

PERSONNEL COMMITTEE

Wednesday, 4th June, 2014

2.00 pm

Wantsum Room, Sessions House, County Hall,
Maidstone





AGENDA

PERSONNEL COMMITTEE

Wednesday, 4th June, 2014, at 2.00 pm
Wantsum Room, Sessions House, County
Hall, Maidstone

Ask for: **Denise Fitch**
Telephone **01622 694269**

Tea/Coffee will be available 15 minutes before the start of the meeting

Membership (9)

- Conservative (5): Mr P B Carter, CBE (Chairman), Mr G Cooke (Vice-Chairman),
Mr J D Simmonds, MBE, Mrs P A V Stockell and Mr B J Sweetland
- UKIP (2) Mr N J Bond and Mr L Burgess
- Labour (1) Ms A Harrison
- Liberal Democrat (1): Mrs T Dean

UNRESTRICTED ITEMS

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

A. COMMITTEE BUSINESS

1. Membership
Would you please note that Mr Burgess has replaced Mr Bond as a Member of this Committee.
2. Substitutes
3. Declarations of Interests by Members in items on the Agenda for this meeting.
4. Minutes - 29 January 2014 (Pages 5 - 8)
5. Annual Workforce Profile Dashboard (Pages 9 - 30)
6. Performance & Capability Procedure (Pages 31 - 52)

7. Resolution Policy & Procedure (Pages 53 - 68)
8. Update on Public Health Terms and Conditions (Pages 69 - 72)
9. Review of LGPS Discretionary Pension Policy Statement (Pages 73 - 84)
10. Kent Manager Update (Pages 85 - 88)
11. Date of Next Meeting
The next meeting of the Committee will be held on 9 September 2014 at 2.00pm

B - 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, 2 and 4 of Part 1 of Schedule 12A of the Act.

EXEMPT ITEMS

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

1. HR Service Offer (Pages 89 - 90)
2. Kent Code (Pages 91 - 98)

Peter Sass
Head of Democratic Services
(01622) 694002

Tuesday, 27 May 2014

KENT COUNTY COUNCIL

PERSONNEL COMMITTEE

MINUTES of a meeting of the Personnel Committee held in the Chestnut Room - Oakwood House Maidstone, ME16 8AE on Wednesday, 29 January 2014.

PRESENT: Mr P B Carter, CBE (Chairman), Mr D L Brazier (Substitute) (Substitute for Mr G Cooke), Mr M C Dance (Substitute) (Substitute for Mrs P A V Stockell), Mr I S Chittenden (Substitute) (Substitute for Mrs T Dean), Mr J Elenor (Substitute) (Substitute for Mr N J Bond), Ms A Harrison, Mr R A Latchford, OBE (Substitute) (Substitute for Mr N J Bond), Mr J D Simmonds, MBE and Mr B J Sweetland.

IN ATTENDANCE: Mr M Austerberry (Interim Corporate Director, Growth, Environment & Transport), Mrs A Beer (Corporate Director Human Resources) and Ms D Fitch (Democratic Services Manager (Council)).

UNRESTRICTED ITEMS

30. Minutes
(Item A3)

RESOLVED that the Chairman be authorised to sign the Minutes of this meeting as a correct record on behalf of the Committee.

EXEMPT ITEM

RESOLVED that under Section 100A of the Local Government Act 1972 the 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.

31. Appointment of Director, Environment, Planning and Enforcement
(Item B1)

Interviews

(1) Members of the Personnel Committee had before them the job description and supporting information on the candidate who had been called for interview for the post of Director, Environment, Planning and Enforcement.

Adjournment.

(2) After the interview there was an adjournment. The Committee then reconvened and discussed the performance and merits of the candidate.

Decision

It was agreed unanimously that Paul Crick be appointed to the post of Director, Environment, Planning and Enforcement.

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KENT COUNTY COUNCIL

PERSONNEL COMMITTEE

MINUTES of a meeting of the Personnel Committee held in the Wantsum Room, Sessions House, County Hall, Maidstone on Wednesday, 29 January 2014.

PRESENT: Mr P B Carter, CBE (Chairman), Mr G Cooke (Vice-Chairman), Mr N J Bond, Mrs T Dean, Ms A Harrison, Mr M Heale, Mr J D Simmonds, MBE, Mrs P A V Stockell and Mr B J Sweetland.

IN ATTENDANCE: Mr I Allwright (Employment Policy Manager), Mrs A Beer (Corporate Director Human Resources), Ms D Fitch (Democratic Services Manager (Council)) and Mr P Royel (Head of Employment Strategy).

UNRESTRICTED ITEMS

32. Minutes of the meeting held on 28 November 2013

(Item A3)

RESOLVED that the minutes of the meeting held on 28 November 2014 be taken as read, confirmed and signed by the Chairman as a correct record.

33. Grievance Activity

(Item A4)

(1) Mr Allwright presented a report which updated the Committee on grievance case work activity for the period 2012-13 and associated timescales for the resolution of disputes.

(2) In relation to the longer timescale to resolve some of the disputes, Mr Allwright explained that the aim was to deal with disputes within 1 month if there was no escalation. However, there was no deadline for individuals to escalate a dispute, he confirmed further consideration would be given to how this could be addressed.

(3) RESOLVED that the report of the timescales to resolve disputes raised under Kent County Council's grievance procedure be noted and that the next time that this report is submitted to this Committee it contains anonymised case studies of disputes that have been ongoing for more than two months.

34. Date of Next Meeting - 4 June 2014

(Item A5)

RESOLVED that the date of the next meeting of the Committee be noted.

35. EXEMPT BUSINESS

RESOLVED that under Section 100A of the Local Government Act 1972 the 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 paragraphs 1 and 4 of part 1 of Schedule 12A of the Act.

36. Local Pay Bargaining - 2014/15

(Item B1)

(1) Mr Royel introduced a report which provided a summary of the position for this year's Local Bargaining process. Endorsement of the proposed action was sought from Personnel Committee prior to it being submitted to full Council for approval.

(2) Mrs Dean expressed her reservations on the proposal and stated that she would like there to be further consideration of moving towards adopting the Living Wage.

(3) RESOLVED that the Personnel Committee endorses and recommends to County Council a single pot of approx. 2.5% for 2014/15, with a minimum financial award for staff in lower grades equivalent in cash terms to the achieving award for staff on top of KR4.

37. Facing the Challenge update

(Item B2)

(1) Mrs Beer introduced a paper which updated the Personnel Committee on the latest position regarding populating the new top tier structure for KCC at the County Council meeting on 12 December 2013, including the exit arrangements for senior staff who had requested voluntary redundancy or not been successful in their application for a new post.

(2) RESOLVED that the current position in regard to the new operating framework and the costs of the redundancy and pension payments to displaced staff be supported.

By: Gary Cooke – Cabinet Member for Corporate & Democratic Services
Amanda Beer – Corporate Director of Human Resources

To: Personnel Committee

Date: 4 June 2014

Subject: Annual Workforce Profile Report

Classification: Unrestricted

Summary

This report provides information on the staffing levels, demographics and diversity of Kent County Council's current workforce and includes comparative information from previous years. The report follows the usual format, but is prefaced with an additional section on the new structure, effective from 1 April 2014, which provides base line information on staff within the new Directorates. The appendices have been grouped by topic, eg staff absence, rather than by staff group. The report is for noting and members of the Personnel Committee are invited to suggest any changes to the format and to consider whether they still wish to receive information on staffing in schools.

Headlines

1. **The new Non-schools structure (from 1 April 2014)**
 - There are four Directorates, with a total full-time equivalent (FTE) of 8116.2
 - With over 3,500 FTE Social Care, Health and Wellbeing is, by far, the largest of the new Directorates
 - Almost 75% contracts are permanent, a further 19% are Casual Relief, Sessional and Supply.
2. **The Non-schools workforce (to 31 March 2014)**
 - Sickness levels have fallen to 6.84 days lost per FTE
 - FTE levels have continued to fall, for the fourth year in succession
 - The proportion of staff aged 25 or under has increased to 7.0%
3. **KCC's workforce – all staff**
 - The FTE has fallen by over 20% since March 2011
 - Over 70% of contracts are permanent
 - The average age is around 44.5 years
4. **The Directorates (to 31 March 2014)**
 - CC had the highest proportion of CRSS contracts, at approximately 40% of the Directorate's total
 - The proportion of staff aged 25 and under varied significantly, from 3.1% in ELS to 10.2% in BSS
 - Sickness levels were highest in FSC at 8.4 days lost per FTE and lowest in BSS at 4.59 days lost per FTE.
5. **The Schools workforce**
 - A total of 26 schools left KCC to adopt Academy status between April 2013 and March 2014
 - As at March 2014 the FTE of staff in schools buying services from KCC was 13,607.9. The November 2013 Schools Workforce Census indicates that the Kent Schools workforce is closer to 15,400 FTE.

1. The new Non-Schools structure (effective from 1 April 2014)

1.1. Introduction

The new structure for the Non-schools sector came into effect on the 1 April 2014 and there are now four Directorates:

- Education & Young People's Services (EY)
- Growth, Environment & Transport (GT)
- Social Care, Health & Wellbeing (SC)
- Strategic & Corporate Services (ST)

Indicative baseline figures for the new structure, effective from 1 April 2014, are given below. These include staffing numbers and some initial information on staff demographics and diversity.

1.2. Staffing levels

Staffing levels for the new non-Schools sector as at 1 April 2014 are as follows:

- Full-time equivalents (FTEs) = 8,116.2
- Headcount - including Casual Relief, Sessional and Supply staff (CRSS) = 11,060
- Headcount - excluding CRSS staff = 9,528
- Assignment/contract count = 11,904

Social Care, Health and Wellbeing is by far the largest of the new Directorates. With over 3,500 FTE, it is over twice the size of the other directorates.

Appendix 1a provides full details of staffing levels in the new Directorates

1.3. Contract types

Permanent contracts account for almost three quarters of contracts held by staff in the Non-Schools sector. A breakdown of contract types is shown below.

- Permanent = 74.7%
- Temporary = 3.2%
- Fixed term = 3.4%
- Casual Relief, Sessional and Supply staff = 18.7%

Appendix 2a (i) provides full details of staffing by contract type within each of the new Directorates

1.4. Staff by salary band

Around 44% of staff on the Kent Scheme are on grades KR6 or below, with a maximum salary of £20,877. A further 31.5% are on grades KR7-KR9, earning salaries of between £20,878 and £31,135.

1.5. Equality

A breakdown of staff in the new structure, by equality strand, is shown below.

1.5.1. Equality performance indicators

- | | | |
|-------------------------------------|-------------------------------|-------------------------|
| • Female: | Non-School based staff: 76.7% | Leadership group: 52.6% |
| • BME: | Non-School based staff: 5.7% | Leadership group: 5.6% |
| • Disabled: | Non-School based staff: 4.2% | Leadership group: 4.1% |
| • Religious Belief (Non-Christian): | Non-School based staff: 5.8% | Leadership group: 4.7% |
| • LGB: | Non-School based staff: 2.3% | Leadership group: 1.6% |

Appendix 3a provides full details of staffing by diversity characteristics within each of the new Directorates

1. The new Non-Schools structure (effective from 1 April 2014)

1.6. Spans and layers

Within the restructured Non-Schools sector the average span of control for each manager is 5.3FTE and the structure comprises of 9 layers, where layer one is the Corporate Directors. The number of one-to-one reports has reduced significantly, to 193, when compared to the initial December 2011 figure of 335.

Analysis at Directorate level shows that they each have eight layers, with the exception of 'Education & Young People's Services, which has nine. The average span per manager varies from 3.8 in Education & Young People's Services to 6.9 in Social Care, Health and Wellbeing.

1.7. Age profile

The average age of staff in the new non-Schools sector is identical to a year ago at 45.3 years and slightly higher than in March 2012, when it was 45.1. Across the new Directorates the average age varies significantly, from 41.1 years in Strategic & Corporate Services to 46.6 years in Growth, Environment & Transport.

Based on figures from the Office for National Statistics, the number of people aged over 60 in the UK is expected to increase by 13% between 2013 and 2020 and statistics from the Department of Work and Pensions show employment for people between the ages of 50 and 64 to be higher now than before the recession. Within the new Non-Schools sector 40.3% of staff are aged 50 and over.

1.7.1. Age performance indicators

- Aged 25 and under: Non-School based staff: 6.9% Leadership group: n/a
- Aged 30 and under: Non-School based staff: 15.3% Leadership group: 1.0%
- Aged 50 and over: Non-School based staff: 40.3% Leadership group: 54.9%
- Aged 65 and over: Non-School based staff: 2.1% Leadership group: 1.4%

2. The Non-Schools workforce (to March 2014)

2.1. Introduction

This section contains information about the Non-schools workforce as at 31 March 2014. End of year out-turn figures are shown below, with results from previous years shown in brackets, for comparative purposes.

Performance indicators are calculated on a monthly basis for this sector and include a set of statistics relating specifically to staff within the Leadership Group.

2.2. Staffing levels

Staffing levels continued to fall during 2013-14 and FTE staffing levels are now 8.0% lower than in March 2013.

- Full-time equivalents (FTEs): March 2014 = 8,161.9 (March 2013 = 8,874.7)
- Headcount (including CRSS* staff): March 2014 = 11,061 (March 2013 = 12,114)
- Headcount (excluding CRSS* staff): March 2014 = 9,574 (March 2013 = 10,360)
- Assignment/contract count: March 2014 = 11,995 (March 2013 = 13,172)

*CRSS = Casual Relief, Sessional and Supply

2.2.1. Changes in staffing levels since March 2007 (FTE)

Between March 2007 and March 2013, the FTE of staff fell by around 20%.

Appendix 1c shows the changes in staffing levels in recent years

2.3. Contract types

The majority of staff (73.9%) are on permanent contracts a slight increase on last year. The proportion of staff on CRSS contracts has gradually diminished over recent years and now stands at 18.7%.

Appendix 2c shows the full breakdown by contract types over recent years.

End of year analysis showed that there were over 1,650 zero hours contracts. Around one quarter of these staff had a payment processed each month of the year and were therefore assumed to be working for the Authority on a regular basis. A further quarter of did not receive any payment during the financial year 2013-14, so can be assumed not to have worked in the period.

Note: Claims are entered for hours worked, but also for expenses etc.

2.4. Agency staff

KCC continues to employ a considerable number of agency staff in the Non-schools sector, primarily via Connect 2 Staff.

2.4.1. Agency staff numbers

As at March 2014, there were 713 agency staff employed in Non-schools. The majority of agency staff employed during the year were engaged to cover social care roles. In March 2013 and March 2012, the figures were 786 and 764 respectively.

2.4.2. Agency staff costs

The interim out-turn spend* on agency staff in 2013-14 was £31.6 million, which equated to approximately 9.6% of the £330 million staffing budget for the year. By comparison, spend on agency staff equated to 8.8% of the staffing budget in 2012-13 (2011-12 data n/a).

*(*figure to be finalised)*

2.5. Vacancies

As at 31 March 2014 there were 273.5 FTE vacancies, 3.2% of the budgeted FTE. Action was being taken to fill 81.4 of these. In March 2013 there were 503.8 FTE vacancies, 5.4% of the budgeted FTE and action was being taken to fill 123.2 FTE of them.

2. The Non-Schools workforce (to March 2014)

2.6. Staff by salary band

The breakdown by grade as at 31 March 2014 is shown below, with comparative figures for March 2013 shown in brackets.

KR 1-6	=	43.7%	(44.6%)
KR 7-9	=	31.8%	(32.3%)
KR 10-13	=	22.5%	(21.3%)
KR 14 or over	=	1.9%	(1.8%)

**Analysis includes staff on linked grades and social work staff on KR grade, but excludes CRSS staff*

In line with the Government's 'Transparency Agenda', KCC publishes information on those earning over £58,200, together with details of Directors' expenses, on the Authority's website.

Appendix 4d shows the Non-schools workforce, by salary band, over recent years.

2.7. Turnover performance indicator (excludes CRSS staff)

The rolling turnover figure was 12.1% at March 2014, compared with 18.3% in March 2013 (If Commercial Services leavers are excluded from the March 2013 figure, the out-turn figure was approximately 13.7%).

2.8. Reasons for leaving

In 2013-14, the primary reason for leaving was given as 'Resignation' (51.4%), followed by 'Other' (25.8%), a group that includes reasons such as the end of fixed-term or temporary contracts, mutual agreements and CRSS staff who are deemed to have left the Authority as they have not claimed in the last 12 months. The previous year, the primary reasons for leaving were 'Resignation' (35.4%), followed by 'Transfer' (23.3%).

2.9. Redundancies

During 2013-14 around 74 people were made redundant, of which 37 were compulsory redundancies. Redundancy payments in the year totalled £823,729, indicating an average redundancy payment of £11,131*. By comparison, in 2012 – 2013 a total of 412 people were made redundant and the total cost of redundancy payments over the year was £3.9 million, indicating an average payment in the region of £9,450*.

** Estimated as the date of leaving due to redundancy and the redundancy payment do not necessarily occur in the same year.*

2.10. Sickness performance indicator

The sickness performance indicator calculates the working days lost per FTE. In 2013-14 the downward trend in sickness levels continued, with the out-turn figure for 2013-14 being 6.84 days lost per FTE. Results for 2011-12 to 2013-14 are shown below.

2013-14 = 6.84 days (2012-13 = 7.38 days, 2011-12 = 7.78 days).

2.11. Primary reasons for sickness absence (by calendar days lost)

Reasons for sickness absence have been fairly consistent over the past four years, although this year the order has changed slightly, with 'Musculoskeletal' accounting for the most calendar days lost, followed by 'Mental health', 'Gastro-intestinal' and 'Stress – not mental health'. This mirrors the result of a recent survey by the ONS, where 'musculoskeletal' was identified as the main cause of sickness absence.

Appendix 6a show further information on sickness levels over recent years.

2. The Non-Schools workforce (to March 2014)

2.12. Equality

Nationally, around 12.9% of the population are from BME groups and the average BME level across councils is 5.51% of staff. A recent report by South East Employers quoted that approximately 16% of the working population have a disability and that, on average, 62.8% of council staff are female (with females representing 41.4% of the senior management population). A breakdown of KCC non-schools staff by equality strand is shown below with March 2013 figures in brackets.

2.1.1. Equality performance indicators

Female:	Non-school based staff: 76.8% (74.8%)	Leadership group: 53.8% (51.9%)
BME:	Non-school based staff: 5.7% (5.5%)	Leadership group: 5.3% (5.3%)
Disabled:	Non-school based staff: 4.2% (3.8%)	Leadership group: 3.8% (4.5%)
Religious Belief (Non-Christian):	Non-school based staff: 5.9% (6.0%)	Leadership group: 4.4% (5.0%)
LGB:	Non-school based staff: 2.3% (2.1%)	Leadership group: 2.0% (1.1%)

Appendix 3c provides further trend information on equalities

2.13. Equality in recruitment

KCC continues to attract people from across the Protected Characteristics to apply for jobs. However, the proportion of people applying does not always correspond to the proportion of those appointed, e.g. 17.2% of applicants were from BME groups, but only 8.4% of those recruited. Similarly those under 25 represented 30.1% of applicants, but 22.5% of those recruited.

2.14. Age profile

2.1.2. Average age

In March 2014 the average age was 45.3, identical to the March 2013 figure and slightly higher than March 2012, when the figure was 45.1. This figure aligns with the results of a recent survey from South East Employers, which showed that average age of employees across all council types to be 45 years.

2.1.3. Age performance indicators (excludes CRSS staff)

The age profile for March 2014 is shown below. As expected, the ages those in the Leadership Group are higher than for the Non-Schools sector as a whole.

Aged 25 or under:	7.0% (6.7%)	Leadership group: N/A
Aged 30 or under:	15.3% (15.5%)	Leadership group: 1.2% (0.3%)
Aged 50 or above:	40.3% (39.8%)	Leadership group: 54.5% (54.3%)
Aged 65 or over:	2.2% (N/A)	Leadership group: 2.0% (N/A)

2.15. Apprentices

As at 31 March 2014, there were 90 members of staff on apprentice grades in the non-schools sector.

3. KCC's workforce

3.1. Introduction

This section contains key staffing information about the Authority's workforce, including schools, and contains comparisons with previous years.

3.2. Staffing levels

The downward trend in continued across the Authority, with FTE staffing numbers declining for the fourth year in succession.

3.2.1. Full-time equivalents (FTEs)

The FTE has fallen by over 20% since March 2011.

March 2014 = 21,769.8 (March 2013= 22,848.2)

3.2.2. Headcount (including Casual Relief, Sessional and Supply staff)

March 2014 = 33,095 (March 2013 = 34,952)

3.2.3. Headcount (excluding Casual Relief, Sessional and Supply staff)

March 2014 = 29,456 (March 2013 = 30,993)

3.2.4. Assignment/contract count

March 2014 = 39,194 (March 2013 = 41,201)

Appendix 1d shows the details of staffing levels over recent years.

3.3. Contract types

Across the Authority, approximately 71% of contracts are Permanent and 18% are on Casual Relief, Sessional or Supply. Of the remainder, 3% are Fixed-term contracts and 8% are Temporary.

Appendix 2d shows the breakdown by contract type

3.4. Age profile

The average age for KCC staff appears to have plateaued, with the March 2014 figure identical to that of March 2013, at 44.5 years. This is marginally higher than the March 2012 figure of 44.4.

3.5. Staff by salary band

The breakdown of staff on the Kent Scheme by grade band has stayed relatively constant, with around three-quarters of posts graded KR1-6, the same as last year. The proportion of posts graded KR14 and above has remained constant at 0.8%. Full details are shown below.

KR grades 1-6 = 74.6% at March 2014 (March 2013 = 74.6%)

KR grades 7-9 = 15.4% at March 2014 (March 2013 = 15.8%)

KR grades 10-13 = 9.3% at March 2014 (March 2013 = 8.9%)

KR grades 14 and above = 0.8% at March 2014 (March 2013 = 0.8%)

Appendix 4b shows the breakdown by salary band

4. Directorate details

4.1. Introduction

This section contains key staffing information about the workforce in each Directorate as at 31 March 2014. Performance Indicators are calculated for this sector on a monthly basis and include a set of statistics relating to staff within the Leadership Group of each Directorate.

4.2. March 2014 staffing levels

Staffing levels increased slightly in BSS, primarily due to Public Health staff transferring into the Directorate. The decrease in ELS (-28.6%) was principally due to Pupil Referral Units being reported under the 'Schools' sector and the reduction in EE (-46.9%) was largely due to Commercial Services leaving the Authority.

Appendix 1b shows staffing levels by Directorate as at March 2014, together with information on the staffing levels in previous years.

4.3. Contract types

The percentage of permanent contracts varies considerably by Directorate, from around 56% in CC to almost 88% in BSS. BSS has the highest number of temporary contracts (7.8%) and EE has the highest proportion of fixed-term contracts at 5.4%. CC had the highest proportion of CRSS contracts, which accounted for nearly 40% of their total. Casual roles in CC included customer support assistants, ceremonies celebrants and registrars, tutors and youth workers.

Appendix 2b shows full details of the breakdown by contract types

4.4. Agency staff

FSC has the highest number of agency staff (418) and EE has the lowest (39).

Appendix 7b shows detailed information on agency staff by directorate

4.5. Age profile

The average age ranged from 41.9 in BSS to 49.8 in ELS.

4.5.1.	Performance Indicators (excludes CRSS staff)	
Aged 25 and under:	Highest in BSS (10.2%)	Lowest in ELS (3.1%)
Aged 30 and under:	Highest in BSS (21.5%)	Lowest in ELS (6.9%)
Aged 50 and over:	Highest in ELS (52.8%)	Lowest in BSS (31.0%)
Aged 65 and over:	Highest in ELS (5.6%)	Lowest in EE (1.4%)

4.6. Sickness performance indicators

Sickness levels fell in all Directorates, with the exception of CC, where there was a small increase. Sickness performance indicators show that sickness levels were highest in FSC at 8.4 days lost per FTE and lowest in BSS at 4.59 days lost per FTE. The recent ONS survey on sickness absence indicates that roles in the caring sector have the highest sickness rates.

Appendix 6b (i) and (ii) shows detailed information on sickness levels

4.7. Staff by salary band

Distribution across the salary bands varies significantly, with the proportion on KR6 & below ranging from 18.6% in EE to 58.0% in CC. BSS has the highest proportion of staff on the higher grades (KR14 & above), at 4.8%.

Appendix 4c shows detailed information on staff by salary band.

4.8. Turnover Performance Indicators

Turnover levels varied considerably by Directorate, as shown below. The movement of groups of staff into and out of the Authority in the early part of the year has had an impact on turnover rates for some Directorates.

BSS	10.4%
ELS	12.5%
FSC	12.4%
CC	13.7%
EE	7.4%

4. Directorate details

4.9. Equality

4.9.1. Equality performance indicators

Female:	Highest in FSC (87.2%)	Lowest in EE (45.2%)
BME:	Highest in FSC (6.7%)	Lowest in ELS (2.1%)
Disabled:	Highest in BSS/CC/ELS (4.4%)	Lowest in FSC (4.0%)
Religious Belief (Non-Christian):	Highest in FSC (6.4%)	Lowest in ELS (4.4%)
LGB:	Highest in FSC (2.7%)	Lowest in ELS (0.6%)

4.9.2. Equality performance indicators - Leadership group

Female:	Highest in FSC (77.8%)	Lowest in EE (23.3%)
BME:	Highest in EE (16.0%)	Lowest in ELS (0.0%)
Disabled:	Highest in BSS (6.1%)	Lowest in EE (0.0%)
Religious Belief (Non-Christian):	Highest in BSS (7.3%)	Lowest in ELS (0.0%)
LGB:	Highest in ELS (6.3%)	Lowest in CC/EE (0.0%)

Appendix 3b contains details of the equality strands by Directorate.

5.1. Introduction

This section of the paper contains information about school based staff. Schools may decide where to buy their HR services and can choose providers other than KCC. The information included in this report relates primarily to schools that buy HR services from KCC. Where data sources other than KCC's Oracle HR have been used, this is indicated in the report.

The Schools Workforce Census (an annual census of all LA schools) on 7 November 2013 showed that there were 467 schools in Kent, of which 394 were Primary schools, 23 were Special schools and 50 were secondary schools.

A total of 26 schools left KCC to adopt Academy status between April 2013 and March 2014, of these 6 were Secondary 20 were Primary schools. By comparison, 33 schools left KCC in 2012-13 to adopt Academy status.

During the year, 16 Pupil Referral Units became schools and are no longer centrally managed.

5.2. Current staffing levels (Source: Oracle HR – only schools that buy HR services from KCC)

5.2.1. Full-time equivalents

March 2014 = 13,607.9 (March 2013 = 13,973.57 FTE)

The most recent Schools Workforce Census, indicates the FTE of staff in Kent Schools to be closer to 15,400.

5.2.2. Headcount (including Casual Relief, Sessional and Supply (CRSS) staff)

March 2014 = 22,135 (Mar 2013 = 22,966)

The most recent Schools Workforce Census, indicates the headcount of staff in Kent Schools to be over 23,200.

5.2.3. Headcount (excluding CRSS staff)

March 2014 = 19,928 (March 2013 = 20,688)

5.2.4. Assignment (or contract) count

March 2014 = 27,199 (March 2013 = 28,029)

5.3. Changes in staffing levels since March 2011

Within schools buying HR services from KCC, the FTE of school based staff fell from 17,784.3 in March 2011, to 13,607.9 in March 2014, a reduction of 23.5%. Major changes during the period include schools leaving KCC to become Academies and Pupil Referral Units being regarded as standalone schools. The number of schools opting to purchase HR services from KCC varies year by year, which impacts on the staffing figures reported each time. *Appendix 1e shows staffing numbers in schools over recent years*

5.4. Sickness*

During the period 1 September 2013 to 31 August 2014, a total 89,880 days were lost due to sickness by school based staff, with around 41,500 of these taken by teaching staff.

**Notes:*

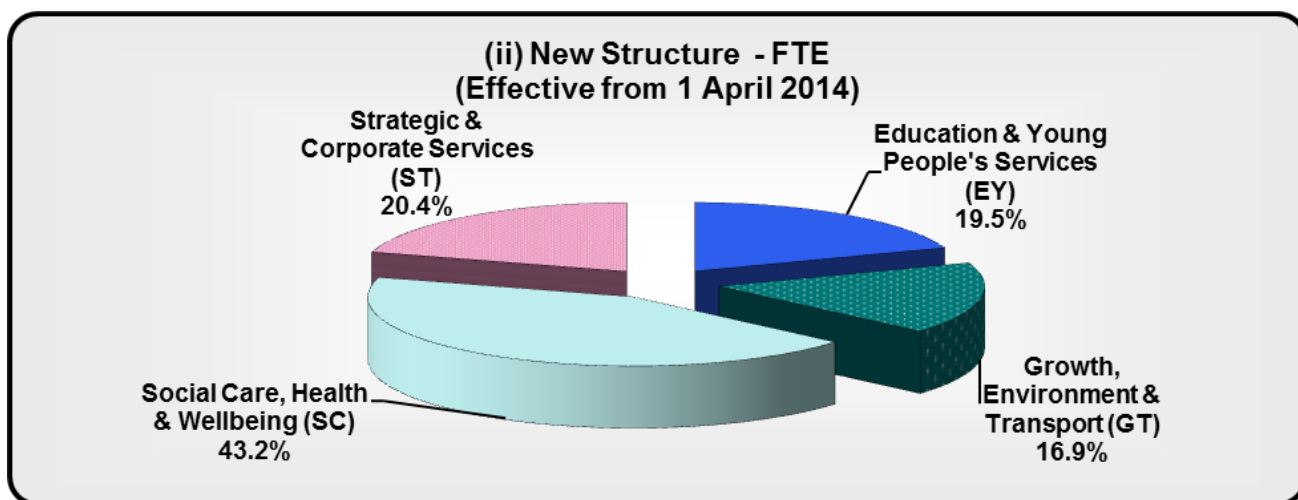
Source = Schools Workforce Census November 2013

The collection of absence details is not mandatory for non-teaching staff

Absence data is included for staff employed during the year, but whose contract expired before the census date.

a) New Structure Directorate 1 Apr 2014 - Staffing Levels

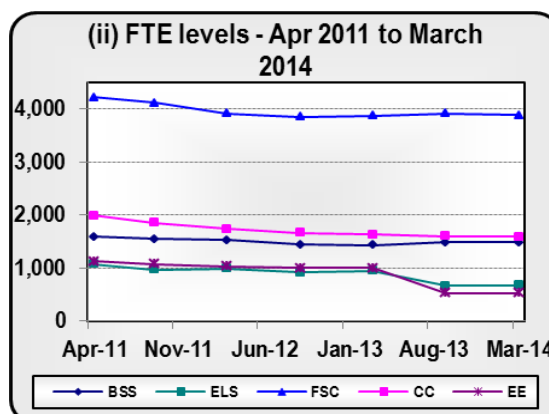
(i) Directorate	Assignment count	Headcount (inc CRSS)	Headcount (exc CRSS)	FTE
Education & Young People's Services (EY)	2,971	2,734	1,927	1580.0
Growth, Environment & Transport (GT)	2,366	2,175	1,698	1369.1
Social Care, Health & Wellbeing (SC)	4,738	4,334	4,109	3508.6
Strategic & Corporate Services (ST)	1,829	1,817	1,794	1658.5
Total	11,904	11,060	9,528	8,116.2



b) Directorate Details March 2014 - Staffing Levels

(i) Staffing Levels at March 2014

Directorate Name	Contract count	Headcount (inc CRSS)	Headcount (exc CRSS)	FTE
BSS	1,624	1,617	1,601	1,483.06
ELS	1,131	1,119	898	676.27
FSC	5,202	4,784	4,559	3,881.30
CC	3,368	2,995	0	1,591.86
EE	670	624	557	529.43

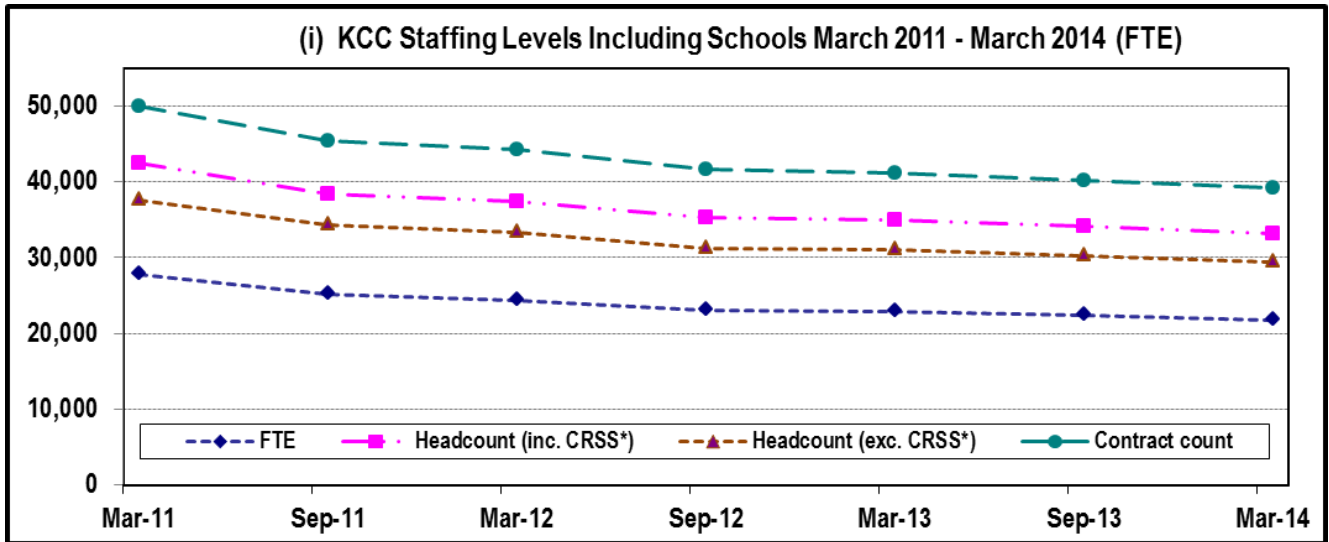


c) KCC Non-Schools Workforce - Staffing Levels

(i) Staffing levels - March 2010 to March 2014

	Mar-10	Mar-11	Mar-12	Mar-13	Mar-14	Change (to 1 d.p.) Mar-13 to Mar-14	
						FTE	%
Contract count	16,252	15,330	13,901	13,172	11,995	-1,177.0	-8.9%
Headcount (inc. CRSS*)	14,719	13,850	12,652	12,114	11,061	-1,053.0	-8.7%
Headcount (exc. CRSS*)	12,549	11,944	10,865	10,360	9,574	-786.0	-7.6%
FTE	10,530.9	10,060.9	9,186.6	8,874.7	8,161.9	-712.7	-8.0%

d) KCC Workforce (including Schools) - Staffing Levels



e) Schools - Staffing Levels

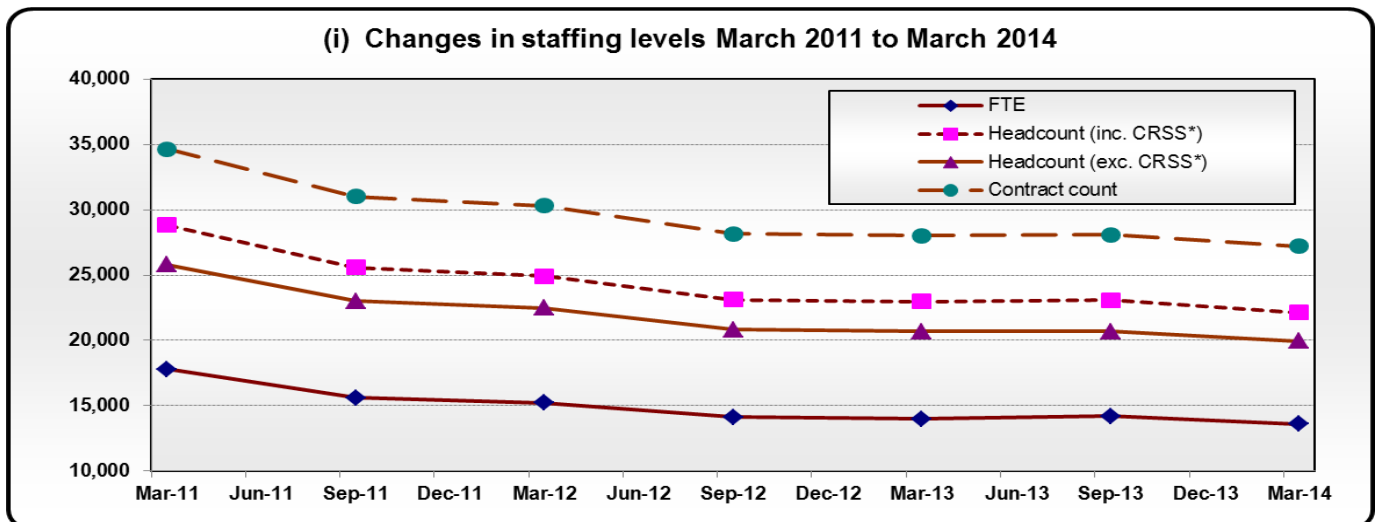
(i) Staffing levels

	31-Mar-11	30-Sep-11	31-Mar-12	30-Sep-12	31-Mar-13	30-Sep-13	31-Mar-14
Contract count	34,630	31,011	30,325	28,146	28,029	28,105	27,199
Headcount (inc. CRSS*)	28,816	25,593	24,932	23,125	22,966	23,084	22,135
Headcount (exc. CRSS*)	25,799	23,011	22,487	20,815	20,688	20,698	19,928
FTE	17,784	15,608	15,203	14,115	13,974	14,207	13,608

(ii) Changes in staffing levels (31 March 2011 to 31 March 2014)

	Change Mar 2011 to Mar 2014	Change Mar 2011 to Mar 2014 (%)
Contract count	-7,431.0	-21.5%
Headcount (inc. CRSS*)	-6,681.0	-23.2%
Headcount (exc. CRSS*)	-5,871.0	-22.8%
FTE	-4,176.4	-23.5%

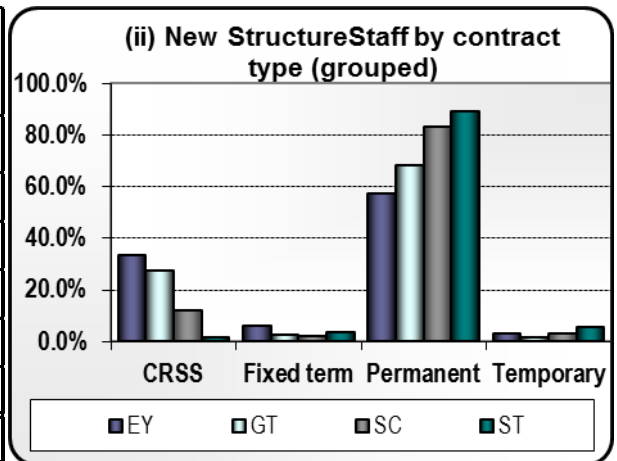
*CRSS = Casual Relief, Sessional and Supply Staff



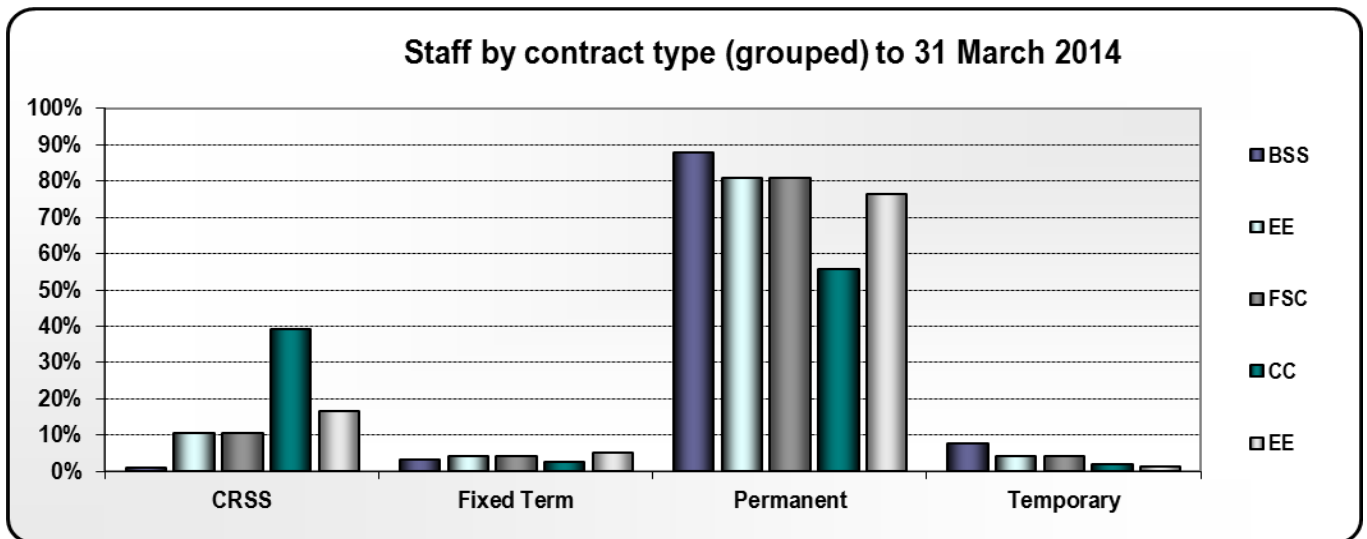
a) New Structure Directorates 1 Apr 2014 - Contract Type

(i) New Structure Staff by Contract Type (grouped)

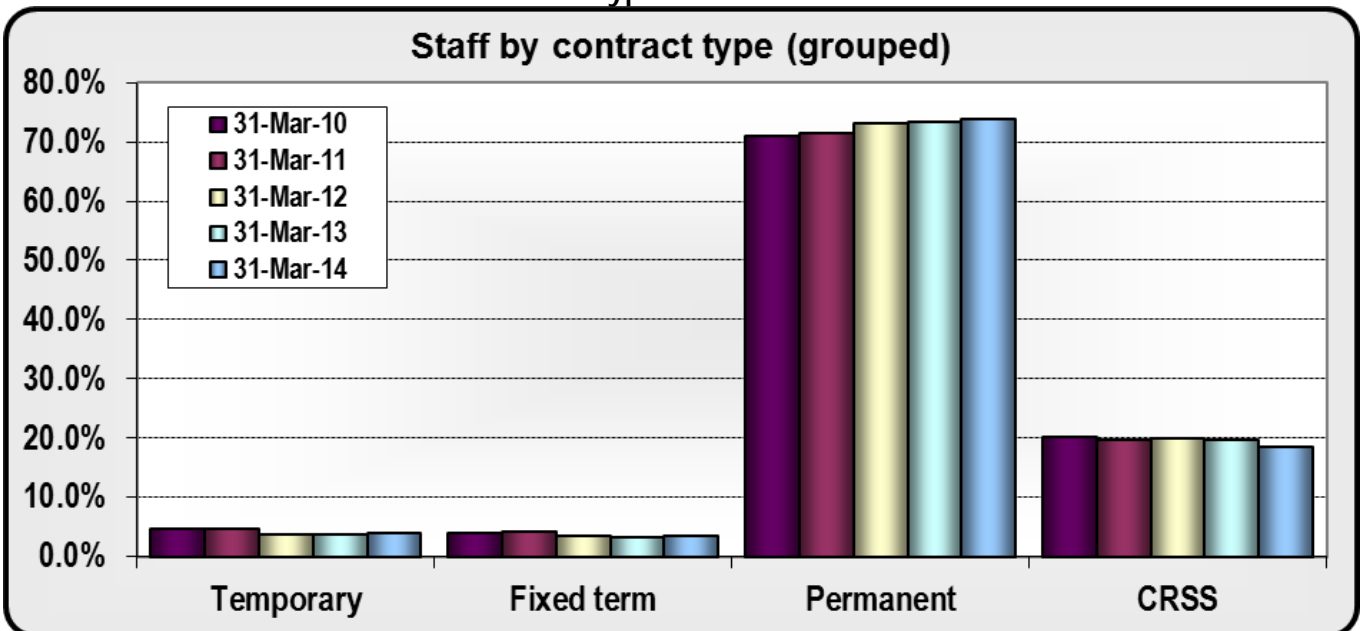
Contract type (grouped)	Contract Count			
	EY	GT	SC	ST
CRSS	33.4%	27.3%	11.9%	1.6%
Fixed term	6.2%	2.7%	2.1%	3.4%
Permanent	57.3%	68.3%	83.1%	89.4%
Temporary	3.2%	1.8%	2.9%	5.5%
	100.0%	100.0%	100.0%	100.0%



b) Directorate Details March 2014 - Contract Type



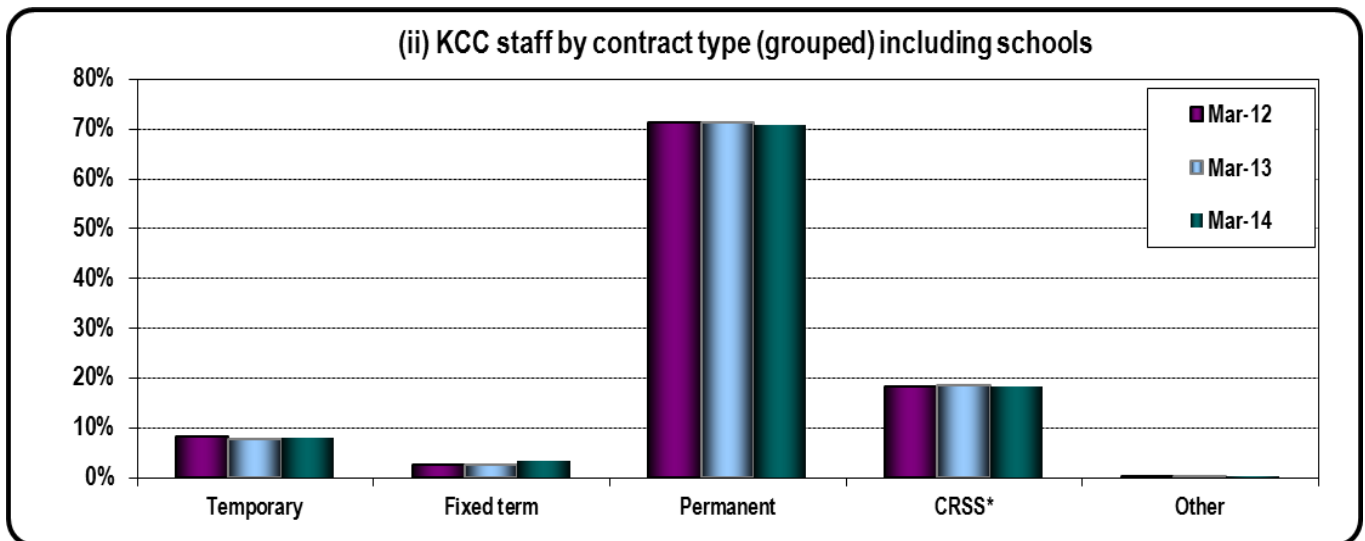
c) KCC Non-Schools Workforce - Contract Type



d) KCC Workforce (including Schools) - Contract Type

(i) KCC staff by contract type (grouped) inc. schools						
Contract type (grouped)	Count Of Contracts / Assignments					
	Mar-12		Mar-13		Mar-14	
Temporary	3,578	8.1%	3,179	7.7%	3,102	7.9%
Fixed term	1,133	2.6%	1,068	2.6%	1,248	3.2%
Permanent	31,471	71.2%	29,330	71.2%	27,715	70.7%
CRSS*	8,040	18.2%	7,613	18.5%	7,105	18.1%
Other	4	0.0%	11	0.0%	24	0.1%
	44,226	100.0%	41,201	100.0%	39,194	100.0%

*CRSS = Casual Relief, Sessional and Supply Staff



Appendix 3 – Equality Performance Indicators

a) New Structure from 1 Apr 2014 - Equalities Performance Indicators

	EY	GT	SC	ST
% Females	81.3%	60.5%	86.2%	65.1%
% BME	4.7%	3.0%	7.0%	5.7%
% Considered Disabled	4.2%	4.0%	4.2%	4.0%
% Religious Beliefs	5.4%	4.3%	6.7%	5.5%
% LGB	1.5%	2.3%	2.8%	2.1%
% aged 25 and under	6.4%	6.7%	5.3%	11.3%
% aged 30 and under	13.6%	14.4%	12.8%	23.5%
% aged 50 and over	40.1%	44.0%	43.7%	29.0%
% aged 65 and over	1.5%	3.5%	2.2%	1.3%

b) Directorate Details March 2014 - Equalities Performance Indicators

Non-School based staff (Exclusions: CRSS and Schools)	BSS		ELS		FSC		CC		EE	
	Directorate	LG(1)	Directorate	LG(1)	Directorate	LG(1)	Directorate	LG(1)	Directorate	LG(1)
% Females	64.0%	48.5%	80.8%	54.1%	87.2%	77.8%	69.9%	38.2%	45.2%	23.3%
% BME	5.5%	5.3%	2.1%	0.0%	6.7%	3.6%	5.2%	6.3%	4.2%	16.0%
% Disabled	4.4%	6.1%	4.4%	3.4%	4.0%	2.4%	4.4%	3.1%	4.3%	0.0%
% LGB	2.0%	1.2%	0.6%	6.3%	2.7%	3.2%	2.5%	0.0%	1.8%	0.0%
% Religious Belief (Non-Christian)	5.8%	7.3%	4.4%	0.0%	6.4%	1.6%	5.4%	4.0%	5.0%	5.3%
% aged 25 and under	10.2%		3.1%		5.4%		9.3%		7.9%	
% aged 30 and under	21.5%	2.2%	6.9%	0.0%	13.2%	0.0%	17.3%	2.9%	21.2%	0.0%
% aged 50 and over	31.0%	47.0%	52.8%	64.9%	42.6%	62.2%	39.0%	58.8%	33.0%	46.7%
% aged 65 and over	1.6%	1.4%	5.6%	11.8%	2.1%	0.0%	1.6%	0.0%	1.4%	0.0%

(1) LG = Leadership Group (staff on KR13 or above and £49,612 minimum salary)

c) KCC Non-Schools Workforce – Equalities Performance Indicators

	(i) Non-School based staff March 2010 to March 2014 (Exclusions: CRSS and Schools)				
	Mar-10	Mar-11	Mar-12	Mar-13	Mar-14
% Females	74.4%	74.8%	74.7%	74.8%	76.8%
% BME	4.5%	4.8%	4.9%	5.5%	5.7%
% Considered Disabled	2.5%	2.6%	4.0%	3.8%	4.2%
% Religious Belief (Non-Christian)	7.2%	6.0%	6.0%	6.0%	5.9%
% LGB	2.1%	2.1%	2.3%	2.1%	2.3%
% aged 25 and under	8.0%	7.6%	6.7%	6.9%	7.0%
% aged 30 and under	16.9%	16.5%	15.5%	15.4%	15.3%
% aged 50 and over	39.1%	39.3%	39.8%	40.1%	40.3%
% aged 65 and over					2.2%

Appendix 3 – Equality Performance Indicators

	(ii) Leadership Group March 2010 to March 2014 (Exclusions: CRSS and Schools)				
	Mar-10	Mar-11	Mar-12	Mar-13	Mar-14
% Females	50.1%	51.8%	51.0%	51.9%	53.8%
% BME	4.1%	4.5%	4.5%	5.3%	5.3%
% Considered Disabled	3.0%	2.7%	3.7%	4.5%	3.8%
% Religious Belief (Non-Christian)	6.5%	4.4%	4.9%	5.0%	4.4%
% LGB	2.5%	2.0%	2.6%	1.1%	2.0%
% aged 25 and under					0.0%
% aged 30 and under	0.3%	0.0%	0.3%	1.6%	1.2%
% aged 50 and over	54.9%	54.7%	54.3%	53.2%	54.5%
% aged 65 and over					2.0%

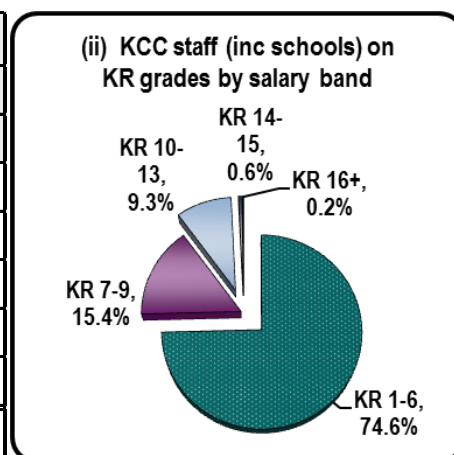
Leadership Group = staff on KR13 or above and £48,635 minimum salary

a) New Structure from 1 Apr 2014 – Salary Bands

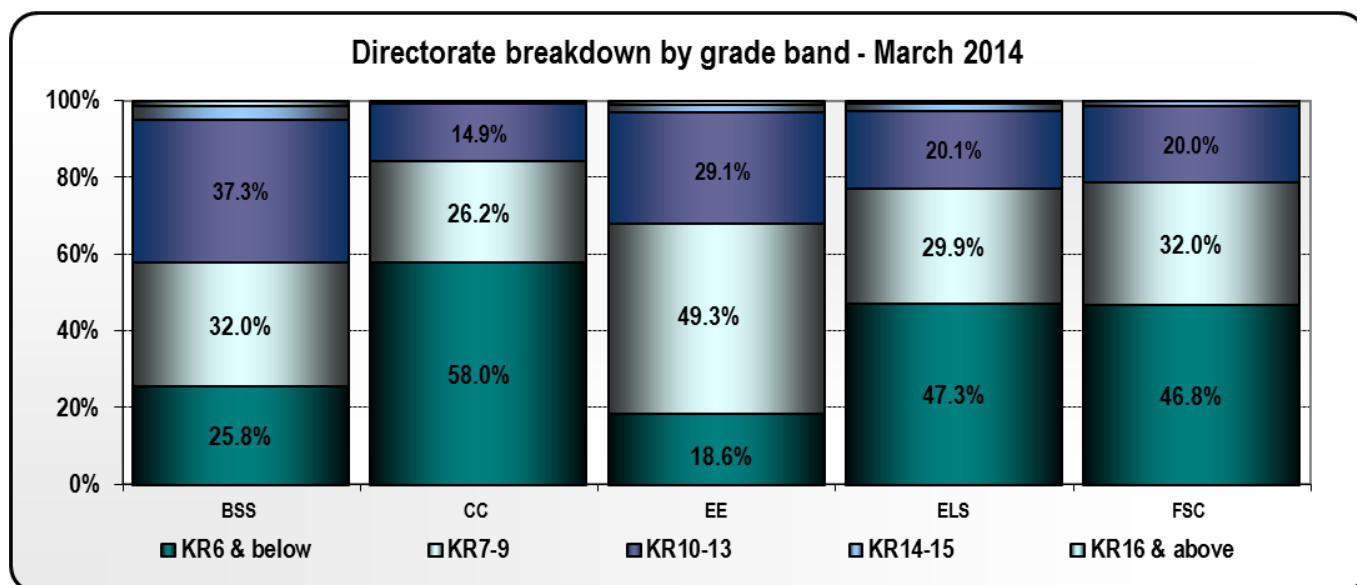
New structure staff on Kent Range - by grade				
KR equivalent	EY	GT	SC	ST
KR6 & below	38.0%	56.8%	46.9%	31.4%
KR7-9	41.4%	25.8%	31.0%	29.8%
KR10-13	18.8%	16.1%	20.9%	34.6%
KR14-15	1.4%	1.0%	1.0%	2.9%
KR16 & above	0.4%	0.3%	0.1%	1.2%

b) KCC Workforce (including Schools) March 2014 – Salary Bands

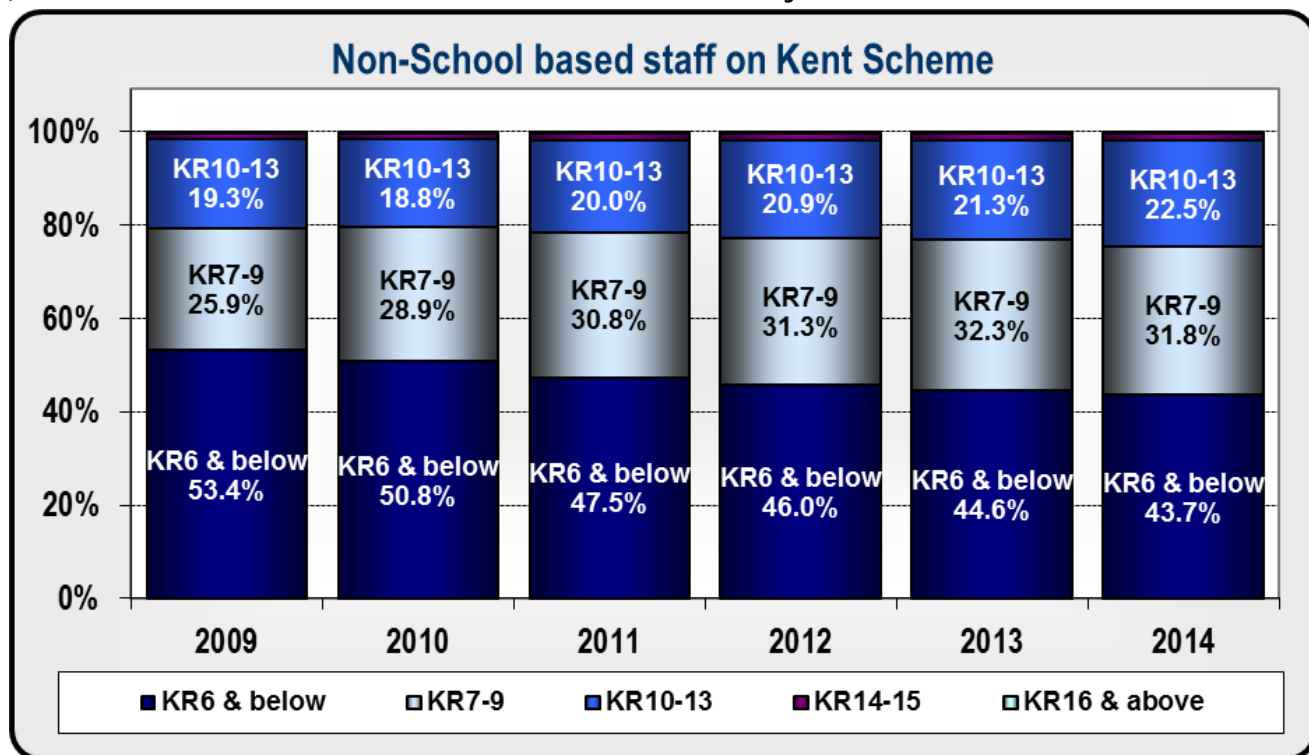
(i) KCC staff (inc schools) on Kent Range - by grade						
KR equivalent	Mar-12		Mar-13		Mar-14	
	Count	%	Count	%	Count	%
KR 1-6	19,312	75.6%	18,029	74.6%	17,475	74.6%
KR 7-9	3,875	15.2%	3,814	15.8%	3,598	15.4%
KR 10-13	2,177	8.5%	2,150	8.9%	2,174	9.3%
KR 14-15	138	0.5%	140	0.6%	142	0.6%
KR 16+	44	0.2%	41	0.2%	38	0.2%
	25,546	100.0%	24,174	100.0%	23,427	100.0%



c) Directorate Details March 2014 – Salary Bands



d) KCC Non-Schools Workforce to March 2014 – Salary Bands



Appendix 5 – Recruitment Statistics

Gender	Applied		Recruited	
Male	7,988	30.6%	138	24.1%
Female	18,109	69.4%	434	75.9%
Total	26,097	100.0%	572	100.0%

Ethnicity	Applied		Recruited	
White	21,501	82.8%	523	91.6%
BME	4,470	17.2%	48	8.4%
	25,971	100.0%	571	100.0%

Sexual Orientation	Applied		Recruited	
Heterosexual	24,056	98.3%	528	98.1%
LGB	410	1.7%	10	1.9%
Total	24,466	100.0%	538	100.0%

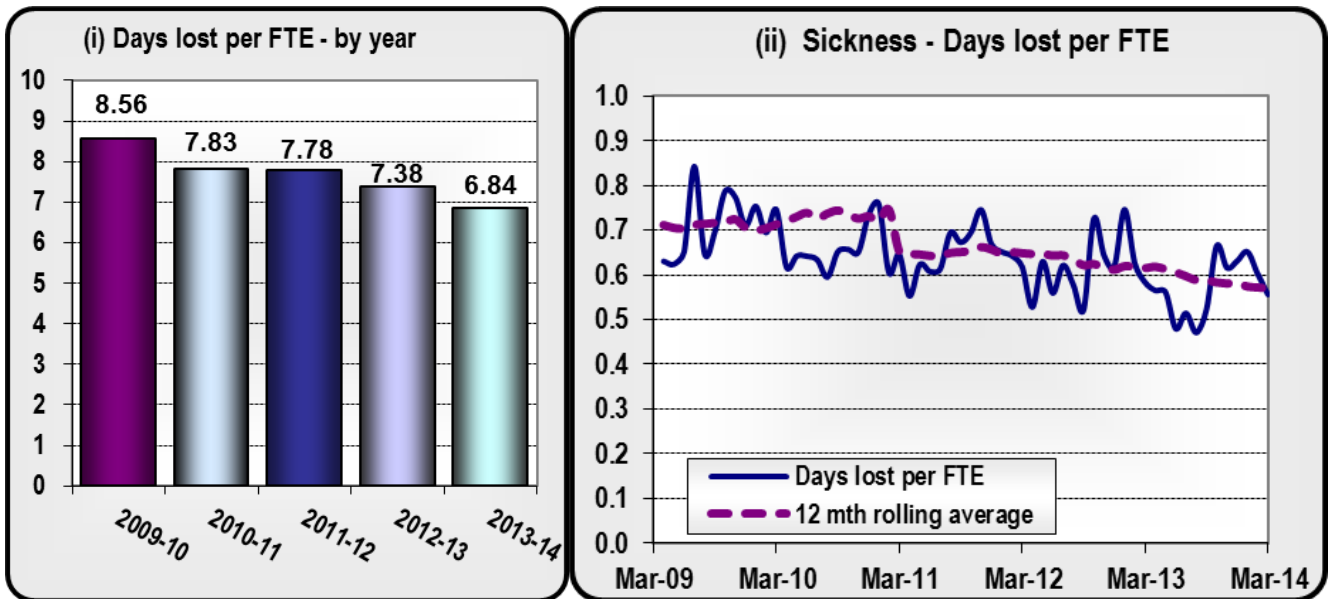
Disability	Applied		Recruited	
Disabled	1,131	4.4%	22	3.9%
Not disabled	24,773	95.6%	546	96.1%
	25,904	100.0%	568	100.0%

Religion	Applied		Recruited	
Non-Christian	1,898	7.6%	32	6.0%
Christian	12,805	51.2%	294	55.0%
None	10,300	41.2%	209	39.1%
Total	25,003	100.0%	535	100.0%

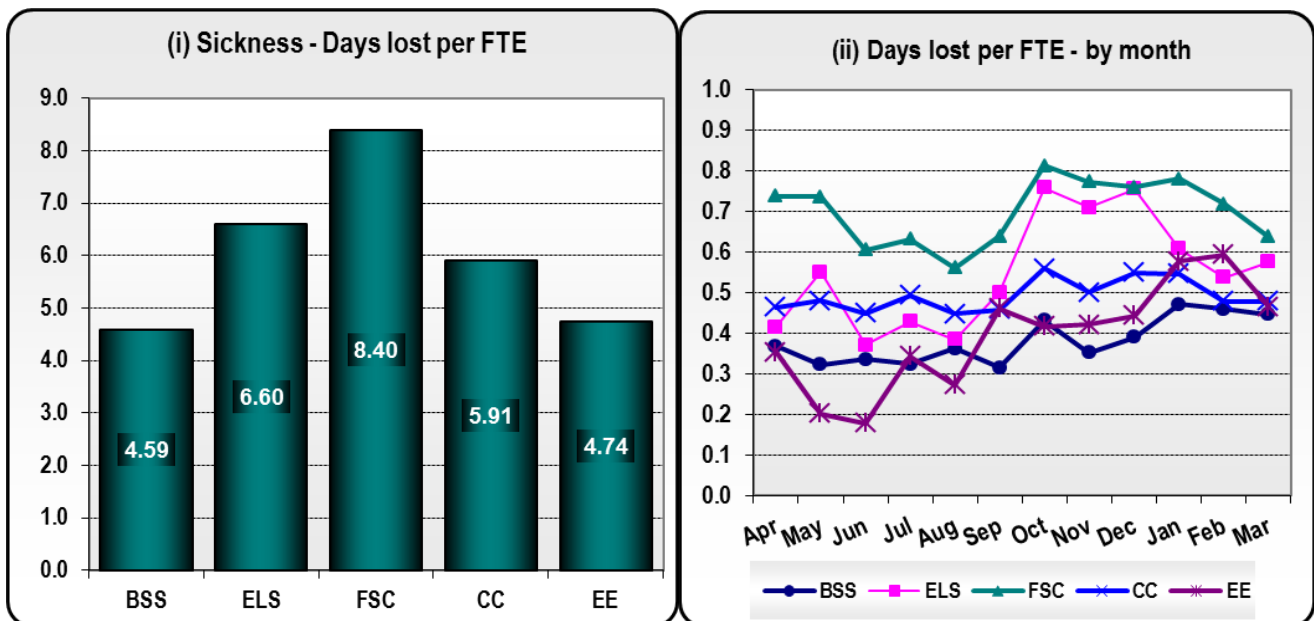
Age	Applied		Recruited	
Under 25	7,823	30.1%	129	22.5%
26-35	6,294	24.2%	142	24.8%
36-45	5,617	21.6%	118	20.6%
46-55	4,888	18.8%	135	23.6%
56-65	1,352	5.2%	47	8.2%
over 65	41	0.2%	2	0.3%
	26,015	100.0%	573	100.0%

Note: These figures are based on data provided by those applicants/staff who opted to disclose diversity information

a) KCC Non-Schools Workforce – Sickness

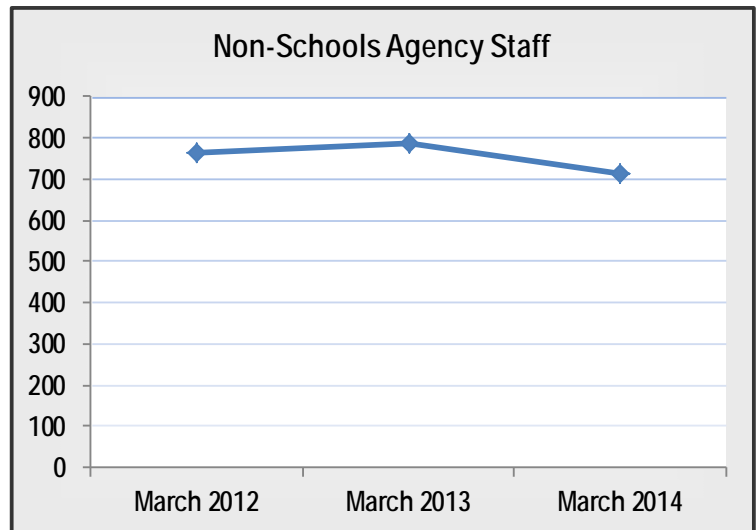


b) Directorate Details to March 2014 – Sickness



a) KCC Non-Schools Workforce – Agency Staff

Date	Number of Agency Staff
March 2012	764
March 2013	786
March 2014	713



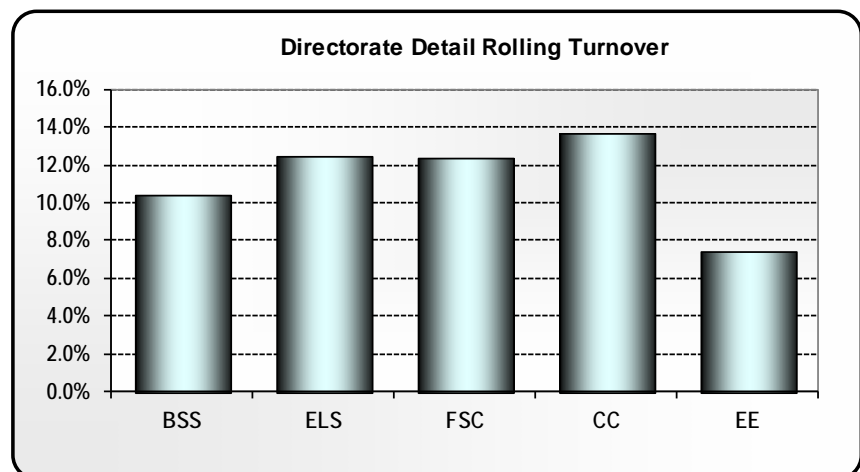
b) Directorate Details March 2014 – Agency Staff

Agency staff*		
	31-Mar-13	31-Mar-14
BSS	136	163
ELS	59	35
FSC	484	418
CC	59	58
EE	48	39
TOTAL	786	713

*Through "Connect2staff"

Directorate Details to March 2014 – Rolling Turnover

Rolling Turnover	
BSS	10.4%
ELS	12.5%
FSC	12.4%
CC	13.7%
EE	7.4%



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By: Gary Cooke – Cabinet Member for Corporate & Democratic Services
Amanda Beer - Corporate Director Human Resources

To: Personnel Committee

Date: 4 June 2014

Subject: Performance & Capability Policy

Classification: **Unrestricted**

SUMMARY: The report sets out improvements to the Council's Performance & Capability Procedure and asks the Committee to note the revised Policy and Procedure.

1. INTRODUCTION

- 1.1 Personnel Committee has previously received reports showing that the level of employee engagement within the Council has increased. It is understood that significant levels of motivation and engagement have a positive impact on performance and service delivery in an organisation.
- 1.2 The increasing level of engagement should be viewed in the context of other indicators to enable a clearer picture of how staff are performing in the organisation. The Council has seen a reduction in the level of sickness absence and staff turnover (outside of those resulting from reorganisations). There has also been a shift in the levels of performance recognised through TCP with more staff receiving "above achieving" and "outstanding" ratings than before. The level of employee performance can also be viewed in the context of the service customers receive and their feedback. Between the two employee engagement surveys in 2012 and 2013 the organisation saw the number of customer compliments increase and the level of complaints fall to its lowest level in four years.
- 1.3 In this context the Performance and Capability Procedure was reviewed to ensure that it was fit for purpose and continued to support managers and staff in dealing with poor performance and ill health cases.

2. BACKGROUND

- 2.1 The Council's Performance & Capability Policy and Procedure provides a fair and structured way of addressing issues relating to performance at work and capability due to ill health which impact on attendance at work. The aim of the policy is to enable the identification of performance and health issues and

work with the employee to improve or maintain their attendance and performance at an appropriate level. It is used to formally address:

- Performance issues unrelated to health
- Performance issues related to health
- Performance issues related to a job requirement or qualification
- Performance issues related to drugs and alcohol

The procedure was last significantly amended in 2006, but has been kept under review.

2.2 Kent County Council has worked hard to continually improve the levels of non-attendance due to sickness with HR working closely with management to support this initiative. At the end of March 2012 the Council averaged 7.8 days lost per fte (non-schools). This fell to 7.4 days at the end of March 2013 and is now at 6.84 days. The HR Advisory team have worked on, and continue to develop, a range of initiatives to support the organisation in the management of sickness levels.

2.3 The following table shows the movement over the last two years in TCP ratings. The percentage total of employees rated either above or outstanding has increased from 23.32% in 2012/13 to 32.47% in 2013/14.

Appraisal Ratings Distribution

	Outstanding	Above	Achieved	PIR
2012/13	2.50%	20.82%	75.29%	1.38%
2013//14	3.57%	28.90%	66.16%	1.37%

2.4 The level of performance case activity that HR supports managers to progress has been:

	2011-12	2012-13	2013-14
Performance – Ill Health	496	414	207
Performance – poor performance	101	88	60
Performance – other	10	4	2

The level of case activity is indicative of the work management and HR are undertaking to manage the issue. The fall in the numbers will be due to a range of factors but include levels of employee engagement, early intervention from managers, HR initiatives to support attendance management, wellbeing initiatives and the number of staff in KCC. The role HR has played in supporting management, and the initiatives introduced, have worked to encourage managers and build their confidence in managing performance in their teams. The revised Performance & Capability policy and procedure further builds on this.

3 Performance & Capability Policy

- 3.1 The Policy (appendix 1) and Procedure (appendix 2) were developed taking into account the view of HR, intelligence from HR's work with managers and the recognised trades unions. A number of changes have been made to the previous procedure to support the increasingly effective management of capability cases in the organisation. The changes are summarised below.
- 3.2 As with the Disciplinary procedure that Personnel Committee has agreed the Performance & Capability procedure is now split into two documents. One is a short document which sets out and makes clear what the organisation's policy is on managing performance & capability and the other document is the procedure which supports the delivery of the policy.
- 3.3 The other key changes are:
- Clarification has been provided that it is possible to have one capability meeting and one review meeting (as a minimum) before moving to a hearing. This helps managers in streamlining the process where applicable
 - In supporting managers to take the initiative in managing performance they now have to option to hold a capability review without HR present
 - A section on mutual terminations has been added
 - Clarification has been provided regarding gross incompetence
 - Additional information has been included regarding drug and alcohol issues
 - Reference to the format and content of hearings have been removed as they are now set out in a separate Hearings Procedure document

4 RECOMMENDATIONS

- a) Personnel Committee notes the improvements to the Performance and Capability Procedure.

Ian Allwright
Employment Policy Manager
Ext 4418

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Performance & Capability Policy

Issued by HR – March 2014



If you require this policy in another format please go the end of the document for details.

Purpose

KCC recognises the shared responsibility between managers and staff for maintaining acceptable standards of performance and attendance at work.

This policy and the Performance & Capability Procedure provide a fair and structured means of addressing issues relating to performance at work and capability due to health issues which impact on attendance at work. The aim of this policy is to enable the identification of performance and health issues and to support the employee to improve those and/or improve or maintain their attendance to a satisfactory level.

The Performance & Capability Policy and Procedure are reviewed on a regular basis.

There is a separate policy and procedure for dealing with conduct issues (Disciplinary Policy and Procedure).

The Performance and Capability Procedure does not apply to employees who are within their probation period.

Aims

- Ensure consistency and fairness of treatment
- Assist employees to improve, achieve and maintain required standards of performance or capability
- Identify appropriate support for employees to improve performance and attendance
- Ensure service delivery is supported and maintained through high performance and minimal absence
- Enable issues to be managed via a swift and effective process
- Manage individual issues confidentially, whilst ensuring that there is a transparent process.

Employee entitlements

Under the Performance & Capability Policy, KCC employees are entitled to be:

- Informed of the required standards of performance and attendance.
- Made aware if their performance or attendance at work is unsatisfactory.
- Given time to improve where appropriate.
- Accompanied at all formal meetings by a KCC workplace colleague or trade union representative.
- Given the right of appeal against warnings or other formal management action.

KCC standards

- HR advice should be sought by managers in advance of any formal action being taken.
- The same attendance and performance standards are applied to all employees including trade union representatives. Any proposed action against a trade union representative should be discussed in advance, with a more senior representative or full time official of the relevant trade union.
- Reasonable adjustments will be made to assist employees considered disabled under the definition set out within equalities legislation.

Partnership working

It could be the case that a performance, capability or attendance issue impacts on more than one employer. Every effort will be made to agree an approach that reflects best practice across the agencies concerned.

Managers from partner organisations will be expected to implement KCC policies and procedures where they are managing KCC employees with support from KCC management or KCC HR.

Retention of records (lapsed warnings)

1. Warnings that have been issued as part of the Performance & Capability Procedure are held on an individual's personal file for as long as the warning is valid. Details of the warning may be included in a reference to a potential employer if it is still live when the information is sought. Employees will have access to this record.
2. At the expiry of the warning period, unless the Performance & Capability Procedure has been re-invoked within this period, all relevant documentation will be removed from the employee's personal file.
3. Previous warnings will be disregarded in the future application of the Performance & Capability Procedure but may be referred to should a related conduct issue arise, to counter an employee's claim that they were unaware of the standards required.

Alternative Formats

This document is available in other formats. Call 01622 694778 or email Employment Policy Team for further details.

[Connect2Kent](#) interpreting and translations services can help us explain services to people if their first language is not English. Call 0845 365 1645 and an English-speaking operator will take details of your requirements and arrange a translation or interpreting service. You may need an English-speaking friend or a family member to help you with this.

For Text Relay please call 18001 03000 41 41 41

Performance & Capability Procedure

Issued by HR – March 2014



If you require this procedure in another format please go the end of this document for details.

Purpose

The Performance and Capability Procedure provides a framework for managers to work with employees to improve performance or to achieve and maintain required levels of attendance, where a structured approach is required.

This document sets out the procedure KCC will apply to managing performance and capability issues. It should be read in conjunction with KCC's Performance & Capability Policy.

The procedure is divided into 4 sections:

- (A) Performance issues unrelated to health - page 2
- (B) Performance issues related to health - page 7
- (C) Performance issues related to job requirements or qualifications - page 14
- (D) Performance issues related to drugs & alcohol - page 15

Capability relating to Poor Performance

What is poor performance

Poor performance that is unrelated to health occurs when an individual falls below the standards that have been set or that could reasonably be expected of a member of staff.

An employee's performance can be assessed by reference to skill, aptitude, ability or capacity, for example, lack of skills or ability to meet business targets or the requirements of the role.

Expected standards of performance can be found in a variety of sources including KCC policies, career grades, professional standards, person specifications, Kent Manager and the KCC Behaviours framework.

Gross incompetence

This is where an individual's performance places others at risk or brings KCC into disrepute due to fundamental incapability to do the relevant work, or the inability to undertake the role satisfactorily.

In the case of gross incompetence, a management investigation will be undertaken within 8 weeks and, if a case to answer is found, a hearing will be convened. These cases, if proven, are likely to result in dismissal or action short of dismissal e.g. downgrading. This process would apply as opposed to the normal Poor Performance process outlined below. Further information is available in KCC's Hearings Procedure.

Consideration of suspension

In exceptional circumstances it may be necessary to suspend or allocate alternative work for an employee temporarily whose performance at work is placing others at risk. The decision to suspend must be made by the Director or delegated senior officer in consultation with HR, and only when alternative working arrangements are not feasible.

Informal Action

Good management practice should ensure all staff receive an appropriate level of supervision at which issues about performance can be raised informally and additional support or training needs can be identified.

The manager will raise performance concerns with the employee as soon as possible after they are identified. The manager will be clear with the employee about any shortfalls in performance, explaining the standard of work and skills required.

The manager will have an informal discussion with the employee to obtain their views of the cause or reasons for the shortfall in performance.

The manager will set clear standards for performance and the improvement expected. The manager will also ensure that any necessary learning, development, help, support and guidance are in place to enable the employee to meet the standards.

If appropriate, the manager will agree an informal performance improvement plan with the employee so it is clear what is expected and set a realistic timeframe for improvement to

be demonstrated. Ideally this should be no longer than 4 weeks. The manager will detail clear, specific, measurable and realistic objectives and the support available for the employee.

The manager will summarise the discussion in writing and send this to the employee along with a copy of the performance improvement plan.

Formal Action

If the performance issue cannot be resolved informally, the formal procedure should be implemented. At this point, the manager should contact the HR Advisory Team for advice. The maximum period an employee should be monitored under this process is 3 months. There may be exceptional circumstances where it is necessary to extend the period of review.

Performance & capability meetings

STEP 1 – First formal performance & capability meeting (standard setting)

Prior to the meeting the manager will confirm the details in writing to the employee, giving at least 5 working days' notice of the meeting and the opportunity to bring a trade union representative or a work place colleague. The employee must make their own arrangements to be represented. There is no right to legal representation at any stage of the procedure. During the meeting the individual should be given the opportunity to contribute fully.

At the meeting the employee will be made fully aware of the following:

- The areas of performance that are cause for concern
- The expected standards of performance
- The period for improvement and a date to review progress
- The ongoing support that will be made available i.e. advice, guidance and appropriate training
- Arrangements for the monitoring / assessment of improvement
- That failure to reach and sustain the required standards may lead to escalation of the procedure.

A full record of the meeting should be made, with details of points raised and actions arising. At the end of this meeting a review date should be agreed.

STEP 2 – Review meetings

Review meetings can be a one to one meeting between the manager and the employee, or a planned formal review meeting with HR. The review is to assess progress and improvements during the period of formal monitoring.

Possible outcomes include:

Improvement Levels	Action
Sufficient improvement achieved	Procedure is closed (but informal monitoring continues)
Some improvement	Consider extending improvement target date a holding a further review, or move to formal hearing if appropriate

Insufficient or no improvement	Move to formal hearing

There can be one or more review meeting/s in the period of monitoring to assess progress before either moving to the next level within the procedure or concluding the formal procedure.

Attendance

If an employee or their trade union representative is unable, for good reason, to attend the formal meeting on the date proposed, the employee may request that the meeting is rescheduled. Alternatively the individual can submit a written statement/case for consideration at the meeting; there may also be the facility available to conduct the meeting via a telephone conference call. The rescheduled meeting will take place as soon as possible within 5-10 days of the original date. No further rescheduling will be considered unless the reason for non attendance is considered exceptional. If the meeting is to be held in the absence of the employee, the individual will be notified in advance.

Performance & capability hearings

Formal hearings are held where:

- an employee has made insufficient improvement following review of performance
- an employee’s level of performance or competence presents a risk to service users, other colleagues or the public or brings KCC into disrepute.

The purpose of the hearing is to:

- Discuss the improvement levels and deficits in performance
- Identify and discuss the support given and additional support needed to assist the individual to improve
- Consider the impact of the individual’s performance on the service
- Consider the views of the individual
- Determine the action to be taken.

Further information regarding formal hearings is available within KCC’s Hearings Procedure.

Performance & capability sanctions

Warnings may be issued at performance & capability hearings if the Chair deems this an appropriate sanction.

Warnings should detail:

- areas of performance that are not satisfactory
- the targets to be achieved
- any necessary training, supervision or support where appropriate with monitoring arrangements
- date at which a review will take place.

The warning periods reflect those described in KCC's Disciplinary Procedure.

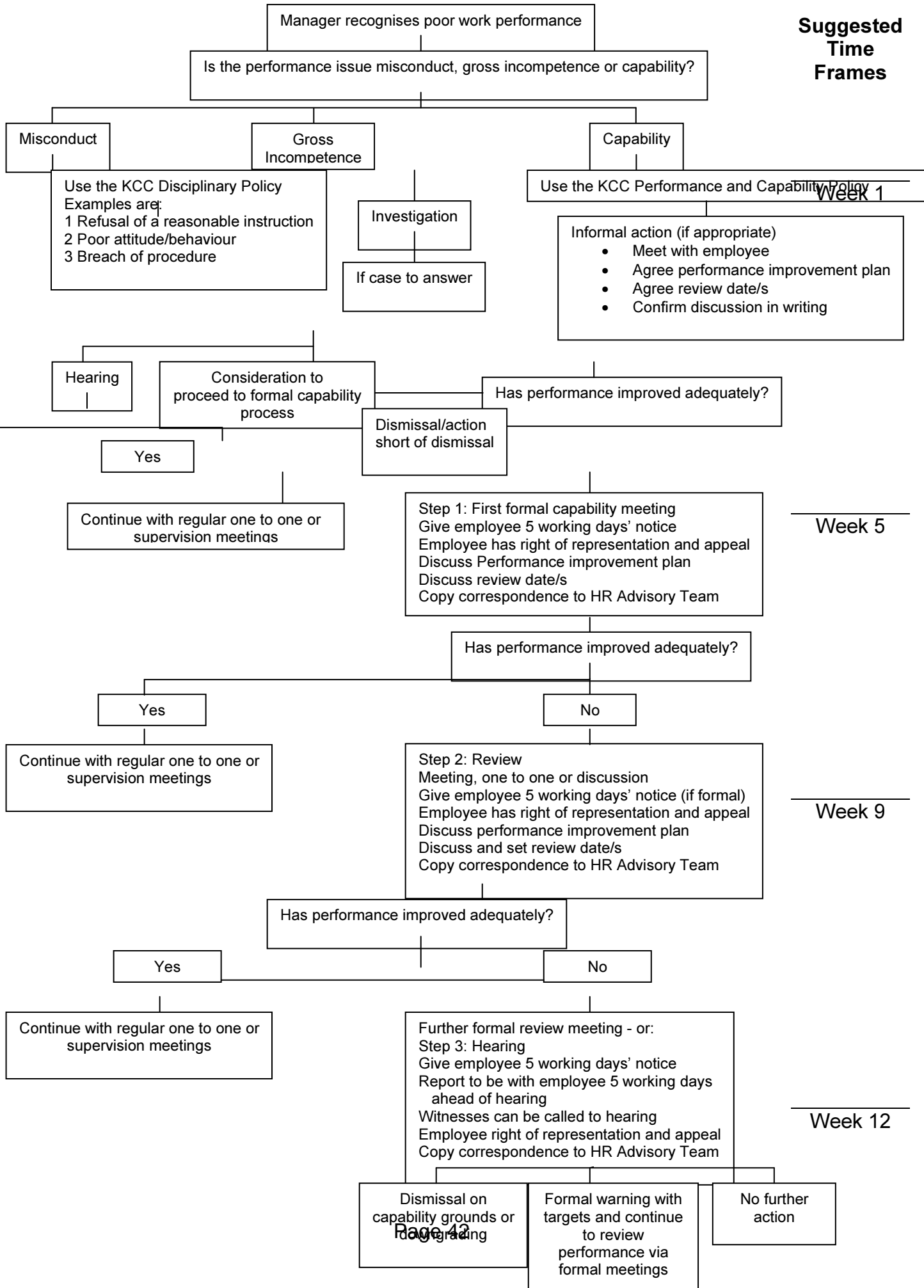
Performance Problem	Action
Failure to sustain consistent levels of improvement following standard setting meetings	First or Second Level Warning issued by line manager (appeal to more senior manager)
Poor or inconsistent levels of improvement following previous Serious performance problems	Final Warning issued by senior manager (appeal to more senior manager)
Failure to make sufficient improvement following Capability Meeting/s and Review/s or Gross Incompetence	Dismissal/Downgrading or Transfer issued by Director or Senior Officer (appeal to Senior Officer Appeal Panel)

Appealing against sanctions

If a sanction is issued as an outcome of a formal Performance & Capability Hearing, employees have a right of appeal against this sanction; information regarding the appeals process is available within KCC's Hearings Procedure.

Improving Poor Performance procedure flow chart

Suggested Time Frames



Capability relating to ill health

Capability relating to ill health occurs if an employee is not well enough to meet the required levels of attendance at work, is unable to fulfil the requirements of their role or cannot demonstrate the appropriate standards of behaviour, as a result of ill health.

Each employee has a personal responsibility to take all reasonable measures to ensure their fitness for work and to strive for positive attendance.

The trigger point for formally managing short term absence is 3 periods of sickness absence in a 6 month period and for long term absence is 28 consecutive days of sickness absence. However, any sickness that is cause for concern can be managed using this procedure.

Return to work reviews

The manager should hold return to work reviews in line with KCC's Attendance Management Policy and Guidance each time an employee returns to work after a period of sickness absence. Any issues raised or actions agreed are recorded at the return to work review meeting and will form the basis of discussion where capability at work is affected by ill health.

Occupational health

The manager should seek specialist advice to inform decisions in relation to staff whose attendance is affected by ill health or disability.

A referral to Occupational Health (OH) should be sought:

- for all employees who are absent from work for a period of 4 weeks continuously.
- when an individual is or becomes disabled, or when a new health condition (e.g. stress) is identified to obtain advice on reasonable adjustments in the workplace that need to be considered.
- when an employee has an unacceptable level of persistent short-term absence.

Employees have a responsibility to be proactive in raising their concerns about work-related causes of absence as part of the normal staff/manager relationship. It may be appropriate in some circumstance to make an immediate referral to OH.

Where an employee refuses consent for a referral to OH to be obtained or disclosed the manager will make a decision as to the appropriate course of action using the information available at the time. Generic OH advice will still be sought in these circumstances, and there is the potential for decisions to be made which may be to the employee's detriment.

It is not necessary to have specialist advice available before holding an initial capability meeting.

Short term absence

The trigger point for action is 3 periods of sickness absence in a 6 month period. However, any sickness that is cause for concern can be managed using this procedure

Informal action

Good management practice ensures all staff have an appropriate level of supervision at which issues relating to sickness absence can be raised informally, if appropriate.

The manager should have a one to one discussion with the employee about the concerns they have with regards to their sickness absence, which could be as part of the return to work interview. During the meeting the manager should discuss the sickness absence record, establishing the background, nature, reasons and patterns of the absences. Support available should also be discussed.

The manager can issue a managerial warning if there is no underlying medical reason for the absence and it has reached the trigger point.

At this informal stage, the manager should make the employee aware that if the level of attendance remains unsatisfactory, progression to the formal procedure will follow.

Formal action

If the ill health capability issue cannot be resolved informally, the formal procedure should be implemented. At this point, the manager should contact the HR Advisory team for advice.

STEP 1 – First formal capability meeting

Prior to the meeting the manager will confirm the details in writing to the employee, giving at least 5 working days' notice of the meeting and the right to bring a trade union representative or a work place colleague. During the meeting the individual should be given the opportunity to contribute fully.

The meeting should take place as soon as it is clear there is an impact on the individual's attendance or performance and the service.

At the meeting, the following could be discussed:-

- The impact of the health or disability issue on the role or service and any steps that have been taken to support the employee to date
- Any specialist advice already available, for example GP's advice or Occupational Health advice
- The expected standards of attendance and targets
- Identification of further support that would assist the employee
- A date to review the position (e.g. 4 weeks).

STEP 2 - Review

The review could be a one to one meeting with the employee, or a planned formal review meeting with HR. This review is to assess progress and improvements during the period of formal monitoring.

At the review meeting the manager should consider all the information and advice available concerning the individual, their health/disability and job performance.

There could be one or more review meetings in the period of monitoring to assess the situation and consider next steps, before either moving to the next level within the procedure or concluding the formal procedure.

Performance Capability	Outcome
Employee meeting attendance level standard within review period with or without reasonable adjustments	Procedure is closed (but informal monitoring continues)
Employee has demonstrated some improvement but not reaching the required attendance levels standards	Consider extending review period or move to formal hearing, if appropriate
Employee not able to maintain acceptable attendance levels	Capability Hearing

STEP 3 – Formal capability hearing

If the employee has not been able to maintain acceptable attendance levels, a formal capability hearing should be convened.

The purpose of a formal capability hearing relating to health is to consider:

- The reason for absence and the impact on the role and service
- Steps taken to seek advice, adjustments considered/made and other support provided
- The continuation of the contract of employment.

If it is found that an individual is no longer able to work in their job and there is no suitable alternative work or reasonable adjustments possible to enable them to work, the authorised manager may decide to dismiss on the grounds of capability due to ill health.

For further information on the format of a hearing, please see KCC's Hearings Procedure.

Long Term Absence

The trigger point for action is 28 consecutive days of sickness absence. However, any sickness that is cause for concern can be managed using this procedure.

Informal Action

The manager should have a discussion with the employee to discuss the concerns they have about their sickness absence. The manager should discuss the background to the sickness absence, the nature of the absence and the reasons for the absence and the support available.

At this informal stage, the manager should make the employee aware that if the absence continues, the formal procedure will be initiated.

Formal Action

If the ill health capability issue cannot be resolved informally, the formal procedure should be implemented. At this point, managers should contact the HR Advisory team for advice.

STEP 1 – First formal capability meeting

Prior to the meeting the manager will confirm the details in writing to the employee, giving at least 5 working days' notice of the meeting and the opportunity to bring a trade union representative or a work place colleague. If an employee or their trade union representative is unable, for good reason, to attend the formal meeting on the date proposed, the employee may request that the meeting is rescheduled. Alternatively the meeting may be able to be conducted via a telephone conference call. If the employee is unable to attend the rescheduled meeting and no alternative ways of conducting the meeting can be found, the manager can hold the meeting in the employee's absence and the individual can submit a written statement/case for consideration at the meeting.

During the meeting the individual should be given the opportunity to contribute fully. The meeting should take place as soon as it is clear there is an impact on the service as a result of the absence.

At the meeting, the following could be discussed:

- The expected standards of attendance
- The impact of the health or disability issue on the role or service
- Any steps that have been taken to support the employee to date
- Any specialist advice already available, for example GP's advice or Occupational Health report
- Identification of further support that would assist the employee in returning to work
- Consideration of redeployment options based on Occupational Health Advice
- A review of any adjustments in place for a disabled member of staff if appropriate
- A date to review the position (e.g. 4 weeks)

STEP 2 – Review meeting

The review could be a one to one meeting between the manager and employee, or a planned formal review meeting with HR. The purpose of the review is to assess the current position and any progress during the period of formal monitoring.

At the review meeting the manager should consider all the information and advice available concerning the individual, their health/disability and job performance.

There could be one or more review meetings in the period of monitoring to assess the situation and consider next steps, before either moving to the next level within the procedure or concluding the formal procedure.

Performance Capability	Outcome
Employee able to return to role with or without reasonable adjustments	<ul style="list-style-type: none">• Procedure is closed (but informal monitoring continues)
Employee unable to return to work in current post but able to work in alternative post with reasonable adjustments, based on OH advice	<ul style="list-style-type: none">• Alternative work sought through redeployment. If redeployment not found within given time then progression to Capability Hearing
Employee unable to return to role or any broadly similar role and will be unable to return to work within a given period of time	<ul style="list-style-type: none">• Permanent ill health retirement (IHR) considered by OH
Employee unable to work in current role and not able to work in alternative role but not suitable for IHR or	<ul style="list-style-type: none">• Capability Hearing

employee unable to return to work within reasonable timescale	
Employee not able to maintain acceptable attendance levels, following a return to work	<ul style="list-style-type: none"> • Capability Hearing

STEP 3 – Formal capability hearing

The purpose of a formal capability hearing relating to health is to consider:

- The reason for absence and the impact on the role and service
- Steps taken to seek advice, make adjustments and other support provided
- The continuation of the contract of employment.

If it is found that an individual is no longer able to work in their role and there is either no suitable alternative work or reasonable adjustments feasible to enable them to work, the authorised manager may decide to dismiss on the grounds of capability due to ill-health,

For further information on the format of a hearing, please see KCC's Hearings Procedure.

Mutual termination of employment contact

An employee's contract of employment may be ended by agreement between the individual and KCC.

In certain circumstances an employee may prefer to be able to agree to terminate the contract of employment in this way rather than attending a hearing which may result in dismissal.

The employee/manager will agree the termination date.

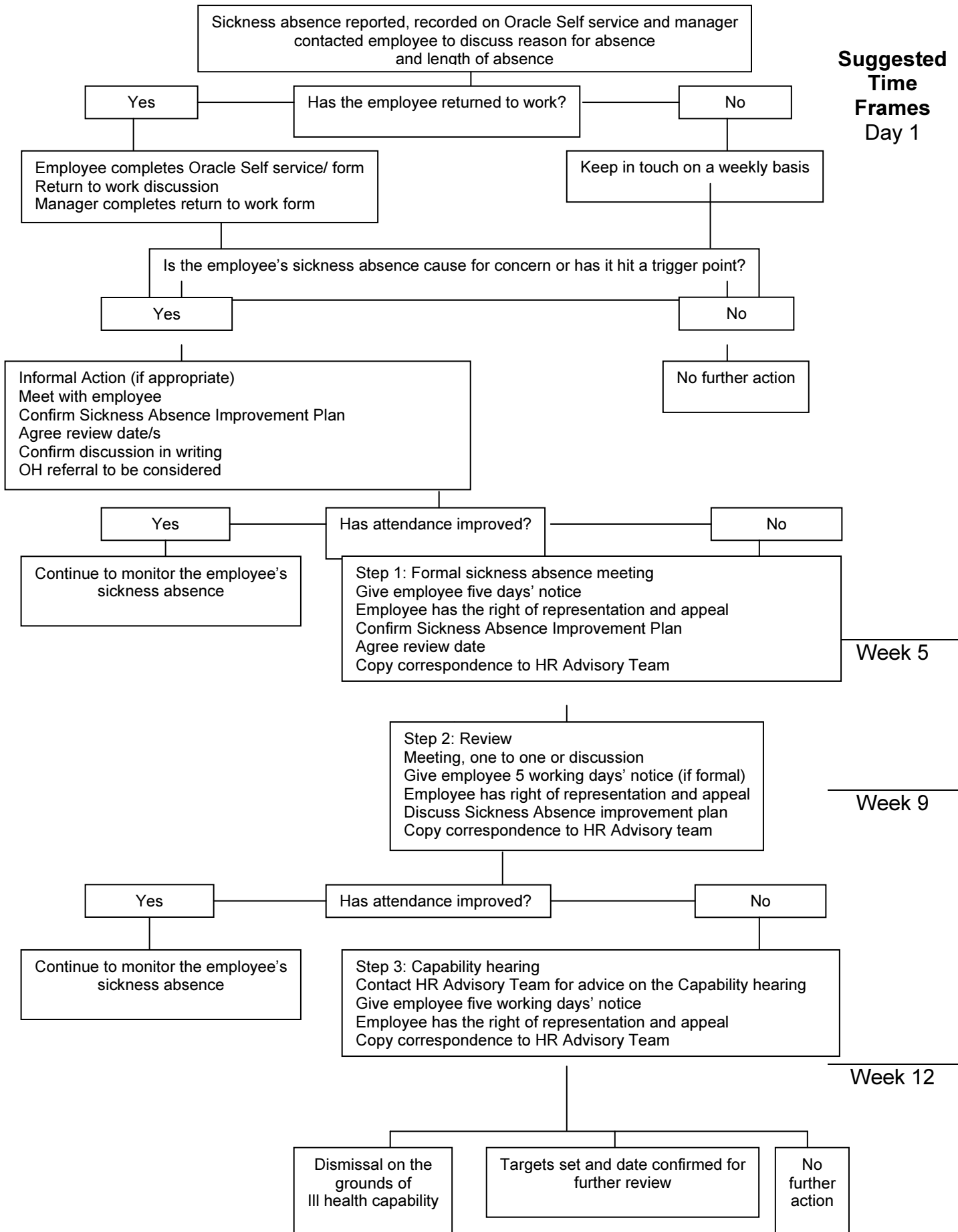
Circumstances where this may be an option include where:

- an employee is incapacitated through ill health and can no longer work in their role nor any other role but is not considered permanently unfit for work
- an employee is not eligible for ill health retirement as they are not a member of a pension scheme, however may be incapable of working
- there is no indication, by the employee or OH, of a return to work in the foreseeable future.

If this employee indicates that this is an option that they wish to explore, a discussion/meeting should take place where this is fully discussed with all parties, with trade union representation if necessary.

Sickness absence procedure flow chart

Suggested Time Frames
Day 1



Capability – Job requirements or qualifications

What is incapability due to job requirement or qualifications?

This is capability caused by the loss or failure to obtain specific requirements, qualifications, or registrations necessary to undertake the role. This may include achievement or maintenance of professional qualifications, registration with professional bodies or possession of a valid driving licence where appropriate. This list is not exhaustive.

Driving requirements

When an employee is required to drive for the whole or part of their job and:

- has not gained a licence (in a specified timescales) or
- has had a licence suspended or lost due to conviction or ill health

The appropriate manager should investigate to establish:

- the individual's circumstances
- the impact on the individual's ability to undertake the full duties of the role
- the circumstances under which the individual could feasibly continue in post
- whether redeployment due to ill health is appropriate.

If there is any element of misconduct the matter reverts to KCC's Disciplinary Procedure.

Following a management investigation, a hearing will be convened if there is a case to answer. These cases, if proven, could result in dismissal.

Qualifications and registrations

Some areas of work require employees to obtain specific qualifications within a given period following appointment or following promotion. In addition, some areas of work require employees to register with a professional body, by annual renewal.

Employees who do not achieve, lose or fail to comply with the relevant qualifications or registration as specified by their profession, directorate or KCC will be subject to an investigation. The appropriate manager should investigate to establish:

- the circumstances of the individual failing to achieve the required qualification or registration, or the loss/non renewal of a qualification or registration
- the impact on the individual's capacity to perform in post
- any circumstances under which the individual could feasibly continue in post
- whether flexible deployment is possible and appropriate
- whether any redeployment due to ill health is appropriate
- whether employment can continue in current post.

Following a management investigation, a hearing will be convened if there is a case to answer. These cases, if proven, could result in dismissal.

Reporting concerns to professional bodies

At the point where serious allegations arise, the manager has a duty to consider reporting any concerns to the appropriate professional body. In addition, employees have a responsibility to inform this professional body regarding their fitness to practice.

Following a management investigation, a hearing will be convened if there is a case to answer. These cases, if proven, could result in dismissal.

For further information on the format of a hearing, please see KCC's Hearings Procedure.

Ill-health – drugs and alcohol

Absence relating to drugs or alcohol dependency is normally treated by KCC as an ill health issue in the first instance. Through the referral process OH will be able to advise the manager on the individual fitness for work and the employee on appropriate contacts and resources.

Misconduct, gross misconduct, or gross incompetence resulting from the use or abuse of alcohol or drugs should be investigated formally.

For more information please refer to KCC's Drugs and Alcohol Policy.

Alternative Formats

This document is available in other formats. Call 01622 694778 or email Employment Policy Team for further details.

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For Text Relay please call 18001 03000 41 41 41.

Performance/Capability Review

Directorate and Team: (Block Capitals)

Nature of Meeting and Date: (Block Capitals)

Employee Details: (Block Capitals)
Name

Represented by: (Please stated name and union if union steward) (Block Capitals)

Manager: (Block Capitals)

Performance Issue:

Discussion / Issues raised in
Meeting:

Action Agreed:

OH Advice available: Yes / No

Review Date:

Employees Signature:

Managers Signature:

By: Gary Cooke – Cabinet Member for Corporate & Democratic Services
Amanda Beer - Corporate Director Human Resources

To: Personnel Committee

Date: 4 June 2014

Subject: Resolution Policy

Classification: **Unrestricted**

SUMMARY: The report sets out the proposed Resolution Policy and Procedure and asks the Committee to agree it.

1. INTRODUCTION

- 1.1 On 28 November 2013 Personnel Committee received a report detailing the intention to replace the Council's Grievance procedure and Harassment Procedure with a Resolution Policy. This would shift the focus in dealing with these matters more towards finding mutually acceptable outcomes for all parties rather than using formal hearings in which managers preside over a solution. Personnel Committee endorsed this approach.
- 1.2 The new Resolution Policy and Procedure are set out in this paper (appendices 1 & 2).

2. BACKGROUND

- 2.1 The emphasis of the Resolution Policy and Procedure is on using early meetings with management - including mediation - to resolve disputes. Formal resolution meetings (akin to hearings under the current procedure) are only used when a resolution cannot be found via the earlier stages, the issue is such that a mediation approach will not resolve the matter or the local manager does not have jurisdiction over the issue at hand.
- 2.2 The approach set out in this paper is based on a model policy produced by the TCM Group (an organisation with experience of working in this field with large private and public sector bodies). This approach also fits well with ACAS's code of practice on discipline and grievance and mirrors the recent changes introduced by the government which encourages conciliation to avoid tribunal claims progressing to a hearing.
- 2.3 The benefits of the approach set out in the Resolution Policy and Procedure are:
- speedier resolution achieved through greater emphasis on early intervention by the line manager and a mediation approach
 - provides for a less adversarial approach to resolving conflicts

- reduces the likelihood of further damaging working relationships between the parties involved.

2.4 This approach also readily supports the self sufficient manager by helping them resolve matters more readily at the point the disputes arise. It also reinforces KCC's values in that it encourages people to be open, it means people have to be more open to challenge and accountable for the remedies identified.

3 RESOLUTION POLICY & PROCEDURE

3.1 The Resolution Policy and Procedure provide the means for an employee (or a group of employees) to seek a resolution to an issue which has led to them experiencing a disadvantage or anticipating that it will do so. The issues may be the result of:

- actions taken or proposed by KCC
- actions by another employee (or group of employees)
- actions of a third party (this only applies to circumstances where KCC has the ability to intervene in the actions of the third party)
- a failure to act by management
- a failure to act by another employee (or group of employees).

3.2 The aims of the policy are to provide a constructive and effective approach to resolving issues at the earliest opportunity, wherever possible this is done without resort to a more formal process and to ensure that employees receive fair and consistent treatment.

3.3 Issues regarding bullying and harassment are also covered by the Resolution Policy. However, as with the Grievance Procedure, it is not intended that such matters as redundancy appeals, job evaluation appeals and whistleblowing are covered as other procedures apply.

3.4 There is an expectation under the policy that all parties will participate in the informal aspect of the procedure, where appropriate. All employees will be protected from intimidation, victimisation or discrimination for raising issues and managers will be expected to ensure this happens.

3.5 In order to ensure the currency of any complaints the policy introduces a three month timeframe for the raising of resolution requests by employees.

3.6 The policy and procedure enable groups of employees to raise collective resolution requests.

3.7 The operation of the procedure requires a manager to initially consider a resolution request submitted by an employee to assess how best to resolve the matter raised. For complex cases HR support is available to assist in the triage process. The expectation is that the issue will be addressed via a meeting with the line manager, followed by mediation if the issue remains unresolved, unless the nature of the issue means that this route is not appropriate.

3.8 The process will normally involve a resolution meeting with the parties and mediation may form part of the approach to enable early resolution of the

issue/s. The latter stages of the approach may involve an investigation and/or a formal resolution hearing if a resolution via an initial meeting and mediation cannot be found. The outcome of a formal resolution meeting can be appealed. There is also the opportunity for matters of substance and/or principle that may affect all staff in the Authority or groups of employees across Directorates to be considered by the Corporate Director Human Resources.

- 3.9 Whilst the Grievance Procedure promotes early resolution of disputes by managers there is not a significant emphasis on this and mediation, when used, tends to come later in the process when positions have become entrenched. The Resolution Policy and Procedure also reduces the number of hearings involved in the process compared to the Grievance Procedure and looks to find mutually acceptable solutions rather than have one imposed by managers. The process for the consideration of post employment grievances has also been removed in line with changes in the law.

4. PREPARATION FOR IMPLEMENTATION

- 4.1 In the work on the policy and procedure an event was held for managers, HR professionals, unions and representatives from KCC's staff groups to look at the documents to fully understand what issues might arise from their application and to help a greater understanding of what is proposed and the role parties to the procedure will play. There is support from HR and those managers who have seen the proposal. Also, as the Grievance and Harassment Procedures are collective agreements, the documents before the Committee have been agreed with the recognised trades unions who advocate the resolution approach as it supports those taken by the unions in supporting their members when disputes arise.
- 4.2 If Personnel Committee agrees the policy and procedure it is intended to build on the above event in order to support their implementation. This work will include:
- training a network of mediators (utilising the existing Coaching Network)
 - work with union stewards regarding the application of the policy and procedure
 - further training for HR staff, particularly to support their understanding of how to triage resolution requests
 - range of support for managers
 - organisation wide communication about the policy and procedure.

5. RECOMMENDATION

- 5.1 Personnel Committee agree the Resolution Policy and Procedure and that it replaces the current Grievance and Harassment Procedures.

Ian Allwright
Employment Policy Manager
Ext 4418

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Resolution Policy Issued by HR

April 2014



Introduction

This policy and the associated procedure set out KCC's approach to achieving lasting solutions to issue/s raised by employees regarding their working environment or working relationships (including harassment). The policy and procedure take into account the important role that mediation can have in the process of resolving issues.

Mediation is a non-adversarial way of resolving difficult situations and it can play an important role in responding to a resolution request from an employee. The mediator is an impartial third party and will help the parties involved to have an open and honest dialogue with the aim of identifying an agreed outcome. Any agreement made during the mediation comes from the parties involved, not from the mediator.

The policy draws on five core principles:

- fairness
- mutual respect
- empathy
- dignity
- dialogue

It is expected that all parties in the process will adhere to these principles.

For this policy KCC has adopted the Acas definition of harassment. Acas define harassment as:

'unwanted conduct related to a relevant protected characteristic, which has the purpose or effect of violating an individual's dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for that individual.'*

Acas identify that bullying can be characterised as:

'offensive, intimidating, malicious or insulting behaviour, an abuse or misuse of power through means that undermine, humiliate, denigrate or injure the recipient.'

Harassment may take the form of either repeated or single incidents. Critically, if a behaviour or action is considered to be offensive by the person who receives it, it may constitute harassment whether intentional or otherwise. However the issue of whether a behaviour or action was intentional is relevant when examining the most appropriate and effective way to resolve the situation.

Further information regarding the different forms of harassment can be found in Dignity & Respect at Work Policy Statement which is available on KNet.

* Protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex, sexual orientation

Scope

KCC is committed to providing a working environment where all individuals are treated with fairness, dignity and respect. A positive working environment is beneficial to employee wellbeing and engagement which can influence performance, retention and result in the decrease in certain types of absences.

Within workplaces it is normal for there to be some disagreement, conflict or dispute. In many cases these matters can be successfully and speedily resolved by managers on an informal basis as part of their day to day responsibilities.

The Resolution Policy and Procedure provide the means for an employee (or a group of employees) to seek a resolution to an issue which has led to them experiencing a disadvantage or anticipating that it will do so. The issues may be the result of:

- actions taken or proposed by KCC
- actions by another employee (or group of employees)
- actions of a third party (this only applies to circumstances where KCC has the ability to intervene in the actions of the third party)
- a failure to act by management
- a failure to act by another employee (or group of employees)

Aims

Through the Resolution Policy and the associated Procedure KCC aims to:

- provide employees and managers with a constructive and effective approach to resolving the identified issue/s at the earliest opportunity
- to, wherever possible, achieve successful resolution through an informal approach (including mediation)
- ensure consistency and fairness of treatment for employees

Employee Entitlements

KCC employees are entitled to:

- raise a resolution request with their manager**
- have an initial resolution discussion with their manager** to explore how the identified issue/s can be resolved
- have a formal resolution meeting if the issue/s cannot be resolved informally
- a right of appeal against the outcome of the formal resolution meeting
- be accompanied at formal resolution and appeal meetings by a trade union representative or workplace colleague

**** or grandparent manager if the issue/s relate to their direct line manager**

KCC Standards

- Resolution requests must be raised within three months of the event/incident occurring
- Issues will be dealt with in confidence
- Harassment and bullying are not tolerated
- All issues raised will be assessed to explore how they can be resolved in the most effective way
- There is an expectation that all parties will, wherever possible, engage with the informal resolution approaches before the formal elements of the resolution process are used
- There is an expectation that all parties will give reasonable consideration to engaging in mediation
- Mediation is voluntary and is a confidential process
- Where resolution requests are able to be addressed informally a brief note of the outcome will be made on the local supervision record/s
- Written confirmation will be provided regarding the outcome of any formal process required to resolve the identified issue/s
- If there is a need to vary any of the timescales set out in the Resolution Procedure this will be discussed with the employee
- Employees will be protected from intimidation, victimisation or discrimination for raising issues via the Resolution Policy. Any form of retaliation against an employee raising a complaint will be dealt with in accordance with the Disciplinary Policy
- Resolution requests which relate to a disciplinary or capability process will, where possible, be considered as part of the operation of that procedure. If this is not possible the disciplinary or capability process will not be suspended and the request will be addressed in parallel to it. However, each case will be considered on its merits.
- Where a group of employees have raised a collective resolution request, the presentation of information during a formal resolution meeting or appeal should be handled by a spokesperson and/or representative. Other employees in the group will speak only as witnesses unless otherwise agreed

- Where the matters raised in a resolution request are unsubstantiated and found to be vexatious or maliciously made, this will be addressed in accordance with the Disciplinary Policy

Partnership working

It could be the case that an issue impacts on more than one employer. Every effort will be made to agree an approach that reflects best practice across the agencies concerned.

Managers from partner organisations will be expected to implement KCC policies and procedures where they are managing KCC employees with support from KCC management or KCC HR.

Matters outside of the Resolution Policy

This policy does not cover matters where there are separate KCC policies and procedures which apply, these include:

- Redundancy appeals
- Job evaluation appeals
- Disciplinary Policy
- Performance and Capability Policy
- Whistle Blowing Policy

KCC's Resolution Policy is based upon ***The Total Conflict Management (TCM) Model Resolution Policy*** designed by The TCM Group. For more details, please visit www.thetcmgroup.com

Alternative Formats

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Resolution Procedure Issued by HR

April 2014



Introduction

This document sets out the procedure that KCC will apply where an employee (or group of employees) seeks assistance in resolving issues regarding their working environment or working relationships (including harassment). The Procedure should be read in conjunction with the Resolution Policy.

Resolution Requests

If an employee (or group of employees) has a complaint relating to their work or those they work with they have the right to raise this with their line manager* in order to seek a resolution. The resolution request does not have to be made in writing.

For the majority of resolution requests it is expected that lasting solutions will be achieved through informal actions - including the use of mediation - as outlined in the resolution meeting information below.

* or grandparent manager if the identified issue/s relate to the line manager

Assessment of the Resolution Request

Based on the nature of the complaint, the manager will assess how best to seek to resolve the identified issue/s. In the case of more complex matters the manager may wish to seek advice from HR during the assessment process.

When deciding on the best way to resolve the identified issue/s the manager will take into account:

- the seriousness of what has been raised
- the parties' willingness to engage in a resolution meeting or a mediation process
- previous attempts to resolve the situation
- the number or frequency of previous formal or informal complaints.

The available informal resolution methods are:

- resolution meeting with the parties involved in the issue/s
- mediation.

Formal resolution methods can be used if the resolution meeting and mediation does not achieve an agreed outcome or if the nature of the identified issue/s is of a more serious nature. Formal resolution methods can involve:

- an investigation to find out more detailed information regarding the identified issue/s
- a formal meeting with the parties involved.

Resolution Meeting

The resolution meeting is an early attempt to resolve the issue/s identified by an employee (or group of employees). It provides an opportunity for the situation to be discussed in a supportive, constructive and empathetic manner to assist in finding an early resolution.

At the meeting the manager and employee will discuss the identified issue/s and will explore how they can be resolved. If the employee's resolution request is raised with the assistance/support of a trade union representative it may be beneficial to involve the representative in discussions ahead of a resolution meeting. The employee may be accompanied by a trade union representative (or workplace colleague) at the meeting.

There are two main potential outcomes to the resolution meeting:

Outcome 1

Having listened to the matters raised, the manager is able to agree with the employee some actions to resolve the identified issue/s. In the case of working relationship difficulties this may involve the manager helping the people involved to understand how their behaviour and/or comments have been perceived by the other person and looking at how to achieve a better working relationship.

Complaints of harassment may be able to be resolved by the employee raising their concerns directly with the other person/s involved. It is possible that the other person/s may be unaware that their behaviour is causing any offence and once they are made aware of this it will cease. Where an employee does not feel confident or comfortable in raising the matter directly with the other person/s involved, the line manager can assist with this.

As the approach to addressing the identified issue/s is based on informal day to day management, it does not require:

- the participation of HR at the resolution meeting
- as a matter of course the participation of a trade union representative (or workplace colleague) at the resolution meeting, unless it is felt this would help with an earlier resolution
- any specific formal documentation to be completed regarding the issue. However, a brief note regarding the issue and the agreed resolution should be made on the local supervision/one to one meeting records.

- a set timescale for responding to the identified issue/s. However, it is expected that this will be dealt with as quickly as possible (generally this will not take more than ten working days)

Outcome 2

The discussions during the resolution meeting may identify that mediation could provide a beneficial approach to seeking to resolve the issue/s raised by the employee. In determining whether mediation is the most appropriate way to seek a resolution the manager will need to take account of:

- the nature of the issue/s identified on the resolution request
- whether other informal approaches may be able to resolve the identified issue/s
- whether the parties involved recognise that there is an issue and want to have it resolved
- whether the parties involved will be willing to participate in the mediation process.

Mediation

Mediation is a non-adversarial way of resolving difficult situations and it can play an important role in responding to a resolution request from an employee. The mediation is carried out on a confidential basis by an impartial third party who helps the people involved attempt to reach an agreement. The mediator is in charge of the process of seeking to resolve the issue but not the outcome. For mediation to be successful it needs to be agreed to by all of the people involved in the situation.

The manager dealing with the resolution request will contact * the HR Advisory Change Management Team (*insert /e-mail address or tel number for the team*) to arrange for a mediator to work with the parties involved.

The mediation process is carried out by trained mediators and involves the mediator:

- confirming the parties have entered into the mediation process voluntarily
- meeting separately with the parties involved in the issue/s
- helping the parties to identify the root cause of the issue/s
- encouraging communication between the parties, to promote understanding, empathy and changing perceptions
- holding a joint meeting where the parties are able to communicate their feelings and work on a jointly agreed solution.

Mediation meetings will tend to last for one full day. However, in more complex cases or cases involving more than two parties, it may last for up to two or three days. The mediation process from start to finish will not normally take more than four weeks.

As the mediation process involves only the mediator and the two (or more) parties involved in the situation, the employees involved are not able to be accompanied by a workplace colleague or trade union representative during mediation meetings.

At the conclusion of the mediation process the manager dealing with the resolution request will meet with the employee to establish if they are satisfied with the outcome. If the employee is satisfied that the matter has been resolved this will be noted in the employee's local supervision, or one to one meeting, records.

If, during the course of the mediation process, the mediator feels that the people involved aren't going to be able to find an agreed solution, this view will be shared with the manager dealing with the resolution request and the HR Advisory Team. Should the mediation process be unable to achieve a successful resolution, a formal resolution meeting will be held (see below).

Formal Process

The formal process should be used if:

- informal action - including mediation - has not successfully resolved the identified issue/s
- the nature of the identified issue/s are more serious and require a more detailed examination.

Investigation

Where the resolution meeting or mediation process has not been able to satisfactorily resolve the identified issue/s, the manager dealing with the resolution request may decide that an investigation needs to be carried out to find out more detailed information.

With less complex matters, the manager dealing with the resolution request may carry out the investigation process. However, depending on the nature of the issue/s it may be more appropriate for an independent investigating officer to be appointed. The HR Advisory Team can provide advice to managers regarding the investigation process.

The parties involved in the issue/s under investigation will have the right to be accompanied at any investigation meetings by a trade union representative or workplace colleague.

The investigation process should be carried out as quickly as possible, ideally within twenty-eight days. However, there may be circumstances where it is necessary for the timescale to be extended. If an extension is required it will be discussed with the parties involved.

If mediation has not already been attempted, the investigating officer/s may recommend that, based on the information presented to them, its use may help with finding an agreed resolution.

In the case of an investigation into allegations of harassment, if the investigation finds evidence which supports the allegations the disciplinary process will be used to address this with the employee/s concerned.

Formal Resolution Meeting

For cases where the informal approach has not successfully resolved the issue/s raised by an employee or where the informal approach was not felt to be appropriate, a formal resolution meeting will be held.

The nature of the issue/s under consideration will determine what level of management will be required to chair the meeting. In many cases this can be carried out by the line manager or grandparent. However, it will be necessary for the chair to have the appropriate level of authority to be able to take decisions on the issue/s that have been raised.

As with the informal resolution meeting the purpose of the meeting will be to seek to find an agreed resolution with the employee. However, where this is not possible the chair of the meeting will reach a decision on the best way to resolve the issue/s.

Managers will normally hold the meeting within ten working days of the end of the informal stage. Where the resolution request assessment process identifies that a formal resolution meeting is required, this will, where possible, be arranged to take place within ten working days of receipt of the resolution request or at the end of a formal investigation if this has been required.

The employee has a right to be accompanied at the formal resolution meeting by a trade union representative or workplace colleague. HR will be present to advise the manager chairing the meeting.

If the employee and/or their representative are unable to attend the resolution meeting, it can be postponed by up to five working days. If the employee is unable or unwilling to attend a rescheduled hearing, it may be the case that the meeting will be held in their absence; if this situation arises they will be notified in advance.

The manager chairing the meeting will normally communicate their decision at the end of the meeting. However, on occasions the decision may not be given on the day of the meeting, but will be subsequently confirmed in writing. The decision of the chair will be confirmed in writing within five working days, together with information on the right of appeal.

Appeal Against the Outcome of Formal Resolution Meeting

The appeal must be submitted in writing within ten working days of the receipt of the written confirmation of the outcome of the formal resolution meeting. The appeal notification must identify the grounds on which the appeal is being made.

The appeal meeting will be chaired by an appropriate manager, more senior than the manager who made the formal resolution decision, and should take place within ten working days of the receipt of the appeal notification.

The employee has a right to be accompanied at the appeal by a trade union representative or workplace colleague. HR will be present to advise the manager hearing the appeal.

If the appeal relates to a matter of substance and/or principle the Corporate Director Human Resources and/or another Corporate Director or senior manager will hear the appeal. Matters of substance and principle include:

- issues which affect a wider group of staff
- terms and conditions of employment
- KCC policies, practice or procedures
- an issue which has a fundamental impact on the relationship between KCC as an employer and the employee.

Where possible the manager will, at the end of the appeal, advise the employee whether or not their appeal has been upheld. However, the manager may defer their decision for up to five working days. The employee will receive a full written response from the manager explaining their decision.

KCC's Resolution Procedure is based upon ***The Total Conflict Management (TCM) Model Resolution Policy*** designed by The TCM Group. For more details, please visit www.thetcmgroup.com

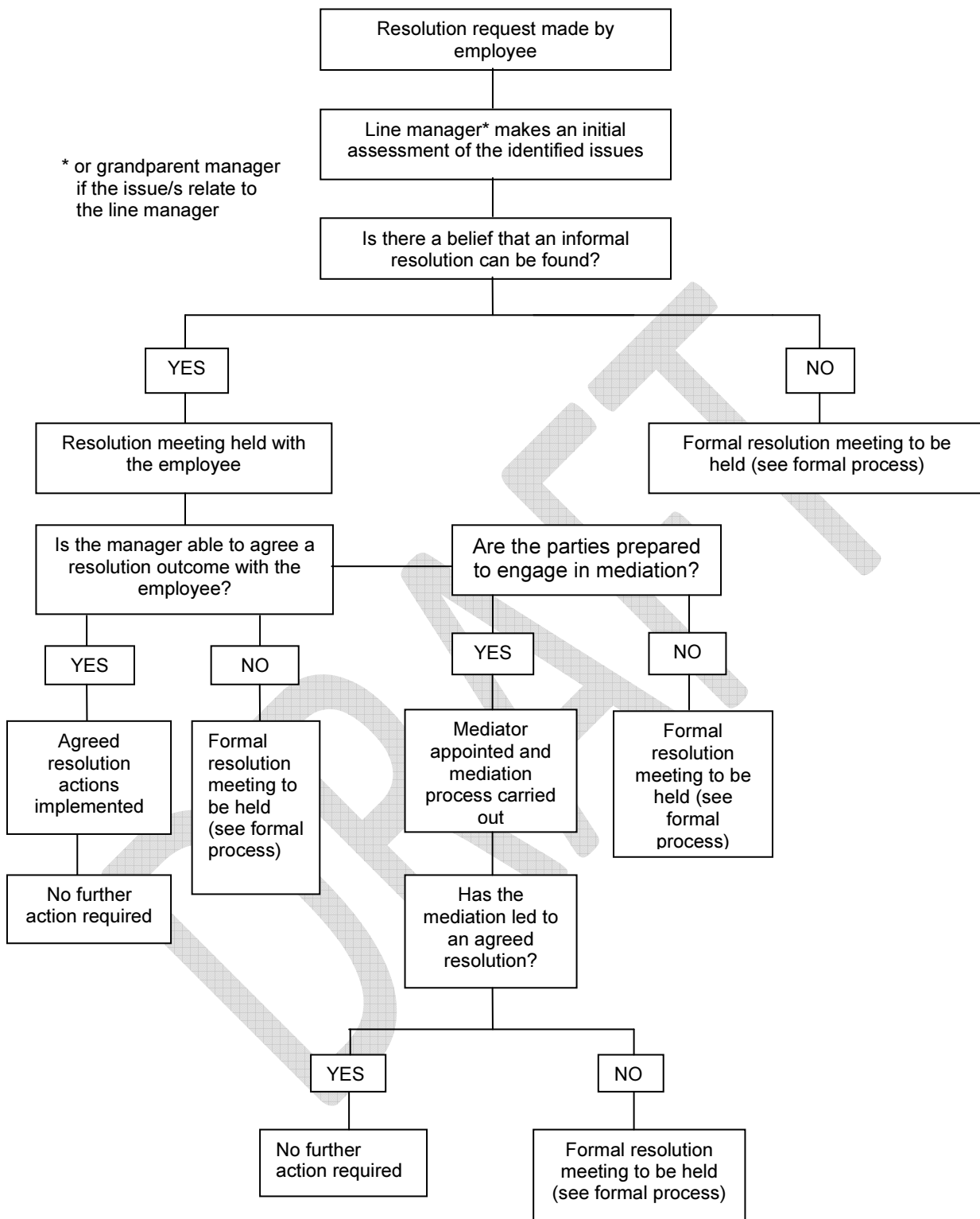
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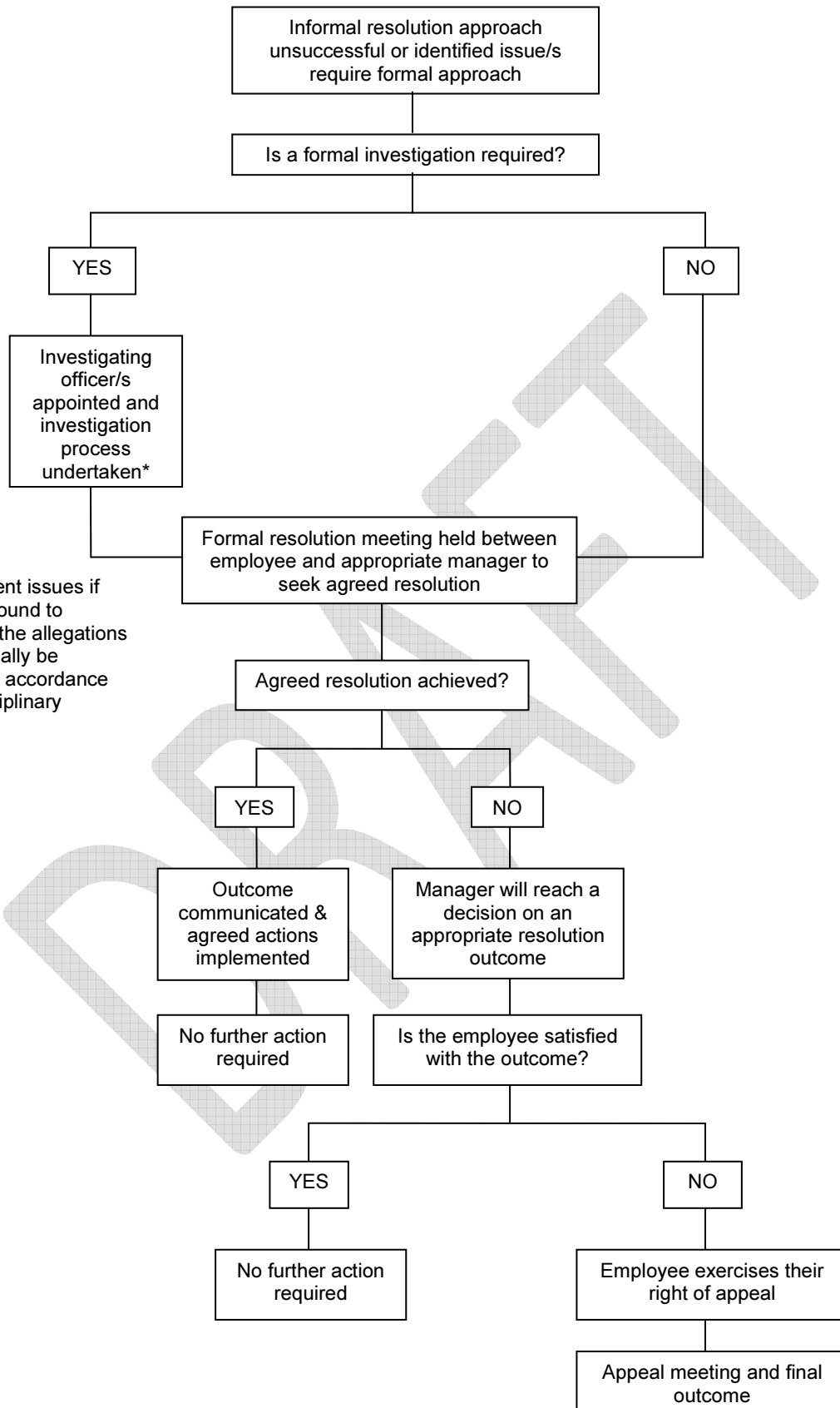
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Resolution Process Flowchart – Informal Process



Resolution Process Flowchart – Formal Process



* for harassment issues if evidence is found to substantiate the allegations this will normally be addressed in accordance with the Disciplinary Procedure

By: Gary Cooke – Cabinet Member for Corporate and Democratic Services
Amanda Beer – Corporate Director of Human Resources

To: Personnel Committee

Date: 4 June 2014

Subject: Progress report on terms and conditions for Public Health staff

Classification: **Unrestricted**

SUMMARY: This paper provides information to Personnel Committee on the NHS salary bands for Public Health Consultant posts in comparison to Kent Scheme pay bands for senior KCC staff.

1. BACKGROUND

- 1.1 In March 2013, Personnel Committee considered a report on terms and conditions for Public Health Specialist and Professional posts. A further report was provided to Personnel Committee in June 2013 on the salary bands for Public Health Consultants for further information.
- 1.2 The recommendations of the March 2013 report were approved which included time limited arrangements for Public Health to recruit new Consultants and Specialists on NHS terms and conditions until 31 March 2015 and for future changes to NHS terms and conditions to be applied to transferred staff until 31 March 2015. Personnel Committee also determined that a progress report would be submitted to the Committee in 12 months' time.

2. PUBLIC HEALTH CONSULTANT AND SPECIALIST POSTS

- 2.1 There have been a number of new appointments in the Public Health Division in the past year. These have largely been administrative and managerial posts which have all been appointed on Kent Scheme Terms and Conditions. There has been one Consultant vacancy since the transfer and the Public Health Consultant for child health resigned in January 2014.
- 2.2 The Consultant vacancy was advertised in July/August 2013 and the Division was not able to appoint. It is felt that the lack of interest was largely due to the timing of the advert as most newly qualified Consultants will already have secured posts at that point. The post is about to be re-advertised together with the additional Consultant vacancy.
- 2.3 Reportedly, other Authorities in the region have had similar difficulties in recruiting and a survey is being undertaken by South East Employers to determine the current position.
- 2.4 There has been limited turnover within roles considered as Public Health Specialists with only one post, the Head of Health Intelligence, being advertised

and appointed to on NHS terms and conditions at pay band 8b. A further post of Head of Quality and Infection Prevention and Control is also being recruited to on NHS pay band 8b.

3. CHANGES TO NHS TERMS AND CONDITIONS

- 3.1 The March 2013 report to Personnel Committee provided information about a decision which was awaited from the Court of Justice of the European Union (CJEU) about whether staff transferring under TUPE must continue to have applied to them any changes made to their terms and conditions following transfer (known as the 'dynamic' approach). Whilst the transfer of Public Health staff was not a TUPE transfer, this was covered by a statutory transfer scheme providing 'TUPE-like' protections for two years. It was therefore necessary to consider what impact the CJEU decision would have.
- 3.2 At that time, KCC's Legal opinion was that, in the absence of any provision in the draft transfer scheme which specified whether terms and conditions must be treated as dynamic or static as at the point of transfer, KCC should be able to rely on the Advocate General's opinion in favour of the dynamic approach and apply future changes for at least the first two years after transfer, during which the transfer scheme has legal effect.
- 3.3 A number of changes took effect on Public Health transferees, up to July 2013, as they had already been incorporated into NHS Terms and Conditions prior to the transfer date. In addition, the minor changes to the 1 April 2014 NHS pay scales were implemented for Public Health staff, on the basis of the Personnel Committee agreement to apply post-transfer pay awards until 31 March 2015.

4. NEXT STEPS

- 4.1 In July 2013, the CJEU determined that the static approach should apply and new employers will not therefore be bound by post-transfer agreed changes in circumstances where it was not possible for the transferee to be involved in the collective agreement negotiations. However, within the UK, subsequent changes to TUPE Regulations require that transfers after January 2014 will necessitate that a dynamic approach is applied to collective agreement provisions for one year after transfer. Beyond that, it is now possible for receiving organisations to renegotiate terms and conditions, covered by collective agreements, as long as the overall change is no less favourable to the employees involved.
- 4.2 Further work is now being undertaken on the recommendations to be made to Personnel Committee on what should be applied from April 2015.

5. RECOMMENDATIONS

- 5.1 Personnel Committee is invited to note the update on recruitment and terms and conditions for Public Health staff.

Karen Watson
HR Business Partner – Education and Young People's Services
Ext 1890

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By: Gary Cooke – Cabinet Member for Corporate & Democratic Services
Amanda Beer – Corporate Director Human Resources

To: Personnel Committee **Date:** 4 June 2014

Subject: Review of LGPS Discretionary Pension Policy Statement

Classification: Unrestricted

Summary:

The introduction of the new Local Government Pension Scheme (LGPS) from 1 April 2014 requires all scheme employers to review their existing discretionary pension policy statement and publish a new policy statement.

This report summarises the pension policies that need reviewing and makes recommendations for the adoption of a new pension policy statement.

For information, the report also summarises the main provisions of the new LGPS and provides a comparison with the 2008 scheme – **Appendix A**.

Additionally, greater flexibility is requested for funding early retirement costs by way of allowing lump sum payments.

1. Introduction

1.1 The LGPS regulations require all scheme employers to publish and keep under review a written policy statement on how they will apply their discretionary powers in relation to certain provisions of the scheme. As the new LGPS came into force on 1 April 2014 it is necessary to adopt a new discretionary pension policy statement and to publish this by 30 June 2014.

2. Background

2.1 The cost of providing public sector pension schemes have been steadily increasing over many years leading to concerns about their long-term sustainability. Lord Hutton of Furness was appointed to chair an independent Public Service Pension Commission to undertake a fundamental structural review of public sector pension provision.

2.2 The main recommendations of the Commission were that:

- All public sector pension schemes should change from final salary pension schemes to Career Average Revalued Earnings schemes (CARE). An annual pension pot is calculated which is updated each year to take into account inflation (Consumer Price Index (CPI)).
- Scheme retirement ages should be the same as state retirement pension ages.
- There should be a cost sharing mechanism introduced that requires scheme members to share the increasing costs of providing public sector pension schemes and not just the employers.
- Existing rights of current scheme members should be protected.

2.3 The present Government accepted the Commission's recommendations and tasked the government departments responsible for each public sector pension scheme to negotiate with the relevant employer representatives and unions on the required changes to the respective schemes.

2.4 Agreement has been reached between Department for Communities and Local Government (DCLG), the Local Government Association (LGA) and trade unions on the new LGPS which came into force on 1 April 2014.

3. Pension Policy Statements

3.1 Paragraphs 3.2 – 3.6 below outline the pension policy statements that have to be reviewed, together with a recommendation, where applicable, on the policy that should be adopted. The full Schedule of Discretions can be found in Appendix B incorporating the proposed recommendations and additional details.

3.2 Regulation 9 – Contributions

3.2.1 Currently the Authority determines the appropriate contribution band on 1 April each year and during the year when a material change takes place. The contributions bands applied are based on full time equivalent pay.

3.2.2 Under the new scheme, the contribution bands are based on the actual pensionable pay received, so it recommended that:

3.2.3 The Authority will apply the nationally determined scheme member contribution rates and bands. These are subject to review and may be varied.

3.2.4 The Authority will determine the appropriate contribution band for a scheme member by using the pensionable pay received on 1 April each year and every 3 months thereafter.

3.3 Regulation 16 (2)(e) & (4)(d) – Shared Cost Additional Pension Contribution (SCAPC)

3.3.1 There is provision, under this regulation, to allow scheme members to buy additional pension with a shared cost to the employer. KCC does not currently operate a shared scheme and it is recommended that we maintain our current position.

3.3.2 The above does not apply where a scheme member has had a period of child related leave or authorised unpaid leave. Employers do not have discretion for this element and must pay 2/3rds of the cost if the scheme member elects within 30 days of their return to work, to pay a SCAPC to cover the amount of pension 'lost' during the period of absence.

3.3.3 However, the new regulations are not currently clear on how these periods of unpaid leave are to be calculated and by whom and it may not be possible to provide scheme members with the information they need to make an election within the required time frame. To take this into account the following proposal is suggested.

3.3.4 Where it is not possible to provide the scheme member with the information they need to make their election within the 30 day deadline, the Authority will extend the

limit. However, the scheme member must contact KCC to request this information within 30 days of returning to work and respond within 30 days of receiving the information.

3.4 TR Regulations 1(1)(c) of Schedule 2 – whether to allow the rule of 85 to be ‘switched on’ for members age 55-59

- 3.4.1 Currently where scheme members meet the 85 year rule before the age of 60 though technically they can apply for early release of their pension benefits we do not agree as there is a cost to the Authority.
- 3.4.2 The 85 year rule is where pensionable service and age equals 85 or more, with active members, as at 1 October 2006, having varying degrees of protections which relates to the individuals Critical Retirement Age (CRA).
- 3.4.3 The new scheme provides employers with the discretion to waive the reductions to the member’s benefits if we agree to the release of pension before the age of 60 (referred to as ‘switching back on’ the 85 year rule). This would require us meeting the costs incurred.
- 3.4.4 It is recommended that we maintain our current position of not agreeing unless there are exceptional circumstances.

3.5 Regulation 21(5) – in determining Assumed Pensionable Pay whether a lump sum payment made in the previous 12 months is a ‘regular lump sum’

- 3.5.1 Under the new scheme there is a change in how the pay for periods of unpaid authorised leave including child related leave is calculated. This is now done by Assumed Pensionable Pay and employers are required to have a policy on what are considered ‘lump sum’ payments paid to members which should be included in this calculation. A list of these is kept within Employee Services for payroll purposes.
- 3.5.2 A regular lump sum payment is a payment for which the member’s employer determines there is a reasonable expectation that such a payment would be paid on a regular basis.

3.6 Regulation 30(8) – Waiving of Actuarial Reductions

- 3.6.1 Currently an employer has the discretion to allow a scheme member to retire voluntarily between the ages of 55-59 and receive immediate payment of their pension benefits. From age 60 the employer’s permission is not required.
- 3.6.2 The Authority’s current policy is to consider individual cases on their merits and under normal circumstances the pension paid would be reduced. However, in exceptional circumstances, when it is in the operational interests of the Authority or on compassionate grounds the reduction could be waived and the pension paid without reduction and we would pick up the costs incurred.
- 3.6.3 Under the new scheme, scheme members between 55 and 59 will no longer need their employer’s permission to retire and can receive immediate payment of their pension benefits. However, the pension benefits payable would be subject to a reduction to allow for early payment. The extent of the reduction will be based on

the Government Actuary Department (GAD) guidance on pension reduction factors. Employers have the discretion to waive these reductions.

3.6.4 It is recommended that we maintain our current position of not agreeing to waive the reduction unless there are exceptional circumstances.

4. Funding of early retirement costs

4.1 Since 1998 KCC pays all charges incurred by the organisation for early retirement costs (i.e. redundancies or early release of pension benefits) by instalments only. KCC is the only organisation within the Kent Pension Fund not to use the ability to pay by lump sum. There are budget implications to this, however, there is agreement that small lump sum payments should be allowed within our provisions.

4.2 It is recommended that Personnel Committee agree that costs incurred by the organisation as a result of payments in respect of early retirement costs should be made by lump sum payment where the instalment value is up to and including £2,000. Where the instalment value is over £2,000, payment must continue by annual instalments due to the impact on the overall KCC budget.

4.3 (The £2,000 refers to the total instalment value i.e. on occasions Pensions provide an amended cost figure between the estimated and actual costs, due later information being provided. A decision will not, therefore, be able to be made until the final cost figures are received to ensure the £2,000 limit is adhered to).

5. Conclusion

5.1 A formal review of the Authority's discretionary pension policy statements is required due to the introduction of the new Local Government Pension Scheme from 1 April 2014 and needs to be published by 30 June 2014.

6. Recommendations

6.1 The Personnel Committee are asked to approve the recommendations as discussed and summarised below.

6.2 Regulation 9

The Authority will determine the appropriate contribution band for a scheme member by using the pensionable pay received on 1 April each year and every 3 months thereafter.

6.3 Regulation 16(2)(e) and (4)(d)

It is not KCC's policy to operate a Shared Cost Additional Pension Contribution scheme for scheme members.

6.4 However, this does not apply where a scheme member has had a period of child related leave or authorised unpaid leave and elects, within 30 days of return to work, to pay a SCAPC to cover the amount of pension 'lost' during the period of absence. KCC will pay 2/3rd of the cost of the 'lost' pension for periods of authorised unpaid leave, including periods of child related leave, if a scheme member elects, within 30 days of their return to work, to pay a SCAPC.

- 6.5 Where it is not possible to provide the scheme member with the information they need to make their election within the 30 day deadline, the Authority will extend the limit. However, the scheme member must contact KCC to request this information within 30 days of returning to work and respond within 30 days of the information being provided.
- 6.6 Transitional Regulations Schedule 2, paragraph 2(2)
We maintain our current position of not agreeing to the early release of pension to anyone who meets the 85 year rule before the age of 60 unless there are exceptional circumstances.
- 6.7 Regulation 30(8)
We maintain our current position of not agreeing to waive any actuarial reduction applied to benefits paid early to both active and deferred members unless there are exceptional circumstances.
- 6.8 Funding of early retirement costs
Personnel Committee agree that costs incurred to the organisation as a result of payments for early retirement costs can be made as a lump sum as well as by instalments. A £2,000 instalment value limit has been agreed with the Corporate Director of Finance.

Colin Miller
Reward Manager
Ext 6056

COMPARISONS

	LGPS 2014	LGPS 2008
Basis of Pension	Career Average Revalued Earnings (CARE)	Final Salary (FS)
Accrual Rate	1/49 th	1/60 th
Revaluation Rate	Consumer Price Index (CPI)	Based on final salary
Pensionable Pay	Pay including non-contractual overtime & additional hours for part-time staff	Pay excluding non-contractual overtime & non-pensionable additional hours
Contributions	9 bands Contributions paid on actual pay received	7 bands Contributions paid on FTE
Normal Pension Age	Equal to the individual member's State Pension Age (minimum 65)	65
Flexibility of Contribution	Members can pay 50% contributions for 50% of the pension benefit. This is a short term alternative to opting out	No
Lump Sum Trade Off	Trade £1 of pension for £12 lump sum	Trade £1 of pension for £12 lump sum

	LGPS 2014	LGPS 2008
Death in Service Lump Sum	3 x pensionable pay	3 x pensionable pay
Death in Survivor Benefits	1/160 th accrual based on Tier 1 ill health pension enhancement	1/160 th accrual based on Tier 1 ill health pension enhancement
Ill Health Provision	<p>Tier 1 – immediate payment with service enhanced to Normal Pension Age</p> <p>Tier 2 – immediate payment of pension with 25% service enhancement to Normal Pension Age</p> <p>Tier 3 – temporary payment of pension for up to 3 years</p>	<p>Tier 1 – immediate payment with service enhanced to Normal Pension Age (65)</p> <p>Tier 2 – immediate payment of pension with 25% service enhancement to Normal Pension Age (65)</p> <p>Tier 3 – temporary payment of pension for up to 3 years</p>

Proposed Pension Policy Statement

This policy statement clarifies the Authority's position on the discretions it can exercise in accordance with the LGPS 2014 regulations and guidance on how they apply to different retirement options.

The policy statement applies to all members of staff who are eligible to be members of the LGPS, as defined in the regulations i.e. employees with a contract of employment of over 3 month's duration and who are under 75 years of age and are contractually enrolled at the start of employment. Those with contracts of less than 3 months, including casuals, can join but need to elect to do so.

Employees who are members of the pension scheme are only entitled to receive pension benefits if they have 2 years or more service. Under LGPS 2014 Regulation 18, if an employee leaves within 2 years of the start of their employment their contributions can be repaid or transferred to another scheme, unless there is some fraudulent offence or misconduct in connection with the employment.

Principles

The Authority will treat any individual retirement case and decisions on its merits.

Decisions relating to retirement will be made taking into account the business case and business implications, the financial implications, employment law consideration, the regulations and the legality of each case. It may also take into account long term savings, affordability, skills and skills retention and impact on service delivery.

The definition of business efficiency shall include, but not be limited to financial savings and/or quality improvements judged on a case by case basis.

Each decision will be made free from discrimination on the grounds of any protected characterising – age, disability, gender reassignment, marriage or civil partnership, pregnancy & maternity, race, religion and belief, sex, sexual orientation or any other personal criteria.

The Authority's decisions relating to retirement and the release of pension benefits will be in line with the current pension regulations. These regulations may be updated from time to time and the Authority will default to the regulations if the policy is not explicit on any current or future regulation.

Decisions relating to the release of deferred benefits to former employees will refer to the relevant pension policies applicable at the time of their employment. In such cases, the decision as to the release of deferred benefits will be on a case by case basis and will take into account the criteria detailed in these principles. Guidance may be sought from the pension administrators as required.

Compassionate grounds are defined in the Blue Book (Terms & Conditions of Employment) as: circumstances must be exceptional and would not reasonably be expected to prevail i.e.

the occurrence of a disaster or accident etc. Financial hardship alone would not normally be deemed sufficient.

Discretions

Within the regulations there are a number of discretionary statements that require the Authority to explicitly state their position. The discretions detailed below relate to the current LGPS 2014 regulations and guidance. They also reflect discretions approved by the Authority for the previous pension scheme policies.

Regulation 9 (1) & (3) - Contributions

KCC will apply the nationally determined employee contribution rates and bands. These are subject to change and may be varied.

KCC will pay the rate of contributions determined in the regulations for employees whose pay is reduced through ill health or during authorised unpaid leave, including child related leave.

KCC will determine the appropriate contribution band for an employee by using the pensionable pay received on 1 April each year and every 3 months thereafter.

Variable time employees will have their initial contribution rate at 1 April 2014 set at 5.5% with a reassessment every 3 months thereafter.

KCC will notify employees of their individual contribution rates in their April payslips each year and thereafter when any changes are made. Details of the contribution rates, bands and appeal process will be made available Kent Scheme Newsletter each April and on KNet.

Regulation 16 (2)e and (4)d – Shared Cost Additional Pension Contributions (SCAPC)

KCC will not operate a SCAPC where an employee wishes to purchase extra annual pension (up to the limit defined in the regulations).

The above does not apply where a scheme member has had a period of child related leave or authorised unpaid leave and elects, within 30 days of return to work, to pay a SCAPC to cover the amount of pension 'lost' during the period of absence, KCC will contribute 2/3rds of the cost. If an election is made after the 30 day time limit the full costs will be met by the employee.

Where it is not possible to provide the employee with the information they need to make their election within the 30 day deadline, KCC will extend the limit. However, the scheme member must contact KCC to request this information within 30 days of returning to work and respond within 30 days of the information being provided.

TP Regulations 1(1)(c) of Schedule 2 – whether to allow the rule of 85 to be 'switched on' for members age 55-59.

It is not KCC's general policy to make use of the discretion to 'switch back on' the 85 year rule protections unless there are clear financial or operational advantages to KCC. Each

case will be considered on its merits by the relevant Corporate Director and the Corporate Director of Human Resources.

Regulation 17 (1) – Shared Cost Additional Voluntary Contributions (SCAVC)

KCC will not operate a SCAVC for employees.

Regulation 21(5) – in determining Assumed Pensionable Pay whether a lump sum payment made in the previous 12 months is a ‘regular lump sum’

KCC will maintain a list which details what KCC considers being a regular lump sum payment made to our employees to be used in the calculation of the Assumed Pensionable Pay.

Regulation 22 (7)(b) & (8)(b) - Aggregation of Benefits

Employees who have previous LGPS pension benefits in England and Wales will automatically have these aggregated with their new LGPS employment unless they elect within 12 months of commencing membership of the LGPS in the new employment to retain separate benefits. KCC has the discretion to extend this period beyond 12 months and each case will be considered on its own merits.

Regulation 30(6) & 30(8) – Flexible Retirement

It is KCC’s policy to provide consent to consider flexible retirement requests only where there are clear financial or operational advantages to KCC.

If consent has been given under Regulation 30(6) it is not KCC’s general policy to waive any actuarial reduction unless there are exceptional circumstances.

Each case will be considered on its merits by the relevant Corporate Director and the Corporate Director of Human Resources.

Regulation 30(8) – Waiving of Actuarial Reductions

It is not KCC’s general policy to waive any actuarial reductions applied to benefits paid early or where a scheme member has previously been awarded a deferred benefit. Each case will be considered on its merits by the relevant Corporate Director and the Corporate Director of Human Resources.

Where flexible retirement has been agreed under Regulation 30(6) and the benefits payable to the scheme member are to be actuarially reduced, the employer can choose to waive that reduction.

A deferred member from age 55 can request payment of their deferred benefit before their normal pension age. Whether employers consent is required is dependent on the date that the member left.

It is not KCC’s general policy to waive any reduction to these requests but each case will be considered on its merits by the relevant Corporate Director and the Corporate Director of Human Resources.

Regulation 31 – Award of Additional Pension

KCC has the discretion to award additional pension (up to the additional pension limit defined in the regulations) to an active member or within 6 months of leaving the scheme to a scheme member who was who are dismissed on grounds of redundancy or business efficiency.

KCC will only exercise this discretion in exceptional circumstances and only at the discretion of the relevant Corporate Director and the Corporate Director of Human Resources.

Regulation 100(6)

If an employee wishes to transfer any pension benefits they have built up in other schemes to the Local Government Pension Scheme, the election to do so must be made within 12 months of starting a new period of membership. This time limit may be extended if the employee can demonstrate exceptional circumstances so as to justify this.

NB: Under Regulation 60(1) of the Local Government Pension Scheme Regulations 2013, it is compulsory for all employers to make a policy decision under Regulation 16, 30(8) and 31 and Paragraph 2(2) of Schedule 2 to the LGPS (Transitional Provisions, Savings and amendments) Regulations 2014.

Under Regulation 60(2) a copy of the policies must be sent to the Pensions Section by 30th June 2014 and be publishable to their scheme members on request.

Under Regulation 60(3) employers must keep the policies under review and make any appropriate changes.

Under Regulation 60(4) any amendments to these policies must be made available to the Pensions Section and to scheme members within a month of the date of change.

Signed _____ Date _____

Designation _____

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By: Gary Cooke – Cabinet Member for Corporate & Democratic Services
 Amanda Beer – Corporate Director of Human Resources

To: Personnel Committee

Date: 4 June 2014

Subject: Kent Manager Update

Classification: Unrestricted

Summary: This paper provides an update on the Kent Manager development programme which forms a key component within KCC’s Leadership and Management Development Strategy.

1. Introduction

1.1 In times of great challenge and uncertainty effective leadership becomes even more vital. In 2013 the new Leadership and Management Development Strategy was developed to equip managers with the skills and knowledge needed to deliver the transformational change set out in Facing the Challenge.

1.2 KCC’s Leadership and Management Development Strategy has been informed by research and analysis of our existing skills and what we will need in the future. The strategy is being delivered through a coordinated framework aligned to our strategic vision with continued feedback and evaluation.

Leadership and Management Development Framework



2. Background

2.1 The Kent Manager is a key element of the Leadership and Management Development framework. It provides a robust assessment framework that sets out clearly what KCC requires from its managers and what staff can expect from them. The Kent Manager is externally accredited and funded from the central workforce development budget.

2.2 Continued feedback including the recent Peer Review and Investors in People external review have highlighted the quality of KCC's leadership and management development programme and the value of the Kent Manager.

3. Engagement levels

3.1 Regular reviews of the Kent Manager have been carried out since it was introduced to increase engagement levels and improve accessibility. A significant amount of work has gone into ensuring the Standard meets both the needs of the business and individual managers at every level of management.

3.2 550 managers have now completed the Kent Manager standard and are recognised nationally as achieving a level of managerial competency which has been internally and externally verified. This is an impressive statistic and testament to both the Authority's and manager's commitment to continued professional development.

4. The New Kent Manager

4.1 The new Kent Manager was launched in April 2014 and many of the key elements have remained unchanged. The Standard continues to be based upon 7 modular areas and retains the same robust assessment requirements including both internal and external quality assurance. However, there are a number of key changes which have been designed with managers.

- Incorporating 360 degree assessment
- Supporting development aligned to strategic priorities
- Coaching and self-reflection to build competency and confidence
- System changes focusing on modules rather than criteria
- CPD element for managers who have completed the Kent Manager
- Evaluation linked to business benefits

4.2 The new Kent Manager system also enables much better monitoring and reporting. Each Corporate Director will receive monthly reports detailing completion rates by division. Within HR, the new reporting functionality will enable improved targeting of resources and better evaluation data so that strategically we can track the changing profile of our management population.

5. Conclusion

5.1 Our continued investment in leadership and management development remains a priority which must continue to evolve as the organisation transforms. The Kent Manager is a pivotal part of our leadership and management development strategy and to aligning the strategy to our strategic vision and will ensure a continued improvement in organisational performance and effectiveness.

6. Recommendation

6.1 Members of the Personnel Committee are asked to endorse the continued commitment to Kent Manager and note the recent changes and enhancements.

Julie Cudmore
Workforce Development Manager
Ext 4702

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Agenda Item B1

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