



People, Performance and Development Committee
26 January 2017

Proposed Changes to HR Policies

Purpose of the report:

Proposed amendments to HR policies are brought to the People, Performance and Development Committee for consideration as the body that determines policy on the terms and conditions of all staff. The Committee is asked to consider and approve changes to the following: Probation Procedures Policy, the Officer Code of Conduct and the Gifts and Hospitality Policy.

Recommendations:

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

- i agrees to amend contracts of employment to require all new entrants to the Council to be subject to a probation period, usually six months, and to provide for a period one month notice period for all on probation.
- ii recommends the amended Code of Conduct policy for approval at the next full Surrey County Council meeting on 7 February 2017; and
- iii agrees the proposed amendments to Surrey County Council's Gifts and Hospitality Policy.

Introduction

1. It has been necessary to review a number of HR policies for the following reasons:
 - **Probation Procedure:** a change to the legislation prompted a review.
 - **Officer Code of Conduct:** an internal audit report recommended that the Officer Code of Conduct refer to ethical behaviour more explicitly. Consultation with the Reward Board and service managers identified further amendments which are included in the proposals. Changes to the Officer of Code of Conduct Policy are attached as Annex 1
 - **Gifts and Hospitality:** an internal audit report recommended a number of amendments to the Gifts and Hospitality Policy for the purposes of clarity and completeness. Consultation with the Reward Board and service managers identified further amendments which are included in

the proposals. Changes to the Gifts and Hospitality are attached as Annex 2.

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Probation procedures

Recommendation

2. To amend contracts of employment to require all new entrants to the Council to be subject to a probation period, usually six months, and to provide for a period one month notice period for all staff on probation.

Key amendments

3. The current contract states that the probation procedure does not apply to bank contracts. The new procedure proposes the introduction of a probation period for those who are new to Surrey County Council (SCC) on a bank contract. This is in line with the result of the pay and reward review which introduced appraisal conversations with bank staff.
4. The current contract states that the probation procedure is discretionary for those with local government service. The proposal is to require all staff new to SCC to have a probationary period before they are confirmed in post.
5. The current policy requires probation to be completed within six months with no possibility to extend. The probation procedure was written at a time when employment rights were gained after only one year's service. It was therefore important to have rules in place to ensure that decisions on the suitability of employment were made within a strict timeframe. Since 2012 the law has changed to increase the length of service needed to acquire such rights to two years. So the new procedure allows an extension of up to three months to provide more flexibility for managers.
6. The current policy explains that the notice period for those on probation is usually a week. For those with continuous service the period of notice they are currently entitled to will include previous continuous service aggregated at half-rate, which may be up to six weeks. This is in line with the current contract which requires the Council to recognise certain contractual provisions, e.g. periods of notice, annual leave, and maternity benefits. This service is not counted for any other rights i.e. the employee will still have to complete two years' service to claim unfair dismissal.
7. Six weeks is a long notice period for someone on probation so the proposal is to amend the contract to provide for a period of one month for all on probation.
8. The proposals provide a simple and consistent approach. They give managers greater flexibility, furthermore those unsuccessful during probation are more likely to be advocates for the organisation if they are given longer than a week's notice.

Code of Conduct

Recommendation

9. recommends the amended Code of Conduct policy for approval at the next full Surrey County Council meeting on 7 February 2017; and

Key amendments

9. The proposed changes to the Code of Conduct Policy introduce the concept of ethics and strengthen references to the Council's value statements which reflect the importance of the principles of public life.

Section 2 Organisational Ethics and Personal Conduct

10. To address the internal audit recommendation that the Code of Conduct refer to ethical behaviour more explicitly than in the current policy, it was agreed with the auditor that updating the statement of personal conduct in section 2 would be sufficient to address the concern raised.
11. The wording agreed with the auditor is as follows:

“The Council expects all employees to behave ethically and maintain high standards of personal conduct to sustain the good reputation of the Council and its services.”
12. An explanation of the relationship between the values and behaviours, taken from the Council's behaviours framework guide, has been added to highlight their importance to everything the Council does.
13. The summary of the seven principles of public life together with the explicit links to values and behaviours make clear the corporate standards of behaviour required from staff.

Section 4 Health, safety and wellbeing

15. The word “Wellbeing” has been added to the title to broaden the scope of matters covered in this section.
16. The following paragraphs have been added:
 - the expectation on employees to report to work in a fit and safe state to carry out their duties with a link to the Drug and Alcohol Workplace policy;
 - the Council's commitment to provide a smoke free environment with a link to the Smoke Free Workplace policy.

Section 5 Governance

17. The title of this section has been changed from Treatment of Information to Governance to broaden its scope.
18. A section has been added on Fraud and Corruption to highlight the importance of employees understanding their responsibilities and duties in this area, with a link to the Council's Strategy against Fraud and Corruption.

Section 8 Gifts, Hospitality, Sponsorship or Endorsements

19. There is now a brief summary of the key expectations of employees in this area, with a link to the Gifts and Hospitality policy and guidance for the detail and further information. Currently the main gifts and hospitality policy requirements are described in the Officer Code of Conduct and the full Gifts

and Hospitality Policy and guide are separate documents. This risks inconsistencies occurring between what is said in the Code of Conduct and in the Gifts and Hospitality policy, as has been identified in the recent audit of gifts and hospitality (referred to in paragraph 23 below). The proposal to link to the Gifts and Hospitality policy for the policy requirements is considered a safer approach.

20. The amended policy is attached at Annex 1.

Gifts and hospitality

Recommendation

21. To consider and approve the proposed amendments to the Gifts and Hospitality policy.

Key amendments are set out below:

Section 1 Introduction

22. An introduction to the policy has been added linking the need for high ethical standards to the Council's strategy on fraud and corruption.

Section 4 Registration and approval of gifts and hospitality

23. The requirements for the registration and approval of gifts and hospitality are set out in paragraphs 4a and 4b of the Gifts and Hospitality policy only, rather than in both this policy and the Code of Conduct. This addresses a slight inconsistency identified in the audit report between the wording used in the Gifts and Hospitality policy and the current Code of Conduct which could potentially impair the effectiveness of the monitoring process and/or the consistency of disclosures made.
24. Paragraph 4b proposes that Heads of Service are responsible for prescribing the appropriate level of management to authorise approvals in their service. This addresses an inconsistency where the current policy states that Head of Service approval is needed, then later that officers should seek approval from their line manager. Giving Heads of Service the ability to prescribe what level of management authorises approvals allows services to operate a process that best suits their environment, this is likely to mean a more robust process.
25. The current policy states that acceptance of hospitality must be authorised in advance of receipt or within seven days where this is not possible. This stipulation has been expanded to cover both gifts and hospitality. This is to make clear that authorisation of both gifts and hospitality must take place on a timely basis.
26. The notional value of items where the value is not known has been changed from £200 to £50. Documentation from 2010 suggests that it should have read £50 and that £200 is an error.
27. It is made clearer that only gifts and hospitality with a value of £25 and over need to be registered and approved, and that anything under £25 does not need manager approval or to be registered unless it is considered that there are good reasons for doing so.

28. Guidance on the non-acceptance of monetary gifts has been added at paragraph 4f. This was a recommendation from the audit report.
29. References to Gifts and Hospitality books held by Heads of Service have been removed as all entries are now made in the online register. The guidance explains that anyone who does not have online access should arrange with their business services team for entries to be made on their behalf. Having all entries in one place enhances reporting and scrutiny of content. For this reason the requirement for a separate register for the Corporate Leadership Team has also been removed. Only members of the Human Resources Leadership team and the officer managing the register will see the full content.

Section 5 Employees in social care provider services

30. Guidance is provided on the receipt of gifts from potentially vulnerable service users due to the complexity and sensitivity of the relationship between providers of care services and vulnerable service users, their carers' and families. This was a recommendation from the audit report

Section 7 Bequests and legacies

31. Guidance on what to do if an employee becomes a beneficiary in a service user's will has been added because there is no advice on this matter in the current policy.

Section 8 Monitoring and compliance

32. The following requirements have been added to strengthen monitoring and compliance:-
33. That managers monitor all offers of gifts and hospitality made to their team members and flag if one third party or organisation seems to be excessively offering "small" gifts which are not being recorded.
34. That an annual reminder will be sent to all Heads of Service that they should communicate gifts and hospitality compliance requirements to officers. The guidance suggests how Heads of Service might do this. This was a recommendation from the audit report.
35. That the Head of HR&OD is the policy owner and responsible for reviewing policy content and for the oversight of compliance with its requirements. This is to satisfy the audit report recommendation to establish responsibilities for oversight and to consider detailing a named officer as policy owner.
36. The amended policy and guidance are attached at Annex 2.

Conclusions:

37. The proposed change to the probation procedure gives flexibility to managers and ensures that all new entrants to Surrey are treated equally.
38. The proposed changes to the Officer Code of Conduct make explicit the requirement to behave ethically and will link with the new behaviours framework. Explicit links are also made to key policies relevant to the high standards of conduct expected of the Council's staff.

39. The proposed changes to the Gifts and Hospitality policy make clearer the requirements and provide guidance in areas that were not previously covered.

Financial and value for money implications

40. There is a cost attached to extending the probationary period from one week to one month. However it is not significant and can be met with existing budget provision.
41. There are no financial implications relating to the amendments to the Code of Conduct and gifts and hospitality policies.

Equalities and Diversity Implications

42. The proposed amendments will not impact on residents or staff with different protected characteristics so an Equality Impact Assessment is not needed.

Risk Management Implications

43. None

Next steps:

- To engage with unions on the proposed changes through SCCTU.

Probationary Procedure

- To amend the probation procedure on Snet.

Officer Code of Conduct

- To seek full Council approval for the amended policy at the 7 February 2017 meeting.
- To amend the policy and guidance on Snet.

Gifts and Hospitality

- To amend the policies and guidance on Snet.

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Annexes:

Annex 1 – Proposed changes to Officer Code of Conduct Policy

Annex 2 – Proposed Changes to Gifts and Hospitality Policy