

PERSONNEL COMMITTEE

Tuesday, 25th January, 2011

2.30 pm

Wantsum Room, Sessions House, County Hall,
Maidstone





AGENDA

PERSONNEL COMMITTEE

Tuesday, 25th January, 2011, at 2.30 pm
Wantsum Room, Sessions House, County
Hall, Maidstone

Ask for: **Geoff Mills**
Telephone **01622 694289,**
geoff.mills@kent.gov.uk

Membership (8)

Conservative (7): Mr P B Carter (Chairman), Mr R W Gough (Vice-Chairman),
Mr D A Hirst, Mr A J King, MBE, Mr K G Lynes, Mrs J A Rook and
Mr J D Simmonds

Liberal Democrat (1): Mr T Prater

UNRESTRICTED ITEMS

(During these items the meeting is likely to be open to the public)

A. COMMITTEE BUSINESS

1. Substitutes
2. Declarations of Interests by Members in items on the Agenda for this meeting.
3. Minutes of the meeting held on 6 December 2010 (Pages 1 - 2)
4. Local Pay bargaining 2011/12 (Pages 3 - 6)
5. Update on Change to Keep Succeeding (Pages 7 - 10)

MOTION TO EXCLUDE THE PRESS AND PUBLIC

That under Section 100A of the Local Government Act 1972, the press and public be excluded from the meeting for the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 1 of Part 1 of Schedule 12A of the Act.

EXEMPT ITEMS

(During these items the meeting is likely NOT to be open to the public)

6. Exempt Minutes
7. Implementation of Change to Keep Succeeding
8. Senior Office Conduct

Peter Sass
Head of Democratic Services and Local Leadership
(01622) 694002

Monday, 17 January 2011

Please note that any background documents referred to in the accompanying papers maybe inspected by arrangement with the officer responsible for preparing the relevant report.

KENT COUNTY COUNCIL

PERSONNEL COMMITTEE

MINUTES of a meeting of the Personnel Committee held in the Sessions House, County Hall, Maidstone on Monday, 6 December 2010.

PRESENT: Mr P B Carter (Chairman), Mr R W Gough (Vice-Chairman), Mr D A Hirst, Mr A J King, MBE, Mr K G Lynes, Mr T Prater, Mrs J A Rook and Mr J D Simmonds.

IN ATTENDANCE: Mrs A Beer (Director of Personnel & Development), Mr B Watts (Senior Solicitor) and Mr G Mills (Democratic Services Manager (Executive)).

UNRESTRICTED ITEMS

1. Minutes of the meeting held on 4 November 2010

(Item 3)

(1) The minutes of the meeting held on 4 November 2010 were agreed as a true record and signed by the Chairman.

(2) Mrs Beer referred to paragraph 4 of the minutes (Travel Savings) and said an advice note had been circulated to senior managers explaining options and alternatives and how staff could be better off under the new scheme. A report on the changes would be submitted to a future meeting of the County Council.

2. Disciplinary and Grievance Activity

(Item 4 – report by Mr Roger Gough, Cabinet Member for Corporate Support and Performance Management and Mrs Amanda Beer, Director of Personnel & Development) (Mr P Royel, Head of Employment Strategy was present for this item)

(1) This report updated the Personnel Committee on discipline and grievance activity for the first six months on 2010/11, including details of appeals.

(2) Following discussion the Committee noted the report

Exempt Items

The following are unrestricted minutes of matters which the Committee resolved should be discussed pursuant to Section 100A of the Local Government Act 1972 (as amended) on the grounds that they involved the likely disclosure of exempt information as defined in paragraphs 1, 2 and 4 of part 1 of Schedule 12A of the Act.

3. Evaluation and reward arrangements for senior roles

(Item 6— report by Mrs Amanda Beer, Director of Personnel & Development) (Mr Colin Miller, Reward Manager was present for this item)

(1) As part of the Council's proposals for structural change an evaluation by the Hay Group had been undertaken of the County Council's new top posts. The evaluation looked at the role and complexity of each post and made recommendations as to future grade and pay. The Hay Group report also looked at performance management and presented recommendations as on the development of a framework drawing on the Council's existing approach to performance management against which future performance and competence could be fairly judged and objectively assessed.

(2) During the course of discussion members raised a number of points of detail to which officers responded accordingly. Mr Gough then proposed and Mr Lynes seconded that the recommendations in the report should be approved with the pay band option of a market median pay band of +7/-10% being adopted as shown in the third column of appendix 1 to the report.

Carried 7:0 with 1 abstention.

(3) With the adoption of the +7/-10% market median pay band, members agreed that officers should look to 'smooth' out overlaps in pay bands and the gaps between KR15 and KR16.

(4) Resolved that to paragraph 3 (3) above

(i) the proposed model and performance management approach proposed by the HayGroup be endorsed as being the best for KCC's current and future needs; and

(ii) The County Council at its meeting on 16 December 2010 be asked to endorse this recommendation and to adopt the +7/-10% market median pay band option as shown in the third column of Appendix 1 to the report.

4. Report regarding Senior Officer Conduct

(Item - report by Director of Law and Governance and Director of Personnel and Development)

(1) The Chairman declared consideration of this item to be urgent on the grounds that since the matter had been discussed at the meeting held on 4 November 2010 further information had become available which the Committee needed to consider and reach a view.

By: Roger Gough – Cabinet Member, Corporate Support Services and Performance Management
Amanda Beer - Director of Personnel & Development

To: Personnel Committee **Date:** 25 January 2011

Subject: Local Pay Bargaining – 2011/12

Classification: Unrestricted

Summary: This paper outlines the current stage of this year's Local Pay Bargaining process. Endorsement of the proposed no increase is sought from Personnel Committee, prior to that from full Council in February 2011.

1. BACKGROUND

- 1.1 Consultation began in September 2010 for what is our seventh year of local pay bargaining, and has continued to be undertaken in an honest and constructive manner. The difficult financial climate together with the challenges Kent County Council face now and in the medium term have been key factors in the discussion with our recognised Trade Unions.
- 1.2 There was no national settlement last year, in line with our own budget based decision that it was 'unaffordable'. This year the national Trade Union submission is made up of a number of improvements to terms and conditions of employment, including increasing annual leave, maternity leave, adoption leave, a reduction in the working week to 35 hours, and at least £250 pay increase for all employees. No response has yet been formally made by the Employers' side, though a similar response to last year is anticipated.
- 1.3 The Government's preferred measure of inflation, the Consumer Price Index (CPI) is currently at 3.3% with forecasts suggesting that this will average 2.7% for 2011. The Retail Price Index is higher at 4.7%, with forecasts suggesting that this will average 3.7% for 2011. The sources for these forecasts are HM Treasury and Industrial Relations Service (IRS) respectively.
- 1.4 Teachers received the final part of their three year settlement of an increase of 2.3% for October 2010 to August 2011, in September 2010. As in previous years, an inconsistency between Teachers and non teaching staff in schools is likely to be the cause of complaint and criticism. The Government has now formally abolished the recently created "Schools Support Staff Negotiating Body" which was to take responsibility for the reward structure for such employees in schools. A

consequence of this abolition will be that school support staff will continue to be employed under Kent Scheme terms and conditions of employment and therefore any associated local pay settlement.

- 1.5 As last year, approximately two thirds of employees will be eligible for pay progression under Total Contribution Pay which had an average value of 2.7% for those who received it. This year will be the first of our new, alternative progression scheme based upon performance, and the re-distribution of awards will result in the average value of approximately 1.8%.
- 1.6 The current rates of inflation in Table 1 together with the relative analysis of awards for the past 3 years between Kent and the National Joint Council are attached in Table 2, as Appendix 1.

2. LOCAL PAY BARGAINING RESPONSE

- 2.1. The County Council has made no budgetary provision for a cost of living award, which was not a surprise to Trades Unions. Their local submission this year was a reflection of the national submission in that they seek a minimum of £250 for all, an additional day's annual leave and for KCC to provide paid time off for staff undergoing IVF treatment. Consequently this paper does not reflect a jointly agreed recommendation, and discussions will continue with trades unions.

3. CONCLUSION

- 3.1 The proposed 0% does not meet the trade union expectation or predicted levels of inflation, but does take into account the Council's budgetary pressures and challenging economic conditions. This will be the second consecutive year that there will be no increase.

4. RECOMMENDATION

The Personnel Committee agrees to endorse and recommend to Cabinet and Council:

- 4.1. That there is no pay award for 2011/12.
- 4.2. That consideration be made of the proposed addition of leave for those staff undergoing IVF treatment.

Amanda Beer
Director of P&D
Ext 4136

Paul Royel
Head of Employment Strategy
Ext 4608

Table 1. Current key economic data (Office of National Statistics)

| Measure | Rate (%) |
|---|-----------------|
| RPI | 4.7 |
| CPI | 3.3 |
| Average Earnings Index (AEI) Whole Economy | 2.2 |
| AEI Public Sector | 2.4 |

Table 2. Comparison of National Joint Council (NJC) Cost of Living increases

| Scheme | 2008/9 | 2009/10 | 2010/11 |
|---------------|---------------|---|----------------|
| NJC | 2.75% | 1.0% (1.25% for under £14k) | 0% |
| KCC | 2.5% | 1.0% | 0% |

This page is intentionally left blank

By: Director of Personnel and Development

To: Personnel Committee

Date: 25 January 2011

Subject: Change to Keep Succeeding update

Classification: **Unrestricted**

SUMMARY: This paper updates the Personnel Committee on the latest position regarding populating the new operating framework for KCC at the County Council meeting on 16th December 2010.

BACKGROUND

- 1.1 The Change to Keep Succeeding paper was agreed by the County Council on 16th December 2010.
- 1.2 On 17th December letters were sent to all the impacted staff. These letters either put individuals at risk of redundancy and invited them to apply for the vacant Director or Corporate Director positions in the new operating framework, or confirmed that they had been “slotted” into a new post.
- 1.3 All those written to had the option of applying for voluntary redundancy.
- 1.4 The closing date for applications for new posts was 4th January 2011 and for appeals against not being slotted to a new post was 6th January 2011. There were no formal appeals.

SLOTTING

- 2.1 11 people were slotted into new posts as follows:
 - Keith Abbott - Director of School Resources
 - Mike Austerberry - Corporate Director, Enterprise and Environment
 - Amanda Beer - Corporate Director of Human Resources
 - John Burr - Director of Highways
 - David Cockburn - Deputy Managing Director, Corporate Director Business Strategy & Support
 - Helen Davies - Director of Specialist Children's Services
 - Amanda Honey - Corporate Director Customer & Communities

- Margaret Howard - Director of Learning Disability & Mental Health
- Lynda McMullan - Corporate Director Finance & Procurement
- Anne Tidmarsh - Director of Older People & Physical Disability
- Geoff Wild - Director of Governance & Law

2.2 These 11 will be offered new contracts of employment to begin their new roles from 4th April 2011.

2.3 Meradin Peachey will continue in her role as Director of Public Health

VOLUNTARY REDUNDANCY

3.1 A number of senior managers requested voluntary redundancy. These include the following who will be leaving KCC at the end of March:

- Judy Edwards Director of Policy and Resources, Communities
- Merril Haeusler Director of Learning, CFE
- Caroline Highwood Director of Strategic Business Support, KASS
- Grahame Ward Director of Capital Programmes and Infrastructure, CFE

3.2 Rosalind Turner has requested voluntary redundancy, and this has also been accepted. She will officially leave from the end of March, but in order to help manage the transition into the new arrangements, and to secure a focus on the social care improvement plan, Malcolm Newsam has joined the organisation as interim Managing Director of Children, Families and Education.

3.3 Pat Huntingford was already due to leave her fixed term post at the end of March this year and has confirmed that this is still her intention.

3.4 Oliver Mills continues as Managing Director of KASS and holds the statutory post of DASS until the new structure goes live. He is helping to lead the transition.

SELECTION TO NEW POSTS

4.1 There currently 13 vacant posts in the new structure. At risk candidates have applied as priority candidates for 5 of these posts – the Director of Specialist School services; Director of Customer Services; Director of Service Improvement; Director of Business Strategy and Director of Strategic Commissioning. Member interviews for these posts are being held on 19th and 28th January.

4.2 All other posts are to be advertised externally and member interviews will take place during March. Interim arrangements will be put in place as appropriate for posts which remain vacant at the beginning of April.

RECOMMENDATION

5 Personnel Committee is invited to note the current position in regard to the new operating framework.

**Amanda Beer
Director of Personnel & Development
Ext 4136**

This page is intentionally left blank