

Notice of Meeting

People, Performance and Development Committee



SURREY
COUNTY COUNCIL

Date & time
Thursday, 24
November 2016
at 10.00 am

Place
Members' Conference
Room, County Hall,
Kingston upon
Thames, KT1 2DN

Contact
Andrew Baird
Room 122, County Hall
Tel 020 8541 7609

Chief Executive
David McNulty

andrew.baird@surreycc.gov.uk



We're on Twitter:
@SCCdemocracy

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This meeting will be held in public. If you would like to attend and you have any special requirements, please contact Andrew Baird on 020 8541 7609.

Members

Mr David Hodge (Chairman), Mr Peter Martin (Vice-Chairman), Mr Ken Gulati, Mr Nick Harrison, Ms Denise Le Gal and Mrs Hazel Watson

Ex Officio:

Mrs Sally Ann B Marks (Chairman of the County Council) and Mr Nick Skellett CBE (Vice-Chairman of the County Council)

AGENDA

1 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

2 MINUTES OF THE PREVIOUS MEETING [27 OCTOBER 2017]

(Pages 1
- 10)

To agree the minutes as a true record of the meeting.

3 DECLARATIONS OF INTEREST

All Members present are required to declare, at this point in the meeting or as soon as possible thereafter

- (i) Any disclosable pecuniary interests and / or
- (ii) Other interests arising under the Code of Conduct in respect of any item(s) of business being considered at this meeting

NOTES:

- Members are reminded that they must not participate in any item where they have a disclosable pecuniary interest
- As well as an interest of the Member, this includes any interest, of which the Member is aware, that relates to the Member's spouse or civil partner (or any person with whom the Member is living as a spouse or civil partner)
- Members with a significant personal interest may participate in the discussion and vote on that matter unless that interest could be reasonably regarded as prejudicial.

4 QUESTIONS AND PETITIONS

To receive any questions or petitions.

Notes:

1. The deadline for Member's questions is 12.00pm four working days before the meeting (*18 November 2016*).
2. The deadline for public questions is seven days before the meeting (*17 November 2016*).
3. The deadline for petitions was 14 days before the meeting, and no petitions have been received.

5 ACTION REVIEW

(Pages
11 - 18)

To review the Committee's Actions Tracker.

6 PAY POLICY STATEMENT 2016 - 2017

(Pages
19 - 36)

The People, Performance and Development Committee is invited to recommend to Full Council that the attached Pay Policy Statement for 2016 for publication on the Council's external website.

This report is being brought to the People, Performance and Development Committee as Surrey County Council's Remuneration Committee in accordance with the Scheme of Delegation contained within the Constitution of the County Council.

7 APPRAISAL COMPLETION REPORT FOR FINAL APPRAISALS CARRIED OUT IN 2016 (TO COVER PERFORMANCE IN 2015/16) (Pages 37 - 40)

To provide the People, Performance and Development Committee with an update on the final completion rates for appraisals undertaken in 2016 and covering performance from 1 April 2015 to 31 March 2016.

8 HIGH PERFORMANCE DEVELOPMENT PROGRAMME (Pages 41 - 56)

This report provides an update to the Committee on outcomes following the external evaluation of the High Performance Development Programme. This followed a request from Members to understand the return on investment from the programme agreed by Cabinet in May 2014.

9 DATE OF NEXT MEETING

The next meeting of People, Performance and Development Committee will be on 26 January 2017.

David McNulty
Chief Executive

Published: Wednesday, 16 November 2016

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Thank you for your co-operation

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MINUTES of the meeting of the **PEOPLE, PERFORMANCE AND DEVELOPMENT COMMITTEE** held at 10.00 am on 27 October 2016 at Committee Room C, County Hall, Kingston upon Thames, Surrey KT1 2DN.

These minutes are subject to confirmation by the Committee at its meeting on 24 November 2016.

Elected Members:

- * Mr David Hodge (Chairman)
- * Mr Ken Gulati
- * Mr Nick Harrison
- * Ms Denise Le Gal
- * Mrs Hazel Watson

* = In attendance

Apologies:

Mr Peter Martin

In Attendance

Ken Akers, Head of HR & OD
Dominic Forbes, Planning & Development Group Manager
Mark Irons, Head of Customer Services

106/16 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]

Apologies were received from Peter Martin.

John Furey acted as a substitute for Peter Martin.

107/16 MINUTES OF THE PREVIOUS MEETING [26 SEPTEMBER 2016] [Item 2]

The Committee requested that a note be circulated to the People, Performance and Development Committee containing the final appraisal completion figures following the deadline for services to complete staff appraisals on 31 October 2016.

Concerns were raised regarding the Voicemail Mystery Shopper Exercise undertaken by the Customer Services Team the results of which were annexed to the minutes of the previous meeting. Members stated that the outcomes of the exercise demonstrated that the majority of staff within Surrey County Council (SCC) did not adhere to the Council's Voicemail Policy. Members stressed the importance of officers having a clear and up-to-date voicemail message which includes details of an alternative contact for when they are out of the office. The ability of Members to contact officers in order to deal with Residents' questions and concerns is crucial to the Council delivering on its corporate priority of achieving good customer service. The Head of Customer Services tabled an updated set of results at the meeting which are attached to these minutes as Annex 1. He highlighted that the

results were only a dip sample from across the organisation and so it was not possible to draw conclusions on overall adherence to the Voicemail Policy but stated the results demonstrated that staff needed to be reminded of the importance of following the Voicemail Policy.

The Head of Customer Services asked the People, Performance and Development Committee to lend its support to efforts aimed at reinforcing the message to staff regarding the Council's Voicemail Policy. A letter for staff drafted by the Head of Customer Services which highlighted the importance of adhering to the Council's Voicemail Policy was tabled at the meeting and is attached to these minutes as Annex 2. The Committee was advised that the contents of the letter had been informed by learning into research on behavioural insights and was designed to nudge staff members into adhering to the Policy. Members felt that a strongly worded letter should be directed to managers reminding them to ensure that their line reports have answer phone messages which accord with the Voicemail Policy. The Committee specified that this should come from the Chief Executive and highlight that progress on applying the Voicemail would be monitored by the People, Performance and Development Committee (PPDC).

The Head of HR & OD was asked how many apprentices SCC would be required to employ following the introduction of the Government's Apprenticeship Reforms. Members were informed that early indications had suggested that it would be between 170 and 200 apprentices but that confirmation on the final figures would be released by Central Government shortly.

The minutes were agreed as a true record of the meeting.

Actions/ further information to be provided:

1. The Head of HR and OD to circulate a note to Committee Members on Tuesday 1 November detailing the Council's position in regard to the number of completed appraisals across SCC.
2. The Head of Customer Services to send a communication on behalf of the Leader to reinforce the importance of adherence to the Council's telephone and voicemail policy and to inform ELT that PPDC will be monitoring compliance in future.

108/16 DECLARATIONS OF INTEREST [Item 3]

There were none.

109/16 QUESTIONS AND PETITIONS [Item 4]

There were none.

110/16 ACTION REVIEW [Item 5]

Declarations of interest:

None

Witnesses:

None

Key points from the discussion:

- The Committee was advised that Cabinet discussions on establishing an All Member Briefing on the Behaviours Framework had not taken place on 18 October 2016 due to other matters arising and the Regulatory Committee Manager was asked to inform the Head of Democratic Services that she go ahead and set up with the All Member Briefing without input from Cabinet.

Actions/ further information to be provided:

None

RESOLVED: To;

note the Actions Tracker.

111/16 APPRAISAL UPDATE REPORT 2015/16 [Item 6]**Declarations of interest:**

None

Witnesses:

Ken Akers, Head of HR & OD

Key points raised during the discussion:

- Clarification was sought on Recommendation i as it was felt that the wording could lead to some confusion in regard to when the Chief Executive's Direct Reports meeting took place. The Committee agreed that the word 'held' should be inserted before 'in September' in the last line of the Recommendation.
- Members raised some concerns that the use of percentages to determine how many people within a given service should be rated 'Exceptional' against those rated 'Successful' and those rated 'Requires Improvement' could be restrictive and that there could be more flexibility within the distribution of appraisal ratings to ensure that there are no adverse effects on staff. The Head of HR & OD responded by stating that the new Pay and Rewards Strategy was in its first year of operation and that it was inevitable that there would be some initial challenges to overcome in relation to it. The Committee was further advised that the Chief Executive was closely involved in monitoring the implementation of the Pay & Reward Strategy particularly in relation to appraisal ratings so that any initial teething problems arising from the strategy were addressed.

Actions/ further information to be provided:

None

RESOLVED: That the People, Performance and Development Committee notes that:

- i. the services whose individual combined total of the performance levels 'exceeds expectations' and 'outstanding' was 10 per cent or greater provided their rationale to their directors for discussion at the Chief Executive's Direct Reports (CEDR) meeting in September; and
- ii. CEDR accepted the rationale and recommended actions to be embedded in each service to raise the standard of performance of those achieving 'exceptional' and ensure consistency across the organisation. CEDR request that:
 - a. their definition of 'exceptional' 'successful' and 'improvement needed' be used across the organisation;
 - b. every service creates standards that are in line with the three point performance scale and recommended target of five per cent of employees achieving 'exceptional';
 - c. services work with their teams to ensure a common understanding of the level of performance expected within the organisation;
 - d. a process is adopted that cross references objectives set for staff so they have equitable expectations and clear standards that can be compared in a straight forward way at moderation; and
 - e. for HR&OD to embed these actions within organisational policies and guidance.

112/16 PROPOSAL TO INTRODUCE A PROFESSIONAL DEVELOPMENT PROGRAMME WITHIN THE ENVIRONMENT AND INFRASTRUCTURE DIRECTORATE [Item 7]

Declarations of interest:

None

Witnesses:

Dominic Forbes, Planning & Development Group Manager
Ken Akers, Head of HR & OD

Key points raised during the discussion:

- An introduction to the report was provided by the Group Manager, Planning and Development who highlighted the rationale behind the proposal to introduce a Professional Development Programme for specialist roles within the Environment & Infrastructure (E&I) Directorate. SCC is finding it increasingly challenging to recruit and retain specialist staff within E&I due to competition from a number of other private and public sector organisations which was compounded by a national skills shortage particularly in relation to engineering. There were a number of largescale infrastructure projects in the pipeline for the South of England over the next few years including HS2 and Crossrail 2 both of which would put further pressure on the capacity of E&I to recruit and Retain Staff.

- Members were informed that the Professional Development Programme would improve the capacity of E&I to recruit and retain staff within engineering and other specialist roles by offering a clearly defined career path. Despite the additional expenditure associated with putting staff members through professional development courses and training programmes, the proposals were cost neutral as the aim was to recruit staff on lower pay grades and develop their skills and experience through the Professional Development Programme. Additional savings would also be achieved through a reduction in expenditure on agency staff.
- The Committee drew attention to the Project Management Course at the University of Brighton and asked whether SCC was still putting members of staff through this course. The Planning and Development Group Manager confirmed that some staff were still going through this programme and also highlighted that a couple of staff members within E&I had been placed on a course Chichester College.
- The Planning and Development Group Manager was asked to provide the Committee with details of what SCC's current offer is for staff within specialist and engineering roles in order to provide a comparison with what competitor organisations offer. Members were advised that in general SCC's offer for graduates was good but that the lack of a clearly defined career path was harming E&I's ability to retain key staff. The lack of a welcoming bonus and expensive living costs in Surrey were also having an adverse impact on the capacity of E&I to recruit staff. The Planning and Development Group Manager stated that he would circulate full details of the pay and benefits packages offered to staff in engineering and specialist roles within the E&I Directorate.
- Members drew attention to the lack of affordable for key frontline staff and the impact that this was having on recruiting staff across the Council as many people were unwilling to work for SCC due to the high cost of living and the comparatively low wages compared to those offered for similar positions within local authorities in London. It was suggested that the Council could purchase property through a capital loan which it could then rent at a comparatively cheap rate to key workers across the organisation. The Committee requested that the Head of HR & OD should coordinate with the relevant heads of service to explore the possibility of purchasing property for this purpose following which a report should be provided to PPDC.
- The Planning and Development Group Manager was asked whether the introduction of the Professional Development Programme would lead to a reduction in productivity and quality of work as a result of hiring staff with less experience. He responded by stating that employing staff with less experience would have an inevitable impact on teams within E&I but that the alternative was not having these positions filled at all. The Committee was advised that it was also important for SCC to offer a pay and benefits package that would encourage staff to remain within the organisation once they had completed they were fully skilled-up.

Actions/ further information to be provided:

1. Senior Managers within the E&I Directorate should draw up proposals for what a welcome bonus for staff joining the Directorate would be structured and brought back for consideration by PPDC once this had been completed.
2. Head of HR & OD along with relevant heads of service to draw up proposals for ways in which the Council could invest in property for

housing frontline staff who would be otherwise unable to afford the cost of accommodation in Surrey

3. PPDC to receive details of the current offer that the Directorate has for engineering and other specialist roles.

RESOLVED: That;

the People, Performance and Development Committee approve the introduction of a Professional Development Programme within the Environment and Infrastructure Directorate (E&I) that provides set pay progression for candidates undertaking specific professional training schemes.

113/16 EXCLUSION OF THE PUBLIC [Item 8]

RESOLVED: That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information under the relevant paragraphs of Part 1 of Schedule 12A of the Act.

114/16 PAY POLICY EXCEPTIONS OCTOBER 2016 [Item 9]

Declarations of interests:

None

Witnesses:

Ken Akers, Head of HR & OD

Key points raised during the discussions:

The Head of HR & OD introduced the report. The Committee asked a number of questions which were responded to by the officers present before moving to recommendations.

Actions/ further information to be provided:

1. The Head of HR & OD to work with the Cabinet Member for Businesses Service to draft a letter regarding adherence to the Council's information governance policies for officers and Members.
2. The Head of HR & OD to provide confirmation to the Committee that the intention is to delete the SEND Strategic Lead role following the taking on of additional responsibilities by Julie Stockdale.

RESOLVED:

The Committee approved the recommendations set out in the confidential.

115/16 PUBLICITY OF PART 2 ITEMS [Item 10]

It was agreed that the information in relation to the Part 2 items discussed at this meeting would remain exempt.

116/16 DATE OF NEXT MEETING [Item 11]

The Committee noted that its next meeting would be held on 24 November 2016.

Meeting ended at: 11.20am

Chairman

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People, Performance and Development Committee
24 November 2016

Action Review

Purpose of the report:

For Members to consider and comment on the Committee's actions tracker.

Introduction:

An actions tracker recording actions and recommendations from previous meetings is attached as **Annex A**, and the Committee is asked to review progress on the items listed.

Recommendations:

The Committee is asked to monitor progress on the implementation of actions from previous meetings (Annex A).

Report contact: Andrew Baird, Regulatory Committee Manager

Contact details: 020 8541 7609, andrew.baird@surreycc.gov.uk

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ONGOING ACTIONS

Number	Meeting Date	Item	Recommendation / Action	Action by whom	Action update
A36/16	30 June	Surrey County Council Behaviours Framework Launch and Plan for Embedding into the Organisation	The Cabinet Member for Business Services and Resident Experience to ask the Member Development group to consider how the Behaviours Framework can be used to improve customer service delivery among County Councillors.	Democratic Services Lead Manager	<p>A Cabinet informal briefing was scheduled for 18 October to organise an all Member Seminar for sharing the behaviours framework with Members and discuss how they can be used to improve customer service. Discussions on the seminar had to be postponed, however and so, at its meeting on 27 October, the Chairman of PPDC asked that the Senior Manager, Cabinet & Member support go ahead and plan the seminar.</p> <p>(Updated: 27 October 2016)</p>
A42/16	26 September 2016	Apprenticeship Reforms	The Head of HR & OD to provide the Committee with the number of full time equivalent (FTE) employees there are at Surrey County Council.	Head of HR & OD	<p>A note was sent to the Committee on 15 November stating that there are 23 071 Full time Equivalent Employees working at Surrey County Council – 7255 non-schools and 15816 schools.</p> <p>(Updated: 15 November 2016)</p>
A43/16	26 September 2016	Apprenticeship Reforms	Members requested that a follow up report on the Apprenticeship Reforms be considered by PPDC detailing what flexibilities there are within the scheme and whether the funding can be used for general staff training and development.	Regulatory Committee Manager/ Head of HR & OD	<p>A follow-up item on the Apprenticeship Reforms will be brought to the People, Performance and Development Committee on 26 January 2016.</p> <p>(Updated:15 November 2016)</p>

People, Performance & Development Committee – ACTION TRACKING

November 2016

A44/16	27 October 2016	Minutes of the Previous Meeting	The Head of HR and OD to circulate a note to Committee Members on Tuesday 1 November detailing the Council's position in regard to the number of completed appraisals across SCC.	Head of HR & OD	This information will be included as part of the Appraisal Update report being considered by the Committee at its meeting on 24 November 2016 (Updated: 15 November 2016)
A46/16	27 October 2016	Proposal to introduce a Professional Development Programme within the Environment and Infrastructure Directorate	Senior Managers within the E&I Directorate should draw up proposals for what a welcome bonus for staff joining the Directorate would be structured and brought back for consideration by PPDC once this had been completed	Head of Planning and Development Group	This action has been highlighted to the Head of the Planning and Development Group for them to progress (Updated: 27 October 2016)
A47/16	27 October 2016	Proposal to introduce a Professional Development Programme within the Environment and Infrastructure Directorate	Head of HR & OD along with relevant heads of service to draw up proposals for ways in which the Council could invest in property for housing frontline staff who would be otherwise unable to afford the cost of accommodation in Surrey	Head of HR & OD	This action has been highlighted to the Head of HR & OD for them to progress (Updated: 27 October 2016)
A48/16	27 October 2016	Proposal to introduce a Professional Development Programme within the Environment and Infrastructure Directorate	PPDC to receive details of the current offer that the Directorate has for engineering and other specialist roles.	Head of Planning and Development Group/ Strategic Business Partner	This action has been highlighted to relevant officers for them to progress (Updated: 27 October 2016)

A49/16	27 October 2016	Pay Policy Exceptions October 2016	The Head of HR & OD to work with the Cabinet Member for Businesses Service to draft a letter regarding adherence to the Council's information governance policies for officers and Members.	Head of HR & OD/ Cabinet Member for Business Services and Resident Experience	This action has been highlighted to relevant officers for them to progress (Updated: 27 October 2016)
A50/16	27 October 2016	Pay Policy Exceptions 2016	The Head of HR & OD to provide confirmation to the Committee that the intention is to delete the SEND Strategic Lead role following the taking on of additional responsibilities by Julie Stockdale.	Head of HR & OD	This action has been highlighted to the Head of HR & OD for them to progress (Updated: 27 October 2016)

COMPLETED ACTIONS

Number	Meeting Date	Item	Recommendation / Action	Action by whom	Action update
A17/16	5 April	Improving Resident Experience: Update on Telephone and Voicemail Policy	Results of the voicemail mystery shopper exercise to be circulated to PPDC Members.	Head of Customer Services	This was considered by the People, Performance and Development Committee at its meeting on 27 October. (Updated: 27 October 2016)
A32/16	30 June	Appraisal Update 2015/16	PPDC recommends a management review of the distribution of appraisal ratings across the three categories. A report should be brought back to PPDC detailing the outcomes of the management review including a clear definition of what constitutes exceptional performance	Head of HR & OD	This was considered by the People, Performance and Development Committee at its meeting on 27 October. (Updated: 27 October 2016)

A31/16	30 June	Appraisal Update 2015/16	The Head of Surrey Fire and Rescue Service and the Head of Youth Services to explain why these services were unable to complete 100% of appraisals within the specified deadline.	Chief Executive	<p>The following note from the Chief Executive was circulated to the Committee on 7 November 2016.</p> <p>'I have written to Chief Fire Officer and confirmed there is an action plan in place to improve performance in this area for 2017. Trevor Pugh will monitor progress against this.</p> <p>I have met Garath Symonds to discuss the issue. As an organisation we asked Garath to prioritise the delivery of the MASH and our Early Help offer given how essential they are to our performance and how far behind time they were when he assumed responsibilities. Unfortunately that essential prioritisation did not enable Garath to put the emphasis on meeting expectations around appraisals that he would normally have done. I am confident we will see significant improvement in this in 2017.'</p> <p style="text-align: right;">(Updated: 7 November 2016)</p>
A41/16	26 September 2016	Appraisal Update 2015/16	The Committee requested that the Chief Executive comment on this services that still had appraisals outstanding as of 26 September 2016	Chief Executive	<p style="text-align: center;">As Action A31/16.</p> <p style="text-align: center;">(Updated: 7 November 2016)</p>
A42/16	26 September 2016	Apprenticeship Reforms	The Head of HR & OD to provide the Committee with the number of full time equivalent (FTE) employees there are at Surrey County Council.	Head of HR & OD	<p>A note was sent to the Committee on 15 November stating that there are 23 071 Full time Equivalent Employees working at Surrey County Council – 7255 non-schools and 15816 schools.</p> <p style="text-align: right;">(Updated: 15 November 2016)</p>

People, Performance & Development Committee – ACTION TRACKING

November 2016

A45/16	27 October 2016	Minutes of the Previous Meeting	The Head of Customer Services to send a communication on behalf of the Leader to reinforce the importance of adherence to the Council's telephone and voicemail policy and to inform ELT that PPDC will be monitoring compliance in future.	Head of Customer Services	An email was send to managers for circulation on 1 November 2016. (Updated: 1 November 2016)
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People, Performance and Development Committee
24 November 2016

Surrey Pay Policy Statement 2016 - 2017

Purpose of the report:

The People, Performance and Development Committee is invited to recommend the revised Pay Policy Statement for 2016/17, attached as Annex 1 to the next meeting of Full Council on 6 December 2016 for publication on the Council's external website.

The People, Performance and Development Committee is the Council's remuneration Committee and so this report has been brought for consideration by Members in accordance with the Scheme of Delegation.

Recommendations:

The People, Performance and Development Committee are asked to recommend publication of the Pay Policy Statement (Annex 1) to the next Surrey County Council Full Council meeting on 6 December 2016.

Introduction:

1. To comply with Section 38(1) of the Localism Act 2011 and related guidance under Section 40 provided by the Secretary of State, all local authorities are required to publish a Pay Policy Statement, approved through decision by Full Council with effective from 1 April each year. The Act requires that the Statement then updated and approved by Full Council on an annual basis.
2. The main points that must be covered include:-
 - The remuneration of chief officers;
 - the responsibilities of Surrey County Council's (SCC) remuneration committee (the People, Performance and Development Committee) for determining the terms on which chief officers are employed.

- the Council's current policies on equal pay, redundancy and severance, and reward; and
 - the ratio between the remuneration of the highest and lowest paid employees, together with an explanation as to how job evaluation is used to determine appropriate levels of reward.
3. A copy of the proposed Statement is attached as Annex 1 for reference. Please note that this statement has been written as though it has already been agreed by Full Council.

Publication of the Pay Policy Statement

4. The Statement has been drafted to reflect the requirements of the Local Government Transparency Code 2014 as well as guidance published by the Department for Communities and Local Government on Openness and Accountability in Local Pay 2012, to comply with Section 40 of the Localism Act 2011. Account has also been taken of the final report and the recommendations made in the Hutton Review of Fair Pay in the Public Sector 2011.
5. Ordinarily the Pay Policy Statement would be published and updated in April each year. However, due to the Surrey Pay and Reward review for 2016/2017 this pay policy statement has been developed following the collective agreements reached with GMB and Unison in July this year. In addition the salary levels referred to in the statement include implementation of the latest pay settlements effective from 1 September 2016.
6. It is proposed that the Statement will include "clickable" hyperlinks to:-
- (i) Documents already published on the website:-
- Councillors and committees (which sets out the role of the PPDC as the Council's remuneration committee); and
 - Statement of Accounts.
- (ii) Additional documents available via the external website including:-
- Equal Pay Statement;
 - Early Retirement and Severance Policy; and
 - Reward Policy (to be updated).
7. Once approved by Full Council, this Pay Policy Statement would then be published on Surrey County Council's external website.

Report contact: Julie Smyth, HR Reward Manager

Contact details: 020 8541 8554

Sources/background papers: None

SURREY COUNTY COUNCIL
PAY POLICY STATEMENT
1 July 2016 – 30 June 2017

This Pay Policy Statement was approved by a meeting of the full County Council on 6 December 2016 and is effective from 1 April 2016. It is published to comply with the requirements of Section 38(1) of the Localism Act, 2011 and related guidance under Section 40 provided by the Secretary of State.

This pay policy statement sets out Surrey County Council’s policies relating to the pay of its workforce for the year 2016-17.

Governance [[Link to Councillors and Committees](#)]

The People, Performance and Development Committee (PPDC) acts as the County Council’s Remuneration Committee under delegated powers in accordance with the Constitution of the County Council. All Surrey Pay and terms and conditions are determined by PPDC including the remuneration of senior officers and specific appointments to posts with salaries of £100,000 or more.

Salary Transparency [[Links to Salary Transparency](#)]

Surrey County Council is committed to openness and transparency in order to demonstrate to its residents and local taxpayers that it delivers value for money. As part of the national and local government transparency agenda, it already publishes information on its external website detailing Surrey Pay ranges, expenditure over £500 and contracts with a value of £50,000 or more.

To continue that progress, and in line with the Local Government Transparency Code 2014, the Council has published details of salaries paid to senior staff on its website since 31 March 2016. This information is updated on an annual basis and covers senior positions with annual salaries of £50,000 and above.

Chief Officers’ Remuneration [[Link to Statement of Accounts](#)]

Chief Officers are appointed at a spot salary which provides a competitive market salary for the individual role within the appropriate pay band range.

Annual salary reviews for chief officers will take into account any generally agreed market adjustments to senior management pay rates (if any) as determined by PPDC. A decision to award a market adjustment to individual base pay will be subject to achieving a minimum performance rating of ‘Successful’.

If an employee receives an ‘Exceptional’ performance rating then they will receive an additional monthly non-consolidated payment which recognises that their performance has exceeded standards.

For 2016/17 the following percentage changes in pay will be applied to eligible staff in the leadership pay model effective from 1 July 2016:

- Market adjustment: 1%;
- Non-consolidated performance payment: 3%; and
- No increase to pay band maxima 16G and CEX.

The Council has not provided any grade related benefits in kind, such as Annual Leave, Private Medical Insurance or Lease Cars since 2007. Chief officers receive the same allowances as other members of staff and access to the same voluntary benefits scheme, any expenditure on business travel is also reimbursed at the same rates for all grades.

Like other chief officers, the Chief Executive is on a Surrey pay contract. He is, however, paid a specific additional allowance for duties carried out in support of the Lord Lieutenant of the County.

For details of the remuneration paid to all members of the Council Leadership Team in a particular financial year please refer to the Council's Annual Statement of Accounts.

Surrey Pay Salary Ratios

The minimum Surrey Pay rate paid on grade S1/2 is currently set at £8.25 per hour as at 1 July 2016, this compares with the statutory National Living Wage of £7.20 per hour for those aged 25 years and over (October 2016) and the "UK Living Wage", of £8.45 per hour for those living outside London, which is advocated by the Living Wage Foundation (October 2016).

Based on salaries paid with effect from 1 July 2016 it is estimated that the Council will have the following ratios, between the lowest and highest paid staff on Surrey Pay for the 2016/2017 financial year.

Surrey Pay Salary Ratios 2016 – 2017		
Salary	Amount per annum £'s	Ratio to the highest salary
Highest Basic Salary	232,683	n/a
Median Basic Salary	22,872	15:1
Lowest Basic Salary	15,487	10:1

Notes:

- (i) The ratios have been calculated in accordance with guidance published in The Code of Recommended Practice for Local Authorities on Data Transparency 2011 and in light of recommendations contained in the Hutton Review of Fair Pay in the Public Sector 2011.

(ii) The median is defined as the mid-point of the total number of staff employed.

[Surrey Pay](#) [Link to Reward Policy]

The Council's reward strategy is based on the local negotiation of Surrey Pay terms and conditions of service. Pay, including terms and conditions, are reviewed annually with any changes agreed by PPDC. The Council recognises two trade unions, the GMB and UNISON, for the purposes of negotiating Surrey Pay.

The majority of staff are on locally determined terms and conditions of service, except for teachers, educational psychologists, youth workers and fire fighters who are all on national terms and conditions.

In 2015/2016 the Council commenced a review of Surrey Pay, to achieve a pay structure that:

- Aligns pay bands with '*Public and Not for Profit Sector Organisations in the South East of England*'.
- Replaces the annual pay award with a market adjustment.
- Introduces performance related pay progression based on an annual appraisal
- Removes overlaps between pay grades
- Delivers an even pay range for all pay bands
- Achieves the Government's requirement of a new minimum living wage by 2020.
- Streamlines and renames existing Senior Pay Grades 14A and above
- Provides flexibility in pay through the introduction of job families linked to market pay
- Has defined pay models;
 - a) Career Pay Model
 - b) Job Family Pay Model
 - c) Leadership Pay Model

The outcome of the 2015/2016 pay and reward review resulted in new pay arrangements for non-school's based Surrey Pay staff effective from 1 July 2016 and an interim pay arrangement for 2016/2017 for the following groups;

- schools based Surrey Pay support staff, effective from 1 April 2016; and
- tutors within Surrey Arts and Community Learning and Skills, effective from 1 September 2016.

In addition, a number of 'other' locally agreed pay arrangements continued.

This policy statement will set out the pay arrangements for schools and non-school's based Surrey Pay staff and 'other' pay groups separately.

1 Schools Based Surrey Pay Staff

Pay Progression Arrangements

Before April 2010 the majority of staff were on “incremental” Surrey Pay grades, S1/2 – S7, or their equivalent. Personal pay progression within grade is normally dependent upon “added value” in terms of duties, responsibilities and job performance following an annual appraisal.

Middle pay grades and senior pay zones (S8 – CEX) contracts currently provide for an annual review of contribution. These reviews normally determine any subsequent personal progression through these pay zones subject to personal headroom being available.

The pay year for school’s based Surrey Pay staff commences on 1 April each year, see table 1. The “normal” arrangements for determining pay progression were suspended with effect from 1 April 2010. The suspension is part of the Council’s current pay restraint package and will be included as part of the school’s reward strategy review during 2016 to 2017.

With effect from 1 April 2016 a one per cent pay award was applied to school’s Surrey Pay points, with the following exceptions;

- the minimum pay point for grade S9 was lowered to £32,839
- the minimum pay point for grade S10 was increased to £38,313
- There was no increase to the minimum pay point for grades S13 and CEX
- There was no increase to the pay band maxima for grades S9, S10, S13, 14A, 14B, 15B, 16E and CEX.
- The one per cent pay award was applied automatically to all pensionable salaries, except for staff on the maximum pay points of grades S9, S10, S13, 14A, 14B, 15B, 16E and CEX.

With effect from 1 April 2016 all staff with ‘personal headroom’ within grades up to and including CEX received a one per cent personal pay progression increase in their pensionable salaries.

Recognition Awards

There are **no** provisions under standard Surrey Pay schools contracts for Council employees to be awarded performance related bonuses. However, the Recognition Award Scheme provides a mechanism through which managers can recognise exceptional achievement by an individual or team subject to approval by the appropriate Head of Service.

2 Non-School's Based staff

Pay Progression Arrangements

For the majority of non-schools based Surrey Pay staff from 1 July 2016 the Council introduced performance related pay progression; market based pay, a grading structure framework based on job families, underpinned by Hay job evaluation with three new pay models to support different skills supply and development.

The pay year for this group will commence from 1 July each year and this new pay arrangement will enable the Council to:

- support career development, map career paths;
- achieve greater flexibility in pay;
- identify groups of employees that can be linked to market pay rates, and
- provide rewards based on personal contribution and behaviours.

With effect from 1 July 2016, Surrey Pay non-schools comprises 12 pay bands that replaced grades S1/2 to S13, together with seven pay bands for senior managers that replaced grades 14A to CEX.

Pay progression has been linked to the Council's performance managing process which assesses 'what' has been achieved and 'how' it was achieved, giving an overall annual rating linked to pay.

The Performance Related Surrey Pay scheme provides the opportunity for an additional non-consolidated lump sum payment on achieving a performance rating of 'Exceptional'.

Job Family Pay Model

The job family pay model comprises 14 pay bands, PS1/2 to PS15, (previously grades S1/2 to 14B/15B). The job family pay band structure comprises 14 'baseline' salary ranges with no defined incremental points and employees are appointed at a spot salary. Any salaries for new starters above the bottom pay point are subject to approval.

Where the job family pay model applies pay progression is accelerated at the lower end of the pay band. This means staff whose pay falls in pay zone one receive a higher value progression increase than those in pay zone two. This reflects the higher potential for increased contribution and skills gain within pay zone one and to enable people to move quickly to higher market rates.

From 1 July 2016, the following percentage changes in pay have been applied to eligible staff in the job family pay model, see table 2.

- pay zone 1 pay progression: 3%;
- pay zone 2 pay progression: 2%;
- non-consolidated payments: 3%;
- market adjustment: 1%; and
- no increase to pay band maxima for S9, S10, S13, 14A, 14B and 15B.

Appointments and promotions that commence between 1 April and 30 June each year will be made on the Surrey Pay rates applicable at that point in time and will fall outside the appraisal year being assessed. Individual salaries will then move in-line with changes to the pay ranges (if any) due on 1 July.

Career Pay Model

The Career Pay Model may be applied to any roles where there is a suitable business case for adopting this Pay Model, this should include evidence of recruitment and retention difficulties as well as stating the necessity to grow talent. This is then approved by elected members. It is expected that the Career Pay Model will be used mostly where there is a need for a professional qualification.

The Career Pay Model shows staff how their pay will increase as they grow their experience and skills. Each grade level will have defined pay points which employees can earn as their skills and experience grow.

From 1 July 2016 the Career Pay Model applies to occupational therapists and social workers in both Adult Social Care and Children's Services and social care practitioners in Adult Social Care. This Career Pay Model consists of four fixed salary points at each grade level.

From 1 July 2016, the following percentage changes in pay applied to eligible staff in the Career Pay Model, see table 3:

- Progression based on defined pay points;
- non-consolidated performance payment: 3%; and
- no increase to pay band maximum for pay band aligned to S10.

Pay for employees appointed after the end of the appraisal year, but before the start of the new pay year (i.e. 1 April – 30 June), who are on track with their probation will have their pay moved in line with the market adjustment applied to their pay point, if any, to ensure that their salary does not fall behind the market rate.

Leadership Pay Model

The leadership pay model applies to managers on grades PS16 and above, (previously grades 15C to CEX). Appointments are made at a spot salary which provides a competitive market salary for the individual role within the appropriate pay band range.

From 1 July 2016 the following percentage changes applied to eligible staff in the leadership pay model:

- market adjustment: 1%;
- non-consolidated performance payment: 3%; and
- no increase to pay band maxima 16G and CEX.

A decision to award a market adjustment to individual base pay is subject to achieving a minimum performance rating of 'Successful'.

3 Other Locally Determined Pay Groups

In addition to the main schools and non-schools Surrey Pay staff groups there are a small number of staff outside the Surrey Pay main pay arrangements and whose annual pay settlement is determined locally, these groups include;

- former Buckinghamshire County Council Trading Standards staff on contribution based pay;
- apprentices and interns;
- Surrey County Council staff on Regional Surrey Pay;
- South East England Council's staff.

Former Buckinghamshire County Council Trading Standards staff on Contribution Based Pay.

The Council is required to review the Contribution Based Pay (CBP) scheme annually and determine what increase, if any, should take effect from 1 July each year. The review consists of two elements:

- i pay range uplift; and
- ii Contribution Based Pay percentage (the additional award for an exceeding or outstanding contribution).

From 1 July 2016 the following pay arrangements applied, see tables 4 and 5;

- for an "exceeding" performance rating the CBP increase was based on 35% of the difference between the top two pay points, and
- for an "outstanding" performance rating the CBP increase was based on 70% of the difference between the top two pay points.

Apprentices and Interns.

The council has a standalone apprenticeship grade that is separate from Surrey Pay main grades. This enables apprenticeship pay grades to be applied across all services including those that have a different pay structure.

From 1 April 2016 pay bands increased by 1%. In addition, the second year apprentice rate increased to £13,515.21 per annum for apprentice's aged 25 years and above, see table 6:

Regional Surrey Pay;

In February 2013 PPDC agreed that a Regional Surrey Pay Band should be established for Surrey County Council staff based in Lewes in East Sussex. The pay arrangements reflect the local wage market and provide for a performance related progression (PRP) arrangement.

From 1 April 2016 the value of the PRP payment was based on the Council's job family pay model of three per cent for the entry pay level (lower pay band) and two per cent for the established pay level (upper pay band) as set out below.

2016-17 Regional Surrey Pay Arrangements

Pay Zone	Appraisal Rating		
	Developing	Successful	Exceptional
Entry	0	3%	3% plus an honorarium
Established	0	2%	2% plus an honorarium

In addition there was no adjustment to the minimum of the pay bands for 2016-17, see table 7.

Full migration to the SCC pay model and new regional pay bands including any changes to terms and conditions of employment will be included as part of the next phase of the Pay and Reward review in 2017.

Tutors Surrey Arts and Tutors Community Learning and Skills

Tutors within Surrey Arts and Community Learning and Skills are paid a spot salary. Rates of pay are reviewed on an annual basis and are effective from September each year.

For September 2016 a one per cent pay award was applied to the annual pay rate, see tables 8 and 9.

South East England Council's

Surrey County Council employ staff on behalf of South East England Councils (SEEC) on Surrey Pay contracts.

From 1 April 2016 a one per cent pay award and one per cent pay progression payment was agreed, subject to available headroom within the grade, see table 8. This is an interim arrangement pending the outcome of the next phase of the pay and reward review in 2017.

Political Assistants

SCC employs political assistants on Surrey Pay contracts to support political groups. These assistants work directly for the political groups rather than as mainstream officers within the officer structure of the Council. These are unique posts and have a set maximum salary determined by The Local Government (Assistants for Political Groups) (Remuneration) (England) Order 2006. The maximum salary applicable from 1 April 2016 has not changed since 2006 and is £34,986.

4 Orbis Pay Strategy

On the 24 February 2015 and 10 March 2015, the Cabinets of Surrey County Council (SCC) and East Sussex County Council (ESCC) agreed to the creation of a new business services partnership arrangement effective from 15 April 2015 (known as Orbis). The agreed governance structure was for a joint committee, it should be noted that the Joint Committee is not a legal entity separate from its constituent authorities. It cannot enter into a contract, own land or employ staff in its own right.

PPDC agreed a pay strategy to be applied for staff working as part of Orbis comprising a 'blended' approach to pay, based on the following three principles:

- i **Identification of 'true partnership' roles** – these are roles that are contractually required to operate in and across both councils. They need to have a physical presence in both headquarter locations in order to create the necessary professional networks and to gain business intelligence and insight.

As Orbis becomes increasingly integrated, it will be necessary for many roles to undertake work for both councils. Unless individual positions require a physical presence in both locations, however, they will not be deemed as meeting the criteria for being a 'true partnership' role.

- ii **Identification of salary** – once identified as a 'true partnership' role the time spent at each council will be determined although the presumption is for a 50/50 split as to do otherwise will move the role away from being a 'true partnership' one.

To preserve the integrity of the two separate pay and grading structures, the salary package is created as 50% of the respective SCC grade plus 50% of the respective ESCC grade. So that partnership roles have just one employer, a secondment arrangement is then applied to the position. For example, an ESCC employee seconded to SCC for half their time on the appropriate SCC grade/salary, with ESCC remaining as the substantive employer.

There will be no salary detriment for an SCC employee where undertaking a 'true partnership' role. Likewise, in support of the Council's recruitment and retention strategies, the principle of no detriment applies where an individual is applying for or being considered for a post on a promotion basis.

- iii **Identification of market position** – once the blended salary has been determined, consideration can then be given to the market position and, where appropriate, subject to the necessary approvals, a market supplement can be paid. Both councils have in place policies and procedures for the paying of market supplements.

[Equal Pay](#) [Link to Equal Pay Statement]

The Council is committed to ensuring that its employment policies and practices comply with the requirements of the Equal Pay Act 1970. This includes the application of a robust job evaluation process to ensure that all staff receive equal pay for work of equal value.

i Grading Structure

The allocation of Surrey Pay grades to jobs is determined by (HAY) job evaluation or in accordance with a job family underpinned by (HAY) job evaluation. The Surrey Pay grading structure covers all jobs from cleaners and catering assistants on the lowest grade to chief officers, including the Chief Executive, on the highest grades.

The differentials between these grades and jobs have been established objectively by application of a HAY based job evaluation scheme. For example the job of a cleaner is evaluated at the bottom because the level of skill, knowledge, problem solving and accountability are low compared with jobs at the top level. Conversely, chief officers are at the top of the pay scales because the level of skills, knowledge, problem solving and accountability are considerably greater than those at the bottom of the pay scales. Newly appointed or promoted staff are normally appointed to the minimum salary on a grade unless a robust business case has been approved to start them at a higher salary within the grade range.

ii Market Supplements

Managers may make a business case for a market supplement to be paid above the maximum for the particular grade if it proves exceptionally difficult to recruit at the rate advertised. Such supplements must be approved and reviewed on a regular basis by either PPDC, in the case of chief officers, or by the Head of HR & Organisational Development under delegated powers.

[Early Retirement and Severance Terms](#) [Link to Early Retirement & Severance Policy]

The Council's terms for granting redundancy or severance, including access to benefits under the Local Government and Teachers' Pension Schemes, are the same for all staff on Surrey Pay contracts including chief officers as well as for teachers working in maintained schools across Surrey. The approval process to be followed when payments are to be funded by the Council is explained in the Policy, see link above.

In cases of redundancy, an employee will not be entitled to a redundancy payment or a severance payment if, before leaving the Council, they accept an offer of employment with another local authority or associated employer contained in the Redundancy Payments (Modification) Order 1999 and commence the new employment within four weeks of their last day of service as the employment would be deemed to be continuous.

This Pay Policy Statement will be updated annually.

Further Details

Specific details may be accessed via the links indicated above, or by clicking on the buttons that are included on the landing page.

Table 1: Schools – Surrey Pay Bands 2016/2017

Surrey pay grade	Minimum pay point	Maximum pay point
S1/2	15,189	15,856
S3	15,308	17,316
S4	16,571	19,386
S5	18,410	21,474
S6	20,628	23,669
S7	23,573	27,814
S8	27,066	32,175
S9	32,839	38,312
S10	38,313	42,992
S11	42,928	48,091
S12	47,746	55,851
S13	55,485	66,644
14A	62,208	77,297
14B	77,147	90,469
15B	77,147	90,469
15C	88,871	105,310
15D	102,738	121,784
16E	117,901	141,151
16F	128,995	153,765
16G	151,183	180,650
CEX	209,984	232,683
	Key:	Frozen maximum

Pay Bands non-school's based Surrey Pay staff

Table 2: Job Family Surrey Pay Bands – 1 July 2016

Job Family Pay Bands - 1 July 2016					
Job Family	Pay Model	Grade Name	Minimum Pay Point	Pay Break Point	Maximum Pay Point
			Pay Zone 1	Pay Zone 2	
(1) Business Functions (2) Public Engagement (3) Regulation & Technical (4) Operational Services (5) Personal Care & Support	Job Family Pay Model	PS1/2	£15,487	£15,850	£16,092
		PS3	£16,093	£16,999	£17,602
		PS4	£17,632	£18,684	£19,386
		PS5	£19,387	£20,639	£21,474
		PS6	£21,475	£23,407	£24,696
		PS7	£24,697	£27,033	£28,590
		PS8	£28,591	£31,139	£32,838
		PS9	£32,839	£36,123	£38,312
		PS10	£38,313	£41,120	£42,992
		PS11	£42,993	£46,234	£48,395
		PS12	£48,396	£52,745	£55,644
		PS13	£55,485	£62,180	£66,644
		Leadership Job family	Leadership Pay Model	PS14	£63,439
PS15	£77,298			£85,201	£90,469
PS16	£90,470			Not Applicable	£112,161
PS17	£112,162				£134,594
PS18	£134,595				£161,514
PS19	£161,515	£178,861			
CEX	£209,984	£232,683			

Table 3: Career Surrey Pay Bands – 1 July 2016

i) Social Workers & Occupational Therapists in Adult Social Care and Children’s Services

Career Pay Bands* - 1 July 2016				
Job Family	Pay Model	Grade Name	Pay Point	Salary
Social Wellbeing	Career Pay Model	PS8SC		£30,714
		PS9SC	Point 1	£32,839
			Point 2	£33,839
			Point 3	£35,339

		Point 4	£38,312
	PS10SC	Point 1	£39,270
		Point 2	£40,270
		Point 3	£41,770
		Point 4	£43,150
	PS11SC	Point 1	£44,229
		Point 2	£45,729
		Point 3	£47,229
		Point 4	£48,395
	PS12SC	Point 1	£49,605
		Point 2	£51,605
		Point 3	£53,605
		Point 4	£55,644

Table 4: Former Bucks Trading Standards Pay Grades 1 July 2016

Grade	Entry Point		Competent Point		Advanced Point	
R1A CBP	£	13,207	£	13,934	£	14,660
R1B CBP	£	16,276	£	17,171	£	18,066
R2 CBP	£	19,053	£	20,102	£	21,149
R3 CBP	£	20,957	£	22,110	£	23,262
R4 CBP	£	22,853	£	24,110	£	25,367
R5 CBP	£	25,275	£	26,665	£	28,055
R6 CBP	£	28,468	£	30,034	£	31,599
R7 CBP	£	32,501	£	34,289	£	36,076
R8 CBP	£	37,151	£	39,194	£	41,237
R9 CBP	£	42,552	£	44,892	£	47,232
R10 CBP	£	48,977	£	51,671	£	54,364
R11 CBP	£	55,414	£	58,462	£	61,509
R12 CBP	£	61,391	£	64,767	£	68,143

Table 5: Former Bucks Former Trading Standards Staff CBP Award 1 July 2016

Pay Band Points		Difference	Award for Exceeding	Award for Outstanding
Competent	Advanced			
£ 6,665	£ 28,055	£ ,390	£ 486	£ 972
£ 30,034	£ 31,599	£ 1,565	£ 548	£ 1,096
£ 58,462	£ 61,509	£ 3,047	£ 1,066	£ 2,132

Table 6: Apprenticeship and Internship Pay Bands – April 2016

Apprenticeship	Level	Annual Salary
Intermediate and Advanced	Level 2 and Level 3 (Year 1)	£11,117.60
	Level 2 and Level 3 (Year 2)	£12,670.65
Higher	Level 4	£14,443.00
	Level 5	£15,522.69
	Level 6	£16,311.50
Internship		£16,311.50

Note: There is a new second year rate linked to the National Living Wage of £13,515.21 per annum for apprentices aged 25 years and above with effect from 1 April 2016, payable from the date of their 25th Birthday.

Table 7: Uckfield (Regional) Pay Bands – April 2016

Last updated: November 2016

Grade	Title	Minimum	Midpoint	Maximum
5/6	Administrator	£15,250	£18,250	£21,250
7	Senior Administrator	£19,250	£22,250	£25,250
8	Hub Leader	£23,250	£26,250	£29,250
9/10	Team Leader or Manager	£27,250	£30,250	£33,250
11	Manager	£31,250	£34,250	£37,250
12/13	Senior Manager	£36,250	£39,250	£42,250

Table 8: Surrey Arts Music Tutors Pay Rates – 1 September 2016

Annualised Hours Contracts Salary (Sep 16 - Aug 17) including 1% cost of living increase	Annual Salary	Hourly Pay Rates (for ad hoc claims)
Trainee	£17,804.28	£18.26
Pt. 1	£22,875.49	£23.46
Pt. 2	£24,069.31	£24.69
Pt. 3	£25,164.15	£25.81
Pt. 4	£26,654.91	£27.34
Pt. 5	£28,445.64	£29.18
Pt. 6	£31,429.18	£32.24

Table 9: Surrey Adult Learning Tutors - Pay Rates 1 September 2016

Role and Period of Service	Annual Rate	Hourly Rate
Tutors Non-accredited programme Under 5 years' Service	£22,493	£23.07
Tutors Non-accredited programme Over 5 years' Service	£22,893	£23.48
Tutor Observers / Accredited Tutors Under 5 years' Service	£26,988	£27.68
Tutor Observers / Accredited Tutors Over 5 years' Service	£27,465	£28.17



People, Performance and Development Committee
24 November 2016

**Appraisal Completion Report for Final Appraisals Carried Out
in 2016 (to cover performance in 2015/2016)**

Purpose of the report:

To provide the People, Performance and Development Committee with an update on the final completion rates for appraisals undertaken in 2016 and covering performance from 1 April 2015 to 31 March 2016.

Recommendation:

It is recommended that the People, Performance and Development Committee:

- i. note the final recorded completion rate for eligible appraisals;
- ii. note that Surrey County Council will now focus on the appraisal year 2017 and the support which services will need in relation to completing high quality appraisals; and
- iii. Continues to request reports providing appraisal completion data in line with the specified appraisal timescales for 2017.

Final completion rates and analysis

1. The majority of directorates achieved a 100% completion rate by the original appraisal completion deadline in May 2016.
2. There were three services who were granted an extension until June 2016, and two services until October 2016.

3. The table below details the final completion rates for 2016.

Service	Directorate	Number of staff	Deadline	Overdue 01/11/2016	% Completion
Educational Psychologist	Children, Schools and Families	44	30/06/16	3	93
Youth Service	Children, Schools and Families	225	30/06/16	24	89
Fire and Rescue Service	Environment and Infrastructure	279	30/06/16	6	98
SUB TOTAL FOR JUNE DEADLINE		548		33	94
Specialist Teaching	Children, Schools and Families	125	31/10/16	88	29
ACL Tutors and Music Teachers	Legal, Democratic and Cultural Services	217	31/10/16	29	86
SUB TOTAL FOR OCTOBER DEADLINE		342		117	65
TOTAL		890		150	83

Conclusions

4. This year has been a great year for completion of appraisals. The implementation of the new pay and reward process which linked appraisals to pay was embraced by Directorates and managers with only a handful of services not quite achieving 100%.

Financial and value for money implications

5. An embedded culture of performance management that has clear expectations of success and fair moderation processes is an essential part of ensuring proper control of the pay bill.

Equalities and Diversity Implications

6. Annual appraisals are an essential way in which the Council ensures its values and behaviours are embedded across the organisation as standard. Maintaining clear and common expectations will ensure fair and objective application of the Pay and Reward Strategy. This is a way of ensuring a culture which is supportive of all cultures and difference.

Risk Management Implications

7. Appraisals are an essential element of a health and safety management culture.

Next steps

That the Chief Executive has conversations with the areas of service who have not quite achieved 100% completion to understand the reasons why.

The HR&OD service will continue to support the application of the pay and reward strategy appraisal and moderation processes. They will continue to support services throughout the year in maintaining equity and fairness, and continuously improving the high standard of performance expected by Surrey County Council employees.

Report contact: Ken Akers – Head of HR and OD

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Sources/background papers: None

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People, Performance and Development Committee
24 November 2016

HIGH PERFORMANCE DEVELOPMENT PROGRAMME

Purpose of the report:

This report provides an update to the People, Performance and Development Committee on outcomes following the external evaluation of the High Performance Development Programme. This followed a request from Members to understand the return on investment from the programme agreed by Cabinet in May 2014.

Recommendations

It is recommended that the People, Performance and Development Committee:

- i. notes the findings of the University of Surrey's evaluation report of the High Performance Development Programme and the positive difference the investment has made in starting to develop the shift in culture of the organisation; and
- ii. supports plans in place to re-focus the leadership and management programme to continue this journey to service excellence; building on areas identified in the evaluation report as needing more attention.

Introduction:

1. Following the huge success of the coaching programme launched in 2009, Surrey County Council (SCC) wanted to build on this success by developing a truly rounded leadership programme. In October 2014 a new programme was launched, focusing on supporting members of the senior leadership team and managers to develop their performance in addressing difficult issues with confidence.
2. Following a pilot programme with 66 senior managers, the High Performance Development Programme (HPDP) went live to the wider leadership and management community with the specific aim to 'Achieve service excellence for residents', by focusing on the following outcomes:
 - i. challenging unacceptable behaviour, address conflict and poor performance;
 - ii. creating a no blame culture;
 - iii. seeking feedback on performance and being open to constructive challenge;
 - iv. being aware of how mood can impact on others: emotional intelligence;

- v. leading a team inspirationally, in particular in difficult times; and
 - vi. involving and empowering people through inclusion in decision making.
3. Senior managers were faced with continued challenges relating to both financial and people resource pressures and they needed to have the resilience to be able to lead and implement unprecedented transformation while keeping services performing well on a day to day basis.
 4. The HPDP was designed to support the organisation deliver this scale of challenge. It was to run over a period of three years commencing in October 2014 and was originally aimed at the wider leadership and management community including Cabinet Members.
 5. The programme was widened in October 2015 to include a short programme for staff, an introductory coaching programme for all managers and a programme for HR to support managers in dealing with issues through a restorative approach. Please see the diagram below detailing the six elements:



6. Data relating to the 2015 Staff Survey around the specific category of Leadership and My Manager, showed staff believed that:
 - a. senior Leaders were continuing to 'tell' staff and appearing not to listen;
 - b. senior leaders do not truly live the values;
 - c. there was some confusion around who was the Leader; and
 - d. middle managers talk open and honestly.
7. With the staff survey data now available in April 2016 SCC embarked on a programme of evaluating the HPDP. In order to keep it impartial Surrey Business School, part of the University of Surrey, were engaged to conduct the process.
8. For the purposes of the evaluation, SCC identified the two original programmes for the senior managers, delivered by WillisClare Coaching, delivered by Penna to be in scope. These programmes were identified to potentially have the most significant impact with the largest attendance and cost.

9. The smaller programmes which were added will be evaluated through an in-house process and so were out of scope for this piece of work.

Data:

10. To date 681 people have attended either the senior leader or leader programmes. Spilt between 250 people on the senior leader programme and 431 on the leader programme.

11. Directorate attendance over the three year period (October 2013 to October 2016) is as follows:

	Leaders	Senior Leaders	Total	Eligible Leaders	%
Adult Social Care	91	58	149	332	45%
Business Services / Orbis	101	76	177	286	62%
Chief Executives	16	18	34	40	85%
Children, Schools and Families	134	50	184	517	36%
Customers and Communities	8	8	16	29	55%
Environment & Infrastructure	45	26	71	203	35%
Legal & Democratic Services	33	6	39	180	22%
	428	242	670	1587	42%

12. The data sets which were used in relation to the evaluation of the HPDP ran from October 2013 to April 2016 as this is when the evaluation process commenced. In the last six months there has been increased attendance from front-line directorates.

13. The total cost of these two programmes over the three year period (since October 2013) has been just over £1million. This equates to a cost of just over £1500 per head.

Findings:

14. The final evaluation report was completed in September 2016 and provided recommendations and conclusions relating to both qualitative and quantitative data in four main areas:

- i. **Scope and impact of the HPDP:** The data collated on attendance on the HPDP showed that the programme had great attendance overall. In relation to directorate size, however, there was a higher level of attendance from senior managers who do not manage front-line staff and therefore may limit the impact on service delivery
- ii. **Understanding the nature of the impact of the programme:** The general pattern of results in the evaluation showed areas of contradiction. Services with higher attendance on the HPDP report higher satisfaction with their manager with qualitative data reporting happier teams. However, these services are also associated with a mild increase in absenteeism and grievances. As the programme focuses on shifting leadership to high performance, this would involve management addressing areas of

poor performance and this may be viewed as an inevitable consequence of the programme.

- iii. **Assessment and data management:** The HPDP highlighted a number of issues around data compilation and management. The data was analysed by the University and they found a number of areas where SCC could make improvements to data systems which would support future decision making for management easier and clearer.
- iv. **Content of the HPDP:** Qualitative data from the evaluation showed that managers felt more comfortable in undertaking difficult conversations and addressing areas of low performance. However, this was just one aspect of developing performance and the evaluation identified that managers needed more support around the management of high performance for both staff and teams.

15. Overall the University felt that the high-level findings showed that SCC can be confident that the introduction of the HPDP appears to be resulting in a shift of leadership style to high performing. However, there are still some areas to focus on with a number of recommendations highlighted in the Executive Summary of the report (Annex 1).

16. Additionally, the programme had been implemented at a time of sustained financial, strategic and operational challenges for SCC. The nature of these challenges is prolonged and significant. The lack of turnover in management positions and the reported growth in confidence from attending managers suggests that management resilience has benefitted from this intervention.

Next steps:

17. The Human Resource and Organisational Development (HR & OD) Team will prepare an action plan around the key areas identified in the evaluation:

- a. **Scope and impact of the HPDP:** For any remaining programmes the HR & OD Team will look to target attendance around services that are front-line and for areas where performance has been identified as lower.
- b. **Understanding the nature of the impact of the programme:** Undertake further research and monitor the impacts of the programme in the longer term to establish the reasons for a slight increase in absenteeism and grievances.
- c. **Assessment and data management:** Undertake a review of the organisations performance review data and how it is recorded and provided to managers so they can make evidence-based decisions.
- d. **Content of the HPDP:** Review the current leadership and management offer to ensure it covers content identified in the evaluation such as: managing teams; evidence-based decision making and high performance work systems, specifically around working with partners and sharing best leadership practice across sectors.

18. The HR& OD Team will also interrogate the data relating to the potential disparity between the 2015 Staff Survey results and the findings in the evaluation as it is clear that more work is needed to address the development of our leadership culture.
19. That a further report on the impact of the HPDP incorporating the results of the 2016 staff survey and an update on the details of the new programme is brought to both PPDC and the Council Overview Board in early 2017.

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Annexes:

Annex 1 – Full Evaluation Report from the University

Sources/background papers:

- HPDP Evaluation report – Surrey Business School
- PPDC Report March 2014

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Project Report to SURREY COUNTY COUNCIL

**Evaluation of the Impact of the High Performance
Development Programme for Leaders:**

**Making a Difference in the Resident Experience of
Surrey County Council**



**UNIVERSITY OF
SURREY**

**PRESENTED BY:
Prof. Stephen A. Woods,
Surrey Business School**

**PRESENTED TO:
Anna Reed & Karen Archer-Burton,
Surrey County Council**

ACKNOWLEDGEMENTS

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- Dr. Jo-anne Kandola PhD
- Dr. Ying Zhou PhD
- Dr. Filip Agneessens PhD
- Dr. Ilke Inceoglu PhD

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- Anna Reed
- Karen Archer-Burton

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Recognizing the importance of leadership in delivering services of the Council, in 2014, SCC introduced the High Performance Development Programme (HPDP), a bespoke leadership development programme for all leaders in the Council. The primary aims of the programme were:

- To build on the existing coaching culture within the council
- To increase the resilience of leaders in times of change
- To equip leaders with the skills to better empower and performance manage their teams.

The intention of the Council is that all leaders complete the programme. Separate programmes are provided to leaders and senior leaders. The programme is approximately 50% delivered with circa 500 leaders have now completed the HPDP.

In January 2016, SCC released a call to evaluate the impact of the programme, specifically addressing the issue of the impact of the training on delivery of services for residents.

A team at Surrey Business School (SBS), were engaged following a tender process to conduct this evaluation. This report presents the key findings from the research.

BACKGROUND

The aim of the HPDP is to build greater resilience in the council's leaders and to enhance their ability to empower and performance manage their staff. The HPDP has a modular format that consists of taught components, periods for reflection, feedback input and coaching sessions.

The implications of the literatures on organizational performance and evaluation methodology were applied in the design of the HPDP evaluation project. The purpose was to elaborate the focal question of the research (the impact for residents), into a series of more specific questions, answers to which permit a case to be built to understand the impact of the HPDP programme.

The research questions emerged following a half-day workshop held with officers of SCC involved in the project, and were refined by the SBS research. The questions are reported in Table E1.

METHODOLOGY

Qualitative and quantitative data were conducted in the evaluation research. Interviews were conducted with a variety of stakeholders. In total, 19 employees (5 men, 14 women) from within the council were interviewed. Quantitative data from all employees of SCC were accessed from databases, from January 2012 to present.

Prior to conducting analyses, a substantial 'clean' of the data was required to address a number of recording anomalies and issues. This step resulted in a number constraints on subsequent analyses, and insights in improvements in data systems at SCC.

Analyses were conducted to answer the focal research questions. A variety of descriptive and inferential¹ statistical tests were applied.

The underlying rationale for analyses is to try to isolate the impact of the programme from general trends in outcomes across the organization.

RESULTS

The main results of the evaluation research are summarized in Table E1. Both the qualitative and quantitative elements of the evaluation indicate impacts of the HPDP. These impacts are not consistently clear-cut, with some positive and negative consequences observed in the data.

CONCLUSIONS AND RECOMMENDATIONS

The report details evidence of the impact of the HPDP. On the basis of the pattern of evidence, a series of conclusions and recommendations are drawn in key areas.

Scope of the Impact of the HPDP

There is an important discrepancy between the assumed impact of the HPDP and the span of influence that is exercised through reporting lines in the organization. There is potential for the organizational development team to exert influence of the scope of the impact by careful selection and assignment of leaders to the programmes. To effect greater impact on resident services, the team should systematically identify and prioritize future HPDP who have a more direct influence on front-line (i.e. non-leader) staff.

Recommendations

- Clarify definitively the potential scope of influence of HPDP attendees through reporting lines.
- Develop systematic methods of prioritizing attendance and selecting leaders onto the programme who have potential to influence staff providing services directly to residents.
- Select HPDP participants based on data-driven analysis of service-level needs for performance improvement.

Understanding the Nature of the Impact of the Programme

The general pattern of results in the evaluation study revealed some contradictions. For example, while services with higher attendance on the HPDP report higher satisfaction with their manager, and qualitatively report happier teams, absenteeism and grievances simultaneously appear to increase. At the service-level, increased attendance on the HPDP within services is associated with increasing absenteeism and grievances. The pattern of results is consistent with the positioning of the HPDP as part of wider organizational development.

¹ Descriptive statistics demonstrate in clearest ways the differences between groups or trends over time. Inferential tests examine the statistical reliability of any observed effects.

Recommendations

- Investigate whether effects on staff absence and grievance are generalized or isolated to specific low-performing staff in the services.
- Consider collecting bespoke evaluation data for the HPDP as its implementation progresses to understand attitudinal factors in staff performance outcomes.
- Monitor impact of the programme in the long term to establish the longevity of upward trends in absenteeism and grievances.
- Provide leaders with 'live' data about their teams on key performance and well-being metrics enabling evidence-based intervention where needed.
- Review content of programmes (particularly of the leadership HPDP) to include management of well-being, team management and motivation in the context of change.

Assessment and Data Management²

The HPDP evaluation has highlighted a number of issues concerning data compilation and management at SCC. Data can help managers and leaders to make effective decisions about organizational development and in particular about human resource management and development. There are key areas where SCC could make improvement to data systems.

Recommendations

- Initiate a review of performance assessment processes and procedures across SCC, with a view to enriching the measurement of staff effectiveness.
- Ensure that staff satisfaction and engagement assessment is integrated with performance assessment systems, to enable better and more complete reporting of data for leaders and managers.
- Undertake a review of all data capture and management systems at SCC with the objective of harmonizing and integrating databases currently in use.
- Assess the risk of current systems and means of recording personnel information.
- Develop means of delivering live data to managers and leaders to enable evidence-based decision making.

Content of the HPDP

² The organizational development team at SCC requested that following discussions about data gathering and management, the SBS team provide some commentary about this issue in the evaluation report.

Through the results of the evaluation, it is possible to draw some conclusions about how the content of the HPDP might be developed. It has already been recommended that the organisational development team review the content of the programmes in light of the evaluation findings, particularly in the case of the leadership HPDP. However, there are some specific content areas that emerge as potentially relevant for inclusion.

Recommendation

- As part of review and revision of the HPDP content, include the following areas of leadership and management:
 - a) High performance work systems, staff well-being, and managing high performance.
 - b) Managing teams
 - c) Evidence-based management and decision making
 - d) Leading for impact with residents and service users

Final Comments

The findings of the HPDP evaluation project indicate that the programme is associated with impact on a number of personnel metrics and outcomes across services in SCC. The effects may reflect the position of the HPDP as part of wider change initiatives at SCC. Our findings do therefore underline that the HPDP is an important component of that change.

The overall conclusion from this evaluation is therefore that it is justifiable that the HPDP continue to be implemented with leaders in the organization. This conclusion, however, is accompanied by a series of recommendations for improving and developing the programme. These are based on findings of the evaluation, and are made with a view to managing the impact of the HPDP effectively, and promoting greater impact with residents and service users of SCC.

Table E1: Research Questions of the HPDP Evaluation Project

Target of Impact	Research Question	Conclusions
Individual	What were participants' reactions to the HPDP?	<ul style="list-style-type: none"> • Positive reactions overall by attendees • More positive for the senior leader HPDP
	What do participants perceive they learned from the HPDP?	<ul style="list-style-type: none"> • A variety of learning came from the programme • Difficult conversations and confronting performance confidently were consistently reported
	How do participants perceive they have altered their behavior as a result of the HPDP, and how has this impacted on organizational outcomes?	<ul style="list-style-type: none"> • Some clear examples of behaviour change: e.g. • Senior leaders felt they were more often able to have difficult conversations with staff • Leaders felt generally more confident in motivating their team
	What is the subjective impact of the HPDP on the direct reports of HPDP participants?	<ul style="list-style-type: none"> • Limited evidence perceivable by direct reports
	What is the impact of the HPDP on participants' performance, absenteeism, turnover and promotion rates?	<ul style="list-style-type: none"> • Absence lower for senior leaders attending the programme (non-sig) • Performance ratings slightly higher for leaders attending the HPDP, lower for senior leaders
	What is the impact of the HPDP on direct reports' (of participants) performance, absenteeism, turnover and promotion rates?	<ul style="list-style-type: none"> • Lagged effect that absence of direct reports increases 12 months post attendance • Non-leader absence overall increases • For leaders managed by HPDP attendees, some trend toward lower absence • Performance ratings of direct reports who are leaders increase, and who are non-leaders, decrease.
Organization / Unit	What is the impact of the HPDP on service-level absenteeism, grievances, turnover, and staff engagement?	<ul style="list-style-type: none"> • Absenteeism and grievances at the service level increases alongside HPDP participation • Staff engagement unaffected, but satisfaction with manager higher for high-attendance services
	What is the impact of the HPDP on directorate-level recruitment costs?	<ul style="list-style-type: none"> • Overall costs increase with directorate-level participation, variation in trend across directorates
Residents / Service Users	What is the impact of the HPDP on service-level resident commendations and complaints?	<ul style="list-style-type: none"> • No observable effect on commendations or complaints

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