

By: Eric Hotson – Cabinet Member for Corporate and Democratic Services
Amanda Beer – Corporate Director People and Communications

To: Personnel Committee **Date:** 4 June 2019

Subject: **Total Contribution Pay Equality 2018/19**

Classification: Unrestricted

Summary: This paper provides an overview of the appraisal distribution profile and equality analysis for the 2018/19 outturn.

1. BACKGROUND

- 1.1 KCC operates an approach to performance management whereby individuals are assessed annually to establish the level of their personal contribution. For those who undergo a formal assessment, there are four ratings each with a different percentage pay award.
- 1.2 The percentage award indicates the rate of increase within the individuals grade up to its maximum.
- 1.3 The overall pay bill increase is agreed by County Council as part of budget setting.
- 1.4 Moderation of individual assessments is undertaken at a Directorate and organisational level.

2. OVERVIEW OF THE APPRAISAL DISTRIBUTION OUTCOME

- 2.1 The table below shows the anticipated and communicated appraisal distribution profile, actual outcome for 2018/19 and the pay award for each assessment level.

Rating	Anticipated Distribution range	Actual Outcome 2018 / 19	Pay Award
Outstanding	Circa 5%	5.5%	4.6%
Excellent	30-40%	31.7%	3.3%
Successful	55-65%	61.1%	2.4%
Performance Improvement Required (PIR)	Circa 5%	1.6%	0%

- 2.2 The overall results are comparable to last year and show an increase in the proportion of people who are rated as Excellent or Outstanding, 37.2% compared to 36.5% last year.

3. HOW THE ANALYSIS IS PERFORMED

- 3.1 The Directorate breakdown of results is given in Appendix 1. Actual numbers are illustrated in the first table with percentages rather than absolute figures in the rest of the tables to make comparison simpler.
- 3.2 The analysis was based on 7,997 assignments and did not include those rated as 'Not Assessed'. There were fewer people in this category than in previous years because of the changes made to the process.
- 3.3 The directorate specific figures relate to the directorate in which the assignment now sits, rather than the directorate in which the rating was earned prior to restructuring.

4. ANALYSIS

- 4.1 **Directorate** – Across KCC 37.2% of employees received a rating of Excellent or Outstanding, more than last year's figure of 36.5%. Growth Environment and Transportation (GET) and Strategic and Corporate Services (ST) have higher appraisal ratings than Adult Social Care and Health (ASCH) and Children Young People and Education (CYPE).
- 4.2 **Grade** – The grade level profile is similar to last year and there remains an increased likelihood of a higher appraisal rating for people on a higher grade.
- 4.3 **Gender** – There does not appear to be a significant difference between the sexes, as 38.2% of males were rated as either Excellent or Outstanding compared with last year 36.2%; the figure for females 37%, is also an increase on the previous year, but was just 0.4% higher. Although the results for men and women are similar, the proportion of men rated as either PIR or outstanding compared to both women and to last year's results have risen.
- 4.4 **BME** – There were small movements of between 0.5%–1.5% across categories for both the BME and White groups in the Ethnicity results, indicating no significant differences from the previous year's return. People within the BME category are more likely to be rated as Successful (75.5%) compared with White (59.4%) or Not Known (66.3%). This is consistent with last year.
- 4.5 **Disability** – There was a 2.5% increase in the number of people with a disability rated as Outstanding and a 2.1% increase in those rated as PIR. People who have stated that they have a disability are as likely to be rated as Outstanding as people who have not, however are less likely to be rated as Excellent.
- 4.6 **Belief** – Within the Religious Belief category, those choosing not to disclose any specific commitment (20.3% of staff), there is a shift of 4.5% away from the Successful measure, to show a rise of 3% and 1.3% for the Excellent and Outstanding ratings respectively. People who state that they have no belief

are the most likely to have higher appraisal ratings. Out of the overall population only 40 people do not have a recorded entry for belief. This helps give context to explain why there is a small proportion of people in this category who are rated as Excellent.

- 4.7 **Sexual orientation** – It appears that heterosexuals have a higher proportion of higher appraisal ratings, however this needs to be treated with caution statistically as there is a relatively small number of people in the “Bisexual/Gay/Lesbian” group.
- 4.8 **Gender reassignment** – This has been included for the first time as numbers, although low, have risen. It is not possible to draw any statistically reliable conclusion from the results.
- 4.9 **Age** – People in the 26-49 year old age band are more likely to have a higher appraisal rating and this is consistent with last year, however those who are in the oldest age band, 65 plus are more likely to receive a Successful rating.
- 4.10 **Part-time** – There was an increase of approximately 1% in the number of both part-time and full-time staff with higher appraisal ratings compared to last year. The ‘excellent’ rating has seen a significant increase for part-time staff and a reduction for full-time staff.
- 4.11 **Full/Part-time by directorate** – ST remains the directorate with the lowest gap of 2.3% (previously 6.3%) for higher appraisal ratings between full-time and part-time workers. All directorates show the gap reducing from the previous year, except for CYPE which remained the same at 10.8%. ASCH and CYPE have more part time people rated as PIR (4.1% and 3.3% respectively).

5. **CONCLUSION**

- 5.1 Overall the outturn is consistent with previous years. There is a prevailing shift within the distribution profile to move to higher appraisal ratings within the anticipated range.
- 5.2 Although a difference remains between full time and part time employees, the difference has reduced. Opportunities have been and continue to be taken to remind managers to set action plans fairly and objectively considering the individual’s opportunity to deliver, and performance is assessed in the same way. This is a fundamental part of the new approach to managing performance and is supported by appropriate guidance.

6. **RECOMMENDATION**

- 6.1 Personnel Committee note the outturn and the continued progress to the representative appraisal distribution profile.

Paul Royel
Head of HR & OD
Ext. 416631