

## CHANGE BOARD

MINUTES of a meeting held on 9<sup>th</sup> March, 2004.

Present: Councillor H.J.W. James; Councillor A.J. Williams (Vice-Chairman);  
Councillors G.J.M. Fletcher and G.C. Kemp.

Also Present (for agenda item 7): Mr. J. Gray and Mr. D. Artess.

(a) Apologies for absence -

Apologies for absence were received from Councillor C.P. Franks and N. Moore.

(b) Minutes of the Meeting held on 3<sup>rd</sup> February, 2004 -

AGREED - T H A T the minutes of the meeting of the Board held on 3<sup>rd</sup> February, 2004 be approved as a correct record.

(c) Matters Arising from the Minutes -

There were no matters raised.

(d) ECLIPPS -ACiW Improvement Study -

The Board were advised that the Audit Commission in Wales will be undertaking a number of all-Wales studies in the coming year. Foremost among these studies is the ECLIPPS (Standing for Excellence, Communities, Leadership, Innovation, Plans, Performance and Structures). The Audit Commission in Wales recognised that in striving to improve services and the quality of life of the communities they serve, Councils draw on a number of functions, programmes and responsibilities. These include Political Leadership, the Community Strategy and associated Partnerships, the Corporate Plan, Performance Management, the Improvement Plan, Financial and Service Planning and Senior Management Capacity. Linking these elements is the crucial, but very difficult challenge and it is this 'joining up' process that ECLIPPS will focus upon. Attached to the report was the draft Terms of Reference for the study.

Although the study (which is voluntary) is being conducted in a number of Councils, the Vale is the only Council in Wales that is participating in the fully comprehensive version - that is, **all** the "clusters" are being included. In other Councils only one or two clusters feature. This is a testament to the ability of the Council to tackle the complete project, and reflects a confidence within ACiW that as a result of its significantly improved performance in recent years the Council has many of the "building blocks" in place to make full participation worthwhile. The project is also particularly appropriate in the Vale since the Change Programme has consistently

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emphasised the need to link the many new initiatives introduced so as to achieve a coherent approach to corporate governance.

The study will be undertaken over the next few months. The work is scheduled over a period from March to August 2004. As was evident from the study's terms of reference, there will be contact and input required from elected members as well as Council managers. The Council's input to the study will be personally co-ordinated by the Chief Executive.

The study outcomes will be of significance not only in terms of the Council's corporate governance arrangements i.e. the way in which the Council manages its business, determines strategies and objectives and goes about achieving these objectives, but also for the forthcoming Estyn Inspections on Strategic Management and School Improvement scheduled for July 2004 and the second Joint Review of Social Services likely to take place later in 2005. A good assessment of how well the Council directs and controls its functions overall and how well it relates to its communities will have a positive impact on the assessments resulting from these key inspections.

AGREED - T H A T the contents of the report be noted and the Council's participation in the study be endorsed.

(e) Human Resources Strategy - Progress -

The Board received a report which detailed progress of the Human Resources Strategy since its approval in the Summer of 2003.

The Strategy was developed following extensive consultation with Staff, H.R. Officers, Managers and Trade Unions. The document had been welcomed by the Cabinet and had been endorsed by the Scrutiny Committee (Corporate Resources). It was reported that other Local Authorities in Wales had become aware of its existence and had requested copies.

The Human Resources Strategy was firmly linked to the Community Strategy and the Council's service ambitions as set out in the Corporate Plan. The Strategy also set out the guiding principles that underpin the Council's approach to the management of its staff, including:

- Fostering a managerial culture that encourages innovation and commitment to customer's excellence.
- Development of relationships with our staff based on respect and recognition.
- Development of strong team working, actively involving staff and valuing their ideas and contributions.
- Building a high performance culture where members and officers are committed to continuously improving services and achieving best value for public money.

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- Ensuring that Members, managers and supervisors operate openly and fairly with staff.

The Action Plan attached to the Strategy made it clear that the accountability for delivery and improvement cannot rest with the Human Resources function alone. Staffing matters are a responsibility for Team Leaders and Service Managers across the Council. The document makes those accountabilities clear, together with the actions expected by the relevant parties.

There are eleven priority areas (or themes) within the Human Resources Strategy, and the Board were advised of the progress achieved to date under the respective headings, namely:

### **Priority 1 - Recruiting and Retaining the Right People**

- 1.1 A new recruitment and retention policy has been completed and introduced following the consultant report.
- 1.2 Induction procedures have been reviewed and revised.
- 1.3 Career progression routes proposals for hard to fill posts have been developed and referred to the Corporate Management Team for consideration. (Target implementation date July 2004).
- 1.4 Key employee groups have been identified and a report agreeing remedial action to address pay anomalies has been approved. The Senior Management element of this task is being progressed through the Change Board.
- 1.5 Exit interview arrangements have been reviewed and re-launched. Responses from Exit Interviews have been considered by the Corporate Management Team.

### **Priority 2 - Developing Staff**

- 2.1 The first draft of a Staff Development Strategy has been constructed on the basis of Personal Development Reviews (PDRS) which have been undertaken.
- 2.2 The PDRS system has been introduced and training programmes prioritised to reflect identified needs. The system is being refined for 2004/2005 to reflect views expressed by participants and to introduce the potential for team reviews for certain groups of staff.
- 2.3 Training plans will be a requirement in the next round of Service Plans. The PDRS priorities will inform the Training Plans.
- 2.4 Progress towards iP is a long term priority. Some Services may progress more quickly than others, but delivery of the HR Strategy will provide the building blocks for further development.

**Priority 3 - Developing Managers**

- 3.1 A Management Development Programme has been specified and the tender process completed. Cabinet will receive a report detailing a recommended provider and confirming implementation arrangements.
- 3.2 The specification focused on Leadership. The Management Conference (5<sup>th</sup> March, 2004) will also include an element of leading change.
- 3.3 The proposed timetable for implementing Management Development (July 2004) will be achieved. The Corporate Management Team will finalise Cohort arrangements once Cabinet have agreed the provider.
- 3.4 The Management Development Programme will include an opportunity for “managers of the future” to be identified and to participate in the development activities.

**Priority 4 - Improving Internal Communications**

- 4.1 Team meeting systems have been introduced in all Directorates. A specific concern has been identified with regard to hard to reach groups (e.g. sessional tutors) for whom monthly meetings will not be appropriate.
- 4.2 Training programmes have been developed to equip Managers to fulfil their team meeting roles effectively. Directors have been asked to include “upward feedback” in the Directorate Management meetings.
- 4.3 All Directors are reviewing Staff Attitude Survey results in consultation with staff through team meetings and focus groups. Arrangements for the 2005 survey have not been initiated at this stage.

**Priority 5 - Implementing Performance Review and Appraisal**

- 5.1 Training has been designed and delivered involving more than 350 Managers and Supervisors. As referred to above, the PDRS system is being refined and further training will be provided to support its implementation.

**Priority 6 - Promoting Equality and Diversity**

- 6.1 Review of policies have been initiated. The completion of this review will link to achievement of Level 2 of the General Equality Standard.
- 6.2 Specific equalities training has been commenced on a Directorate by Directorate basis. Further training will be implemented on completion of the review of 6.1.
- 6.3 A Corporate Equalities Group has been established. This group will identify and promote good practice within the Council and support achievement of the Generic Equality Standard.

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### **Priority 7 - Updating Policies and Procedures**

- 7.1 Mechanisms to review the policies over a 2 year period have been put into place. Key policies (e.g. Discipline, Probation and Personal Development) have been reviewed through this process. A User Group has been established and involved.
- 7.2 Key policies are now available on the Intranet. Arrangements to speed access to policies and documents will be part of the E.Government strategy.
- 7.3 The training of Managers to date has been linked to the key HR Strategy components. However, specific training on Discipline handling has been arranged following the review of the policy and has been welcomed by Managers. This will be an ongoing process as policies are reviewed.

### **Priority 8 - Improved Management Information**

- 8.1 The need to link HR/Payroll systems has been agreed and a project team established to progress this task within the E.Government strategy.

Directors receive monthly reports on sickness absence and quarterly reports are submitted to Cabinet. There is evidence of Directorates considering this information and their responses are beginning to have an impact upon reduced sickness levels. The PWA (Personnel) system has limited capacity and the linkage proposed above, will be crucial to provide improved management information.

### **Priority 9 - Establishing a Healthy Workforce**

- 9.1 Sickness procedures have been reviewed and a Management of Attendance Group established to “encourage” compliance. Training has been implemented to support the initiative. Sickness levels are reducing.

Positive health initiative have been introduced (e.g. Health Fair, Flu Vaccines), supported by the Occupational Health Nurse.

The “Bronze” Corporate Health Standard achieved ahead of the predicted programme.

### **Priority 10 - Establish a Balanced Pay Structure**

- 10.1 Members have agreed timescales and processes to complete Job Evaluation within the Council. The Chief Executive has agreed to be the Project “Champion” for this important task. The process has been delayed and will be the subject of a separate report to Cabinet.
- 10.2 Members will continue to be advised on progress. Pay structure principles will be developed for consideration by Members before the Job Evaluation process is completed.

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### **Priority 11 - Establishing Service Level Agreements**

11.1 A draft Service Level Agreement has been prepared and circulated for consultation.

In terms of the delivery of the Strategy, the Board were advised that there are 27 specific objectives detailed within the key priorities. Since the Summer of 2003, action has been taken with H.R. and Equalities and corporately to prove each of these objectives. At February 2004, 15 of the 27 objectives had been delivered and the remainder are ongoing priorities which will feature in the H.R. Service Plans through to 2006.

The Board were provided with an amalgamation of the 117 actions required of H.R. as a consequence of the Service Improvement Diagnostic, Audit Commission Report, Recruitment and Retention Report and H.R. Strategy.

In parallel with the work which has been undertaken to progress the identified priorities, individuals associated with the delivery of the Strategy, have been consulted and challenged to identify opportunities for and obstacles to improvement.

This work has included meetings with Heads of Service and Operational Managers across the Council and also meetings of H.R. Staff. All involved have been left in no doubt about the importance of the delivery of the H.R. Strategy to the Change Programme for the Council. The meetings also identified suggestions to progress specific initiatives and identified individuals who could contribute to the task.

Specific issues raised by Heads of Service and Operational Managers included the need:-

- For all Managers to promote the Council and its services proactively
- To be more positive in seeking to open up career progression routes and opportunities for existing staff
- To develop our own staff
- To recognise the importance of succession planning
- To review training budgets and spend
- To encourage team and individual innovation
- To establish a management development programme linked to plans, targets and competencies
- To recognise the value of Development Centres
- To focus on leadership qualities in the development programmes
- To recognise the particular needs of 'hard' to reach groups and to ensure that policies, documentation and practices reflect the circumstances of such groups.
- To ensure that the revised PDRS system builds upon the progress to date and is not presented as an "all new" system
- For Equalities indicators in service plans
- To highlight good practice and communicate this within the Council
- To improve Intranet access for policies
- To provide training for managers on information systems and the use of data currently available
- To provide additional training on Health and Safety generally

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- To consider the working environment in building and staff overcrowding
- To examine the possibility of subsidised use of leisure centre for health purposes
- To recognise that Job Evaluation would raise expectations which would need to be managed
- To emphasise the importance of equity and fairness, not only equality
- To ensure that clear and achievable timetable published for job evaluation
- To look for opportunities to “catch staff doing things right”.

Following consideration by the H.R. Team, service and operational systems are being reviewed, and a Charter which clarifies Standards of the H.R. Service is in development. This initiative will impact directly on team and individual performance.

The Director advised that the recognised Trade Union had been consulted on the report and had emphasised the need to progress with staff development and positive health initiative to support the workforce.

Having considered the report, it was

**AGREED -**

- (1) T O note with pleasure the progress which has been achieved across the Council since the Human Resources Strategy was agreed in the Summer of 2003.
- (2) T H A T the position with regard to the elements of the amalgamated action plan which have been completed be noted.
- (3) T O endorse the proposals for the elements of the amalgamated action plan which have not been completed to be continued, stopped or amended as detailed, and for such changes to be included in the H.R. Service Plan.

#### Reasons for decisions

- (1) To ensure the Change Board are aware of the progress of the H.R. Strategy.
- (2) To note the tasks which have been completed.
- (3) To ensure outstanding actions are co-ordinated within the Service Plan.

#### **EXCLUSION OF PRESS AND PUBLIC**

AGREED - T H A T under Section 100A(4) of the local government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Act, the relevant paragraph(s) of the Schedule being referred to in brackets after each minute heading.

- (f) Senior Management Contracts (DLD) - Exempt Information - Paragraph I -

Prior to consideration of this item, all Officers left the room.

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Members were provided with comments on the report which had been E-mailed by Councillor Moore, namely:

“For what it is worth I consider Agenda 7 needs more discussion, especially with the Members.

If anything is proposed **my** comment are:

- No increase in salary should be paid at this time.

However, if the Meeting is minded so to do, I make the following comments:

- the removal and cessation of any further salary enhancements being made whatsoever
- the least expensive option pursued, with bars imposed before progression on the agreed scale, subject to reviews and appraisals
- the maximum salary should not exceed the Minimum Salaries supplied for the agreed salary scale (after all we are one of the lowest spending Authorities in Wales and the one of the lowest council tax bases etc. etc.)
- any increase should be staggered over as long a period as possible
- all subject to new revised contracts being agreed before implementation
- AND subject to a further report on the implications being supplied before any agreements are approved by Council”.

During 2003, the Council had reviewed recruitment and retention arrangements, and had agreed recommendations to address pay anomalies for a number of employee groups. Following consultation with Trade Unions, it had been concluded that any review of pay which impacts on the pay of Senior Managers would need to be undertaken independently.

The Hay Group had been appointed to undertake a review, and had produced a report which was considered by the Board. The report showed that the pay of Senior Managers in the Vale of Glamorgan is below that paid to individuals undertaking similar roles elsewhere in Wales.

The report also recommended the development of a performance contract for all Directors and Heads of Service. Under these contracts, incremental progression in pay would be the subject of formal appraisal and progression beyond the mid point on salary scales will be non consolidated. This would require officers in the review group to accept revised contractual terms.

The Board, having considered the contents of the report, and recognising the significant progress achieved by the Authority in this matter,

**A G R E E D -**

- (1) **T H A T** the contents of the Hay review be noted.
- (2) **T H A T** the depth of the review carried out by HAY be welcomed.

No.

(3) T H A T a financial appraisal be undertaken into the financial implications of the proposals, based on the following options contained in the report:

Chief Executive	Option 1
Directors	Option 1

Senior Managers	Option 3
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(4) T H A T further details be provided of the proposed appraisal systems.

(5) T H A T further details of the proposed changes to the contracts be provided.

(6) T H A T the work required to progress (3) and (5) above be undertaken by Hay and the Independent Adviser to the Council, Mr. Dennis Artess.

(7) T H A T a further report be brought before the Change Board prior to consideration by the Cabinet.