

**PERSONNEL COMMITTEE**

**Tuesday, 12th November, 2019**

**2.00 pm**

Wantsum Room, Sessions House, County Hall,  
Maidstone







## AGENDA

### PERSONNEL COMMITTEE

**Tuesday, 12th November, 2019, at 2.00 pm**  
**Wantsum Room, Sessions House, County**  
**Hall, Maidstone**

Ask for: **Denise Fitch**  
Telephone **03000 416090**

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

#### **Membership (9)**

- Conservative (7): Mr R W Gough (Chairman), Mr E E C Hotson (Vice-Chairman), Mrs C Bell, Mr P W A Lake, Mr P J Oakford, Mrs S Prendergast and Mr B J Sweetland
- Liberal Democrat (1) Mr R H Bird
- Labour (1) Dr L Sullivan

Please note: that the unrestricted part of this meeting may be filmed by any member of the public or press present.

By entering into this room you are consenting to being filmed. If you do not wish to have your image captured please let the Clerk know immediately.

#### **UNRESTRICTED ITEMS**

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

- 1 Chairman  
To note that in accordance with section 17.25 of the Constitution, the Chairman of this Committee is Mr Gough, the Leader of the Council.
- 2 Membership  
To note that Mr Gough has replaced Mr Carter and Mrs Prendergast has replaced Mrs Stockell as members of this Committee.

- 3 Substitutes
- 4 Declarations of Interests by Members in items on the Agenda for this meeting.
- 5 Minutes - 4 June 2019 (Pages 5 - 8)
- 6 Annual Workforce Profile Report update (Pages 9 - 30)
- 7 People Strategy 2017 to 2022 (Pages 31 - 40)
- 8 Employee Relations Casework Activity (Pages 41 - 44)
- 9 Introduction of a Shared Cost Salary Sacrifice Additional Voluntary Contribution Scheme (Pages 45 - 60)
- 10 Dates of meetings 2020-21  
The Committee is requested to note the dates of its meeting in 2020-21 as follows (all meetings start at 2.00pm)  
  
30 January 2020  
12 March 2020  
4 June 2020  
10 November 2020  
26 January 2021  
3 March 2021
- 11 Exclusion of the Press and Public  
RESOLVED 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 paragraphs 1, 2 and 4 of part 1 of Schedule 12A of the Act.

#### **EXEMPT ITEMS**

- 12 Adult Social Care & Health - Senior Structure (Pages 61 - 68)
- 13 Pay Bargaining 2020-21 (Pages 69 - 72)

Benjamin Watts  
General Counsel  
03000 416814

**Monday, 4 November 2019**

## KENT COUNTY COUNCIL

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### PERSONNEL COMMITTEE

MINUTES of a meeting of the Personnel Committee held in the Wantsum Room - Sessions House on Tuesday, 4 June 2019.

PRESENT: Mr E E C Hotson (Vice-Chairman in the Chair), Mr D L Brazier (Substitute for Mr B J Sweetland), Mr R H Bird, Mr D Farrell (Substitute for Dr L Sullivan), Mr P W A Lake, Mr G Lymer (Substitute for Mrs C Bell) and Mr J P McInroy (Substitute for Mr P B Carter, CBE)

IN ATTENDANCE: Mrs A Beer (Corporate Director of People and Communications), Ms D Fitch (Democratic Services Manager) and Mr P Royel (Head of HR & OD)

### UNRESTRICTED ITEMS

#### **78. Declarations of Interests by Members in items on the Agenda for this meeting.**

*(Item 2)*

None.

#### **79. Minutes - 24 January 2019**

*(Item 3)*

RESOLVED that the minutes of the meeting held on 24 January 2019 are correctly recorded and that they be signed by the Chairman as a correct record.

#### **80. Leadership Strategy**

*(Item 4)*

*(Ms Cudmore, Head of Organisation Development, was in attendance for this item)*

(1) Ms Cudmore introduced a report which provided a short update on KCC's Leadership Strategy. She also gave a presentation which provided further detail and summarised learning from the first year of the Strategy.

(2) Ms Cudmore and Mrs Beer replied to questions of detail in relation to the strategy and the 360 degree assessment of managers:

- Ms Cudmore confirmed that the completed 360 degree assessments were sent back to managers to discuss the outcomes and any further development with their line manager.
- Members were pleased with the emphasis on innovation.
- Ms Cudmore explained the role of succession planning within the leadership process and the way in which 360 degree assessment had been used previously for specific programmes including the "Future Manager".

- Ms Cudmore confirmed that all Managers were encouraged to have discussions with their staff about development. Whilst it was not possible to make promises about individual progression, staff were made aware of available opportunities.
- In relation to comparisons with other local authorities, Ms Cudmore stated that she was not aware of any other local authority that was as far advance with a leadership strategy as KCC.

(3) RESOLVED that the report be noted.

## **81. Apprenticeship update**

*(Item 5)*

*(Mrs Flegg, HR and OD Strategy and Commissioning Officer, was in attendance for this item.)*

(1) Mrs Flegg introduced a report on the progress made on Apprenticeship training via the Apprenticeship levy in KCC and KCC schools up until March 2019.

(2) Mrs Flegg and Mrs Beer noted comments and answered questions from Members which included the following: -

- Members were pleased with the progress made and requested that publicity be given to this positive situation.
- Mrs Flegg confirmed that it was intended to track the progress of participants in the scheme. However, the scheme had not been operating long enough to currently have this data available.
- Mrs Flegg provided an explanation of the way in which degree level apprenticeships were part of a KCC career pathway and gave the example of Social Workers.
- Mrs Flegg confirmed that KCC was supporting the independent care sector by sharing the apprenticeship levy, for example, supporting level 5 nurse associate apprenticeships.
- It was suggested that there should be a KCC accreditation for employers who had engaged in partnership training with KCC.
- Mrs Flegg referred to the second Kent Apprentice Graduation Ceremony which was due to be held in October 2019

(3) RESOLVED that the report be noted

## **82. Employee Relations Casework Activity**

*(Item 6)*

(1) Mr Royel introduced a report which updated the Committee on employee relations casework activity for the period 1 April 2018 to 31 March 2019.

(2) Mr Royel and Mrs Beer answered questions and noted comments from Members which included the following:

- Mr Royel confirmed that the Health and Wellbeing Group was part of the support which contributed to an improved management of staff mental health.
- It was suggested that it would be helpful if the 5 year data collected was related to the percentage of total workforce and Mr Royel undertook to ensure that this was reflected in next years report.
- Mr Royel confirmed that although KCC provided HR advice to GEN 2/Invicta Law/The Education People their statistics were not included in this report.

(3) RESOLVED that the report of employee relations activity including senior officer appeal hearings be noted.

### **83. Annual Workforce Profile**

*(Item 7)*

(1) Mr Royel introduced a report which provided information on the staffing levels in the various sectors of the Authority's workforce as at 31 March 2019, together with comparative information from recent years. The report also provided information on the diversity and demographics of the current workforce including a breakdown of staff by each of the diversity strands.

(2) Mrs Beer and Mr Royel answered detailed questions of explanation about the disability/gender profile at different levels of the KCC workforce.

(3) Mrs Beer confirmed that the reserve allocated for redundancies was currently robust and if the number of redundancies continued to reduce it would be appropriate to review the fund after 2020-21.

(4) The Committee discussed whether school's data should continue to be included in this report.

(5) RESOLVED that the report be noted and that schools workforce data should be included separately in future reports and not as part of the overall workforce data.

### **84. Total Contribution Pay Equality 2018/19**

*(Item 8)*

(1) Mr Royel introduced a report which provided an overview of the appraisal distribution profile and equality analysis for the 2018/19 outturn. It was noted that this was the first year of the new process.

(2) Mrs Beer and Mr Royel, in responding to questions about the process, explained the support given to managers. Also the role of Directorate Management Teams in the moderation process and the appeal process was clarified.

(3) Members asked questions of detail around the assessments for various groups of staff and officers undertook to provide a briefing to the Committee.

(4) RESOLVED that the outturn and the continued progress with the representative appraisal distribution profile be noted and a briefing be provided to the Committee on the detail of the outcome for certain groups.

#### **85. Staff Survey - Progress on action planning**

*(Item 9)*

(1) Mrs Beer gave a presentation to accompany the report which provided a short update on the actions and activities being delivered across KCC in relation to learning from the staff survey. Particular reference was made to the focus on Directorate Plans.

(2) Mrs Beer undertook to submit an update report on progress with actions from the Staff Survey to the meeting of the Committee in January 2020

(3) RESOLVED that the report and presentation be noted.

#### **86. Exclusion of the Press and Public**

*(Item 10)*

RESOLVED that under Section 100A of the Local Government Act 1972 the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 1 and 2 of part 1 of Schedule 12A of the Act.

#### **EXEMPT ITEMS**

(Open minutes)

#### **87. Discretionary Payments**

*(Item 11)*

(1) Mrs Beer introduced an annual report which set out the various types of discretionary payments to staff in accordance with KCC's discretionary payment policies and procedures. These enabled a consistent yet flexible approach to rewarding staff appropriately. The paper updated the Committee on the specific payments made to individuals and key groups of staff.

(2) RESOLVED that the use of discretionary payments as set out in the report be noted.



**By:** Shellina Prendergast – Cabinet Member for Communications, Engagement and People  
Amanda Beer – Corporate Director People & Communications

**To:** Personnel Committee

**Date:** 12 November 2019

**Subject:** Annual Workforce Profile Report update

**Classification:** Unrestricted

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**Summary:**

This report provides an update to the Annual Workforce Profile report, presented to Personnel Committee in June 2019. It provides information on the changes in staffing levels, demographics and diversity of Kent County Council's workforce in the six month period ending 30 September 2019.

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**1. Changes in staffing levels, demographics and diversity by sector**

**1.1. KCC Non-Schools**

Staffing levels in the non-schools workforce have increased slightly since the start of the year and the full-time equivalent is now 1.6% (113 FTE) higher than on 31 March 2019.

Turnover decreased slightly to September 2019 and now stands at 11.2% compared with 12.1 % at April 2019.

The first half of 2019 has shown sickness remain at a fairly static level, with the 12 month rolling average reaching to 7.69 days lost per FTE.

During the first half of the year, the proportion of Casual Relief Sessional and Supply (CRSS) contracts decreased slightly from 13.1% to 12.9%. As at 30 September 2019, there were 94 employees accessing the apprenticeship training within the KCC non-schools sector and 13 in LATCos.

As at 30 September 2019 there were 194 posts advertised, an increase on the April 2019 figure of 159 posts. KCC continues to attract people from across the protected characteristics; however, the proportion of people applying does not always correspond to the proportion of those appointed e.g. 26.7% of applicants were male, but 19.4% of those appointed were male, whereas 73.3% of those that applied were female compared to 80.6% appointed being female.

September 2019 analysis of the Non-school's workforce by diversity showed minor changes from the March 2019 figures. Within the Leadership group

the proportion of female staff has remained relatively static, moving from 61.6% to 61.4%. The average age remained at 45 years and the age performance indicators show little variation from the initial March 2019 figures.

September 2019 figures show 363 agency staff employed in the Non-schools sector, a slight increase on the March 2019 figure of 335. The majority are employed in the AH directorate, mainly in 'qualified social worker' and business/administrative roles.

30 people were made redundant in the first half-year with an average payment of £23,376. This figure is estimated as the date of leaving due to redundancy and the redundancy payments do not necessarily occur in the same period.

Appendix 8 below provides an illustration of the reasons for leaving of those who left the organisation in the first 6 months of the year. This indicates that the vast majority left by way of resignation and there have been reductions in the number of dismissals and redundancies compared to last year.

## **1.2. Directorates**

The percentage of permanent contracts varies considerably by Directorate, from 75.7% in Growth, Environment and Transport (GT) to 95.3% in Strategic & Corporate Services (ST). Children, Young People and Education (CY) has the highest proportion of temporary contracts at 1.3% with the highest proportion of fixed-term contracts in Growth, Environment and Transport (GT) at 4.8%.

Children, Young People and Education (CY) and Growth, Environment & Transport (GT) have the highest proportion of CRSS contracts, which account for 14.4% (CY) and 18.3% (GT) of their workforce, though CY has reduced during the first 6 months of the year.

Year to date figures for the Directorates show that sickness levels were highest in Adult Social Care and Health (AH) at 9.97 days lost per FTE in the first half year and lowest in ST at 5.27 days lost per FTE.

Distribution across the salary bands varies significantly, with the proportion on KR6 & below ranging from 18.0% in ST to 53.9% in GT. ST has the highest proportion of staff on the higher grades (KR14 & above), 8.2%.

The twelve-month rolling turnover figure to the 30 September 2019 varied between the Directorates, from 9.8% in AH to 13.3% in CY (exc. CRSS).

Analysis of the workforce by diversity strand shows quite wide variation by Directorate. As an example, female staff account for 74.5% of the AH leadership group but 40% of GT's. Analysis of the age profile in Directorates shows CY to have the highest proportion of younger staff at 8.2% and GT to have a higher proportion of older staff at 6.4%.

## 2. **Further information**

Further information on the areas covered in this report is available in the attached appendices:

- Appendix 1 Staffing levels and Contract details
- Appendix 2 Agency staff
- Appendix 3 Salaries
- Appendix 4 Turnover
- Appendix 5 Sickness
- Appendix 6 Equalities
- Appendix 7 Equality in recruitment
- Appendix 8 Leavers by Leave reason
- Appendix 9 Schools Information

## 3. **Recommendation**

Members are asked to note the content of this report.

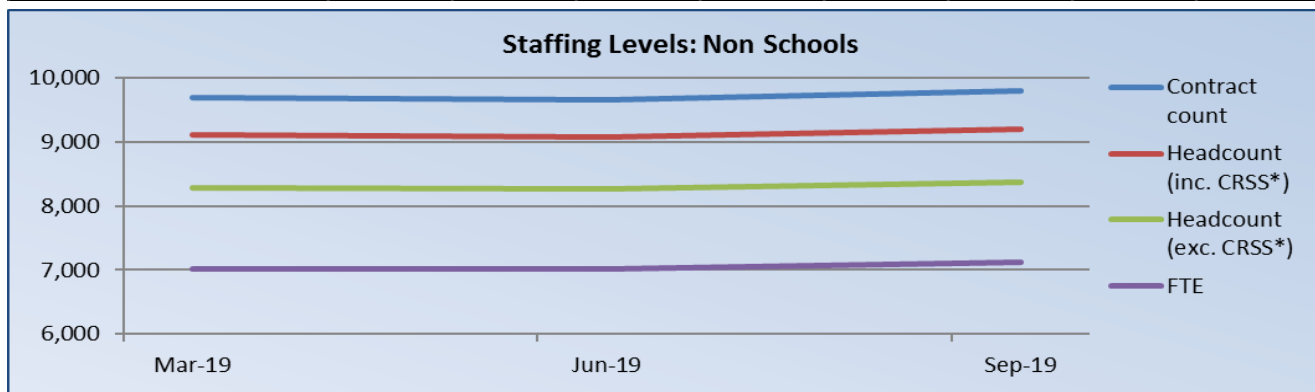
**Paul Royel**  
**Head of HR & OD**  
**Ext 416631**

**Background documents –**  
[Annual workforce profile report to Personnel Committee June 2019](#)

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## Appendix 1 – Staffing

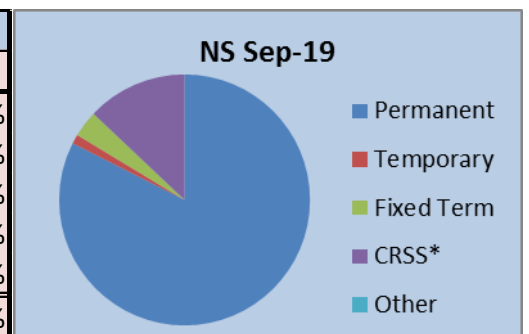
Staffing Levels: The Non-Schools Workforce								
	Mar-19		Jun-19		Sep-19		Change Mar-Sep 19	
Contract count	9,686		9,645		9,787		101	1.0%
Headcount (inc. CRSS*)	9,113		9,072		9,192		79	0.9%
Headcount (exc. CRSS*)	8,279		8,261		8,374		95	1.1%
FTE	7,015.7		7,012.5		7,128.7		113	1.6%



Staffing Levels: Directorates Workforce								
	Children, Young People and Education		Growth, Environment and Transport		Adult Social Care and Health		Strategic and Corporate Services	
	Mar-19	Sep-19	Mar-19	Sep-19	Mar-19	Sep-19	Mar-19	Sep-19
Contract count	3,397	3,637	2,217	2,217	3,282	3,148	790	785
Headcount (inc. CRSS*)	3,242	3,465	2,059	2,057	3,050	2,923	786	781
Headcount (exc. CRSS*)	2,827	3,052	1,782	1,779	2,900	2,777	777	777
FTE	2,505.5	2,710.6	1,344.1	1,351.3	2,455.1	2,353.0	710.9	713.8

## Contracts

Staff by contract type (grouped): The Non-Schools Workforce				
	Mar-19		Sep-19	
Permanent	7,997	82.6%	8,070	82.5%
Temporary	116	1.2%	117	1.2%
Fixed Term	303	3.1%	333	3.4%
CRSS*	1,270	13.1%	1,267	12.9%
Other	0	0.0%	0	0.0%
	9,686	100.0%	9,787	100.0%

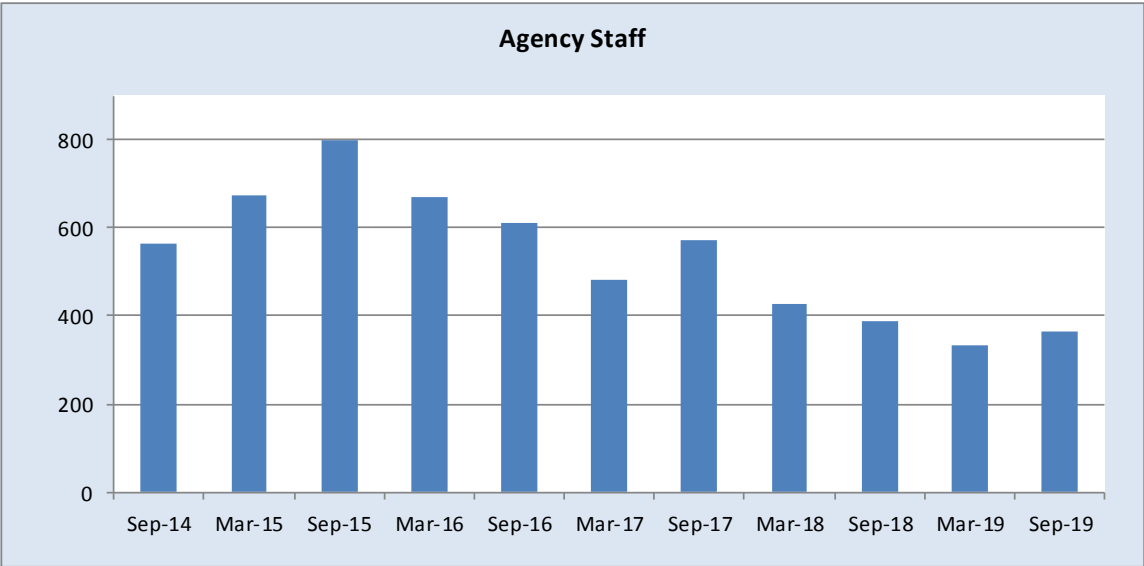


Staffing Levels: Directorates Workforce								
	Children, Young People and Education		Growth, Environment and Transport		Adult Social Care and Health		Strategic and Corporate Services	
	Mar-19	Sep-19	Mar-19	Sep-19	Mar-19	Sep-19	Mar-19	Sep-19
Permanent	80.0%	80.0%	75.4%	75.7%	87.1%	86.9%	94.6%	95.3%
Temporary	1.2%	1.3%	1.3%	1.2%	1.2%	1.1%	0.8%	0.8%
Fixed Term	3.6%	4.4%	5.1%	4.8%	1.2%	1.3%	3.4%	3.3%
CRSS*	15.2%	14.4%	18.2%	18.3%	10.4%	10.6%	1.3%	0.6%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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**Appendix 2 – Agency Staff**

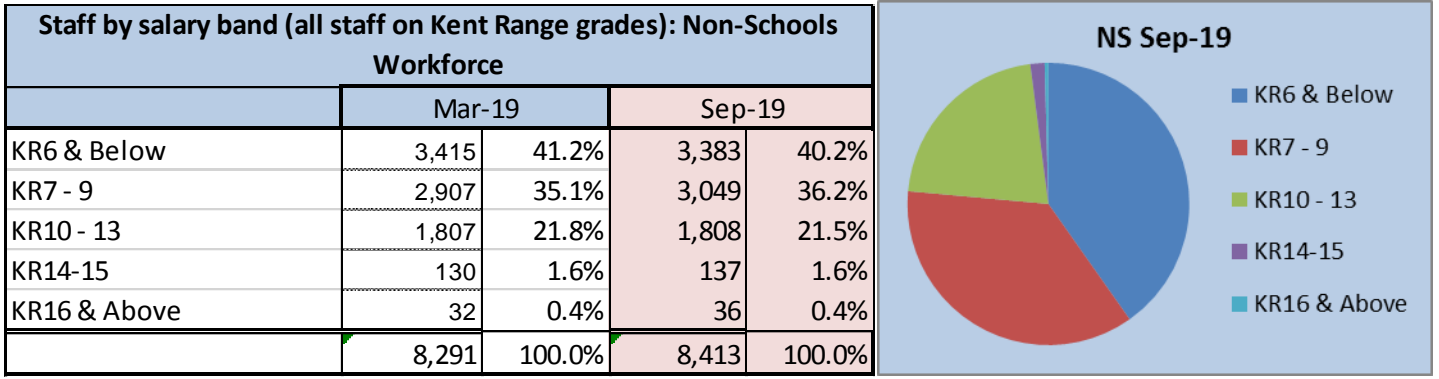
Agency Staff	
Sep-14	564
Mar-15	675
Sep-15	798
Mar-16	671
Sep-16	613
Mar-17	481
Sep-17	572
Mar-18	428
Sep-18	390
Mar-19	335
Sep-19	363



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### Appendix 3 – Salaries



<b>Staffing Levels: Directorates Workforce</b>								
	Children, Young People and Education		Growth, Environment and Transport		Adult Social Care and Health		Strategic and Corporate Services	
	Mar-19	Sep-19	Mar-19	Sep-19	Mar-19	Sep-19	Mar-19	Sep-19
KR6 & Below	31.5%	30.1%	55.5%	53.9%	47.8%	48.6%	18.4%	18.0%
KR7 - 9	41.7%	42.9%	27.4%	29.1%	35.1%	35.6%	28.6%	29.0%
KR10 - 13	25.1%	24.8%	15.8%	15.7%	16.4%	15.2%	44.1%	44.7%
KR14-15	1.6%	2.1%	0.8%	0.8%	0.6%	0.5%	6.4%	5.4%
KR16 & Above	0.1%	0.1%	0.4%	0.4%	0.1%	0.1%	2.4%	2.8%

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## Appendix 4 – Turnover

<b>Turnover (12 month rolling average): Non Schools Workforce</b>						
	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
NS Turnover (inc. CRSS)	22.4%	22.5%	18.0%	17.8%	12.0%	12.3%
NS Turnover (exc. CRSS)	21.2%	21.3%	16.5%	16.3%	11.2%	11.5%
NS Turnover (excluding CRSS) and excluding Compulsory Redundancies/Transfers	12.1%	12.1%	12.3%	12.1%	10.9%	11.2%

*\*Actual leaving reasons excluded = Compulsory Redundancy, Employee Transfer and TUPE transfer*

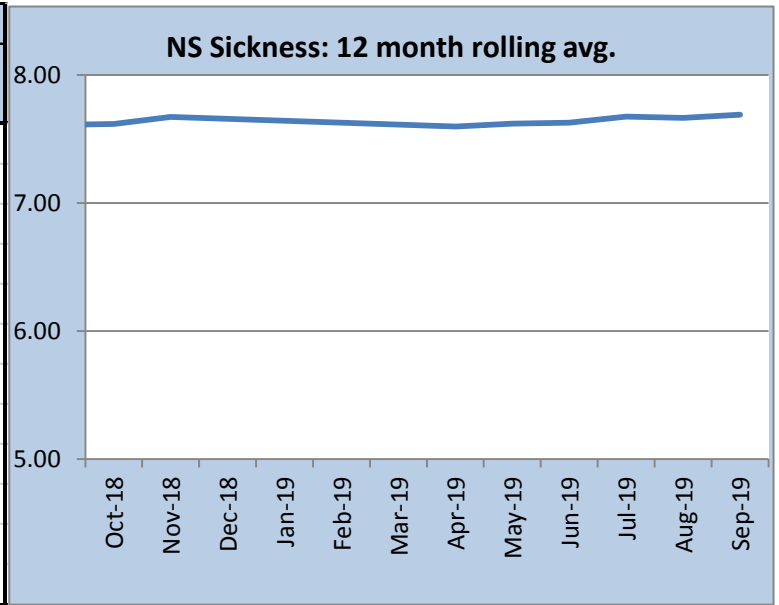
<b>Turnover (12 month rolling average): Directorates (inc. CRSS*)</b>						
	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
Children, Young People and Education (Formerly Education and Young People Services)	27.4%	28.0%	28.1%	28.1%	13.6%	13.5%
Growth, Environment and Transport	13.8%	13.6%	13.8%	13.4%	12.9%	13.2%
Adult Social Care and Health (Formerly Social Care, Health and Wellbeing)	10.8%	10.7%	11.2%	11.1%	10.1%	10.6%
Strategic and Corporate Services	64.1%	66.2%	12.1%	12.3%	11.0%	11.6%

<b>Turnover (12 month rolling average): Directorates (exc. CRSS*)</b>						
	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
Children, Young People and Education (Formerly Education and Young People Services)	26.1%	26.5%	26.8%	26.5%	13.2%	13.3%
Growth, Environment and Transport	11.3%	11.5%	11.7%	11.6%	10.9%	11.4%
Adult Social Care and Health (Formerly Social Care, Health and Wellbeing)	10.0%	10.0%	10.5%	10.4%	9.5%	9.8%
Strategic and Corporate Services	63.0%	64.4%	11.5%	11.8%	10.5%	11.0%

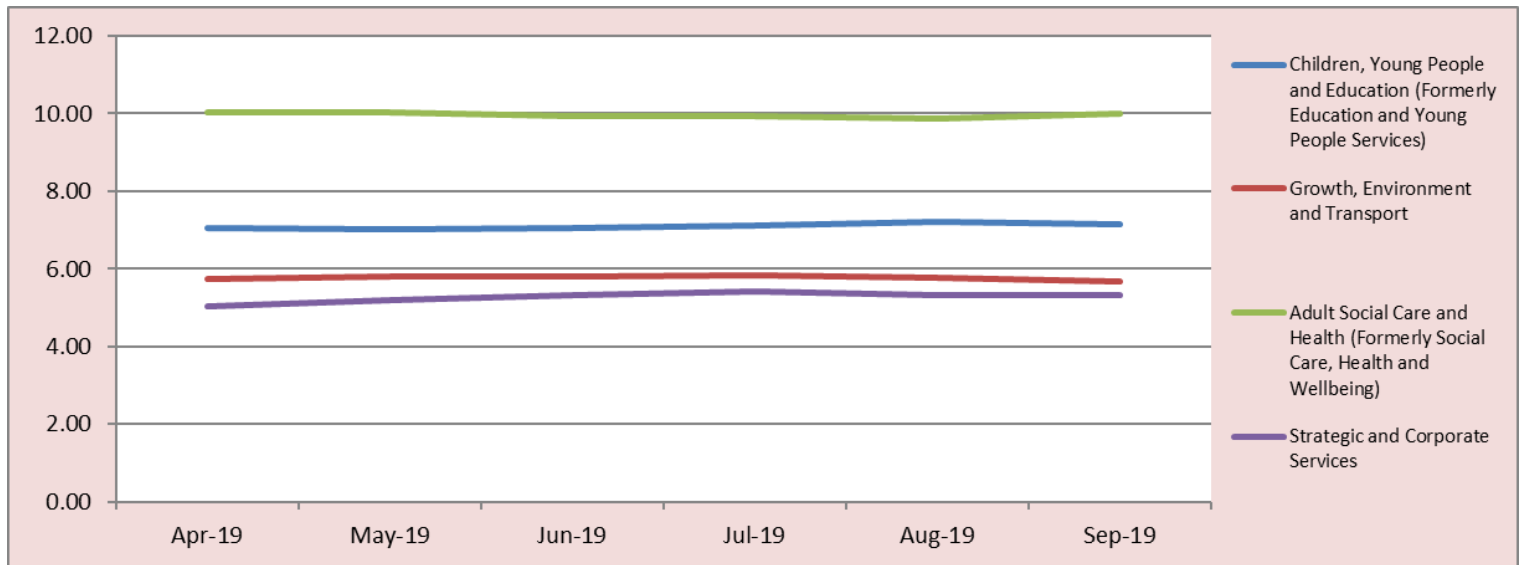
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## Appendix 5 – Sickness

Sickness (year to Sep-19): Non Schools Workforce		
Month	Days lost per FTE in month	12 month rolling average
Oct-18	0.73	7.62
Nov-18	0.74	7.67
Dec-18	0.62	7.66
Jan-18	0.77	7.59
Feb-18	0.67	7.60
Mar-18	0.63	7.56
Apr-19	0.59	7.60
May-19	0.58	7.62
Jun-19	0.53	7.63
Jul-19	0.65	7.68
Aug-19	0.59	7.66
Sep-19	0.59	7.69



Sickness (12 month rolling average): Directorates (inc. CRSS*)							
	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	YTD
Children, Young People and Education <small>(Formerly Education and Young People Services)</small>	7.07	7.03	7.05	7.11	7.20	7.14	7.10 5.77
Growth, Environment and Transport	5.74	5.80	5.80	5.84	5.76	5.69	
Adult Social Care and Health <small>(Formerly Social Care, Health and Wellbeing)</small>	10.03	10.02	9.93	9.94	9.87	10.01	9.97
Strategic and Corporate Services	5.05	5.19	5.31	5.41	5.33	5.32	5.27



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## Appendix 6 – Equalities

Equalities Performance Indicators: The Non-schools workforce				
	Non-School based staff		Leadership Group	
	Mar-19	Sep-19	Mar-19	Sep-19
% Female	79.5%	80.0%	61.6%	61.4%
% BME	8.0%	7.4%	6.5%	5.4%
% Considered Disabled	4.1%	3.8%	4.4%	4.1%
% Faith	59.1%	46.8%	63.7%	46.5%
% LGB	3.0%	2.4%	3.2%	2.2%
% Gender Reassignment	2.5%	0.7%	2.9%	0.3%

Equalities Performance Indicators: Directorates								
	Children, Young People and Education (Formerly Education and Young People Services)		Growth, Environment and Transport		Adult Social Care and Health (Formerly Social Care, Health and Wellbeing)		Strategic and Corporate Services	
	Mar-19	Sep-19	Mar-19	Sep-19	Mar-19	Sep-19	Mar-19	Sep-19
% Female	84.6%	85.8%	63.6%	63.8%	86.5%	86.4%	70.9%	70.9%
% BME	8.7%	8.3%	4.2%	3.6%	10.0%	9.4%	5.6%	5.1%
% Considered Disabled	3.4%	3.4%	4.2%	3.8%	4.5%	4.1%	4.6%	4.1%
% Faith	57.4%	46.2%	59.3%	44.4%	61.9%	50.8%	53.2%	40.9%
% LGB	2.5%	2.4%	2.8%	1.8%	3.6%	3.0%	2.8%	1.9%
% Gender Reassignment	2.3%	0.7%	3.0%	0.6%	2.9%	0.8%	1.1%	0.3%

Equalities Performance Indicators: Directorates (Leadership group)								
	Children, Young People and Education (Formerly Education and Young People Services)		Growth, Environment and Transport		Adult Social Care and Health (Formerly Social Care, Health and Wellbeing)		Strategic and Corporate Services	
	Mar-19	Sep-19	Mar-19	Sep-19	Mar-19	Sep-19	Mar-19	Sep-19
% Female	66.7%	64.9%	42.3%	40.0%	71.4%	74.5%	61.5%	61.4%
% BME	9.5%	7.2%	8.5%	8.0%	0.0%	0.0%	6.4%	5.3%
% Considered Disabled	4.7%	5.2%	2.1%	2.0%	5.5%	7.3%	4.8%	2.6%
% Faith	56.3%	40.2%	65.0%	48.0%	66.7%	52.7%	67.0%	48.2%
% LGB	2.9%	2.1%	0.0%	0.0%	9.1%	7.3%	2.2%	0.9%
% Gender Reassignment	0.0%	0.0%	33.3%	2.0%	0.0%	0.0%	0.0%	0.0%

### Age Performance Indicators:

Equalities Performance Indicators: The Non-schools workforce				
	Non-School based staff		Leadership Group	
	Mar-19	Sep-19	Mar-19	Sep-19
% aged 25 and under	6.8%	6.8%	0.0%	0.0%
% aged 30 and under	16.0%	16.0%	0.9%	0.6%
% aged 31 - 49	42.6%	42.9%	45.5%	45.9%
% aged 50 and over	41.4%	41.1%	53.6%	53.5%
% aged 65 and over	3.4%	3.7%	0.8%	0.9%

Age Performance Indicators: Directorates								
	Children, Young People and Education (Formerly Education and Young People Services)		Growth, Environment and Transport		Adult Social Care and Health (Formerly Social Care, Health and Wellbeing)		Strategic and Corporate Services	
	Mar-19	Sep-19	Mar-19	Sep-19	Mar-19	Sep-19	Mar-19	Sep-19
% aged 25 and under	8.2%	8.2%	7.4%	7.1%	5.3%	5.1%	6.3%	6.3%
% aged 30 and under	18.5%	18.5%	14.8%	14.6%	14.4%	14.2%	15.7%	16.1%
% aged 31 - 49	45.8%	46.4%	38.3%	37.8%	39.7%	39.6%	52.0%	52.8%
% aged 50 and over	35.7%	35.0%	47.0%	47.6%	46.0%	46.3%	32.3%	31.1%
% aged 65 and over	1.6%	2.1%	6.1%	6.4%	3.9%	4.4%	1.7%	1.7%

Notes:

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Leadership Group = staff on KR13 or above and £50,108 minimum salary  
 Figures exclude schools and casual relief, sessional and supply staff

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## Appendix 7-Equality in Recruitment

Equality in Recruitment Statistics (April to Sept 2019): the Non-schools workforce

Gender	Applied		Recruited	
Male	2907	26.7%	203	19.4%
Female	7993	73.3%	845	80.6%
Total	10900	100.0%	1048	100.0%

Ethnicity	Applied		Recruited	
White	8848	82.1%	942	89.3%
BME	1928	17.9%	113	10.7%
Total	10776	100.0%	1055	100.0%

Sexual Orientation	Applied		Recruited	
Heterosexual	9773	94.9%	952	95.9%
LGB	530	5.1%	41	4.1%
Total	10303	100.0%	993	100.0%

Disability	Applied		Recruited	
Disabled	481	4.5%	49	5.1%
Not Disabled	10208	95.5%	911	94.9%
Total	10689	100.0%	960	100.0%

Religion	Applied		Recruited	
Faith	5100	49.5%	509	50.4%
None	5199	50.5%	500	49.6%
Total	10299	100.0%	1009	100.0%

Age	Applied		Recruited	
25 and Under	3014	28.0%	225	21.3%
26-35	2886	26.8%	280	26.5%
36-45	2344	21.8%	238	22.5%
46-55	1858	17.2%	209	19.8%
56-65	654	6.1%	97	9.2%
Over 65	16	0.1%	7	0.7%
Total	10772	100.0%	1056	100.0%

Notes:

*Figures are for Non Schools recruitment*

*Figures are based on data provided by those applicants/staff who opted to disclose diversity information*

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## Appendix 8 – Leavers by Leaving Reason

Leaving Reason	April-September 2019
Resignation - New Employment	161
Resignation - Other	118
Retirement - Normal	68
Resignation - Personal /Domestic Reasons	52
Resignation - Career Development	25
Voluntary Redundancy	21
PR/Casual - Not Claimed in the last 12 months	20
Mutual Termination	19
End of Fixed Term Contract	18
Compulsory Redundancy	7
Contract Terminated within Probation	7
Resignation - Nature of Work	6
Voluntary Early Retirement	4
Deceased	3
Dismissal - Conduct	3
Early Retirement - Ill Health (Tier 1)	3
End of Temporary Contract	3
Termination of Supply/Sessional Staff	3
Blank	2
Resignation - Competition from other employers	2
Resignation - Conditions of employment	2
Resignation - Pay	2
Unknown	2
<b>Grand Total</b>	<b>551</b>

Note:

Analysis by leaving reason relates only to staff that have left the Authority

Non-Schools workforce: Leavers by leaving reason - April - September 2019		
Grouping	Apr-Sep 2019	Proportion
Dismissal	13	2.36%
Redundancy	28	5.08%
Resignation	368	66.79%
Retirement	75	13.61%
Transfer	0	0.00%
Other	67	12.16%

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## Appendix 9

### Schools

A total of 8 schools adopted academy status in the half year April to Sep 2019. One of which was a secondary school and the rest were primary schools. This is a slightly lower number than last year.

As of September 2019, this year there were 583 schools of which 455 are Primary, 100 are Secondary (including the 6 Pupil Referral Units) and 22 Special schools

At September 2019 there were 10,694.1 FTE school based staff.\*

*\*figure based on schools buying HR services from KCC*

Staffing Levels: Schools Workforce					
	Mar-19	Jun-19	Sep-19	Change Mar-Sep 19	
Contract count	20,170	20,016	19,806	-364	-1.8%
Headcount (inc. CRSS*)	16,586	16,497	16,408	-178	-1.1%
Headcount (exc. CRSS*)	15,302	15,232	15,167	-135	-0.9%
FTE	10,716	10,666.1	10,694.1	-22	-0.2%

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**By:** Shellina Prendergast – Cabinet Member for Communications, Engagement and People  
Amanda Beer – Corporate Director People & Communications

**To:** Personnel Committee

**Date:** 12 November 2019

**Subject:** People Strategy 2017 to 2022

**Classification:** **Unrestricted**

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**Summary:** This paper provides the second annual update on the 5-year People Strategy.

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## **1. Background**

1.1. The People Strategy was originally agreed by Personnel Committee on 3 July 2017 with a commitment to track its progress to ensure it is delivering its intended purpose.

1.2. The People Strategy sets out over a 5-year period how we will recruit, retain, develop and manage people performance, where this fits with other relevant strategies and what our 'guiding employment principles' are.

1.3. It provides a single, concise narrative for KCC as an employer for staff and managers with the 'valued and engaged employee' at the heart of the strategy.

## **2. Progress in the first 2 years**

2.1 There are 4 core components:

- Organisational Development (OD)
- Resourcing
- Workforce Health and Wellbeing
- Employment Offer

2.2 Attached in Appendix 1 is an illustration of how we are delivering against these four elements along with our diversity and inclusion objectives that underpins all of the People Strategy.

2.3 Highlights of the **OD** progress include the significant investment made in our Leadership & Management. Clear leadership capabilities have been agreed and are now routinely used as the basis for leadership development. 790 Managers participated in and received feedback on a 360-degree questionnaire. An emerging leaders programme was launched and two action learning sets made up of 12 future senior leaders were successfully facilitated and received very positive feedback from participants.

2.4 There has also been considerable progress in the development of a commissioning competency framework. In the last year we have created and launched the 'Kent Academy' for Children's and Adults' workforce. This was seen as an important development by the service Directorates and has afforded us the opportunity to pull together all the activity available to develop and retain the social care workforce and provide a flagship Academy which will help position KCC as an employer of choice in this critical profession. The work has required close working between the HR/OD team and senior leaders in CYPE and ASCH to achieve a product which meets the aspirations of all involved.

2.5 In terms of **Resourcing** our recruitment costs have reduced along with the number of agency staff in the organisation. Overall staffing numbers continue to decrease though in the last year with much fewer redundancies.

2.6 Our revised approach to performance management and enhanced employee engagement saw its first full year completed in March 2019. Early indications are that along with improved assessment levels there is a wide adoption of our 'better conversation' model for managers and staff.

2.7 On our **Employment offer** we have rationalised and enhanced annual leave for many lower graded staff, introduced a minimum salary of £9 per hour, matching the Living Wage Foundation's Living Wage.

2.8 **Health & Wellbeing** – Absence management remains a particular focus of both managers and the HR & OD function. Average days lost has slightly increased although the number of staff with absences reduced. One area of increase nationally and in our own experience has been mental health absences. This has contributed to the development of a significant plan as part of the Time to Change pledge. This is an area of work being undertaken in partnership with both managers and our recognised trades unions.

### **3. Conclusion**

3.1 The People Strategy has given the organisation a single narrative and coordinating framework for all HR & OD Policy and development activity. It also provides a strong guide for future related work given the explicit clarity of the aims and principles. This second year has seen an increasing amount of activity in each of the 4 core elements with scope and sense of direction for continued investment.

3.2 Ultimately the success of the People Strategy will be dependent upon managers performance in effectively managing people.

### **4. Recommendation**

4.1 Personnel Committee are invited to note the progress made in delivering People Strategy.

**Paul Royel**  
**Head of HR & OD**  
**416631**

**Background documents:** Personnel Committee 13 November 2018  
Personnel Committee 3 July 2017



**People Strategy Evaluation**

Delivering the People Strategy for our workforce means that they are have the skills, motivation, flexibility and innovation to provide services and find solutions wherever necessary. Our collective workforce is central to our success and is fundamental to developing the organisation that is transformed and fit for the future. As an employer, we encourage creativity, imagination, support and recognise excellent performance. In addition, we seek to increase flexibility, leadership, innovation and collaboration. Each of the sub-strategies within the People Strategy work together with their cumulative impact being greater as a result.

**Outcomes:**

- Show the effect of the People Strategy in practice.
- Demonstrate the integration and cumulative impact of the sub strategies using quantitative and qualitative information sources:

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<b>Resourcing</b>	<b>Employment Offer</b>	<b>Health &amp; Wellbeing</b>	<b>Organisation Development Plan</b>
<p><b>Outcomes:</b></p> <ol style="list-style-type: none"> <li>1. Finding and keeping the people we need.</li> <li>2. Helping people progress to meet future requirements.</li> <li>3. Enhancing employee engagement to increase retention and drive better results.</li> </ol> <p><b>Achieved through:</b></p> <ol style="list-style-type: none"> <li>a. Revised approach to managing performance building on the manager/employee</li> </ol>	<p><b>Outcomes:</b></p> <ol style="list-style-type: none"> <li>1. KCC offers a range of employee benefits, policies and support which work for both KCC and employees within the context of organisational priorities.</li> <li>2. Within the Employment Offer there is ‘something for everyone’, underpinned with as much flexibility, relevance and choice as</li> </ol>	<p><b>Outcomes:</b></p> <ol style="list-style-type: none"> <li>1. Improved Employee Engagement.</li> <li>2. Decreased sickness absence.</li> </ol> <p><b>Achieved through:</b></p> <ol style="list-style-type: none"> <li>a. Targeting services with high sickness absence</li> <li>b. Implementation of extensive mental health programme.</li> <li>c. Developing managers to support staff’s health &amp; wellbeing.</li> </ol>	<p>We continue to deliver the Medium-Term OD Plan which clearly sets out how we will improve workforce capacity and capability to deliver transformation and service change. The Plan outlines the key strategic workforce priorities:</p> <ul style="list-style-type: none"> <li>▪ Workforce Planning</li> <li>▪ Leadership and Management</li> <li>▪ Workforce Development</li> <li>▪ Building Capacity and Capability</li> <li>▪ Managing Change and Continuous Improvement</li> </ul> <p>For the purpose of this update we will</p>

<p>relationship to focus on delivery, aspirations and continuous improvement.</p> <p>Staff performance levels indicate a rise in attainment as the number of people who receive a higher appraisal rating has increased over the period. This is aided by the increasing number of eLearning courses and face to face training events which have taken place. This indicates that the capability of the workforce is increasing which is being recognised through the Total Contribution approach to managing performance. The number of capability cases relating to poor performance has also decreased which also indicated that general performance is improving.</p> <p><b>b) Recruitment</b></p> <ul style="list-style-type: none"> <li>• 373:1150 internal to external – Currently, one quarter of appointments are filled by internal candidates.</li> </ul> <p>Since the introduction of the People Strategy 2016/17 to 2018/19 (3 years of data): -</p> <ul style="list-style-type: none"> <li>• Average cost per advert</li> </ul>	<p>possible.</p> <p>3. Each employee understands what KCC Employment Offer is, what is expected from them in return, feel valued by the organisation and treated as an individual.</p> <p><b>Achieved through:</b></p> <p>a. Fairer and more equitable leave arrangements agreed for introduction April 2019. This delivered a rationalisation of the annual leave provision, with the number of levels reduced and the majority of employees, particularly in front facing roles and lower graded benefiting from an extra day's leave. This is intended KCC to foster a more supportive approach which is fairer and more inclusive.</p> <p>b. Using the 10<sup>th</sup> anniversary of Kent Rewards to promote both the site as a way of finding out about the wider employment package and the discounts available to employees.</p> <p>c. Broadening the range of topics which managers should discuss during the</p>	<p>d. Conversational practice tool to encourage trusted conversation regarding health &amp; wellbeing.</p> <p>e. Authority wide awareness communication programme.</p> <p>In terms of measuring improvements in engagement there are two indicators which establish a baseline and also tell us the impact in relation to health and wellbeing is having on levels of engagement. There were some specific wellbeing questions in the staff survey and, also, we cut the survey results to match indicators that Robertson Cooper (one of the founders is the current CIPD president) use to demonstrate resilience in terms of wellbeing and engagement. The approach looks at resilience in relation to staff's adaptability, confidence, purposefulness and support. The answers given by respondents were very positive and range from 79% of the people felt that they were and had scope to be adaptable to 65% feeling a sense of purposefulness in their</p>	<p>focus on activity conducted around three strategic areas; Leadership and Management, Building Capacity and Capability and Workforce Development.</p> <p><b><u>Leadership &amp; Management Strategy – Year One Achievements</u></b></p> <p><b>Outcome:</b> Leaders and managers role model the leadership capabilities to drive transformation and improved performance &amp; effectiveness</p> <p><b>Stream A - Development</b> 360 assessment rolled out on our leadership capabilities to 790 managers, with 5326 respondents providing feedback. The amalgamated feedback demonstrated we have the right leadership capabilities and a comprehensive development programme has been introduced to assist managers in developing their leadership capabilities further.</p> <p>In Year One of the leadership strategy we deliberately concentrated on our senior leaders, KR13 and above and all Kent Managers. One of the guiding principles of our leadership strategy is "<i>leadership for all</i>". We have recently launched the Emerging Leaders programme, enabling the wider workforce to make</p>
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<p>using our external agency, TMP, has halved.</p> <ul style="list-style-type: none"> <li>• Number of agency staff has fallen from 481 to 335 and the agency spend has also reduced as the portion of staffing budget 6.9% to 5.6%.</li> <li>• Proportionately more people with a disability are hired increasing from 2.8% to 3.8%.</li> <li>• Proportionately fewer BME candidates applied (20.4% to 17.6%), however numbers appointed fell less 11.7% to 10.7%.</li> <li>• Other protected characteristics data with respect to applications, shortlisting and hiring changed less than 10% over the timeframe. Transgender data is only available from this year, however there is a consistent percentage at each stage of the recruitment process accounting for 2.4% of appointments.</li> <li>• Although actual numbers are low, there is a proportionate increase in</li> </ul>	<p>year to include understanding and using the Employment Offer to best advantage.</p> <p>d. Offering market premium payments and reviewing their effect in specific business areas.</p> <p>The Market Premium Policy enables KCC to make additional payments for example where roles are hard to recruit to. Payments are made primarily to recognise a shortfall in pay compared to the wider market therefore addressing recruitment and retention difficulties. Given the size of the Authority, there are only a small proportion of individuals who receive these payments outside of the key group of Social Workers.</p> <p>e. Designing the Kent Scheme pay structure to retain competitiveness against National Living Wage (NLW) and National Joint Council (NJC) rates.</p> <p>For the first time KCC has matched the Voluntary Foundation Living wage which gave a disproportionate increase to the lowest paid employees. This means that the minimum Kent Scheme starting salary is £17,368, which offers a greater fairness and equity.</p>	<p>employment.</p> <p>In relation to the My Wellbeing section of the survey 75% of respondents strongly agreed or agreed with the questions. The really strong indicators that made up this result related to how people are supported by their team and that they are clear about the aims and visions that they work too.</p> <p><b>Absence</b></p> <p>Since the introduction of the strategy, sickness absence as represented by days lost per fte has increased slightly by 0.5 of a day. However, the underlying trend is for the number of people off sick throughout a year to have fallen and the corresponding number of days lost to have dropped by a third.</p> <p>With regards the top two reasons for absence we have seen a drop in the number of days lost to musculoskeletal of about 40% whilst mental health has increased by about 12%. More targeted work is planned with teams to address these two areas of sickness absence. Also, KCC has a significant plan in place, as part of the Time to Change pledge, to support improvements</p>	<p>sense of what it means to be a leader within KCC and provide the opportunity to discover more about the possible routes for developing leadership capabilities within KCC.</p> <p><b>Stream C – Action Learning</b></p> <p>Two action research questions were agreed by the Directors OD Group around innovation (maximising our investment in technology) and resilience. 12 future senior leaders were identified to participate in this new programme to develop their leadership practice, connecting with peers across formal boundaries. Feedback both in terms of insight provided on the action research questions and the perceived benefits of our leaders working across formal boundaries to work on strategic organisational challenges was highly positive. Delegates recorded the five-month programme as being “extremely rewarding” and “a privilege to work with peers across directorates”. Insights gathered from the technology group are being taken forward within the business change programme.</p> <p><b><u>Workforce Planning Strategy</u></b></p> <p><b>Outcome:</b> KCC has future succession plans in place to ensure we have the right workforce, with the</p>
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<p>appointments for the over 65 age group 0.4% to 2.2%, however there is a fall in the number of people appointed who are under 20, from 5.0% to 3.4%.</p> <p><b>c) Resourcing</b></p> <ul style="list-style-type: none"> <li>Staffing levels have followed a downward trend over the period, from 7,609 to 7015 FTE.</li> <li>The number of contract types have remained roughly constant when looked at proportionately, with the exception for temporary. This has fallen from 2.9% to 1.2% over the period.</li> <li>There has been a slight increase in the proportion of people with less than one year's service which is offset by a slight reduction in those who have 5-9 years' service.</li> <li>There was a significant drop in the number of redundancies in 2018/19 (38) compared to the previous years (138 and 130).</li> <li>Transfers were a major reason for leavers (844 people) mostly accounted for by TEP and Cantium being established.</li> </ul>	<p>Over the past 2 years, proportionately there are fewer people in the KR6 and below grade range.</p>	<p>in mental health amongst its workforce and decrease absence due to mental illness as a result.</p>	<p>right skills at the right time needed to deliver our strategic outcomes</p> <p>We continue to deliver of the ten-point workforce planning action plan and have recently sourced a system solution to provide corporate oversight of workforce planning activity, with implementation due by the end of the financial year. We continue to use the Apprenticeship Levy and alignment to Professional and Workforce Development to ensure staff are developed into roles identified through succession planning.</p> <p><b><u>Building Capacity and Capability</u></b></p> <p><b>Outcome:</b> Improved capacity and capability by investing in our people to acquire the right skills, knowledge and competencies, at the right time, enabling them to perform and excel in their role to deliver excellent future proofed services for the people of Kent.</p> <p><b>Commissioning Authority</b> Strategic Delivery Plan Activity 67 sets out the requirement for a commissioning competency framework that will give staff the skills they need to deliver best practice, whilst ensuring that KCC develops the capacity of all staff involved in any</p>
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<ul style="list-style-type: none"><li>• Proportionately, there has been a downward trend in people retiring, 10.4% to 6.6%, over the past 2 years.</li><li>• Underlying turnover remains reasonably constant around an average of 11.8% for the 3 years.</li></ul>			<p>aspect of commissioning. As an organisation wide framework, we continue to work in partnership across all OD groups and directorates to gather insights and perspectives, ensuring the final product is representative of conversations and seen as one co-created across KCC.</p> <p>Alongside this workstream, we are working in conjunction with the Commissioning Academy to delivery priority development programmes covering; commercial judgement, trusted partnership working and evidence-based decision making.</p> <p><b>Project Management</b> There is an identified need to advance our maturity in understanding the discipline and importance of better business cases and to build capacity in this area, especially for complex and high-risk key change activities included within our SDP. Briefing sessions have been held across the organisation to deliver on this workstream, with a session planned for extended CMT in October. Within this session, we will be raising awareness and understanding of the role of the Sponsor/SRO to ensure the business case develops successfully to both ensure the right projects are taken forward and improved benefits</p>
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			<p>realisation.</p> <p><b><u>Workforce Development</u></b></p> <p><b>Outcome:</b> Managers and staff have improved skills, knowledge, confidence and the mindset to deliver KCC's strategic priorities to the public</p> <p><b>Digital Skills</b> Introduction of a workforce development offer using innovative learning approaches, to ensure that employees at every level of the organisation have the digital skills, confidence and commitment to adopt a digital first approach.</p> <p><b>The Kent Academy for Children's and Adults' workforce.</b> Our Learning and Development Team (L&amp;D) have held various stakeholder workshops across both ASCH and CYPE to ascertain requirements and views on creating the design and content of the portal for The Kent Academy. It has been agreed that we have one Academy approach, with Adults' and Children's having their own areas for their specific content within the portal. It has been agreed that the Leadership and Management, Resources, and Community faculties will be shared.</p>
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			<p>A formal launch is being planned for late March/early April.</p> <p><b>Strategic Development frameworks</b>  We continue to offer a full range of on demand workforce development programmes, housed within our strategic development frameworks: Health and Safety, 0-25, Adults and Leadership and Management. 2018/19 saw 67,524 eLearning programmes completed and 801 face to face workshops. This is an increase of 44% from the previous years. Evaluation data pulled together from our L&amp;D team shows learning outcomes have been 100% met or exceeded, demonstrating the expertise and knowledge of our L&amp;D team in procuring and ensuring the quality of development offered.</p>
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### Diversity & Inclusion

#### Outcomes:

1. KCC will be an inclusive employer.
2. KCC has a diverse workforce.
3. KCC will use staff's views and opinions to inform employment practices and how services are designed and delivered.

#### Achieved through:

- KCC has seen, over a number of years, its workforce become increasingly diverse Over the last three years KCC's workforce has shown a growth in the percentage of the workforce from particular protected characteristics, to current proportions of BAME (8%), female (79.5%) and LGB (3%). In terms of age the proportion of staff aged 50 and over (41%) has increased slightly whilst the proportion of staff under 30 years (16%) has fallen slightly.

- The leadership group (KR13+) presents a slightly different picture. A significant majority of this group are female, although lower than the KCC figure (61%), or are between 50 and 65 years (53%). The other proportions of this group are the same as the overall workforce (disability, LGB) or lower (BME).
- In relation to how our profile compares to the population of Kent the proportion of women who work for KCC is significantly greater than the proportion of females living in Kent (51%). The proportion of BME staff employed by the Authority (8%) is greater than the population (6.3%). The one area where we are not as reflective of the population is disability. The figures for the population of Kent are about 17%. However, not all of these people will be, or are able to be, economically active. KCC's figure shows that 4% of the workforce identifies as disabled. We know this figure is low for a number of potential reasons: people choose not to provide the information to KCC, people have conditions that classify as a disability and don't know that or have a condition that classifies but don't see themselves as disabled. We have some more work to do to recruit more disabled people but also to improve our data
- What these indicators tell us is that during the period of the People Strategy KCC is felt to be, by its workforce, making progress towards being an inclusive employer where many people's experience of the organisation is positive. However, there are areas for improvement which are known and are being addressed.
- Also, in terms of how inclusive the organisation has become since the People Strategy in relation to how people are rewarded through KCC's performance management system we have seen a similar profile across the ratings for all protected characteristics compared to the KCC norm. Although part time staff's profile still doesn't correspond in the way we would wish. Having improved from year 1 of the People Strategy KCC's gender pay gap has slipped back in year 3 to where it started.
- Over the last three years KCC has worked with its Staff Groups to help improve how employee voice is heard. This augments the work that is being done on good conversational practice that aims to ensure all voices are heard. There are some positive results from the staff survey in relation to how people engage with their team but more needs to be done on how they engage with the corporate agenda.



**By:** Shellina Prendergast – Cabinet Member for Communications, Engagement and People  
Amanda Beer – Corporate Director People and Communications

**To:** Personnel Committee

**Date:** 12 November 2019

**Subject:** Employee Relations Casework Activity

**Classification:** **Unrestricted**

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**SUMMARY:** This report updates Personnel Committee on employee relations case work activity for the period 1 April 2019 to 30 September 2019.

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## 1. INTRODUCTION

- 1.1 Personnel Committee receives regular reports on discipline, capability and resolution activity which provide an overview of the distribution of cases. This report updates the Committee on activity for April 2019 – 30 September 2019.
- 1.2 The details of recent activity are provided in the context of a continuing focus on KCC managers leading and supporting performance management. The use of our new conversational approach enables the identification of any issues earlier than may have been the case in previous years. The ongoing investment in management development sets out the expectations and accountabilities of a manager and these are confirmed and reinforced in the Operating Standards which set out the Authority's expectations of managers.

## 2. CASE ANALYSIS

- 2.1 Appendix 1 shows the volume of activity so far this year across the various types of employee relations casework. Ill health; poor performance and disciplinary cases are all showing an upward trend and, if current levels of activity are maintained in the second half of the year, the number of cases will exceed those in the previous year.
- 2.2 The greatest volume of cases so far in the year, as has the case for the previous 3 years, are those concerning ill health. If this level of activity continues, the full year effect will see the highest number of ill health cases for some years. The HR Team has continued to support and develop managers to ensure that they identify and can deal with these types of cases. The higher figure is indicative of managers taking a more proactive approach to formalising the process when informal activity has been unsuccessful.
- 2.3 The potential whole year increase in disciplinary cases suggests managers are taking a more robust approach to managing conduct issues.

- 2.4 Resolution cases are projected to be higher than last year. This is generally to be expected with higher levels of disciplinary activity and when managers take more robust action over dealing with performance and conduct issues.
- 2.5 Poor performance cases are showing a similar number to 2018 – 19 and less than previous years. This continues to illustrate managers being successful in resolving performance issue through informal means rather than needing to resort to a formal process.
- 2.6 The number of Employment Tribunal cases against KCC still remains relatively few for an organisation of its size. Of the claims between April and September 2019, 2 were settled and 4 are still outstanding. This will in part be attributable to the robust business focused, risk aware advice provided by KCC's HR Advisers in liaison with their Invicta Law colleagues.

### 3. DISMISSAL APPEALS HEARD BY SENIOR OFFICERS

- 3.1 Appeals against dismissal (other than staff in probation) are managed through HR and arranged with the support of the Challenger Group, which has resulted in this task being better distributed across the management population.
- 3.2 Two dismissal appeals were heard by senior officers between 1 April and 30 September 2019. The table below illustrates the distribution between Directorates, case type and outcomes. All appeals were unsuccessful.

Directorate	No. of Appeals	Case Type	Outcomes
Children, Young People & Education	1	1 x Disciplinary Dismissal	Appeal not upheld
Adult Social Care and Health	1	1 x Disciplinary Dismissal	Appeal not upheld
<b>TOTAL</b>	2		Appeals not upheld

### 4. RECOMMENDATIONS

- a) Personnel Committee notes the report of employee relations activity including senior officer appeals hearings.

**Paul Royel**  
**Head of HR&OD**  
**Ext 416631**

## APPENDIX 1

April 2016 - March 2017

	<i>Total</i>
Appeals	11
Appeals (Dismissal)	8
Capability - Ill Health	146
Capability - Other	10
Capability - Poor Performance	70
Disciplinary	122
Resolution	20
Resolution - Bullying/Harassment	9
Early Conciliation	1
Employment Tribunal	12
<b>Grand Total</b>	<b>409</b>

April 2017 - March 2018

	<i>Total</i>
Appeals	16
Appeals (Dismissal)	9
Capability - Ill Health	133
Capability - Other	7
Capability - Poor Performance	62
Disciplinary	118
Resolution	21
Resolution - Bullying/Harassment	4
Early Conciliation	1
Employment Tribunal	7
<b>Grand Total</b>	<b>378</b>

April 2018 - March 2019

	<i>Total No.</i>
Appeals	10
Appeals (Dismissal)	5
Capability - Ill Health	186
Capability - Other	4
Capability - Poor Performance	46
Disciplinary	133
Resolution	45
Resolution - Bullying/Harassment	8
Early Conciliation	2
Employment Tribunal	5
<b>Grand Total</b>	<b>444</b>

April 2019 - September 2019

Case Type	<i>Total No.</i>
Appeals	2
Appeals (Dismissal)	2
Capability - Ill Health	118
Capability - Other	1
Capability - Poor Performance	29
Disciplinary	89
Resolution	18
Resolution-Bullying/Harassment	15
Early Conciliation	3
Employment Tribunal	6
<b>Grand Total</b>	<b>283</b>

### Total Workforce Numbers

Mar-16    **10311**

Mar-17    **9917**

Mar-18    **9813**

Mar-19    **9113**



**By:** Shellina Prendergast – Cabinet Member for Communications, Engagement and People  
Amanda Beer – Corporate Director People & Communications

**To:** Personnel Committee **Date:** 12 November 2019

**Subject:** Introduction of a Shared Cost Salary Sacrifice Additional Voluntary Contribution Scheme

**Classification:** Unrestricted

**Summary:** This paper provides an overview of a shared cost AVC scheme and how it could provide savings to both employees and the County Council. In order to offer such a scheme a change is required to our current LGPS discretions.

## 1. **BACKGROUND**

- 1.1 KCC currently utilises an Additional Voluntary Contribution Scheme (AVC) which is a feature of the Local Government Pension Scheme (LGPS). This enables scheme members to build up their pensions benefits for retirement by paying AVCs by way of tax-free deduction through payroll. This amount is invested separately from the main LGPS pension benefit.
- 1.2 The LGPS has a provision within its regulations to allow the employer to also contribute to an employee's AVC arrangement. This is known as a 'Shared Cost' AVC (SCAVC) which can be provided through a salary sacrifice arrangement.
- 1.3 Under such a 'shared' arrangement the Council will agree to pay an employee's chosen contribution amount to their AVC fund and, in return, the employee agrees to enter a salary sacrifice arrangement under which he/she accepts a reduction in their gross salary which equals the contribution amount. There is no direct additional cost to the employer. In addition, the employee is required to pay a fixed £1 a month as their individual contribution to the Shared Cost AVC arrangement.
- 1.4 Salary sacrifice schemes for AVCs are approved by the HMRC.

## 2. **OVERVIEW OF THE SCHEME**

- 2.1 In addition to the 'tax-free' deduction, participating employees would also benefit from a National Insurance Contribution (NIC) saving on their AVC. An example is given in Appendix 1. The employer would gain NIC savings on the total amount of salary sacrificed.
- 2.2 Advantages of implementing shared cost AVCs:
- It allows KCC to offer a new employee benefit.

- It helps staff make more of their salary.
- It offers a saving to the Council.
- Communications when launching such a benefit will generate an increased awareness about financial wellbeing.
- It provides an opportunity for managers to discuss wider wellbeing as part of our conversational practice expectation of managers with their staff.

### **3. LGPS Regulations**

- 3.1 The authority is required to state how it chooses to utilise employer discretions allowed within the LGPS provisions. Currently, KCC has the provision: -

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

‘KCC will not operate a SCAVC for employees’

- 3.2 This provision would need to be amended in order to enable the salary sacrifice scheme to be introduced for the reasons outlined in 2.2 to positively enhance our employment offer and encourage staff to make provision for their retirement.

- 3.3 If Committee were to agree a change to the LGPS employer discretions the following provision could be used:

‘The Council will pay SCAVC contributions where an employee has elected to pay AVCs by salary sacrifice. The amount of these employer SCAVC contributions will not exceed the amount of salary sacrificed by the employee. This is a Council discretion which is subject to the employee meeting the conditions for the acceptance into the salary sacrifice shared cost AVC scheme and may be withdrawn or changed at any time’.

### **4. POTENTIAL SAVINGS and COSTS**

- 4.1. Currently 146 people contribute to AVCs, £460k through Prudential and £36k via Standard Life totalling £496k per year.
- 4.2. Compared to some other authorities, the percentage of participation in AVC’s is low. There is an opportunity to promote the new and more beneficial scheme which could increase numbers significantly which would positively improve both employee engagement and financial wellbeing.
- 4.3. There is a cost for the communication, marketing and administration of the scheme which would be undertaken by the external provider, however this is taken from the employer NI savings. This is 4.5% of the contributions made by the employee. There is therefore a shared incentive as the more staff participating results in a greater saving for the council, more income for the provider and more saved by employees.

### **5. EQUALITY IMPACT ASSESSMENT**

- 5.1 A high level Equality Impact Assessment has been undertaken and indicates that no further action is required. By the nature of this provision, it is seeking

to enhance all LGPS member's ability to increase their pension benefits independent of any protected characteristic. A copy of which is attached at Appendix 2.

**6. CONCLUSION**

- 6.1 KCC has the opportunity to introduce an enhancement to a current employee benefit, which saves money for both employees and the council.

**7. RECOMMENDATION**

- 7.1 Personnel Committee note the value of introducing a shared cost salary sacrifice scheme as a worthwhile extension of the employee benefits provision.
- 7.2 Personnel Committee agree to amend the employer discretion in the pension regulations to enable the introduction of the scheme with the wording outlined in 3.3.

**Paul Royel  
Head of HR & OD  
Ext. 416631**

## **Appendix 1**

The following illustration is intended to explain how the Shared Cost AVC scheme works:

If an employee is earning £25,000 a year and agrees to sacrifice £1,200 of their salary which the Council will pay into the employee's AVC fund, the employee saves an additional 12% (£144) as they do not pay NICs on the amount of the salary sacrifice. This saving can either be further invested into the AVC or taken as increased income.

The Council will also benefit by saving 14.3% (£171.60) as a result of not paying employer NICs (13.8%) and apprenticeship levy, (0.5%), 4.5% (£54) would be claimed by the external provider leaving a net saving of 9.8% (£117.60) to KCC.



**Kent County Council  
Equality Analysis/ Impact Assessment (EqIA)**

**Directorate/ Service: Strategic and Corporate Services**

**Name of decision, policy, procedure, project or service:** Implementation of a salary sacrifice shared cost AVC scheme

**Responsible Owner/ Senior Officer:** Paul Royel

Version	Author	Date	Comment
0.1	Louise Zilliox	04.10.19	

**Pathway of Equality Analysis:**

-Personnel Committee on 12<sup>th</sup> November 2019

**Summary and recommendations of equality analysis/impact assessment.**

- **Context**

KCC currently offers employees, who are LGPS members, access to an AVC benefit scheme. KCC deducts the amount specified by the employee and pays that sum to the AVC provider (for KCC this is Prudential, Standard Life or Equitable Life). This gives employees the ability to increase their pension benefits at retirement. It is also an efficient way to save for retirement because AVCs attract full tax relief.

In accordance with the LGPS rules and regulations, the employer can also contribute to the employee's AVC fund. This is called a shared cost AVC (SCAVC) scheme. Such a scheme can be provided through a salary sacrifice arrangement. Under a salary sacrifice shared cost AVC (SSSCAVC) arrangement the employer agrees to pay the employee's specified contribution amount to their AVC fund and the employee agrees to reduce their gross salary by an amount equal to their contribution amount. In addition, the employee pays a fixed £1 per month as their individual contribution.

- **Aims and Objectives**

KCC plans to introduce a salary sacrifice shared cost AVC scheme for all employees.

The scheme is advantageous to both the employee and the employer. Employees who pay income tax and National Insurance Contributions (NICs) do not pay tax or NICs on the amount salary sacrificed. So, the SSSCAVC differs to the standard AVC scheme because it enables employees to save on NICs in addition to tax, thus increasing their take-home pay. The employer benefits from NIC savings on the total amount of salary sacrifice.

This is an opportunity to enhance our Employment Offer, one of the components of our People Strategy, which helps to attract, engage and retain employees.

In addition to savings, there are wider positive impacts of introducing the scheme:

- It will provide an opportunity to promote the full Employment Offer to managers and employees, which will increase awareness of the range of benefits.
- It will aid the promotion of conversational practice, helping managers to discuss financial wellbeing with their team members.
- The new benefit will help to promote financial wellbeing which has a beneficial impact on wellbeing generally.
- It will help KCC to address issues raised in the Staff Survey 2018 around pay and benefits.

- **Summary of equality impact**

**Adverse Equality Impact Rating** **Low**

**Attestation**

I have read and paid due regard to the Equality Analysis/Impact Assessment concerning the implementation of a salary sacrifice shared cost AVC scheme. I agree with risk rating and the actions to mitigate any adverse impact(s) that has /have been identified.

**Head of Service**

Signed:

**AS BELOW**

Name:

Job Title:

Date:

**DMT Member**

Signed:



Name:

Paul Royel

Job Title:

Date:

**Part 1 Screening**

**Could this policy, procedure, project or service, or any proposed changes to it, affect any Protected Group (listed below) less favourably (negatively) than others in Kent?**

**Could this policy, procedure, project or service promote equal opportunities for this group?**

Protected Group	Please provide a <u>brief</u> commentary on your findings. Fuller analysis should be undertaken in Part 2.			
	High negative impact EqIA	Medium negative impact Screen	Low negative impact Evidence	High/Medium/Low Positive Impact Evidence
Age			<p><b>Low</b></p> <p>The scheme is open to any employee who is an LGPS member. LGPS regulations require members to be under 75 years old. 0.2% of KCC's workforce is 74-79 and fewer than 10 people are 80-84.</p> <p>AVC members can choose their level of contribution so AVCs are just as accessible to people on lower grades as they are for those on higher grades.</p>	<p>This is scheme will potentially benefit all employees who are LGPS members, providing them with both tax and NI savings. Anyone can choose to make AVCs to increase their pension benefits upon retirement.</p>

Protected Group	Please provide a <u>brief</u> commentary on your findings. Fuller analysis should be undertaken in Part 2.			
	High negative impact EqIA	Medium negative impact Screen	Low negative impact Evidence	High/Medium/Low Positive Impact Evidence
<b>Disability</b>			<p>Low</p> <p>The scheme is open to any employee who is an LGPS member.</p> <p>AVC members can choose their level of contribution so AVCs are just as accessible to people on lower grades as they are for those on higher grades.</p> <p>Through the procurement process KCC will require that the online system to set up the AVC scheme is compliant with the Web Content Accessibility Guidelines (WCAG) 2.1 AA standard, in line with KCC's</p>	<p>This is scheme will potentially benefit all employees who are LGPS members, providing them with both tax and NI savings. Anyone can choose to make AVCs to increase their pension benefits upon retirement.</p>

			<p>requirements under the Public Sector Bodies (Websites and Mobile Applications) Accessibility Regulations 2018 and the Equality Act 2010.</p> <p>Any reasonable adjustments to ensure that the AVC workshops are accessible to everyone will be agreed.</p>	
<b>Sex</b>			<p>Low</p> <p>The scheme is open to any employee who is an LGPS member.</p> <p>AVC members can choose their level of contribution so AVCs are just as accessible to people on lower grades as they are for those on higher grades.</p>	<p>This is scheme will potentially benefit all employees who are LGPS members, providing them with both tax and NI savings. Anyone can choose to make AVCs to increase their pension benefits upon retirement.</p>

Protected Group	Please provide a <u>brief</u> commentary on your findings. Fuller analysis should be undertaken in Part 2.			
	High negative impact EqIA	Medium negative impact Screen	Low negative impact Evidence	High/Medium/Low Positive Impact Evidence
<b>Gender identity/ Transgender</b>			<p>Low</p> <p>The scheme is open to any employee who is an LGPS member.</p> <p>AVC members can choose their level of contribution so AVCs are just as accessible to people on lower grades as they are for those on higher grades.</p>	<p>This is scheme will potentially benefit all employees who are LGPS members, providing them with both tax and NI savings. Anyone can choose to make AVCs to increase their pension benefits upon retirement.</p>
<b>Race</b>			<p>Low</p> <p>The scheme is open to any employee who is an LGPS member.</p> <p>AVC members can choose their level of contribution so AVCs are just as accessible</p>	<p>This is scheme will potentially benefit all employees who are LGPS members, providing them with both tax and NI savings. Anyone can choose to make AVCs to increase their pension benefits upon retirement.</p>

			to people on lower grades as they are for those on higher grades.	
<b>Religion and Belief</b>			<p>Low</p> <p>The scheme is open to any employee who is an LGPS member.</p> <p>AVC members can choose their level of contribution so AVCs are just as accessible to people on lower grades as they are for those on higher grades.</p>	<p>This is scheme will potentially benefit all employees who are LGPS members, providing them with both tax and NI savings. Anyone can choose to make AVCs to increase their pension benefits upon retirement.</p>
<b>Sexual Orientation</b>			<p>Low</p> <p>The scheme is open to any employee who is an LGPS member.</p> <p>AVC members can choose their level of contribution so AVCs are just as accessible to people on lower</p>	<p>This is scheme will potentially benefit all employees who are LGPS members, providing them with both tax and NI savings. Anyone can choose to make AVCs to increase their pension benefits upon retirement.</p>



			grades as they are for those on higher grades.	
<b>Pregnancy and Maternity</b>			<p>Low</p> <p>The scheme is open to any employee who is an LGPS member.</p> <p>AVC members can choose their level of contribution so AVCs are just as accessible to people on lower grades as they are for those on higher grades.</p>	<p>This is scheme will potentially benefit all employees who are LGPS members, providing them with both tax and NI savings. Anyone can choose to make AVCs to increase their pension benefits upon retirement.</p>
<b>Marriage and Civil Partnerships</b>			<p>Low</p> <p>The scheme is open to any employee who is an LGPS member.</p>	<p>This is scheme will potentially benefit all employees who are LGPS members, providing them with both tax and NI savings. Anyone can choose to make AVCs to increase their pension benefits upon retirement.</p>
<b>Carer's Responsibilities</b>			Low	<p>This is scheme will potentially benefit all</p>

			<p>The scheme is open to any employee who is an LGPS member.</p> <p>AVC members can choose their level of contribution so AVCs are just as accessible to people on lower grades as they are for those on higher grades.</p>	<p>employees who are LGPS members, providing them with both tax and NI savings. Anyone can choose to make AVCs to increase their pension benefits upon retirement.</p>
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## **Part 2**

### **Equality Analysis /Impact Assessment**

#### **Protected groups**

Any AVC scheme, including a shared cost salary sacrifice AVC scheme, is only open to employees who are members of the LGPS. Every employee under the age of 75 years old has an opportunity to join the LGPS when they start working for KCC. If they choose not to be a member of the LGPS they can opt in at any time and are automatically enrolled every 3 years (and they opt out if they continue to not to wish to be a member).

The negative impact on protected groups of implementing a shared cost salary sacrifice is low.

#### **Information and Data used to carry out your assessment**

Please note that equality data relating to carer responsibilities is not available. However, given that the scheme is open to any employee who is a LGPS member and that AVC members can choose their level of contribution (so not just aimed at higher earners), implementing the scheme will not negatively affect carers.

#### **Analysis**

No protected group is negatively affected by implementing a shared cost salary sacrifice scheme. The scheme is open to any employee who is a LGPS member and that AVC members can choose their level of contribution (so not just aimed at higher earners).

#### **Adverse Impact,**

No adverse impact has been identified. KCC will ensure that employees with a disability will be able to access information about the scheme and will be able to access the application process and customer support line. Adjustments will be offered to people attending the AVC workshops/webinars. Through the procurement process, KCC will ensure that the online application system and customer helpline are accessible.

#### **Positive Impact:**

This scheme will potentially benefit all employees who are LGPS members, providing them with both tax and NI savings. The scheme is a way for employees to increase their pension benefits upon retirement.

### **JUDGEMENT**

- **No major change** - no potential for discrimination and all opportunities to promote equality have been taken

#### **Internal Action Required                      NO**

There is potential for adverse impact on particular groups and we have found scope to improve the proposal...

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of the Local Government Act 1972.

Agenda Item 12

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