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Jeff Hughes
*Head of Democratic and Legal
Support Services*

MEETING : HUMAN RESOURCES COMMITTEE
VENUE : COUNCIL CHAMBER, WALLFIELDS, HERTFORD
DATE : WEDNESDAY 20 MARCH 2013
TIME : 3.00 PM

PLEASE NOTE TIME AND VENUE

MEMBERS OF THE COMMITTEE

Councillors C Woodward (Chairman), P Ballam, Mrs D Hone, J Ranger, P Ruffles, A Warman and N Wilson

Substitutes

Conservative Group: Councillor G McAndrew
Liberal Democrat Group:

(Note: Substitution arrangements must be notified by the absent Member to Democratic Services 24 hours before the meeting)

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DISCLOSABLE PECUNIARY INTERESTS

1. A Member, present at a meeting of the Authority, or any committee, sub-committee, joint committee or joint sub-committee of the Authority, with a Disclosable Pecuniary Interest (DPI) in any matter to be considered or being considered at a meeting:
 - must not participate in any discussion of the matter at the meeting;
 - must not participate in any vote taken on the matter at the meeting;
 - must disclose the interest to the meeting, whether registered or not, subject to the provisions of section 32 of the Localism Act 2011;
 - if the interest is not registered and is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days;
 - must leave the room while any discussion or voting takes place.

2. A DPI is an interest of a Member or their partner (which means spouse or civil partner, a person with whom they are living as husband or wife, or a person with whom they are living as if they were civil partners) within the descriptions as defined in the Localism Act 2011.

3. The Authority may grant a Member dispensation, but only in limited circumstances, to enable him/her to participate and vote on a matter in which they have a DPI.

4. It is a criminal offence to:

- fail to disclose a disclosable pecuniary interest at a meeting if it is not on the register;
- fail to notify the Monitoring Officer, within 28 days, of a DPI that is not on the register that a Member disclosed to a meeting;
- participate in any discussion or vote on a matter in which a Member has a DPI;
- knowingly or recklessly provide information that is false or misleading in notifying the Monitoring Officer of a DPI or in disclosing such interest to a meeting.

(Note: The criminal penalties available to a court are to impose a fine not exceeding level 5 on the standard scale and disqualification from being a councillor for up to 5 years.)

AGENDA

1. Apologies

To receive apologies for absence

2. Minutes (Pages 7 - 12)

To receive the Minutes of the meeting held on 16 January 2013.

3. Declarations of Interest

To receive any Member's Declaration of Interest and Party Whip arrangements.

4. Chairman's Announcements

5. Learning and Development 2012/13

To Follow

6. Senior Pay Review (Pages 13 - 36)

7. Employee Engagement Action Plan (Pages 37 - 44)

8. Equal Pay Audit: Update Report (Pages 45 - 50)

9. Human Resources - Quarterly Performance Report (Pages 51 - 56)

10. Local Joint Panel - Minutes of the meeting held on 19 February 2013
(Pages 57 - 62)

Members are asked to bring to the meeting their copy of the agenda for the Local Joint Panel meeting held on 19 February 2013.

(A) Maternity and Paternity Policy

(B) Officers' Code of Conduct

(C) Disclosure and Barring Service Policy

(D) Social Media Policy

11. Health and Safety at Work Act 1974

12. Urgent Business

To consider such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration and is not likely to involve the disclosure of exempt information.

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MINUTES OF A MEETING OF THE
HUMAN RESOURCES COMMITTEE HELD
IN THE COUNCIL CHAMBER,
WALLFIELDS, HERTFORD ON
WEDNESDAY 16 JANUARY 2013, AT 3.00
PM

PRESENT: Councillor C Woodward (Chairman).
Councillors Mrs D Hone, G McAndrew,
J Ranger, P Ruffles, A Warman and
N Wilson.

OFFICERS IN ATTENDANCE:

Lorraine Blackburn	- Democratic Services Officer
Emma Freeman	- Head of People, ICT and Property Services
George A Robertson	- Chief Executive and Director of Customer and Community Services
Adele Taylor	- Director of Finance and Support Services

544 **PAY POLICY STATEMENT**

The Head of People, ICT and Property Services submitted a report seeking support for the publication of the annual Pay Policy Statement 2013/14 by 31 March 2013, as required by Section 38 of the Localism Act. The Head of People, ICT and Property Services summarised the main points contained in the report which was, she stated, similar to last year’s, but with some minor changes, the detail of which was set out in Essential Reference Paper “B” of the report now submitted.

Councillor J Ranger provided an update regarding

ongoing negotiations between unions regarding the lower paid. On the issue of disturbance payments, he referred to the fact that many Councils had switched to HMRC (HM Revenues and Customs) rates and of the possibility that East Herts might have to revisit this issue.

Councillor J Ranger referred to the “Pay Ceilings” of Directors’ posts as set out in Essential Reference Paper “B” of the report now submitted, adding that he felt the wording to be confusing as it currently stood. Following clarification by the Chief Executive and Director of Customer and Community Services, Councillor J Ranger suggested that the wording “will be” should be deleted and replaced with “is” as this did not reflect current pay rates. This was supported.

Councillor J Ranger noted the reference to a review of senior management pay which had been delayed. Councillor J Ranger suggested that if the report could be completed quickly it would be beneficial to hold an emergency meeting of the Human Resources Committee to consider it rather than wait until the March meeting.

In response to a query by Councillor G McAndrew regarding health insurance, the Head of People, ICT and Property Services confirmed that BUPA was only available to a small number of senior level employees. In response to a further query, the Head of People, ICT and Property Services agreed to write to the Member separately regarding how many employees still had use of a lease car. The casual and essential car user scheme was explained.

Members supported approval of the report, as now amended.

RECOMMENDATION – that the Pay Policy Statement 2013/14, as now amended be approved.

An apology for absence was received from Councillor P Ballam. It was noted that Councillor G McAndrew was substituting for Councillor P Ballam.

546 MINUTES

RESOLVED – that the Minutes of the meeting held on 17 October 2012 be confirmed as a correct record and signed by the Chairman.

547 PENSION AUTO ENROLMENT REPORT

The Head of People, ICT and Property Services submitted a report updating Members on the new Auto Pension Enrolment following the introduction of new “staged” pension duties which had been introduced in October 2012. The “staging” date for East Herts was 1 January 2014. The Head of People, ICT and Property Services summarised the new pension duties of all large employers of staff in terms of their “contractual involvement” which the Council had now implemented. An Executive Summary of the scheme was set out in Essential Reference Paper “B” of the report now submitted.

Councillor J Ranger explained that negotiations were still taking place with the Treasury regarding the lower paid and the possibility of “half rate” pensions. He suggested that implementation of the Council’s scheme should be delayed until 1 April 2014 until these issues had been resolved. Members supported this suggestion.

The Head of People, ICT and Property Services explained employers’ obligations in terms of “opting in” and the restrictions placed on employers of those who might wish to “opt out”. In response to a query from Councillor G McAndrew regarding the 48 employees who had opted out of the Local Government Pension Scheme, the Head of People ICT and Property Services suggested that there may be a mix of salary grades of staff who had opted out, possibly because of financial pressures. She undertook to write to the Member.

Members noted the report and supported the recommendation

that implementation of the scheme be delayed until 1 April 2014.

RESOLVED – that (A) the report be noted; and

(B) implementation of the scheme be delayed until 1 April 2014.

548 HUMAN RESOURCES - QUARTERLY PERFORMANCE REPORT

The Head of People, ICT and Property Services submitted a report summarising people management statistics and human resource delivery for the quarter up to 16 January 2013. The Head of People, ICT and Property Services reminded Members that arrangements were underway to bring recruitment back “in house” and that the Council’s payroll would be transferring to the payroll system for Stevenage from 1 April 2013. The programme was currently at the testing stage.

Updates were provided in relation to Learning and Development in terms of the Corporate Training Plan for 2012/13 and the introduction of E-Learning. It was noted that the Maternity/Paternity Policy was currently being reviewed. The Head of People, ICT and Property Services provided an update in relation to Equalities and Diversity and proposals for the Shared Support Services Programme. It was noted that facilities management and joint procurement were currently being explored and that the Human Resource Service would be reconsidered in 2013/14.

In response to a query from Councillor G McAndrew concerning E-learning and its use by Town and Parish Councils and of possible associated additional costs, the Head of People, ICT and Property Services confirmed that the Council would not incur additional charges and that it was the intention to roll out E-Learning wider to maximise the benefits.

RESOLVED – that the report be noted.

549 HUMAN RESOURCES MANAGEMENT STATISTICS

The Head of People, ICT and Property Services submitted a report detailing human resource performance indicators for the period 1 April to 30 November 2012, the detail of which was set out in Essential Reference Paper "B" of the report now submitted.

The Head of People, ICT and Property Services stated that projected turnover for 2012/13 was 8.75% against a target of 10% and that short term sickness absence was 4.11 days against a target of 5 days. It was noted that as at 30 November 2012, there were no employees on long term sick. During that period there had been 49 vacancies which had been filled internally by 28 members of staff.

The Head of People, ICT and Property Services referred to the Council's PDR Scheme and hoped that the Council's corporate outturn would match that of Revenues and Benefits of 100%. Updates were provided on the Council's Corporate Training Plan and equalities monitoring data in terms of those staff with a disability and those of black and minority ethnic origin. In response to a query from Councillor P Ruffles concerning equalities indicators, the Head of People, ICT and Property Services confirmed that the indicators had been agreed at an earlier meeting of Human Resources Committee in discussing census data.

In response to a query from the Committee Chairman, the Head of People ICT and Property Services was confident that these figures were accurate following a recent "data cleanse". She agreed that there was an option on the part of staff, to choose not to provide information.

The Head of People, ICT and Property Services advised that 64.74% of women made up the Council's workforce, with 43.96% of women in middle management group. In response to a query from Councillor G McAndrew regarding those women who worked part-time and their employment prospects at senior level, the Chief Executive and Director of Customer and Community Services referred to the legal obligations of equality of opportunity and confirmed that Senior Management Group now comprised 50% women and 50%

men.

Councillor J Ranger urged the Council to ensure recruitment costs were kept down and suggested the use of websites. This was acknowledged. The Head of People, ICT and Property Services advised that HR was also developing a way to put application forms online. She confirmed that the Council used the “Jobs Go Public” website.

In response to a query from Councillor G McAndrew regarding recruitment and whether this was done on a “like for like” basis, the Head of People ICT and Property explained that a Head of Service would normally review a vacant post and how this could be best managed. Recruitment was not normally done on the basis of “like for like”. It was also noted that any recruitment requests had to be approved by Corporate Management Team.

Members noted the report.

RESOLVED – that the report be noted.

550 VOTE OF THANKS - EMMA FREEMAN

The Chairman, on behalf of Members, thanked Emma Freeman, Head of People, ICT and Property Services for her support and professionalism. He wished her well and looked forward to her return in 2014.

The meeting closed at 4.05 pm

Chairman
Date

EAST HERTS COUNCIL

HUMAN RESOURCES COMMITTEE - 20 MARCH 2013

REPORT BY DIRECTOR OF FINANCE AND SUPPORT SERVICES

SENIOR PAY REVIEW: FEBRUARY 2013

WARD(S) AFFECTED: *None specific*

Purpose/Summary of Report

To note the Senior Pay Report by HayGroup dated January 2013.

<u>RECOMMENDATION:</u> That	
(A)	the Senior Pay Report by HayGroup dated February 2013 be noted and the recommendations below be approved:
	(1) Chief Officers to remain on fixed spot salaries.
	(2) No changes proposed for Heads of Service.
	(3) Chief Executive/Director and Directors to remain on fixed spot salary and a review of the Chief Executive/Director base pay to be undertaken.

1.0 Background

1.1 The Council is a member of the Local Government Employers association for national collective bargaining in respect of Chief Executives, Chief Officers and other employees. There are separate negotiations and agreements in respect of each of these three groups. It is the Council's policy to implement national agreements. Chief Executive and Chief Officers are under the JNC conditions of service including pay. All other employees are under the NJC national agreement on pay and conditions of service.

1.2 All employees other than Chief Executive and Chief Officers

(grades 1/2 to 13) have their basic pay determined by a job evaluation scheme (the Hay scheme) which ensures that different jobs having the same value are paid at the same rate. The "job score" determines the pay scale for the job range within which there is provision for progression by annual increments until the top of the pay scale is reached.

1.3 Chief Executive and Chief Officers posts are paid on a fixed spot salary basis (external advice on pay is sought on appointment) and the posts have previously not been job evaluated.

1.4 The Council's 2012/13 Pay Policy Statement states that consideration will be given to a job evaluation scheme for Chief Executive and Chief Officers during 2012/13.

1.5 Current pay structure

1.5.1 East Herts use the NJC spinal column scale up to SCP 49. The pay scales at East Herts continue up to SCP 66 and the nationally agreed pay increases apply to all of the spinal points in the scale. East Herts have grades 1/2 - 13 (up to and including Heads of Service) which were agreed with Unison in 2001 when all grades were reviewed by Hay as part of the Single Status process.

1.5.2 Heads of Service are paid between scale point 61 £45,587 to £55,452 (scale point 66).

1.5.3 Directors and the Chief Executive/Director are paid fixed spot salaries and their terms and conditions of service are in accordance with JNC.

1.5.4 Heads of service receive 28 days annual leave and are part of the flexi scheme; receive local weighting allowance and 5% local award. Chief Executive and Chief Officers receive a spot salary, 28 days annual leave and do not receive local weighting, local award or participate in the flexi scheme.

2.0 Report

2.1 Hay Group completed an independent review of East Herts senior management pay in October 2012 (Senior Pay at East Herts Council report by HayGroup dated February 2013 (Essential Reference Paper B). The intention of this report was to ensure that the internal job evaluation process was suitably robust and to

benchmark senior officer salaries against similar posts.

2.2 Key findings:

- 2.2.1 Current base pay for Heads of Service (HoS) is aligned with the median of the market. The market median is £55,120 and Heads of Service base salary is £55,452.
- 2.2.2 Current base pay for Directors is aligned with the median of the market. The market median is £79,528 and Directors base salary is between £74,541-£80,000.
- 2.2.3 If other cash benefits are taken into consideration (including London allowance of £555 (HoS only), 5% local award (HoS only), other cash and car allowance) then the base salary is above the median of the market for both Heads of Service and Directors. However it should be noted that the car allowance scheme ceases in January 2014 and the 5% local award will reduce to 2% in line with national pay agreements in the future.
- 2.2.4 Current base pay for the Chief Executive and Director of Customer and Community Services is below the median of the market. The market median is £118,800 and CE/Director base salary is £99,541. The Chief Executive and Director salary was to be reviewed following six months in post subject to the outcome of the senior manager pay review to be completed by HayGroup. The six month period was completed in 17 October 2012 but the review could not be undertaken as the Hay Group review has only now been completed
- 2.2.5 The organisational pay benchmark exercise was completed comparing base salary levels with other local government authorities. East Herts base salary is reasonably aligned to median pay across all grades, according to the Local Government pay database.
- 2.2.6 For all of Head of Service jobs, Hays job evaluations and our internal evaluations concurred, which demonstrates that our internal evaluation process is sound.

2.3 Recommendations

- 2.3.1 Three options were proposed by HayGroup, Narrow Bands, Broad Pay Bands and Spot Salaries. The recommendation for

Chief Officers is to remain on fixed spot salaries as the salaries of current incumbents is aligned to the median of the market.

2.3.2 No changes are proposed for Heads of Services as salaries are aligned to the median of the market.

2.3.3 The recommendations for Chief Executive/Director is to remain on a spot salary and a review of the Chief Executive/Director base pay to be undertaken to consider the market data and information/recommendations provided in the HayGroup report.

3.0 Implications/Consultations

Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

None

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ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/Objectives (<i>delete as appropriate</i>):	People This priority focuses on enhancing the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.
Consultation:	This report has been shared with officers who are listed in the Senior Pay report and Unison.
Legal:	None
Financial:	As detailed in the report.
Human Resource:	As detailed in the report.
Risk Management:	None.

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February 2013

Report:

Senior Pay at East Herts Council

HayGroup



Prepared by:
Aditya Mahajan
Tess Andrews





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1. Introduction

This paper is presented to East Herts Council for discussion about benchmarked salary levels based on our evaluations of your Chief Executive, Directors and Heads of Service.

You have recently restructured at the top of the organisation following the departure of your previous Chief Executive, to make efficiency savings. In the current context, there is no job evaluation mechanism for Chief Executive and the Directors, along with a benchmarking against a relevant market. Therefore, these roles are currently on spot payments.

You have used this opportunity to carry out a broader evaluation and benchmarking exercise to include the Directors and Heads of Service. You have been concerned that some of the Head of Service roles may have grown beyond your current grade 13, and you have requested support to ensure these senior roles are evaluated robustly in order to make a decision about whether to make changes to your current grading structure. You have also requested benchmark salary data to provide you with information about the level at which other local authorities remunerate roles of this size.

To this end, Hay Group has been asked to provide the following:

- Credible salary benchmarking data for other local authorities in order to benchmark your senior salaries to ensure equity and alignment with market rates
- Evaluation of the senior roles including the Chief Executive, Directors (currently on spot salaries) and Heads of Service
- Recommendations in relation to your grading structure
- Benchmarking data to cover the whole of your organisation in order to give you a sense of overall alignment with market pay rates.

2. Job evaluation

Hay Group have been asked to provide external validation of the evaluation scores for the senior jobs in order to ensure consistency and a robust approach to your remuneration decisions.

Evaluating roles allow us to assign a number of points to them, reflecting their size. To benchmark pay, we look at the current salaries of roles in our pay database that attract broadly the same number of points. This ensures that we are comparing like with like – comparing jobs of similar levels of complexity.

It is important to note that the evaluation process takes place without reference to the individuals in the roles or their performance. It is an independent process which considers the size of the job itself in terms of its contribution to the achievement of the organisation's strategy.



In order to evaluate the roles in question, we have researched information from a variety of sources. We have undertaken a detailed review of the job descriptions for each role. The understanding we gained was broadened by telephone interviews with the Chief Executive and the existing Directors in order to gather further information and context.

Further to this, we have reviewed the priorities and operations of East Herts Council so that we can appropriately benchmark the size of the organisation in relation to other local authorities where we have undertaken similar evaluations. Hay Group has extensive experience of working with local authorities and public sector organisations more widely, and we have applied our broader understanding of the role of local authorities to help inform our evaluations.

With all the reference points mentioned above, we evaluated all the positions and have come up with the matrix below. As per this matrix:

1. The set of points assigned to each job are an outcome of the evaluation exercise, and they fall within the range of points defined as a Level.
2. All jobs at the same Level are the same level of complexity and contribution for East Herts Council.
3. For the remuneration benchmarking exercise, we have used these Levels to compare the current pay of these roles against the Local Government (July 2012) market.

Evaluation Matrix

Hay Level	Executive	Customer and Community Services	Internal Services	Neighborhood Services
23 1261-1507	1418 A2 Chief Executive & Director of Customer and Community Services			
22 1056-1260				
21 880-1055	994 A2 Director of Neighborhood Services			
	954 A1 Director of Internal Services			
20 735-879				
19 614-734		702 A2 Head of Communications, Engagement and Cultural Services	702 A2 Head of People, ICT and Property Services	702 A2 Head of Community Safety and Health Services
		702 A2 Head of Environmental Services	702 A2 Head of Revenue and Benefits Services	677 A1 Head of Planning and Building Control
		702 A2 Head of Customer Services and Parking	677 A1 Head of Finance Services and Performance	
			634 A1 Head of Democratic and Legal Services	

Please Note: These Levels are **not** the Grades of East Herts Council. These Levels are the standard Hay Group point ranges which are used to benchmark against the pay market. **Level 19** directly correspond to **Grade 13** for East Herts Council.



3. Pay benchmarking

In order to provide a benchmark comparison with market pay, we have used information for jobs, in our **Local Government** (July 2012) pay database, of a similar size to each of the evaluated roles. This approach ensures that we are comparing like with like – all jobs of a similar complexity, rather than simply jobs with a similar job title, for example, which may, in fact, have very different sets of responsibilities. (*The list of organizations in the Local Government database have been provided in the Appendix 3*)

3.1 Senior pay benchmarking

In the previous section, the evaluation matrix was presented, which depicted the internal relativities of jobs within East Herts Council. Based on the evaluation exercise, all these roles were sized to a set of points, which have been used to benchmark against the Local Government market.

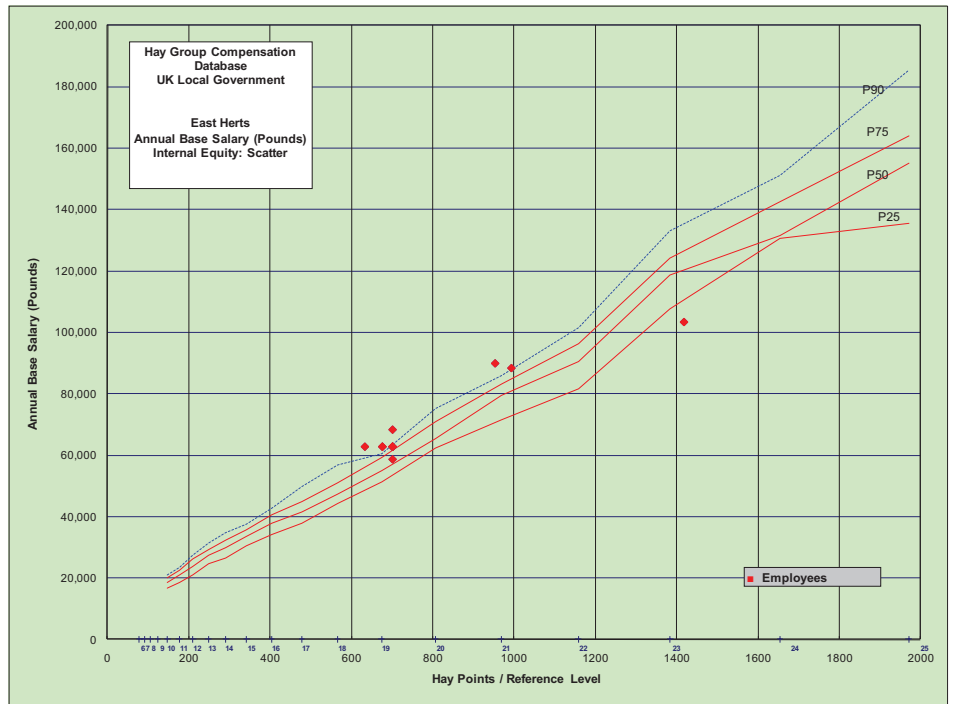
In comparison to the market, the Base Salary (Basic Salary + Fixed Payments – refer to Appendix 4) data for the roles evaluated is:

Role	Points	Upper decile	Upper quartile	Median	Lower quartile	Lower decile
Chief Executive & Director of Customer & Community Svcs	1418	£133,000	£124,197	£118,800	£107,708	£100,313
Director of Neighbourhood Svcs	994	£86,050	£83,163	£79,528	£71,496	£70,000
Director of Internal Services	954					
Head of Comms, Engagement & Cultural Svcs	702	£60,343	£59,400	£55,120	£51,373	£48,600
Head of Environmental Svcs	702					
Head of Community Safety & Health Svcs	702					
Head of People, ICT & Property Svcs	702					
Head of Revenue & Benefits Services	702					
Head of Customer Services & Parking	702					
Head of Planning & Building Control	677					
Head of Finance Svcs & Performance	677					
Head of Democratic & Legal Services	634					

The table demonstrates that the evaluations for the Head of Service roles translate to Grade 13 (Level 19 as per Hay Group levels) in your structure. (*The evaluations are based on the rationales outlined later in this document*)



Hence, if we benchmark the current Base Salary (Basic Salary + Regional Allowance + Other Cash + Car Allowances) against the market, the picture would be:



*The Annual Base Salary for East Herts Council includes the Car Allowance which will be discontinued as a practice from 2013.

The key observations from the above graph are:

1. The current pay of the incumbents is above the market Median, and is competitive against the top 10% of its peers in the Local Government on Base Salary.
2. The Base Salary of the CEO and Director of Customer and Community Services (Level 23 in the graph above) is below the Local Government market.



3.2 Organisational pay benchmarking

We have calibrated our Hay Group levels to your grade structure to enable simple comparison of your base salary levels with other local government authorities.

Grade	Market benchmarks					East Herts Council
	Upper decile	Upper quartile	Median	Lower quartile	Lower decile	Grade Average (Policy)
13	£60,343	£59,400	£55,120	£51,373	£48,660	£51,075
12	£56,710	£51,015	£47,330	£44,161	£41,447	£46,138
11	£49,681	£44,952	£41,368	£37,880	£36,182	£39,082
10	£42,827	£40,544	£37,706	£34,115	£31,940	£37,310
9	£37,643	£35,620	£33,464	£30,510	£28,596	£32,004
8	£34,844	£32,252	£29,789	£26,641	£25,464	£30,357
7	£31,359	£29,285	£27,456	£24,576	£22,992	£27,027
6	£27,456	£26,135	£23,708	£20,914	£20,487	£24,122
5	£23,496	£22,239	£21,213	£19,125	£18,642	£21,972
4	£22,645	£21,102	£18,859	£17,097	£16,623	£19,399
3	£19,353	£18,362	£16,540	£15,620	£14,570	£17,981
2/1	£17,906	£16,379	£14,495	£13,834	£12,908	£15,215

The table above shows that East Herts Council Base pay (Basic Salary + Local Weighting) is reasonably aligned to median pay across all grades, according to the Local Government pay database. Where you choose to pay in relation to the market is dependent on what you would like your reward strategy to achieve.

The risk of paying at the median market rate is that of losing your talent to competitor organisations who provide a higher base salary. However, given your somewhat close proximity to London, it is possible that there is an abundance of capable talent to choose from. On the other hand, it is possible that it will be easier for staff to find alternative employment in London which is more favourably remunerated.



4. Grading

4.1 Grading options

Given the results of the benchmarking exercise, we have presented three options below for potential grading structures. A summary of the risks and benefits of each approach is summarised in Appendix 2.

Option 1: Narrow bands

In this option, your senior pay grades would represent one step differences in terms of Hay Group's job evaluation methodology, which means that there would be a just-discernable difference in the level of complexity between the grades. In this option, the grades would be arranged as follows:

Grade 13	614 – 734
Grade 14	735 – 879
Grade 15	880 – 1055
Grade 16	1056 – 1260
Grade 17	1261 - 1507

This is a common approach taken within local authorities and unionised environments such as industrial organisations. This option may therefore be the best cultural fit for your organisation, with a higher likelihood of fast acceptance by current incumbents.

The merit of this approach is that it would align itself to the current grade structure at East Herts Council, and hence the organisation does not need to make any grade amendments. This also implies that there would be minimum internal communication required, and should be easy to sell within the organization.

In this option, you would be placing an upper ceiling on those roles in Grade 13, which would prevent salary inflation of roles which are not evaluated at Grade 14 level and allowing close control of costs, closely aligned to the market.

However, this approach may create a demarcation between roles which is difficult to articulate, which may in turn create political difficulties which are distracting to role holders. Moreover, most jobs at Grade 13 and above are at the peak of their functional leadership and hence would not be expecting frequent grade jumps, thus making additional grades redundant and bureaucratic. This approach promotes strict hierarchical structures and sharp definitions of roles and skills.

In addition, it may not be helpful to use Hay Group's step differences so literally to define your grades, as some of these grades are not relevant or meaningful to East Herts Council. For example, in the above suggested structure, Grade 16 would be empty because of the gap between the Directors' evaluations and the Chief Executive's evaluation.



Narrow banding typically creates a higher level of administrative burden and bureaucracy to administer in comparison with broader pay bands.

Option 2: Broad pay bands

In this option, a broad band would be created that would expand the current Grade 13 to incorporate Hay Points between 614 and 879. In this option, the grades would be arranged as follows:

Grade 13	614 – 879
Grade 14	880 -1260
Grade 15	1261 and above

This option will allow senior personnel to progress through the senior grades while still receiving additional salary to represent additional experience and skills as each incumbent is in post for longer. A broad banded approach such as this enables the focus to remain on performance rather than individuals being unhelpfully preoccupied with promotion. This approach is more modern than the narrow bands proposed in Option 1 and is generally seen in innovative or market leading private sector organisations.

This approach would also allow flexibility in remuneration of senior roles, dependent on the skills, experience and performance of senior staff. It would provide you with the flexibility to award pay increases to your top performers beyond the top of the pay scale in your current grade 13, which may enable you to retain your talent. However, it should be noted that pay related to performance would require a clear and robust process of measurement in order to ensure equity.

The other benefit of this approach is that the grade boundaries are easy to understand (Grade 13 is for Heads of Service, Grade 14 is for Directors and Grade 15 is for the Chief Executive).

Spot salaries for Directors (East Herts Council current practice)

It is a common practice in local authorities to make remuneration decisions for Directors and Chief Executive posts by reference to spot salary benchmarks, i.e. aligning salary by direct comparison with salary benchmarks at the job size in question, rather than by defined salary scales. This provides you with the flexibility to consider the strategic benefits to be gained from your pay policy. For example, you may choose to remunerate Director roles at the upper quartile in order to attract and retain staff of the highest quality. Conversely, you may decide to align spot salary decisions with the pay level of the rest of the organisation in order to remain equitable.

The challenge with spot salaries is to link pay with growth in capability and performance of an individual. Some Councils achieve this through the introduction of a non consolidated performance related pay, with a cap of, say 10%, to incentive and reward performance. However given



the political pressures associated with bonus payments in the current scenario will need to be evaluated before opting for this option.

4.2 Alignment with Stevenage

Stevenage has created 2 Head of Service grades to account for some of these roles being larger than others. In calibrating the two structures, you may choose to create two narrow Head of Service bands, the pros and cons of which are outlined above and in Appendix 2, or you may choose to create one broad band.



Appendix 1: Evaluation of the roles

We have evaluated the proposed senior roles using the Hay Group Guide Chart Profile Method of Job Evaluation in order to determine their size and complexity for the purposes of benchmarking pay. The evaluation lines and rationales are presented below.

Chief Executive & Director of Customer and Community Services

Know How	Problem Solving	Accountability	Total	Profile
F+III3 608	F+4 (57) 350	F+4S+ 460	1418	A2

This role defines the delivery of Council Services according to the direction set by the Elected Members. In conjunction with the Directors, this role will define Council strategy and ensure the organisation is designed and resourced to meet its objectives. This role is designed to develop relationships with elected members, partnership organisations and central government. This requires the individual to participate in the local, regional and national agenda, promoting and leading the Council. The council has a gross expenditure budget (tax requirements for 2012/13) of £78m, and the Chief Executive has shared accountability for delivery with the Members.

The CEO currently has the additional responsibility of Director of Customer and Community Services, which is a unique proposition. We believe that at the current evaluation level, the incumbent should be able to perform both duties; however, there should be an additional compensation for the incumbent to compensate for this.

The organization will be making considerable savings by combining these two roles, and the incumbent should be entitled to some of those savings, which should be withdrawn in the event that this role is split.

Director of Neighbourhood Services

Know How	Problem Solving	Accountability	Total	Profile
FII+3 460	F4 (50) 230	F-3S+ 304	994	A2

This role has been developed to demonstrate the organisational priorities around planning, housing, community safety and health services; to ensure there is a role of significant and sufficient seniority to lead initiatives and strategies across the district and with external bodies. The role holder will be required to have deep professional experience within a related field, combined with formulating organisational strategy in line with the other Directors and the Chief Executive. The Director will have a direct impact in making the overall expenditures for the Council, within the remit of the role.

The evaluation depicts an accountability spread over strategic, budgetary, staff & people and services responsibilities. The Monitoring Officer responsibility is



a reflection of the know-how brought in by the incumbent, and should be rewarded additionally for this key contribution.

Director of Internal Services

Know How	Problem Solving	Accountability	Total	Profile
FII+3 460	F4 (50) 230	F-4C 264	954	A1

This role holds responsibility for ensuring the Council's expenditure and investments are properly accounted for. This role combines a number of corporate functions, including those with externally facing services (such as Revenues and Benefits), and combines this with People, ICT & Property Services, Risk and Financial Services. Also within this directorate is the corporate democratic and legal function. This role is the Section 151 Officer for the Council, and as such requires a professional financial qualification. This role has significant breadth on impact across the Council through the functions overseen, and the requirement to formulate organisational strategy with the other Directors and Chief Executive. The tax collection on behalf of Stevenage adds further complexity to the role.

Head of Communications, Engagement and Cultural Services

Know How	Problem Solving	Accountability	Total	Profile
EII+3 350	E4 (43) 152	E3-S+ 200	702	A2

This role leads and manages the corporate work of the council in informing, influencing, consulting, engaging and communicating with the various local and strategic partners; (including corporate communications) supporting the communities and making sure local strategic partnership and sub groups are successful. The key focus of the role is to lead on cultural, community and sports development including management of Hertford Theatre. Given the scope of this role, and the varied services delivered, the role requires a thorough understanding of managing services and delivering to the community, whilst meeting corporate strategy. The role has a direct impact on gross expenditures of circa £5 Million for 2012/13.

Head of Environmental Services

Know How	Problem Solving	Accountability	Total	Profile
E+II3 350	E4 (43) 152	E3-S+ 200	702	A2

This role represents one of the largest operational areas of the council; whilst there are a number of assets and services that are contracted out (recycling, waste management), this role maintains accountability for ensuring the contractors deliver the quality required to the agreed specifications (cost, time, etc). This role will require significant experience managing large and varied



services to deliver to organisational goals. This role has a direct impact on gross expenditure of circa £8m for 2012/13.

Head of Community Safety and Health Services

Know How	Problem Solving	Accountability	Total	Profile
E+II3 350	E4 (43) 152	E3-S+ 200	702	A2

The role will lead, manage and deliver strategic and operational Community Safety; Licensing; Emergency Planning and Business Continuity, Engineer Services and Environmental Health Services. This role will ensure and contribute to the corporate well-being of East Herts Council and its communities. The range of activities and initiatives include promoting schools, anti-smoking campaigns, healthy eating, working jointly with the police and monitoring/resolving issues regarding land drainage or flood issues with rivers.

Head of People, ICT and Property Services

Know How	Problem Solving	Accountability	Total	Profile
EII+3 350	E4 (43) 152	E3-S+	702	A2

This role will advise and support the Council and its Director of Internal Services in the provision of high level support services covering all aspects of Human Resources including people development and management, ICT, and Facility and property services across the Council and Asset Management. The diversity of this role requires a significant management breadth, to ensure that the responsibilities are being dispensed effectively. The role would also have an external interface with third parties, contractors and services providers, to ensure that the best services are being procured for the Council. The role will have a direct impact on the budget and expenses allocated for 2012/13.

Head of Revenue and Benefits Services

Know How	Problem Solving	Accountability	Total	Profile
E+II3 350	E4 (43) 152	E4C	702	A2

This role leads a significant number of staff in the delivery of Revenues and Benefits service to residents and the debt collection service for the Council. This role will need to have experience of managing a significant function, combined with developing and implementing strategies, policies and systems. The role will operate within the national frameworks established for delivery of revenues and benefits services and is responsible for designing the local response to ensure the 58,000 council tax accounts payments are correctly accounted for. Given that this function requires significant interaction with residents, this role will be required to have a strong customer services agenda, and as such will be required to integrate the customer approach with the



corporate wide customer strategy. The role would also require linking up with Stevenage, as a shared service, to collect tax on their behalf. Moreover, the role will have responsibility to monitor external fraud, which includes identifying residents skipping tax payments, paying housing benefits to the deserving parties and providing tax reliefs only where needed.

Head of Planning and Building Control

Know How	Problem Solving	Accountability	Total	Profile
E+II3 350	E4 (43) 152	E3-S 175	677	A1

This role requires a qualified professional building, planning or a related discipline combined with significant experience and understanding of national legislation and local priorities. This role will need to ensure that the planning and building control policies and decisions are adhered to through overseeing the quality, compliance and monitoring function. Given the heavy policy setting nature of this role, an A1 profile defines the shape of the role. The main sources of income are from charges levied through building control, i.e. ensuring that buildings are structurally sound and insulation is in place etc.

Head of Customer Services and Parking

Know How	Problem Solving	Accountability	Total	Profile
EII+3 350	E4 (43) 152	E3-S+ 200	702	A2

This role is accountable for championing customer services across the Council, and will therefore be required to design and implement services beyond specific functional reporting lines. The role will manage the operation of the Council's on-street and off-street car parking service and act as lead officer to support Councillors on the Highways Partnership Panel. The role also has the responsibility of managing the Council website and the customer centres, with a statutory responsibility of Data Protection. The role also has a £5 Million of car parking budget, shared jointly with Stevenage.

Head of Democratic and Legal Services

Know How	Problem Solving	Accountability	Total	Profile
E+II3 350	E3+ (38) 132	E4R 152	634	A1

This role undertakes the duties of Deputy Monitoring Officer; Deputy Electoral Registration Officer; Deputy Returning Officer. As such, this role requires professional qualifications, and experience of applying this at an organisation-wide level.

The individual will need experience dealing with a varied case load, offering guidance across all areas of the Council's operation. The impact of this role



concerns the legal advice provided across the Council. The role will be directly accountable for the effective management of the decision making, scrutiny and electoral processes and the delivery of legal service support in terms of litigation and planning and property matters and associated reputational issues.

The democratic services team will be engaged in maintaining all the necessary paperwork during the election, along with dealing with the secretariat, through managing and tracking the creation of the agenda, and ensuring that the reports are of a certain standard and quality, i.e. fit for purpose for the public arena.

The role will have an impact on various budgets: e.g. circa £300,000 for delivery of combined elections; circa £250,000 income from land charges.

Head of Finance Services and Performance (Deputy 151 officer)

Know How	Problem Solving	Accountability	Total	Profile
E+II3 350	E4 (43) 152	E4C- 175	677	A1

This role is responsible for the management and operation of the finance and performance management including accountancy, preparing advice/financial forecast, consolidating the budget, book-keeping and tracking financial performance. As such, this role needs to be a qualified accountant, and with experience designing and implementing organisation-wide systems.

The incumbent in the role is expected to be a financial expert within the Council, and will have a strong advisory impact on all the core investment decisions made within the Council – this could range from running the cost modelling to providing feasibility reports and recommendations. The role is also viewed as a deputy CFO, with potentially the maximum technical exposure to the financial functioning of the Council.

Appendix 2: Grading options - risks and benefits

Option	Key features	Benefits	Risks
Narrow bands	<ul style="list-style-type: none"> Grades arranged by one step difference in Hay evaluation terms Grades have a just-noticeable difference in complexity of roles 	<ul style="list-style-type: none"> Allows close control of costs, closely aligned to the market Provides scope for frequent promotions Matches the current culture that exists within East Herts Council Provides a sense of structure and clarity Explicitly reflects the robust hierarchy of jobs established by JE exercise Promotes sharp definitions of roles and skills 	<ul style="list-style-type: none"> Puts considerable pressure on the job evaluation system Emphasis more on job size than individual contribution Could be considered an old fashioned approach May be difficult to articulate demarcations between grades May not provide a relevant solution that is tailored to what exists within East Herts Council Inflexible Promotes strict hierarchical structures which may not facilitate maximum efficiency
Broad bands	<ul style="list-style-type: none"> Grades spanning two step differences in Hay evaluation terms Jobs feel significantly different between grades 	<ul style="list-style-type: none"> Enables more balance between job size and performance Enables greater flexibility which can support your ability to retain talent Is a modern approach commonly seen across innovative and evolving organisations Provides an easy classification of roles into grades (i.e. one grade for Heads of Service, another for Directors and another still for the Chief Executive) Enables alignment with Stevenage's approach which may facilitate easier alignment at a later date 	<ul style="list-style-type: none"> Clear policies and guidelines required for how you move within and between grades The more structure taken out, the more process required to be put back in Culturally difficult move to make coming from a structured framework with narrow grades
Spot salaries	<ul style="list-style-type: none"> Director/CEO roles aligned to spot salary benchmarks rather than defined salary scales 	<ul style="list-style-type: none"> Provides the flexibility to fully leverage potential strategic benefits of spot salaries at the senior ranks of the organisation 	<ul style="list-style-type: none"> May create a sense of inequity; may not enable perception of transparency



Appendix 3: Benchmarking data participation list

We have used data submitted by the following local authorities in order to benchmark your roles.

Number of Participants: 38	
Bexley Council	Harborough District Council
Blackpool Borough Council	Kent County Council
Bracknell Town Council	Leicestershire County Council
Brighton and Hove City Council	London Borough of Barnet
Buckinghamshire County Council	Medway Council
Caerphilly County Borough	Norfolk County Council
Cambridge City Council	Oldham Metropolitan Borough Council
Cardiff County Council	Powys County Council
Chelmsford Borough Council	Royal Borough of Kensington and Chelsea
Cherwell District Council	South Northamptonshire District Council
City of York Council	Southwark Council
Darlington Borough Council	Swindon Borough Council
Department of Energy and Climate Change	Thanet District Council
Derbyshire County Council	Tunbridge Wells Borough Council
EK Services	Warwickshire County Council
East Kent Housing	West Northamptonshire Development Corporation
East Sussex County Council	West Sussex County Council
Essex County Council	Wiltshire County Council
Hampshire County Council	Wirral Metropolitan Borough Council



Appendix 4: Market benchmarking

Base Salary	<p>Base Salary (BS) is the sum of Basic Payments (BP) and Fixed Payments (FP)</p> <p>Basic Payments Basic payments are (annualized) cash amounts paid for work performed as stated in an employment contract, excluding all fixed and variable payments.</p> <p>Fixed Payments Fixed payments are (annualized) cash amounts paid where the same absolute or percentage amounts have been awarded to eligible jobholders automatically year over year irrespective of individual, unit or company performance.</p>
Total Cash	<p>Total Cash (TC) is the sum of Base Salary and Short Term Variable Payments (VP).</p> <p>Short Term Variable Payments Short Term Variable Payments are (annualized) cash amounts paid that can vary year over year. Most typically these refer to incentive payments that are contingent on discretion, performance or results achieved. Short term Variable Payments is also the category used to refer to payments made to compensate an individual for short term (i.e., less than one year) conditions or situations.</p>

BASE SALARY

Grade	P90	P75	P50	P25	P10	Average	No. of Incumbents	No. of Companies
Level 26 (2141 - 2550)	-	-	175,000	-	-	185,849	5	5
Level 25 (1801 - 2140)	185,574	163,920	155,000	135,625	123,859	153,160	17	12
Level 24 (1508 - 1800)	151,280	142,614	131,394	130,556	126,788	135,587	22	12
Level 23 (1261 - 1507)	133,000	124,197	118,800	107,708	100,313	116,310	49	19
Level 22 (1056 - 1260)	101,648	96,360	90,390	81,756	76,018	89,454	124	18
Level 21 (880 - 1055)	86,050	83,163	79,528	71,496	70,000	78,084	277	20
Level 20 (735 - 879)	75,180	70,752	65,349	62,271	55,938	66,143	625	25
Level 19 (614 - 734)	60,343	59,400	55,120	51,373	48,660	54,997	959	18
Level 18 (519 - 613)	56,710	51,015	47,330	44,161	41,447	48,145	2,565	21
Level 17 (439 - 518)	49,681	44,952	41,368	37,880	36,182	41,749	2,780	19
Level 16 (371 - 438)	42,827	40,544	37,706	34,115	31,940	37,600	7,787	18
Level 15 (314 - 370)	37,413	35,620	33,464	30,511	28,599	33,468	3,440	16
Level 14 (269 - 313)	34,844	32,252	29,768	26,641	25,464	29,721	3,792	17
Level 13 (228 - 268)	31,359	29,285	27,456	24,576	22,992	26,965	4,652	15
Level 12 (192 - 227)	27,456	26,135	23,708	20,914	20,487	23,637	6,329	14
Level 11 (161 - 191)	23,496	22,366	20,827	18,654	18,144	20,733	19,106	13
Level 10 (135 - 160)	21,102	20,015	18,644	16,652	16,228	18,412	6,440	13
Level 9 (114 - 134)	-	18,030	16,378	15,813	-	16,877	14,207	11
Level 8 (98 - 113)	17,521	16,432	14,973	14,083	13,827	15,277	9,065	12
Level 7 (85 - 97)	-	15,133	14,566	13,340	-	14,860	1,366	10
Level 6 (73 - 84)	-	-	13,221	-	-	14,213	4,576	6

TOTAL CASH

Grade	P90	P75	P50	P25	P10	Average	No. of Incumbents	No. of Companies
Grade 13 (614 - 734)	60,513	59,400	55,166	51,373	48,665	55,233	959	18
Grade 12 (519 - 613)	57,768	51,237	47,330	44,161	41,447	48,312	2,565	21
Grade 11 (441 - 518)	49,891	44,952	41,368	37,880	36,198	41,883	2,779	19
Grade 10 (371 - 440)	43,457	40,544	37,706	34,115	31,940	37,734	7,788	18
Grade 9 (321 - 370)	37,895	35,749	33,464	30,510	28,596	33,655	3,423	16
Grade 8 (269 - 320)	34,926	32,252	29,789	26,641	25,464	29,848	3,809	17
Grade 7 (228 - 268)	31,812	29,285	27,456	24,576	22,992	27,079	4,652	15
Grade 6 (192 - 227)	27,456	26,135	23,708	20,914	20,498	23,637	6,329	14
Grade 5 (171 - 191)	23,496	22,239	21,213	19,125	18,642	20,906	5,429	12
Grade 4 (140 - 170)	22,645	21,102	18,859	17,097	16,623	19,314	19,461	13
Grade 3 (120 - 139)	19,353	18,362	16,540	15,620	14,570	16,870	14,264	12
Grade 1/2 (1 - 119)	17,906	16,379	14,495	13,834	12,908	15,115	15,623	13

EAST HERTS COUNCIL

HUMAN RESOURCES COMMITTEE – 20 MARCH 2013

REPORT BY INTERIM HEAD OF PEOPLE AND PROPERTY SERVICES

EMPLOYEE ENGAGEMENT ACTION PLAN

WARD(S) AFFECTED: None

Purpose/Summary of Report

- To provide an update on the actions identified in the Employee Engagement Action Plan

<u>RECOMMENDATION FOR HUMAN RESOURCES COMMITTEE: That:</u>	
(A)	The report be noted

1.0 Background

1.1 Following the Staff Survey in November 2011 and the Investors in People (IIP) report in April 2012, some areas for improvement were identified.

1.3 In May 2012 the Engagement & Partnership Team and HR convened a staff focus group to obtain feedback on the key issues arising from the staff survey and the IIP review. The feedback was presented to Corporate Management Team (CMT) for consideration.

1.4 Corporate Management Team (CMT) agreed that an Employee Engagement Action Plan should be devised which captured the actions arising from both the Staff Survey and IIP report and took into consideration the staff focus group feedback.

1.5 This report details the Employee Engagement Action Plan and the progress made on the actions to date.

2.0 Report

2.1 Please see *Essential Reference Paper B* for the Employee Engagement action plan and progress made on the actions to date.

3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

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Report Author: Claire Kirby – HR Officer
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ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate):</i>	People This priority focuses on enhancing the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.
Consultation:	The action plan is based on consultation with staff through a staff focus group, including representation from Unison.
Legal:	None
Financial:	None
Human Resource:	As detailed in the report
Risk Management:	None

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Employee Engagement Action Plan 2012/13

Action	Lead	Timescale	Status
Corporate Communications			
Undertake a light touch review of internal communication, with a focus on refreshing the monthly core brief. This will involve consulting with staff representatives to ensure that communication methods are fit for purpose, accessible, inclusive and timely.	Lorna Georgiou Communications	December 2012	The Communications Team started the internal communication review in January 2013. All staff were sent an email inviting them to complete a satisfaction survey which asked for their opinions on communication at East Herts. The January staff briefings were then used to follow up on topics that had been highlighted from the survey results. A report detailing the findings of the review, and a corresponding action plan, is scheduled for CMT in spring.
Senior Management Engagement (Corporate Management Team & Senior Management Group)			
CMT – improving engagement:			
Review CMT 'open door' sessions.	CMT	August 2012	Completed
Directors to attend occasional team meetings within their Directorates	CMT	Ongoing	
Senior Management (SMG) – improving engagement :			
Review and relaunch the Corporate Behaviours	SMG / Emma Freeman	TBA 2013	The behaviours will become part of the "Here to help" programme due to be rolled out in 2013.
Training and Development			
Annual Review of Training and Development	Helen Farrell Human Resources	July 2012	Completed
Development of an Annual Corporate Training Plan	Helen Farrell Human Resources	July 2012	Completed

Action	Lead	Timescale	Status
Training Audit	Helen Farrell Human Resources	July 2012	Completed
Reinstate monthly training bulletin email to all staff. Remind staff of training protocols	Helen Farrell Human Resources	October 2012	Completed
Review the use of training page in Team Update and ensure information is timely and relevant	Human Resources	December 2012	Ongoing
Remind staff and managers of the different avenues for training within the Council through presentations at SMG and Staff Briefing	Human Resources	March 2013	
Review of Pre and Post Training Evaluation Forms	Helen Farrell Human Resources	June 2013	
Launch E-Learning programme	Helen Farrell Human Resources	October 2012	Completed
The Corporate training plan and the provision of training and development to be reviewed as part of Shared Support Services	Human Resources	TBC 2013	Shared Service is not being taken forward for HR at this point in time but EHC continue to work closely with the local councils to share resources when appropriate.
PDRS			
Review the PDR process	Human Resources	November 2011	Completed
Conduct a comprehensive quality review of the Performance Development Review returns	Human Resources	June 2012	Completed
Ongoing PDR training for managers and staff and grandparent signatories	Human Resources	2012/13	Incorporated into the Corporate Training Plan
Refresh PDR form following feedback from Jun/July 2012 PDR round	Human Resources	November 2012	Completed
Perform annual spot check of a sample of PDR returns for quality and grading	Human Resources	March 2013	
Change Management			
Review recent organisational change projects within the Council and assess lessons learnt	Human Resources	July 2012	Completed
Training for staff and managers about to embark on change programmes	Human Resources	2012/13	Incorporated into the Corporate Training Plan
The perception of East Herts as an Employer			

Action	Lead	Timescale	Status
Conduct bi-annual staff survey	Community Engagement/ Human Resources	November 2013	
Shared Support Services: Benchmarking exercise on HR performance indicators including recruitment, retention and pay across district councils	Human Resources	January 2013	Was put on hold when shared services decision was delayed. Will be revisited as part of shared services with Stevenage for IT, Print and Design in 2013.
Staff Forum			
Review the options for either a staff forum or project specific staff consultation groups	Jaleh Nahvi Human Resources	June 2013	Was delayed pending decision on shared services. Will be reviewed in 2013.

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EAST HERTS COUNCIL

HUMAN RESOURCES COMMITTEE – 20 MARCH 2013

REPORT BY INTERIM HEAD OF PEOPLE AND PROPERTY SERVICES

UPDATE ON 2011 EQUAL PAY AUDIT ACTIONS

WARD(S) AFFECTED: NONE

Purpose/Summary of Report

- To provide an update on the actions identified in the 2011 Equal Pay Audit

<u>RECOMMENDATION FOR HUMAN RESOURCES COMMITTEE: That:</u>	
(A)	the report be noted

1.0 Background

1.1 An Equal Pay Audit (EqPA) was completed in November 2011. An Equal Pay Action Plan was approved by HR Committee on 11 January 2012 based on the recommendation made. This report details the progress made on each of these actions and shows that all actions have now been completed.

2.0 Report

Action	Update
Investigate whether it is appropriate to have posts with scores higher than the top bandings, and if not, research alternative solutions.	This was investigated as part of the Senior Pay Review. The review was completed by HAY in January 2013 and did not recommend any changes to the grading structure.

<p>Arrange for HAY to run a refresher training course for trained Hays evaluators to ensure skills and knowledge are up to date and evaluators are assessing jobs correctly.</p>	<p>Completed April 2012.</p>
<p>Arrange for HAY to quality assure a selection of recent job evaluations and appeals to ensure that job evaluators are still assessing jobs correctly.</p>	<p>Completed April 2012. The job evaluations of several jobs were quality assured by a HAY trained evaluator as part of the refresher training course.</p>
<p>Research whether female employees are employed at lower grades due to personal choice and circumstances as opposed to any perceived discrimination on the part of East Herts Council. The staff survey may be used to check this as staff are asked their opinions on career progression at the Council. Some additional research may need to be undertaken if the staff survey does not produce the required results. Appropriate training on career progression will be arranged if deemed necessary.</p>	<p>The November 2011 staff survey showed that of those that responded, females were more satisfied with career progression at the Council than men. Therefore it is not recommended that any further research is undertaken.</p>
<p>Conduct an overtime review (these have been conducted annually for the past 2 years) with particular focus on access to overtime between men and women at the Council to check whether there are any unjustified discrepancies.</p>	<p>This has been completed in and is currently with Heads of Service for review. No unjustified discrepancies were found.</p>
<p>Conduct EqPAs every 2 years in line with published guidance to ensure compliance with the Equality Act 2010.</p>	<p>An EqPA will be completed again this year.</p>
<p>To introduce a new HR IT system to enable pay data to be analysed in more detail in time for the next scheduled EqPA. In the interim period before a new system is introduced, HR will make arrangements to record information that was not available from the system for this EqPA, such as pay entry points.</p>	<p>A new HR & Payroll system is being introduced in April 2013.</p>

3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

None

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ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate):</i>	People This priority focuses on enhancing the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.
Consultation:	None
Legal:	None
Financial:	None
Human Resource:	As detailed in the report
Risk Management:	None

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EAST HERTS COUNCIL

HUMAN RESOURCES COMMITTEE – 20 MARCH 2013

REPORT BY HEAD OF PEOPLE, ICT AND PROPERTY SERVICES

HUMAN RESOURCES QUARTERLY PERFORMANCE REPORT – MARCH 2013

WARD(S) AFFECTED: NONE

Purpose/Summary of Report

- To update Human Resources Committee on people management and HR delivery

<u>RECOMMENDATIONS FOR HUMAN RESOURCES COMMITTEE:</u>	
That:	
(A)	the Committee notes the quarterly performance report

1.0 Background

1.1 Following a request from the Chairman of Human Resources (HR) Committee a report on HR Team Current and Future Events April 2008 was submitted to HR Committee on 24 April 2008. The Committee welcomed the report and requested updates to be provided to each Committee.

1.2 The report was redesigned to include an update on people management and HR delivery. The first report was submitted to HR Committee on 16 July 2008.

1.3 This report will be updated and submitted to each Committee on a quarterly basis.

1.4 The report will be used to report on progress on the People Strategy 2009-2012 and demonstrate the difference being made to the Council as a result of implementation of the strategy.

2.0 Report

2.1 See the HR Quarterly Performance Report: March 2013 Essential Reference paper B.

3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

None

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ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate):</i>	People This priority focuses on enhancing the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.
Consultation:	<i>None, update report</i>
Legal:	<i>None</i>
Financial:	<i>None</i>
Human Resource:	<i>As detailed in the report</i>
Risk Management:	<i>None</i>

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HR Quarterly Performance Report: March 2013

People stats 1/4/2012 - 31/3/2013 as at 1 March 2013

Current Headcount:	361	Number of leavers:	27
Number of Starters:	25	Vacant Number FTE funded hours (expressed as FTE):	35.48
Current Turnover:	7.48% (6.35%)	Average No short term sickness days per FTE staff in post:	3.68

The following actions support the People Strategy 2009-2012:

Management Actions to mitigate increased pressures (Medium Term Financial Plan)

HR is continuing to support a number of service changes including restructures, transfers and shared service programmes. These include restructures in:

Environmental Services
Community Health and Safety Services

Resourcing/Reward

The Council's contract with Manpower for permanent and temporary recruitment expires in April 2013. Human Resources are currently working on the implementation plan for bringing recruitment services in-house from April 2013. Permanent recruitment will be manager led, with appropriate support from HR. Three preferred suppliers will shortly be identified for temporary staff as an interim measure, with a full EU tender process due to be completed by October 2013.

The transfer of the East Herts Payroll & Human Resources system continues. East Herts are working with Wealden and Stevenage Borough Council to ensure all the appropriate data will be inputted and available when the new system goes live on the 1 April 2013. This will ensure East Herts is compliant with Real Time Information.

Learning and Development

HR launched Skillsbuild an E-Learning platform with VineEast in January 2013. Currently 42 members of staff have accessed and participated in the E Learning courses available.

As part of the Corporate Training Plan 2012/13 the following courses have being organised this quarter:

- Negotiating a Better Deal with Supplier's – 5 attended
- Report Writing Skills – 6 attended
- UCA - 68 attended
- Recruitment Skills – 4 attended
- E Learning Drop In – 15 Attended

Policies

The following policies are currently being reviewed/developed for the next quarter:

- Recruitment and Selection
- Employee Handbook
- Redeployment

Equalities and Diversity

Human Resources will be reviewing its Equal Pay Aduit during the next quarter,

Shared Support Services Programme

Proposals on shared support services were made to CMT/SMB in December 2012 to proceed with formal shared services with SBC for ICT, Design, Print and Business Improvement services in 2013. HR are currently working with the interim ICT Head of Service and Stevenage HR Team

MINUTES OF A MEETING OF THE
LOCAL JOINT PANEL HELD IN THE
COUNCIL CHAMBER, WALLFIELDS,
HERTFORD ON TUESDAY 19 FEBRUARY
2013, AT 2.30 PM

PRESENT: **Employer’s Side**

Councillor Mike Wood (Chairman)
Councillors M Alexander and J Ranger

Staff Side (UNISON)

Mr S Ellis and Mr A Stevenson

ALSO PRESENT:

Councillors

OFFICERS IN ATTENDANCE:

Glenda Bennett	- Interim Head of People and Property
Lorraine Blackburn	- Democratic Services Officer
Adele Taylor	- Director of Finance and Support Services

10 **MATERNITY AND PATERNITY POLICY**

The Secretary to the Employer’s Side submitted a report updating the Maternity, Paternity and Adoption Leave Policy to bring this in line with legislation and best practice. The Acting Head of People Services drew Members’ attention to the key changes to the report in relation to Paternity Leave, Adoption Leave, Maternity timelines and “Keeping in Touch” (KIT) days, the detail of which was set out in Essential Reference Paper “B” of the report now submitted.

The Panel supported the revised Policy, as submitted.

RECOMMENDED – that the revised Maternity, Paternity and Adoption Policy, as submitted, be approved.

11 **OFFICERS' CODE OF CONDUCT**

The Secretary to the Employer's Side submitted a report outlining revisions to the Officers' Code of Conduct and standards of behaviour. The Acting Head of People Services outlined the key changes to the report, including the use, by employees, of social media, IT facilities and personal mobile phones. She referred to the use of social media sites and the need to protect the Council's reputation.

Councillor J Ranger referred to the monetary value in relation to hospitality and the receipt of gifts. He suggested that this should be brought in line with Members' allowances of £25. This was supported.

Councillor M Alexander referred to the ICE (In Case of Emergency) facility on mobile phones and suggested that all employees who worked remotely or went out on site, be encouraged to make use of this emergency contact facility. The Acting Head of People Services undertook to review this issue in relation to remote working policies.

The Panel supported the revised Policy, as amended in relation to the hospitality /gift allowance.

RECOMMENDED – that the Officers' Code of Conduct, as now amended, be approved.

12 **DISCLOSURE AND BARRING SERVICE POLICY**

The Secretary to the Employer's Side submitted a report outlining revisions to the former policy "Managing the Criminal Record Bureau Process" following the merger of the Criminal Records Bureau (CRB) Service and the Independent Safety Authority (ISA) on 1 December 2012 into the Disclosure and Barring Services (DBS).

The Acting Head of People Services outlined the key changes to the new policy, the detail of which was set out in the report now submitted and Essential Reference Paper “B”. The policy and guidelines ensured that the Council was compliant with the new process and the Disclosure and Barring Services’ Codes of Practice and also the Protection of Freedoms Act 2012. A new Recruitment of Ex-Offenders Policy had also been incorporated within the new policy.

The Acting Head of People Services summarised the introduction and application of the new Recruitment of Ex-Offenders Policy within the Council. She anticipated that there would be a need to refresh the Council’s Recruitment and Selection Policy in the light of this new arrangement and undertook to review this for consideration at the next meeting of the Local Joint Panel.

In response to a query from Councillor J Ranger the Acting Head of People Services explained how checks would be carried out from a licensing viewpoint.

The Panel supported the Disclosure and Barring Service Policy, as now submitted.

RECOMMENDED – that the Disclosure and Barring Service Policy and the Recruitment of Ex-Offenders Policy, as now submitted, be approved.

13 **SOCIAL MEDIA POLICY**

The Chief Executive and Director of Customer and Community Services submitted a report which established a policy aimed at providing guidance on the personal and business use (on behalf of the Council) of social media.

The Acting Head of People Services summarised the content of the report, the detail of which was set out in the report now submitted and Essential Reference Paper

“B”. Of particular concern was the use of social media, (which could be used unwittingly), by employees outside of work to bring the Council into disrepute and of the need to manage social media usage.

Councillor M Alexander referred to the dangers of “tweeting” and the need to think before comments were added as these could be considered as an endorsement of comments which might have been mentioned earlier in a “tweet”. In response to a query from Councillor M Alexander regarding employees who might have left the Council’s employment, the Acting Head of People Services stated that the policy only covered those individuals who were currently within the Council’s employment.

Councillor M Alexander referred to the Members’ Code of Conduct, currently under review and suggested that both the Members’ Code and Employees’ Code should be in line with one another as anything else could be considered divisive. The Director of Finance and Support Service undertook to discuss this with the Director of Neighbourhood Services charged with undertaking the review of the Members’ Code of Conduct.

The Panel supported the Social Media Use Policy, as now submitted.

RECOMMENDED – that the Social Media Use Policy, as now submitted, be approved.

14 MINUTES

RESOLVED – that the Minutes of the meeting held on 13 June 2012 be approved as a correct record and signed by the Chairman.

15 CHAIRMAN'S ANNOUNCEMENTS

The Chairman welcomed Adele Taylor, Director of Finance and Support Services, Glenda Bennett, Acting Head of People Services and Steve Ellis, Interim Branch Secretary (Staff

Side) to the meeting.

The meeting closed at 3.05 pm

Chairman

Date

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