee whose appraisal grade is 2 (underperformance) will be provided with a programme of enhanced support in line with this procedure, and will not receive an incremental pay increase or other performance reward that year, for a period of up to one year. However, if performance at the six-month review is judged to have improved sufficiently to achieve a grade 3 or above, any withheld increment may be reinstated for the remainder of the year.
- 5.3. An employee whose appraisal grade is 1 (unsatisfactory) will not receive an incremental pay increase or other performance reward that year, and will be subject to the formal capability procedure.
- 5.4. Where an incremental increase is withheld for underperformance there will be no 'double increment' on the next 1st April to compensate, even where the new performance grade is 3 or above.

6. First meeting: starting the Enhanced Support Procedure

- 6.1. The manager will arrange to meet the employee following the appraisal meeting to discuss the aspects of performance that require improvement to reach a satisfactory level and the support that will be offered.
- 6.2. The employee should be given reasonable notice and be informed of the purpose of the meeting, and be provided with a copy of this procedure.
- 6.3. At the meeting the following areas should be covered in the discussion;
 - 6.3.1. Clarify the areas where performance is currently satisfactory or good, and those which fall below satisfactory (including on the WBC competency standards), so that both the employee and the manager are clear on the focus of the enhanced support process;
 - 6.3.2. Identify the level of performance required in each area that requires improvement, giving examples and measures (quantitative or qualitative), where possible, of what satisfactory performance will look like;
 - 6.3.3. Explore the possible reasons for the less than satisfactory performance. Where this may be due to ill health or disability, the line manager should seek advice from HR and occupational health before proceeding.
 - 6.3.4. Consider support mechanisms specific to the areas of underperformance, such as external or internal training, shadowing a high performing colleague, reading, coaching by the line manager or another manager, closer supervision, review of systems of work or use of technology, etc. The manager will make the final decision on the support to be provided after taking account of the employee's views;

- 6.3.5. Define a reasonable time after which a satisfactory level of performance is expected to be achieved. This will normally be the period ending with the next appraisal; it should not be longer than a year. However, if performance during this period declines significantly the manager may decide to invoke the Capability Procedure before the end of the year.
- 6.3.6. Draw up a programme to include the nature of the support to be provided, how progress and support will be reviewed, how feedback will be provided to the employee, and the period for which the procedure will be in place.
- 6.4. It is for the manager, with input from the employee, to decide the types of activity that will best support the employee to improve his/her performance, and whether feedback will be incorporated into normal one-to-one meetings or be given at separate additional meetings.
- 6.5. The manager will confirm the details of the support programme to the employee in writing.

7. Review of support and challenge

- 7.1. The support programme should be reviewed regularly to ensure that it continues to be appropriate. This should normally take place during one-to-one or supervision meetings. After discussion with the employee, the programme may be adjusted to take account of progress or a change in focus at any point during the specified period.

8. Last meeting: ending the Enhanced Support Procedure

- 8.1. If the employee achieves and sustains a satisfactory level of performance by the end of the specified period, achieving a performance grade of 3 or above at the next appraisal, the use of the procedure will be discontinued.
- 8.2. The manager may decide to end the use of the procedure early if he/she is satisfied that a satisfactory level of performance has been achieved and is sustainable. The manager will inform the employee in writing that the use of the procedure is at an end.
- 8.3. If performance during the specified period declines significantly the manager may decide to invoke the Capability Procedure before the end of the year.
- 8.4. If the employee fails to achieve and sustain a satisfactory level of performance, sufficient to achieve a performance grade of 3 at the next appraisal, but not poor enough for a performance grade of 1, the enhanced support process will continue. The manager will seek advice from HR about alternative approaches to help improve performance.
- 8.5. When the Enhanced Support Procedure has been successful because performance has improved the manager should invite the employee to a meeting to confirm that the procedure has ended and to discuss how the employee can sustain a satisfactory level of performance. This will be confirmed in writing.

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Employee Performance Management Policy and Procedure

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3	Jan 2015	Revised to incorporate new appraisal form for all staff, to introduce performance grades, and to refer to Enhanced Support Procedure	

This Policy is not for publication externally



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1. Purpose

- 1.1. The purpose of this policy and procedure is to ensure that the work performance and learning needs of every employee of West Berkshire Council are managed effectively and fairly.
- 1.2. The policy has been the subject of consultation with trade unions and representative heads of service, and has been approved by the Chief Executive and the Personnel Committee.

2. Applicability

- 2.1. This Policy applies to all non-school based employees working for the Council, including those working from home or at non-Council locations.
- 2.2. This policy does not apply to directly employed teachers, who are subject to a separate [teacher appraisal procedure](#).
- 2.3. It is the responsibility of each employee to familiarise themselves with and adhere to this policy.

3. Policy

- 3.1. The Council recognises that employees perform most effectively when they have clear expectations of their job role and purpose, their own targets or objectives, and of the wider aims of the service and the organisation.
- 3.2. The Council will ensure that every employee with a minimum of 12 months' service has a performance appraisal meeting at least once in every 12 months, at which previous performance and learning will be reviewed and targets for the future will be set.
- 3.3. The Council will ensure that managers meet employees on a regular basis to discuss progress towards targets set at the annual appraisal meeting, to discuss work programmes, and to raise any other work-related issues.
- 3.4. The Council will ensure that managers are appraised taking into account the relevant WBC leadership and management competency standards.
- 3.5. The Council will ensure that managers and employees have access to appropriate training and development to enable them to carry out their roles effectively with respect to employee performance management.
- 3.6. Underperformance of employees will be addressed, as appropriate, through;
 - 3.6.1. The Enhanced Support Procedure; or
 - 3.6.2. The Performance Capability Procedure.

4. Implementation

- 4.1. The policy will be implemented through procedures for appraisals and one-to-one meetings, with template documentation, and supported by mandatory training for all employees on employee performance management.

5. Roles and Responsibilities

- 5.1. The overall responsibility for Employee Performance Management within WBC rests with the Chief Executive.
- 5.2. The Head of Human Resources is responsible for maintaining and reviewing this policy in line with changing legislation and codes of practice.
- 5.3. Heads of Service are responsible for;
 - Achievement of corporate health indicators for appraisal;
 - Overseeing the development of staff within the service;
 - Contributing to corporate plans for staff training; and
 - Allocating their own training budgets fairly to meet development needs for staff in their service.
- 5.4. Managers are responsible for;
 - Ensuring that new employees have work targets and objectives set as part of induction;
 - Appraising the performance of employees (with at least 12 months' service) at least once per year and assessing and grading performance against objectives and against the WBC competency framework standards;
 - Ensuring that appropriate learning and development activities are planned and available to employees to address learning needs identified during the appraisal process;
 - Meeting employees on a regular basis to review progress (one-to-one or supervision meetings); and
 - Entering into MyView the date of each annual appraisal they complete.
- 5.5. Employees are responsible for;
 - Taking an active role in reviewing their own performance and target setting; and
 - Taking up learning and development opportunities and for managing their own learning.
- 5.6. Human Resources are responsible for;
 - providing advice and guidance to managers on implementing the performance management policy;
 - ensuring that appropriate training and development is available for managers and employees; and
 - monitoring and reporting on appraisals against the corporate health indicator.

6. Failure to comply with the Employee Performance Management Policy

- 6.1. Failure to comply with this policy may lead to a lack of clarity over job role, learning needs or expected standards of performance, resulting in reduced effectiveness or efficiency, underperformance and putting service delivery at risk.
- 6.2. Compliance with the annual appraisal process is measured as a corporate health indicator.

7. Training

- 7.1. All managers and employees must attend training on appraisal and employee performance management as part of their induction. This should normally be by attendance at a one day classroom training course on the [Corporate training calendar](#) (booked via [MyView](#))
- 7.2. Refresher training should be undertaken every three years. This should normally be by [e-learning](#).

8. Annual Appraisal meeting

- 8.1. Every employee of WBC must meet his/her manager once a year to have an appraisal interview.
- 8.2. The purpose of the appraisal interview is to;
 - Review performance over the previous 12 months
 - Assess overall performance and allocate a performance grade of 1-5
 - Set performance targets/objectives for the next 12 months
 - Review learning and development needs and plan how to address them
- 8.3. The appraisal meeting may also be used to discuss career plans, including any plans for retirement.
- 8.4. Outcomes of the annual appraisal meeting must be recorded in writing and signed by the manager and employee. Appraisal record forms are available for;
 - Employees (not social care workers) ([corporate appraisal form](#))
 - Social care workers ([Social care workers appraisal form](#))
- 8.5. Each section of the form should be completed in full.

9. Reviewing and assessing performance at the appraisal meeting

- 9.1. The appraiser and appraisee should consider;
 - 9.1.1. the achievement of individual objectives set at the last appraisal;
 - 9.1.2. other significant achievements during the year;
 - 9.1.3. how these have been achieved;

9.1.4. how the employee has demonstrated the competencies expected of WBC employees and, where appropriate, WBC leaders and managers (see appendix);

9.1.5. learning and development, and how this has affected performance.

9.2. The appraiser will give the appraisee an overall performance grade. This grade should take account of how far the employee has met or exceeded his/her objectives for the past year, but should also take account of other aspects of performance, including demonstration of the expected competencies and learning and development, as follows;

9.3. Grades will be allocated as follows;

5 – Excellent performance

The employee has achieved or excelled on all his/her SMART objectives; achieved more outside those objectives; has improved his/her knowledge and skills; and has demonstrated competencies in line with the WBC framework.

4 – Good performance

The employee has achieved all of his/her objectives; has improved his/her knowledge and/or skills; and has demonstrated competencies in line with the WBC framework.

3 – Satisfactory performance

The employee has achieved most of his/her objectives including the most important; and has demonstrated competencies in line with the WBC framework.

2 – Underperformance

The employee has achieved some of his/her objectives but not the most important.

1 – Unsatisfactory performance

The employee has failed to meet most or all of his/her objectives and/or has failed to meet the minimum performance standards expected in the job role.

9.4. The impact of grades allocated at appraisal will be as follows;

9.4.1. An employee receiving performance grade of at least satisfactory (3, 4 or 5) will receive his/her annual increment if he/she is not already at the top of his/her grade.

9.4.2. A performance grade of 2 is a cause for concern. The employee will be placed on the Enhanced Support Procedure. There will be no incremental progression for the current year (i.e. from 1st April of the year on which the appraisal takes place). Incremental progression may begin again the following year, subject to a higher score, but there will be no double increment to make up for the lack of progression last year. However, if the manager judges that sufficient improvement has been made by the six-month review that the performance can be graded 3 or above, any withheld performance increment may be reinstated for the remainder of the year (i.e. for the period between the six-month review and next 31st March).

9.4.3. A performance grade of 1 is a cause of urgent and serious concern. The performance management/appraisal process will be suspended and the formal [Capability Procedure](#) will commence immediately. This may occur at the six month review or the annual appraisal. There will be no incremental progression until the Capability Procedure is concluded. The recommencement of incremental progression must be authorised by the Head of HR.

10. Setting objectives

10.1. Appraisal objectives should be SMART – Specific, Measurable, Achievable, Relevant and Time-bound. Additional guidance is available on [setting SMART appraisal targets](#) .

10.2. When setting objectives;

- For managers, these should include objectives related to the achievement of relevant Key Performance Indicators (KPIs) and Corporate Health Indicators (CHIs);
- For all employees, consider the principles and priorities set out in the Council Strategy;
- Each objective should be rated High or Medium (identify no more than 3 or 4 with High importance) in order to ensure that work focuses on the priorities;
- New objectives may be added at the six month review meeting

10.3. Managers should consider how they will measure performance in the coming year. The criteria for measuring performance should be discussed and, if possible, agreed with the employee at the appraisal interview.

11. New employees

11.1. New employees should be set objectives as part of their induction (the relevant sections of the appraisal record form can be used to do this) and will have performance monitored under the Probationary Procedure during the first six months.

11.2. Employees who have transferred internally into a new post in the Council should be set objectives as part of their induction into the new role. Their performance should be managed under the Employee Performance Management Procedure

11.3. This information, together with the job description and work programme (where appropriate) will be used for the first appraisal which should take place in accordance with the appraisal timetable in the service.

11.4. The first appraisal should always take place within one year of the date of appointment.

12. Timing of appraisal

12.1. Appraisal interviews for senior managers should take place in March or April each year. This is to allow objectives for the following year to be linked to the Service, Directorate and Council Plans. This may only be varied where service planning is to a different timetable (e.g. in Education Services).

- 12.2. Appraisals for other employees should take place as soon as possible after senior manager appraisals have taken place.

13. Signing off the appraisal

- 13.1. The appraising manager should complete the Appraisal Form and provide a copy to the employee, normally no later than 10 working days after the appraisal meeting.
- 13.2. The employee should add his/her comments as required and return the Appraisal Form to the manager, normally within 10 working days. The manager should provide a copy to his/her manager.
- 13.3. The manager's manager should add comments as necessary before signing and returning the form to the appraising manager, normally within 10 working days of receipt of the form. Approval of the form includes approval of the objectives set for the appraisal.
- 13.4. The appraising manager should provide a copy of the final form to the employee and retain a copy for his/her records. Records should be kept according to the protocol in the service.

14. Self-assessment

- 14.1. Employees who are appraised should take time to reflect on their performance over the previous year. Employees should consider which objectives have been met and why; which objectives have not been met and why; how they have demonstrated the expected competencies; and evaluate the learning undertaken during the previous year.
- 14.2. The Appraisal Form has areas for appraisee comments at each stage. Employees may find it useful to complete these sections in draft before the appraisal meeting as part of their self-assessment. They may also find it helpful to provide a copy to their manager before the meeting to help facilitate discussion. However, this is not obligatory.

15. Using the WBC Competencies

- 15.1. The WBC Competency Framework Standards set out the behaviours which all employees are expected to demonstrate. Managers are expected to demonstrate additional competencies, as set out in the framework, which are important for effective performance as a manager within the Council.
- 15.2. The review of competencies can be used to support setting performance objectives and to identify areas for development.
- 15.3. Each service/team will have its own requirements and managers will need to interpret the competencies in the context of the individual job, the team and the service they work in.

16. One-to-one/supervision meetings

- 16.1. Managers should hold one-to-one meetings with all employees on a regular basis. It is recommended that meetings are held every four to six weeks (or within locally agreed time frames where appropriate).

- 16.2. In social care settings one-to-one meetings are replaced by 'supervision' meetings with a similar frequency. Separate guidance is available to ensure that supervision is carried out effectively to support service delivery standards and professional development.
- 16.3. Outcomes should be recorded by the manager in writing and countersigned by the employee. A model [one-to-one form](#) is available. A template supervision form is available for use in social care settings.

17. Six month review meetings

- 17.1. A meeting should normally be held to formally review progress against performance and learning objectives six months after the appraisal. The model appraisal form includes a column to record outcomes after six months.
- 17.2. The six month review is an opportunity to agree new performance and learning objectives if appropriate. An expanded 'one to one' meeting will be normally used to hold the six months review.
- 17.3. **Where there are significant changes or events within the year, that are outside the control of the individual, which affect the potential to achieve one or more objectives set at the start of the period, the objectives should be adjusted at the six-month review or at subsequent one-to-one meetings, as necessary.**
- 17.4. In services where detailed supervision sessions replace the regular one-to-one meetings it is not compulsory to hold an additional six month review.
- 17.5. In cases where the appraisal performance grade was 2, if the manager judges that sufficient improvement has been made by the six-month review that the performance can be graded 3 or above, any withheld performance increment may be reinstated for the remainder of the year (i.e. for the period between the six-month review and next 31st March).

18. Personal development plans

- 18.1. An important outcome of the appraisal interview is to record the learning objectives for the employee in the coming year. The model appraisal form includes a section to record the Personal Development Plan (PDP).
- 18.2. The manager should bring to the appraisal some ideas about the employee's learning needs derived from the Service, Directorate and Council Plans. This is called "top down" learning. The employee should bring to the appraisal some ideas about learning that is personal to his/her circumstances ("bottom up" learning).
- 18.3. The learning needs of employees identified in the PDPs should be summarised by the Head of Service and used to develop the service Learning and Development Plan.
- 18.4. Not all learning and development activities will attract a cost. However, services have limited training budgets and, where training needs are identified that require funding, training may have to be delayed, or alternative ways of development determined, depending on the cost, priority, and relevance to achieving service targets. The responsibility for making such decisions rests with the Head of Service.

19. Career aspirations

- 19.1. The appraisal is an opportunity to discuss wider career aspirations with an employee. The benefit of this discussion is to allow an experienced manager to offer advice on medium or longer term career issues to employees of all ages. It will also offer an opportunity for employees who are nearing the age where they may take their retirement pension to discuss plans for retirement or pre-retirement changes to work patterns (e.g. flexible retirement or part-time working).
- 19.2. No employee is compelled to discuss career/retirement aspirations with their manager if they choose not to. Any discussion that does take place should be of a supportive nature.

20. Job descriptions

- 20.1. The appraisal interview is a good time to discuss the relevance of the current job description. If managers do not review job descriptions at appraisal they should find another time in the year to do so (e.g. at an away day or service planning event).

21. 360° feedback

- 21.1. It can be useful for managers to be provided with feedback on performance and management style from those they manage and from their peers, as well as from more senior managers. This is known as 360 degree feedback, and is recommended particularly for senior managers (third tier¹ and above).
- 21.2. Advice should be sought from HR on gathering and using 360 feedback. A model [360 feedback form](#) is available.

¹ Third tier managers – all managers who report directly to a Head of Service

22. Summary of Employee Performance Management Cycle

<u>April/May</u> Appraisal meeting	<ul style="list-style-type: none">• Review performance and learning over past 12 months and allocate performance grade• Set work programme, targets/objectives and standards for next 12 months• Agree learning and development objectives and opportunities for next 12 months
<u>Every 4-6 weeks</u> One-to-one (or supervision) meetings	<ul style="list-style-type: none">• Discuss and set short term objectives and review progress on longer term objectives• Raise any other performance/attendance issues or employee concerns
<u>October/November</u> Six-month review meeting	<ul style="list-style-type: none">• Review progress towards targets/objectives• Reset objectives and work programme as necessary• Review learning and development

23. Review of policy

23.1. This policy and procedure will be reviewed to respond to any changes and at least every three years.

23.2. The Human Resources Service is responsible for reviewing and maintaining this Policy.

Appendix – WBC framework standards for competencies

The following competencies are expected of all employees of West Berkshire Council.

Managers and leaders are also expected to display the competencies listed under 'leaders of people'.

	All employees	Leaders of people
When working with people	<p>Display respect for customers/clients/colleagues</p> <p>Work as part of a team to achieve goals</p> <p>Listen to other points of view</p> <p>Deliver a high standard of customer service</p> <p>Communicate effectively</p>	<p>Understand stakeholders' motivation and objectives</p> <p>Be a skilled influencer (communicate the vision and objectives, inspire and motivate, develop buy-in and trust)</p> <p>Expect, encourage and support high standards of performance from team members</p> <p>Use a range of leadership styles appropriate to individual team members and the situation</p> <p>Develop team working and a sense of common purpose; manage conflict</p>
When working with money and other assets	<p>Ensure value for money</p> <p>Adhere to Council financial procedures</p> <p>Use Council equipment with care</p> <p>Manage budgets responsibly</p> <p>Minimise waste</p>	<p>Evaluate priorities and keep them under review, adapting as required to ensure best use of resources</p> <p>Encourage creativity, continual improvement and efficiencies</p>
When making decisions	<p>Make prompt and fair decisions within his/her remit</p> <p>Assess risks appropriately</p> <p>Seek advice as needed</p> <p>Maintain records of decisions</p>	<p>Develop and empower team members to be able to make sound decisions (coaching)</p> <p>Be a decisive thinker (analyse data, information and problems, identify and evaluate options, make sound recommendations and decisions)</p> <p>Assess future requirements and priorities to inform decision making and service planning (change management, horizon scanning, SWOT, adaptable)</p> <p>Take and implement difficult and/or unpopular decisions where required</p> <p>Clearly communicate and promote decisions</p>
In relation to learning and development	<p>Learn continually through experience</p> <p>Seek opportunities to improve skills</p>	<p>Actively develop the team to meet current and future challenges</p>

	All employees	Leaders of people
	and understanding Coach and guide colleagues	Encourage team members to reflect on experience and learning; actively encourage transfer of learning Seek feedback on own performance to improve self awareness and own development needs
When using information and technology	Use Council systems effectively Safeguard sensitive and personal information	Seek improvement/efficiency through use of technology
When representing the Council	Maintain effective relationships with partners Display high standards of personal conduct	Develop an effective network both within and outside the Council Develop and maintain effective collaborative working both within the Council, and between organisations working in partnership
In their approach to work	Focus on priorities Work to the best of his/her ability Strive to deliver high standards Use initiative and seek creative solutions Display integrity and openness Ensure own personal safety and that of others in the workplace	Be a role model (demonstrating drive, purpose, integrity, fairness, enthusiasm, openness, resilience) Adapt to change, taking prompt and appropriate remedial action where required
When managing performance		Set/agree clear objectives, and quality and performance measures (for tasks and staff) Monitor and evaluate budgets, staff performance, and objectives Recognise good performance, and challenge underperformance and conduct

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Agenda Item 6.

Title of Report:	Statutory Pay Policy Statement
Report to be considered by:	Council
Date of Meeting:	3rd March 2015
Forward Plan Ref:	C2833

Purpose of Report: To present a Pay Policy Statement to be published from 1st April 2015, for approval.

Recommended Action: To approve the Pay Policy Statement attached at Appendix A.

Reason for decision to be taken: To comply with the requirements of s38 of the Localism Act 2011

Other options considered: n/a

Key background documentation: None

Published Works: The Localism Act Nov 11, s38-43 (legislation.gov.uk); Openness and accountability in local pay: Guidance under section 40 of the Localism Act Feb 2012, and supplementary guidance Feb 2013 (CLG); Localism Act: Pay Policy Statement Guidance for Local Authority Chief Executives Nov 11 (JNC for Chief Officers)

The proposals will also help achieve the following Council Strategy principle:

CSP8 - Doing what's important well

The proposals contained in this report will help to achieve the above Council Strategy priorities and principles by:
complying with a statutory duty to publish information about the pay of its employees.

Portfolio Member Details	
Name & Telephone No.:	Councillor Alan Law - Tel 07973 538008
E-mail Address:	alaw@westberks.gov.uk
Date Portfolio Member agreed report:	19 January 2015

Contact Officer Details	
Name:	Jane Milone
Job Title:	HR Manager - Corporate HR
Tel. No.:	01635 519238
E-mail Address:	jmilone@westberks.gov.uk

Implications

Policy:	The Council is required to publish a statement of its pay policy. The proposed statement does not involve a change of policy.
Financial:	none
Personnel:	none
Legal/Procurement:	This statement will ensure that the Council complies with the Localism Act 2011
Property:	none
Risk Management:	none

Is this item relevant to equality?	Please tick relevant boxes		Yes	No
Does the policy affect service users, employees or the wider community and:				
• Is it likely to affect people with particular protected characteristics differently?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Is it a major policy, significantly affecting how functions are delivered?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Will the policy have a significant impact on how other organisations operate in terms of equality?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to an area with known inequalities?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
Outcome (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)				
Relevant to equality - Complete an EIA available at http://intranet/EqIA				<input type="checkbox"/>
Not relevant to equality				<input checked="" type="checkbox"/>

Is this item subject to call-in?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
The item is due to be referred to Council for final approval		<input checked="" type="checkbox"/>
Delays in implementation could have serious financial implications for the Council		<input type="checkbox"/>
Delays in implementation could compromise the Council's position		<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>
Report is to note only		<input type="checkbox"/>

Executive Summary and Report

1. Introduction

- 1.1 Section 38 of the Localism Act ('the Act') of the Act requires local authorities to publish an annual pay policy statement, starting with 2012/13.
- 1.2 Council approved the annual publication of the statement, in principle, on 1st March 2012. This report seeks approval for the 2015 statement, for publication with effect from 1st April 2015.
- 1.3 In previous years, the Council has combined the statutory pay policy statement with publication of specific pay and terms and conditions related aspects of the Local Government Transparency Code. The latest version of the Code (published October 2014) includes additional items, such as publication of spending on trade unions. This year's pay policy statement will therefore cover only the requirements of s38 of the Localism Act. Publication of data required by the Transparency Code (which does not require approval from full Council) will instead be included on the Council's 'Transparency' pages on the website.

2. Localism Act Requirements

- 2.1 S38 of the Localism Act requires the local authority to prepare and publish a pay policy statement for the financial year 2012/13 and each subsequent year. The method of publication is at the discretion of the authority, but it is expected to comply with the principles set out in the Local Government Transparency Code. The statement must be approved by the full Council.
- 2.2 The statement should set out the policies in relation to;
 - (1) Remuneration of its chief officers
 - (2) The remuneration of its lowest paid employees (and our definition and reasons for defining it)
 - (3) The relationship between the remuneration of its chief officers and those who are not chief officers
- 2.3 The definition of chief officers includes the Chief Executive, the Monitoring Officer, the Section 151 Officer, Corporate Directors, as well as those who report directly to any of these post holders. Thus, in West Berkshire Council, this definition would include all Heads of Service.
- 2.4 Chief Officer remuneration includes salary, bonuses, performance-related pay, fees or allowances (including as returning officer), benefits in kind, etc. The policy should also state how chief officer salary will be determined on appointment and any arrangements for payments upon leaving office.

3. Proposals

- 3.1 It is recommended that the Personnel Committee recommends the Pay Policy Statement, at Appendix A, to full Council, for approval. This fits within its terms of

reference which are to consider matters of personnel policy. Approval for the statement cannot be delegated to a committee.

- 3.2 A draft Pay Policy Statement 2015 is appended for consideration, which will be published on the Council's website once approved.

[For Corporate Board only, italic text is estimated and will be amended when the relevant information is available and in time for publication in April 2015.]

4. Equalities Impact Assessment Outcomes

- 4.1 This item is not relevant to equality.

5. Conclusion

- 5.1 Publication of the Pay Policy Statement will ensure that the Council complies with its duties under s38 of the Localism Act 2011.

Appendix

Appendix A - Draft Pay Policy Statement 2015

Consultees

Local Stakeholders: n/a

Officers Consulted: Corporate Board

Trade Union: n/a

Pay Policy Statement – April 2015

Change History

Version	Date	Description	Change ID
1	April 2012	First publication	
2	April 2013	Second publication	
3	April 2014	Third publication	
4	April 2015	Fourth publication	



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DRAFT

Note that in this draft (dated 22/12/14) the type in italics will be amended when the new pay rates for 2015 are implemented.

1. Purpose

1.1 This document covers the requirements to publish a pay policy statement under s38 of the Localism Act 2011.

1.2 Full Council has approved the Pay Policy Statement.

2. Definitions used in this document

2.1 *Chief Officers (as defined in s43 of the Localism Act);*

2.1.1 *Chief Executive*

2.1.2 *Corporate Director (Communities)*

2.1.3 *Corporate Director (Environment)*

2.1.4 *Heads of Service*

- *Head of Legal Services (Monitoring Officer)*
- *Head of Finance (Section 151 Officer)*
- *Head of Education*
- *Head of Human Resources*
- *Head of Strategic Services*
- *Head of ICT and Corporate Support*
- *Head of Customer Services*
- *Head of Public Health and Wellbeing*
- *Head of Highways and Transport*
- *Head of Culture and Environmental Protection*
- *Head of Planning and Countryside*
- *Head of Children's Services*
- *Head of Adult Social Care*
- *Head of Care Commissioning, Housing and Safeguarding*

2.2 **Employees who are not chief officers;** all other employees (including those employed on a casual basis) employed directly by the Council.

This policy does not cover the remuneration of other 'workers' employed by the Council, as employees of agencies or as self-employed consultants.

2.3 **Lowest paid employee;** minimum of grade B on WBC pay scales (£13,715 per annum full time (37 hours per week) or 7.12 per hour). Notes on this definition are set out below;

2.3.1 Grade A is no longer used in WBC. Minimum Grade B is equivalent to scale point 7 of the NJC pay scale for Local Government Employees.

2.3.2 Apprentices aged 16-18, may be paid on the age-related National Minimum Wage. The Apprentice NMW rate is not used. Apprentices

have been excluded from this definition on the basis that they are in specific posts created for training purposes.

- 2.4 **Median salary; £25,727** (full time equivalent). This is a measure of the 'average' salary for employees in the Council. It is defined as the 'midpoint' salary, such that there is an equal probability of falling above or below it.
- 2.5 **Mean salary; £27485** (full time equivalent). This is an alternative measure of the 'average' salary for employees in the Council. The arithmetic mean is defined as the sum of all the salaries divided by the number of salaries.
- 2.6 **Highest paid employee:** the Chief Executive is paid £133,418 plus £5,000 car allowance per annum = £138,418
3. **Pay Policy from April 2015**
- 3.1 All jobs within the Council are paid on salary grades with five or more incremental points.
- 3.2 Job evaluation – employees below grade N
- 3.2.1 The Hay (Local Government) job evaluation scheme is used to establish the grade for each post relative to all other jobs within the Council. The job evaluation procedure is used to evaluate all new jobs and to re-evaluate existing jobs where there have been significant changes.
- 3.2.2 All jobs are assigned to a grade within the West Berkshire Council salary structure on the basis of the job evaluation score. The individual salary scale points are based on the National Joint Council for Local Government Employees (Green Book) salary scale. See Appendix D for details.
- 3.3 Salary structure – employees on Grade N and above
- 3.3.1 Heads of Service are all paid on Grade N. They constitute the second tier of management and may be allocated new responsibilities as required to meet the needs of the Council at this level, within their grade. Heads of Service report to either a Corporate Director or the Chief Executive.
- 3.3.2 Corporate Directors are paid on the Corporate Director grade and the Chief Executive is paid on a specific grade for this post. All three may be allocated new responsibilities as required to meet the needs of the Council within their grade.
- 3.4 Salary on appointment – all employees
- 3.4.1 Appointments will normally be made to the minimum point of the grade. Managers may take into account the previous experience and skills of the employee to offer appointment above the salary minimum for the post.
- 3.5 Incremental progression – Employees below 'third tier' of management

- 3.5.1 Each employee progresses through the grade band for the posts by the award of one increment (or spinal column point (SCP)) on 1st April each year until the maximum of the grade band is reached, subject to six months service in the grade band (whether that band has been attained by appointment, promotion or regrading) and satisfactory performance in the job.
- 3.5.2 Any existing employee who is appointed to a new post within the Council whose salary, on 1st April, would otherwise be less than one column point in excess of the salary they would have received on that day in their old grade band, will be entitled to an increment on that day even if he/she has not been 6 months in the new post.
- 3.5.3 An increment may be withheld if an employee is subject to formal disciplinary or capability procedures during the year leading up to the 1st April and this decision has been communicated to the employee and recorded as part of those proceedings. An increment will be withheld if the employee's performance grade at appraisal is assessed as 'underperformance' or 'unsatisfactory performance'.
- 3.5.4 An additional increment may be awarded in any one year to an employee, at the discretion of the Head of Service, on the grounds of special merit or ability, provided the maximum of the grade is not exceeded.
- 3.6 Incremental progression – Chief Executive, Corporate Directors, Heads of Service and 'third tier' managers
- 3.6.1 Third tier managers (defined as those on Grades L and M, reporting to heads of service) and above can only progress through the increments within the grade if their performance, as assessed at the annual appraisal, is rated as satisfactory, good or excellent.
- 3.7 Additional payments – all employees
- 3.7.1 Additional payment may be made for additional hours, overtime, undertaking higher responsibilities, and for non-standard working arrangements such as stand-by or evening work, or for exceptional working conditions. See Appendix 2 for details.
- 3.7.2 Car allowance payments for new senior managers ceased to be paid from November 2007. Some senior employees who were already in receipt of such allowances continue to receive them on a protected basis whilst in post.
- 3.7.3 Essential car users (defined as those who travel at least 2,500 business miles per annum or for whom a car is essential for the performance of the job) receive an allowance in line with NJC rates for cars with engine capacity up to 1199cc..
- 3.7.4 All employees can claim expenses for essential business travel at the rate of the cost of public transport, or the minimum mileage rate agreed

by the NJC. Subsistence expenses may be claimed at the rates recommended by HMRC.

- 3.7.5 The Council does not operate a separate bonus scheme for its Chief Officers. No other charges, fees or allowances or remuneration are payable to Chief Officers in connection with their responsibilities. No fees for election duties are included in Chief Officer salaries, nor are any additional fees payable for such responsibilities.
- 3.7.6 There are no benefits in kind, such as private health insurance, payable to Chief Officers.
- 3.7.7 Chief Officers are eligible to join the Local Government Pension Scheme in the same way as other employees.

3.8 Severance arrangements

- 3.8.1 Chief Officers are subject to the same redundancy payment and pension arrangements as other employees. These are set out in the Council's [Employer Statement of Policy on Discretionary Compensation](#) and the [Employer Statement – Local Government Pension Scheme Discretions Policy](#).)
- 3.8.2 All redundancy or severance costs (including the cost of mandatory early payment of pension) of over £10k must be approved by the Executive.
- 3.8.3 An employee who has left the Council, with a redundancy or other severance payment under the discretionary compensation scheme, will not normally be re-engaged by the Council within two years of the termination date. In exceptional circumstances the Head of Human Resources may make a decision, after consultation with the Chief Executive, the Monitoring Officer, the Section 151 Officer, and the Leader and Shadow Leader of the Council, to authorise re-engagement where it is in the interests of the Council to do so. (See the **Re-Employment Policy**.)

4. Pay ratios in the Council

- 4.1 It is the Policy of the Council to ensure that the ratio of the salary of the highest paid officer and the lowest paid officer is well below the 20:1 ratio recommended as a maximum in the terms of reference for the 2011 Hutton Review of Fair Pay in the Public Sector.
- 4.2 As at 1st April 2015, pay ratios within the Council stand as follows;
- Highest:lowest = **10:1**
 - Highest:median = **5.4:1**
- 4.3 This is based on the following salary packages;
- Highest paid (maximum CX plus car allowance) = £138,418
 - Lowest paid (minimum grade B) = £13,715

- Median (average) = £25,727

5. **Review**

- 5.1 This policy will be reviewed at least annually and more frequently if necessary to respond to any changes.
- 5.2 The Personnel Committee is responsible for recommending the policy statement for approval by full Council.

DRAFT

Appendix 1 - Pay scales; pay rates for all grades within WBC effective January 2015

grade		Scale point	Annual salary
	B	7	13715
		8	13871
		9	14075
		10	14338
		11	15207
C		12	15523
		13	15941
		14	16231
		15	16572
	D	16	16969
		17	17372
		18	17714
		19	18376
		20	19048
E		21	19742
		22	20253
		23	20849
	F	24	21530
		25	22212
		26	22937
		27	23698
		28	24472
G		29	25440
		30	26293
		31	27123
		32	27924
I	H	33	28746
		34	29558
		35	30178
		36	30978
		37	31846
		38	32778
	J	39	33857
		40	34746

grade		Scale point	Annual salary	
K		41	35662	
		42	36571	
		43	37483	
	L	44	38405	
		45	39267	
		46	40217	
		47	41140	
		48	42053	
		49	44224	
		50	46428	
M	51	48107		
	52	49780		
	53	51469		
	54	52207		
	55	54202		
	56	56191		
	57	58181		
(Heads of Service)	N	61	64886	
		62	66380	
		63	68617	
		64	70863	
		65	73089	
		66	75332	
		67	77567	
		68	79810	
		Corporate Directors	72	92233
			73	94669
74	97113			
75	99550			
76	101990			
77	104438			
Chief Executive			124818	
		127686		
		130553		
		133418		

Appendix 2 – additional payments scheme

Criteria for making service related additional payments

The scheme provides for additional payments to be made where:

- There is a clear service need to resolve organisational and/or staffing difficulties;
- Other organisational responses (e.g. restructuring or re-allocation of work) will not overcome the difficulties;
- No other provision exists for payments to be made under WBC Conditions of Service;
- Costs can be contained within service budgets;
- The relevant Corporate Director is satisfied that payments are necessary and appropriate in all the circumstances.

If the above criteria apply, and other conditions and criteria are met (see sections below) additional payments may be made at the discretion of the Head of Service.

Payment for Exceptional Working Patterns

The normal working week will be the working week or regular work pattern defined in the contract of employment, normally based on any 5 named days out of seven.

Some jobs require regular working patterns which, because of service demands, are particularly disruptive to social or domestic life and these jobs may therefore present difficulties of recruitment and retention e.g. week end working, split duty or sleeping in.

Others may require acceptance of occasional severe disruption to regular work patterns which are not commonly acceptable under normal basic pay arrangements. Where there is clear evidence that such circumstances present service delivery problems, additional payments, based on a maximum of time and a third of basic pay may be made at the discretion of the Head of Service.

Payment for night work

Time and a third may be paid for night work undertaken between the hours of 10pm and 6am.

Payment for stand-by duty

For some jobs, where stand-by duty is a regular requirement, specific stand-by payments may be written into the employment contract. The Head of Human Resources or the relevant Head of Service will advise where these apply.

Where there is no contractual requirement or payment for stand-by duty, and stand-by duty is not reflected in the grading of the post, payment of one third of basic pay may be paid. Payment will be at the discretion of the Head of Service.

Payment for higher responsibility

WBC Conditions of Service provide for an employee, who for reasons other than annual leave of another employee, is called upon to undertake the duties and responsibilities of a higher graded post for a period of at least 4 weeks may, at the discretion of the Head of Service, receive an honorarium to reflect the additional duties and responsibilities.

In determining the appropriate level of additional payment, the Head of Service should take into account factors like:

- The difference between grading between the absent employee and the employee providing cover
- The duration of the period of absence
- The level of support provided to the covering employee
- Arrangements relating to the employee's normal duties;

Although not normally provided for in WBC Conditions, Heads of Service may, exceptionally, make additional payments to employees covering for absence resulting from annual leave. The above criteria are relevant in deciding to make payments in these circumstances, in particular, the duration of cover and the difference in grading.

Payment for Regular Overtime

Some jobs require regular overtime working that cannot, practicably, be compensated by time off in lieu. These jobs may be held by employees above the normal ceiling for overtime payment (scp32).

Where regular overtime is a feature of the job (e.g. regular requirement for attendance at evening Council and/or Committee meetings), the Head of Service may agree the payment of a flat rate allowance that reflects the regular nature of the demand and the normal basis for calculating additional payments (time and one third).

Payment for Exceptional Working Conditions

WBC job evaluation takes account of physical aspects of jobs where they are a regular feature e.g. heavy and awkward working conditions. Normal pay reflects the conditions of such jobs. However, in some jobs such conditions may occur only occasionally and will not, therefore, be reflected in grading.

In other jobs, employees may be required, from time to time, to work in particularly dirty or otherwise unpleasant circumstances.

Where job grading has not taken exceptional working conditions into account, additional payments may be made. Where the exceptional conditions extend over a period of time, payment of time and a third for hours worked in those conditions will be appropriate. In the case of a short, one-off situation, a payment for Other Exceptional Circumstances, as described below, may be paid.

Payment for Other Exceptional Circumstances

From time to time, other exceptional circumstances may arise that merit an additional payment e.g. short and unusual exposure to particularly unpleasant work conditions, reward for a sustained period of particularly heavy increased responsibility, or exceptional achievement. In such circumstances, an additional payment may be made. Although not a limit in truly exceptional circumstances, the normal ceiling of time and a third for

additional payments should be taken into account when determining an appropriate additional payment.

Payment for Emergency Operations Centre (EOC) work

Where the Emergency Operations Centre (EOC) is set up to respond to an emergency, staff carrying out EOC work will be paid as follows:

- All hours worked on EOC duties outside 0800 to 1700 Monday to Friday will be paid at £15 per hour.
- Full time employees working the day shift (8am to 4pm) will receive an honorarium payment of £30 for each day shift worked.
- Part time employees working extra hours on the day shift will be paid £15 per hour for each additional hour worked in addition to the £30 honorarium payment for each day shift worked.
- The hours paid will include the time it takes to come in and go home if the employee would not have had to make this journey in normal circumstances (for example travelling back in for a midnight start or travelling at weekends). However employees cannot claim 'petrol costs'.
- These payments are payable to all employees regardless of grade.

Where employees who have worked weekends, late or night shifts would prefer to take the extra hours they worked as time off in lieu (TOIL) rather than receive £15 per hour they should inform HR by email.

Staff who had booked annual leave but come in for a day shift should swap their leave to another day. If the EOC work occurs towards the end of an annual leave period, and as a result, there is a need to carry forward leave after the end of the leave year, the employee should agree this with his/her line manager. The employee will receive the £30 honorarium for each day shift worked.