

MINUTES of the meeting of the **PEOPLE, PERFORMANCE AND DEVELOPMENT COMMITTEE** held at 2.00 pm on 24 September 2018 at Committee Room C, County Hall, Kingston upon Thames, Surrey KT1 2DN.

These minutes are subject to confirmation by the Committee at its meeting.

(* = in attendance)

Elected Members:

- *Mr David Hodge CBE (Chairman)
- *Mr John Furey (Vice-Chairman)
- *Mr Ken Gulati
- *Mr Eber A Kington
- *Mr Tim Oliver
- *Mrs Fiona White

In Attendance

Andrew Baird, Democratic Services Officer
Jo Donoghue, Strategic Business Partner
Jackie Foglietta, Interim Head of HR & OD
Julie Smyth, Manager – Reward & Policy

94/18 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]

There were none.

95/18 MINUTES OF PREVIOUS MEETINGS [Item 2]

Members requested an amendment to the minutes for Item 7 of the People, Performance and Development Committee meeting which took place on 5 July 2018 seeking clarification on the process for applying the Delivering Transformation Allowance. Officers indicated that they would amend this paragraph and circulate the revised minutes to Committee Members for their approval.

The minutes of the People, Performance and Development Committee which took place on 14 June 2018 and the Appointments Sub-Committee meetings on 27 June 2018 and 25 July 2018 were agreed as true records of those meetings.

96/18 DECLARATIONS OF INTEREST [Item 3]

There were none.

97/18 PROCEDURAL MATTERS [Item 4]

There were none.

98/18 ACTION REVIEW [Item 5]

Declarations of interest:

None

Witnesses:

Andrew Baird, Democratic Services Officer
Jackie Foglietta, Interim Head of HR & OD

Key points from the discussion:

1. Discussions took place regarding Action A11/18 on the Committee's Actions Tracker. The People, Performance and Development Committee was advised that the Member Development Steering Group had created a timeline for reviewing the Member/Officer Protocol and that the revised Protocol would be submitted to PPDC for consideration at its meeting in April 2019. The Committee highlighted the urgency of revising the Member/Officer Protocol given the pace of the transformation being undertaken by the Council and requested that the Member Development Steering Group expedite its review of the Protocol to allow PPDC to consider it before April 2019.
2. The conversation turned to item A2/18 on the Committee's Actions Tracker and Members sought clarity on the process for staff to raise a grievance. The Interim Head of HR & OD advised Members that PPDC only had a role in resolving grievances for Chief Officers as defined within the Local Government and Housing Act 1989. The Committee also considered collective grievances brought forward by Trade Unions where it has not been possible to resolve these at an earlier stage. Members were informed that, with the exception of the instances outlined above, there were defined corporate processes in place to resolve grievances raised by Members of staff. The Council encouraged the resolution of staff grievances informally through mediation but, in instances where this was not possible and a member of staff wished to raise a formal grievance, the Council had procedures in place for independent persons to investigate and hear the grievance at each stage of the process to arrive at a resolution that was fair for all parties.
3. In relation to Action A9/18 on the Committee's Action Tracker, Members requested that an update on progress in developing a total reward statement for staff be provided at the next meeting of the Committee on 7 November 2018.
4. Officers advised Members that they would provide the Committee with an update on discussions taking place with the Lead Coroner's regarding pay arrangements at its meeting on 7 November 2018.

Actions/ further information to be provided:

1. The Committee requested that the Member Development Steering Group expedite its review of the Protocol to allow PPDC to consider it before April 2019 (**Action Ref: A12/18**).
2. an update on progress in developing a total reward statement for staff to be provided at the next People, Performance and Development

Committee meeting taking place on 7 November 2018 (**Action Ref: A9/11**).

3. the Committee to receive an update on discussions taking place with the Lead Coroner's regarding pay arrangements at its next meeting on 7 November 2018 (**Action Ref: A11/18**).

RESOLVED:

That the Committee monitored progress on the implementation of actions from previous meetings.

99/18 PEOPLE, PERFORMANCE AND DEVELOPMENT COMMITTEE TERMS OF REFERENCE [Item 6]

Declarations of interest:

None

Witnesses:

Andrew Baird, Democratic Services Officer
Jackie Foglietta, Interim Head of HR & OD

Key points raised during the discussion:

1. Clarity was sought by Members regarding where responsibility would sit for delegations that would be removed from PPDC as part of the proposed revisions to the Committee's Terms of Reference. Officers highlighted that few responsibilities would be removed from PPDC's remit as part of the revised Terms of Reference as the Committee would retain oversight of these areas through its consideration of half yearly performance indicators. Those responsibilities that it was proposed to remove from PPDC, such as undertaking joint consultation with Trade Unions, already had established officer processes in place.
2. Officers were asked to define strategic workforce planning within the context of the revised Terms of Reference and to provide details of the role that the Committee would play in considering this. Members heard that strategic workforce planning related to Surrey County Council's (the Council) organisational structure and how it would be flexed in response to current and ongoing challenges. The Committee would be asked to review proposals for adapting the workforce in response to this changing organisational structure. The Committee requested an amendment to point f within Annex 1 of the report, stating that the word 'consider' be changed to 'review'.
3. Members stated that the Committee should have a role in reviewing the finances associated with the costs of recruiting and making redundancies for staff at a senior level within the organisation. Officers

were informed that there is concern among residents about the remuneration of senior officers and that it was important for the Committee to have oversight of the Council's expenditure in this area. Discussions took place regarding whether oversight of the costs associated with the recruitment and redundancy of senior officers should be within PPDC's remit. The Committee was advised that the Council was legally required to publish information relating to the remuneration of senior officers and that Members had the opportunity to ask questions about this issue at Full Council. Members were further informed that it was important to ensure that the work of PPDC did not overlap with that of Select Committees.

4. A Member of the Committee proposed that the Terms of Reference should include a delegation for PPDC to receive regular reports and monitor the costs of senior staff redundancy and recruitment including interim senior staff appointment costs. Officers confirmed that they would review PPDC Terms of Reference in line with the Committee's request and report back at the next meeting on 7 November 2018.
5. The Committee further requested that points c and d within the Terms of Reference attached as Annex 1 to these minutes be amalgamated for the purposes of clarity.

Actions/ further information to be provided:

1. a revised version of the Terms of Reference incorporating the changes outlined within the minutes to be brought to the Committee's meeting on 7 November 2018 (**Action Ref A13/18**).

RESOLVED:

None

100/18 SURREY COUNTY COUNCIL PAY POLICY STATEMENT 2018 - 2019
[Item 7]

Declarations of interest:

None

Witnesses:

Jackie Foglietta, Interim Head of HR & OD
Julie Smyth, Manager – Reward & Policy

Key points raised during the discussion:

1. The Committee sought clarity on the pay ratio detailed within the Pay Policy Statement and asked whether it showed Surrey County Council to have a fair ratio. Officers advised Members that comparing pay ratios with other local authorities provided a good benchmark against which to determine whether the Council's pay ratio was fair. The

Committee heard that the Council's pay ratio had improved in recent years and that it was better than the majority of other local authorities. Members requested benchmarking data on how the Council compares with other local authorities regarding its pay ratio.

Actions/ further information to be provided:

1. The Committee to receive benchmarking data on how Surrey County Council compares with other local authorities regarding its pay ratio.

RESOLVED:

That the People, Performance and Development Committee recommended publication of the amended Pay Policy Statement to the next Surrey County Council Full Council meeting on 9 October 2018.

101/18 PEOPLE STRATEGY 2018 - 2020 [Item 8]

Declarations of interest:

None

Witnesses:

Jackie Foglietta, Interim Head of HR & OD

Key points raised during the discussion:

1. Members heard that there was a need to reduce the number of layers of management across the organisation which could be achieved by creating greater spans of control. The Committee was also informed that 25% of staff leave the Council within the first year of employment and that it was vital to improve this retention rate to ensure knowledge stayed within the Council and to reduce expenditure. A high proportion of the Council's workforce was also scheduled. A high proportion of the Council's staff were approaching retirement age over the next few years meaning that there was also a need to improve knowledge transfer between staff to ensure that vital skills and experience were not lost.
2. The Committee requested further information on why so many staff chose to leave the Council within their first year of employment. The Interim Head of HR & OD advised Members that it was necessary to review the Council's recruitment processes to ensure that the story told to potential applicants about what it was like to work for the Council was aligned with reality. It was also necessary to implement a policy requiring exit interviews with all staff leaving the organisation to provide good quality information on why the Council was struggling to retain staff and understand how retention rates could be improved. Members requested that analysis of exit interviews be brought to a future meeting of PPDC.

3. Discussions turned to spans of control and officers highlighted that existing organisational structures within the Council had fostered a culture of staff seeking approval from managers for relatively low-level decisions instead of having the confidence to take these themselves. Members asked how staff would recognise a change in management culture and were informed that they would be actively encouraged to take the initiative and not fear being blamed if something goes wrong.
4. Clarity was requested on what was meant by the term 'presenteeism'. The Committee was advised that this referred to existing practise at the Council whereby management was conducting on the basis of whether staff were in the office rather than being based on outcomes. One aspect of the People's Strategy was to introduce mobile working and manage staff by their output rather than whether they are physically present in the office.
5. Members drew attention to the results of the Staff Survey which demonstrated that the Leadership Team were perceived to be remote and officers were asked whether this should be referenced within the Strategy. Officers advised the Committee that this was included within the People's Strategy in relation to the Collective Leadership Impact.

Actions/ further information to be provided:

1. Analysis of exit interviews to be brought to a future meeting of the People, Performance and Development Committee (**Action Ref: A14/18**).

RESOLVED:

The People, Performance and Development Committee:

- i. endorsed the draft plan on a page People Strategy 2018-2020 appended as Annex 1 to this report;
- ii. noted that further work is being undertaken to develop a programme of activities that will deliver the aims of each of the themes as set out in the Strategy; and
- iii. noted that this programme of work will be brought to the November meeting of the People, Performance and Development Committee for consideration.

102/18 CENTRALLY EMPLOYED TEACHERS' PAY SETTLEMENT 2018-19 [Item 9]

Declarations of interest:

None

Witnesses:

None

Key points raised during the discussion:

Consideration of this item was deferred by the Committee.

Actions/ further information to be provided:

None

RESOLVED:

None

103/18 FORWARD WORK PROGRAMME [Item 10]

Declarations of interest:

None

Witnesses:

Andrew Baird, Democratic Services Officer
Jackie Foglietta, Interim Head of HR & OD

Key points raised during the discussion:

1. Members agreed to consider a report on the outcomes of the review of Surrey's Pay Model being conducted by the HR Team at a future Committee meeting.

Actions/ further information to be provided:

1. An item on the Surrey Pay Model Review to be added to the Committee's Forward Work Programme (**Action Ref: A15/18**).

RESOLVED:

The People, Performance and Development Committee:

- i. Reviewed items that it is due to consider at future meetings: and
- ii. Agreed to remove Pay Policy Exceptions as a standing item from its agenda.

104/18 EXCLUSION OF THE PUBLIC [Item 11]

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.

105/18 VOLUNTARY REDUNDANCY BUSINESS CASE [Item 12]

Declarations of interest:

None

Witnesses:

Jo Donoghue, Strategic Business Partner

Key points raised during the discussion:

The report was introduced by officers. 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:

None

RESOLVED:

The Committee approved the recommendations as set out in the Part 2 minute.

106/18 PUBLICITY OF PART 2 ITEMS [Item 13]

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

107/18 DATE OF NEXT MEETING [Item 14]

The Committee noted that its next meeting would be held on 7 November 2018.

Meeting ended at: 3.20 pm

Chairman

By virtue of paragraph(s) 1 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

This page is intentionally left blank