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Bristol City Council Minutes of the Human Resources Committee

17 January 2019 at 10 am



Members Present:-

Councillors: Jon Wellington (Chair), Harriet Bradley, Richard Eddy, Gary Hopkins, Paula O'Rourke, Ruth Pickersgill, Jo Sergeant

Officers in Attendance:-

Mark Williams (Head of Human Resources), John Walsh (Director: Workforce & Change), Mark Jefferson (Analytics Adviser), Steph Griffin Head of Internal Communications and Organisational Development, Steve Gregory (Democratic Services)

1. Welcome, Introductions and Safety Information

The Chair welcomed all parties to the meeting and introductions were made.

Members of the Resources Scrutiny Commission had been invited to attend in respect of agenda item 8 Performance Management & Career Progression and agenda item 9 Avon Pension Fund annual report. In attendance were Councillors Steve Pearce, Donald Alexander, Clive Stevens and Stephen Clarke. Apologies had been received from Councillors John Goulandris, Graham Morris and Afzal Shah.

2. Apologies for Absence

No apologies were received.

3. Declarations of Interest

With regard to agenda item 9 Pension Fund annual report, Councillor Ruth Pickersgill informed the Committee that she was in receipt of a pension from the fund. Councillor Jo Sergeant declared that her partner was a member of Brunel Pension Partnership.

4. Minutes of the previous meeting

Resolved – That the Minutes of the previous meeting held on 8 November 2018 be agreed as a correct record and signed by the Chair subject to the addition of the following resolution to Minute No. 12 'Resolved - That the annual salary for the Director: Adults Social Care be approved'.

5. Public Forum

None received.

6. Work Programme.

The Work Programme was noted.

7. Pay Policy Statement

The Committee received a report from the Head of Human Resources in respect of the Council's Pay Policy Statement for 2019/20 which, under the Localism Act 2011, local authorities were required to agree and publish a pay policy statement annually before the start of the financial year.

The Committee particularly noted that –

1. Pay ranges for Executive Directors and Directors were proposed to remain at the 2018/19 levels. The pay of Executive Directors and Directors would be reviewed each year through the Pay Policy Statement;
2. It was not proposed to apply a 2% cost of living pay award to the pay of Directors and Executive Directors for 2019/20;
3. The Council had become an accredited Living Wage Employer;
4. The Council had worked with the trade unions to reform its pay structure and that a new pay spine had been agreed and would be implemented from 1st April 2019.

In response to questions and arising from discussion the following key points were made –

1. The Council paid the Foundation Living Wage which was above the statutory minimum wage;
2. The hourly rate for Apprentices employed by the Council was lower than the Living Wage due primarily to historical reasons however this could be looked at again if the Council wished;
3. The Pay Policy Statement had not changed significantly from last year but had been updated;
4. The Living Wage had contributed to compressing pay differentials and there was ongoing discussions with the Trade Unions to find a solution to mitigate this;
5. With regard to Directors Pay it was noted that the appointment of a new Head of Paid Service raised the median pay level, following a request for more information on this the Head of Human Resources agreed to provide the data behind this to members. There was also a discussion on whether the Interim Executive Director for Growth and Regeneration costs should be included in the calculation of median pay. The Head of Human Resources explained that this was not included as the Interim Executive Director was not an employee and had been appointed via an agency on a daily rate.

On being put to the vote there were 5 in favour and two against the Pay Policy Statement 2019/20.

Resolved – that Full Council be recommended to approve the Pay Policy Statement 2019/20.

8. Performance Management and Career Progression

The Committee received a presentation about proposals to replace the existing performance management

system and develop a performance management culture.

The Committee was advised that -

1. The licence for the current performance management system was due to end on 31st March 2019;
2. There were a number of off-line and different performance processes used;
3. The current system provided limited means to evaluate the quality of individual performance management or to use the outputs in a meaningful way;
4. The current system was limited regarding the extent to which employees were being held accountable for achieving against objectives and equally there were limited consequences, positive and/or negative, for individuals from the outputs of the process;
5. While some services had developed good practice in the use of the system, it was inconsistently applied across services.

The proposed new system would –

1. Integrate part of the new HR and Payroll system with a single sign-on;
2. Capture feedback on how reviewees demonstrated the values and where appropriate, leadership standards;
3. Give real-time reporting of where each individual was in the review process;
4. Produce progress reports for managers, teams, directorates and the organisation as a whole;
5. Alert reviewees and reviewers to help complete the process on time;
6. Provide a functionality that would allow individuals and managers to collect evidence throughout the year and update their progress;
7. Use tools and features that analysed the data collected during the review;
8. Give flexibility to set joint objectives for a team.

It was noted that the process had been designed by staff led user groups from across the Council.

The presentation also outlined other steps being taken to develop a strong performance culture and ensure all colleagues had access to a quality conversation about their objectives, performance and development needs.

These include:

- Corporate Leadership Board are leading the implementation
- User groups from across the organisation have been at the centre of the design of the new system and process
- There is a comprehensive communications and training plan to support colleagues and managers with the process, helping them to have good quality, effective conversations
- The new system will be integral to day to day management
- There will be real-time management information to report on compliance levels
- It will be a key performance requirement for all managers to complete reviews in their service area

- The review process also includes discussions on learning and development needs for personal development plans
- The annual employee engagement survey will measure the quality of the reviews

In response to questions and arising from discussion the following key points were made –

1. Performance would be measured using a combination of numerical and narrative based analysis;
2. Training and coaching for the new system had been integrated into the Leadership Development Programme;
3. Confidence for the success of the new system was high as it had received clear support from the Corporate Leadership Board and had the real benefit of user group input;
4. Good quality performance reviews should improve morale and this would be monitored through staff surveys;
5. It was essential that the new system was kept under proactive review to ensure it met its objectives of significantly improving interactions between Managers and their respective teams;
6. It was envisaged that the performance of Managers would also be evaluated on a 360 degrees basis so that staff could comment on how they are being managed, it was confirmed that a pilot user group were currently working on this component of the system;
7. Performance Management would be linked to Key Performance Indicators and include the golden thread from Corporate Strategy, Service Plans and individual objectives ;
8. Members would be able to see the new system at the next Committee meeting;
9. Real time monitoring was a function to ensure compliance with use of the system and would not be intrusive on the content of the reviews.

Resolved – that progress to date be noted and that a report and demo of the new performance system be reported to the next Human Resources Committee.

9. Avon Pension Fund – Annual report 2017/18 (*Information item*)

The Committee received an information report on the current status of the Avon Pension Fund as at 2017/18.

In response to questions and arising from discussion the following key points were made –

1. The purpose of the Avon Pension Fund being a member of the Brunel Pension Partnership was to make significant savings anticipated to be in the order of millions of pounds. It was also in line with government guidelines for improving the infrastructure of pension funds;
2. Risk Management was an ongoing feature of the Fund, it was noted that one of the biggest investment risks related to Equities;
3. The increase in deferred members between 2016 and 2017 was most likely due to the number of local authorities restructuring services to align with current budget restrictions;
4. Investment in low carbon initiatives was a goal of the Pension Fund however financial considerations

had to be given equal status. In pursuance of this the Fund would continue to invest in companies with the goal of influencing their respective policies toward a lower carbon and more sustainable future with the goal of increasing their market value at the same time.

The Committee noted the Avon Pension Fund – Annual report 2017/18.

10. Exclusion of the Press and Public

Resolved – that under Section 100 (4) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 1 of Part 1 of Schedule 12A of the Act (as amended).

11. Confidential pay-related matter

The Committee considered a report proposing a pay increase to the top end of a level 2 Director post. It was noted that part of the funding for this would be met through ring-fenced licensing income.

The Committee gave full regard to the information in the report.

On being put to the vote it was unanimously –

Resolved – that the increase in pay for the level 2 Director post, as proposed, be not approved.

12. Appointment of Executive Director – Growth & Regeneration

The Committee received a report from the Director Legal and Democratic Services following a request from Councillor Paula O'Rourke, Vice-chair of the Human Resources Committee, regarding the processes which had been followed for an appointment to the role of Interim Executive Director – Growth & Regeneration.

The Committee gave full regard to the information in the report.

On being put to the vote it was unanimously –

Resolved –

- 1. That the Chair of the Human Resources Committee, in liaison with the Director Legal and Democratic Services, write to the Head of Paid Service requesting that the post of Executive Director – Growth & Regeneration be advertised for recruitment with immediate effect;**
- 2. That the views of the Human Resources Committee, regarding the processes which had been followed for the appointment to the role of Interim Executive Director – Growth & Regeneration, be raised with the Chair, Vice-Chair and Independent Member of the Audit Committee.**

Meeting ended at 12.30 pm

CHAIR _____