Human Resources Panel
22 January 2019

Core HR Policy Review

Report of the:	Head of HR & Organisational Development
Contact:	Shona Mason
Annexes/Appendices (attached):	
Other available papers (not attached):	

Report Summary

This report provides a progress update of the comprehensive review of all core HR Policies currently being undertaken.

Recommendation (s)

That the HR Panel notes progress on the review of core HR policies currently being undertaken.

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1   Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

1.1   In order for the Council to meet its key priorities it needs to employ staff to deliver services and those employees need to operate within a legally compliant and fit for purpose people framework.

1.2   The Council needs to adopt a people framework with HR policies which are legally compliant, clear, concise, and flexible and are reflective of the current organisational structure. Without robust HR policies the Council is exposed to risk in terms of its treatment of its staff and potential claims arising from Employment Tribunals.

2   Background

2.1   The Council currently has a number of core HR Policies which include:

- Attendance Management Policy

- Capability Policy

- Grievance Policy

- Disciplinary Policy

- Work & Families Policies – Maternity, Paternity, Shared Parental Leave, Adoption, Parental Leave, Flexible Working

- Managing Workforce Change Policy

- Equality, Diversity & Inclusion Policy

- Recruitment & Selection Policy

- Performance Management Policy

- Pay Policy

2.2   The above list is not exhaustive but outlines the core HR policies which make up its people framework. While the Council has these policies in place, they are not all up to date i.e. reflective of the current organisational structure, in line with legislative changes or are structured in a way that provides clarity and guidance for managers and staff, who have to use the policies.

2.3   The focus of the HR team over the past 18 months has been on Organisational Development and delivering significant changes to the Council's Pay Structure, Performance Management scheme, Behaviour Framework and Job Evaluation all of which is ongoing. These changes are the result of planned and systematic culture change creating an organisation which is flexible, adaptable and accountable, providing the foundations of a fit for purpose people framework.

2.4   In order to continue to develop the organisation further and create the culture that is needed for the future, the people framework needs to have HR policies which support the organisation to achieve its objectives and create a culture of accountability and flexibility. The current HR policies do not support the current change program and are no longer aligned with the new pay structure, performance management scheme and behaviour framework.

2.5   Due to the project and operational workload and resource constraints, it has not been possible to update policies in a timely manner, resulting in the majority, now not being aligned to the Council's Organisational Development projects or updated legislation, and therefore are no longer fit for purpose.

2.6   It is good practice for the core HR policies to have a policy document, procedure, management guidance, template letters, work flow and training materials for managers and staff.

2.7   Each policy needs to meet legislative requirements along with ACAS codes of practice to ensure that the Council is meeting its legal obligations and to mitigate risk and any potential challenge.

2.8 Having robust HR policies also ensures that there is consistency across the organisation eliminating any potential discrimination or unfair treatment.

2.9 It is essential that the Council has a robust set of HR policies to ensure that the Council operates in a legally compliant manner. If policies are not legally compliant then the Council is not meeting its statutory obligations.

2.10 Robust HR policies provide clarity of expectations and guidance to ensure that managers and staff know what is expected as part of their employment with the Council. This ensures that managers have the tools required to manage their people and deal with issues quickly and efficiently within a structured framework.

2.11 HR policies create a fair and transparent framework for managing people related matters, minimising the opportunity for discrimination and ensuring that the Council treats its employees fairly.

2.12 HR policies need to be linked within a framework as some employment matters can overlap. Policies need to be structured to ensure that they are complimentary and support managers and staff when complex employment matters arise.

2.13 HR policies that are linked and structured within a framework to support with the delivery of the Council's people aims, most importantly, mitigates the risk of claims from an Employment Tribunal.

2.14 It should be noted that Employment Tribunal claims against the Council for discrimination are not subject to a cap and therefore the additional cost to review the policies and procedures significantly outweighs the risks of not doing so.

3 Proposals

3.1 In order to ensure that the HR policies are fit for purpose and the Council can develop a strong people framework it was agreed by Strategy & Resources in July 2018 that additional resource is brought in, to support the HR team with the delivery of reviewing the core HR policies and the production of procedures, management guidance, template letters, work flow and training materials for managers and staff, to support with the implementation of the changes required.

3.2 Brining in additional support allows for dedicated attention, with the policies being reviewed in a systematic, joined up and robust way over a shorter period of time. This will reduce the risk to the organisation, without undermining the delivery of core day to day HR services and the ongoing organisational development projects.

3.3 The direct benefits of undertaking this work will ensure that the Council is compliant, can meet operational needs, manage risks and take a continuous improvement approach to support the ongoing Organisational Development projects in a quick and efficient manner.

3.4 The Council commissioned an experienced and qualified HR practitioner to undertake the review and the work commenced in Sept 2018.

3.5 To date the following policies have been drafted and are in the process of being finalised:

- Absence Management

- Capability

- Performance Management

3.6 Work is due to commence in January 2019 on the following policies

- Grievance

- Disciplinary

- Work & Families

3.7 All of these policies will be ready for consultation with the Leadership Team and Staff Consultative Group by the end of this financial year, with a view to them being agreed and rolled out in early 2019/20.

4   Financial and Manpower Implications

4.1 The identified cost of this review is £30k to be undertaken by an experienced consultant in collaboration with the HR team.

4.2 The cost of this work is funded from the Corporate Projects Reserve fund and was agreed by Strategy & Resources in July 2018.

4.3 ***Chief Finance Officer's comments:*** *All financial implications are set out in the body of the report.*

5   Legal Implications (including implications for matters relating to equality)

5.1 A regular review of management policies and procedures is an essential part of ensuring processes can be implemented effectively and fairly and are up to date. A root and branch review coupled with a 'people framework' approach to employment policies and procedures ensures a holistic approach to decision making, which benefits both the employer and employee relationship, as well as mitigating any risk to the Council.

5.2 ***Monitoring Officer's comments:*** *None arising from the contents of the report*

6   Sustainability Policy and Community Safety Implications

6.1   None

7   Partnerships

7.1   None

8   Risk Assessment

8.1   Failure to have a robust, legally compliant, complimentary and organisational focused HR policies places the Council at risk of claims from employees through Employment Tribunals.

8.2   There is also potential risk of increased turnover and difficulties in recruitment and retention of staff, as well as contributing to low staff morale.

9   Conclusion and Recommendations

9.1   The Panel is asked to receive and note the contents of the report and identify any areas for development.

Ward(s) Affected: (All Wards);