

HR POLICY DEVELOPMENT AND REVIEW

22 November 2022

Report of the Organisational Development Manager

PURPOSE OF REPORT

To enable the Committee to consider and approve the introduction of a new Employee Performance and Development Policy

This report is public.

RECOMMENDATIONS

That the new draft Employee Performance and Development Policy appended to this report is considered by the Committee and approved.

1.0 Introduction

- 1.1 From time to time the Council will create new Human Resources policies and procedures.
- 1.2 A new Employee Performance and Development Policy has been developed in response to feedback from employees and in line with recommendations from Investors In People (IIP). The policy is supported by a refresh of some of the existing tools and guidance to support managing employee performance, and the creation of some new ones, including a new purpose statement, a refresh of the Council's Our Values statements, the development of a behavioural framework to support Our Values, and the creation of supporting toolkits for employees and people managers.
- 1.3 The Policy and associated documents were shared at the Joint Consultative Committee (JCC) meeting on 9 November 2022 where it was agreed that further engagement with Trade Unions was required. The policy was discussed and general principles agreed at the monthly Trade Union meeting on Wednesday 16th November. Extensive consultation and engagement has already taken place, and continues to take place, with trade union colleagues, staff ambassadors and staff focus groups, to ensure the approach to employee performance and development is fit for purpose and can be embedded into business as usual. Personnel Committee are asked to approve the new policy to enable us to proceed with further engagement to finalise associated documents.

2.0 Background

- 2.1 The new policy has arisen due to a variety of reasons. The Council is changing and as we move to an outcome-focussed approach it is critical that our approach to managing performance management reflects this change, is adaptable and supports the Council to achieve the necessary culture change. Furthermore, the way that we all work has changed rapidly in the last two years with many Council staff now working in an agile way. Again, we need an approach to performance management that reflects this change and supports managers and staff to focus on outputs. Feedback from employees and

managers, and recommendations from the Investors In People following Silver accreditation in 2021, also underlined the need for us to review our approach and agree a new employee performance and development policy.

This Review involved obtaining feedback from across the organisation and found:

2.1.1 There was inconsistency in positioning and support of the Council's values, with a recommendation to re-visit and re-position them.

2.1.2 That there was a belief that the performance and behaviour elements of appraisal needed to be strengthened, with accompanying tools and guidance such as a competency framework.

The policy has therefore been developed in conjunction with a review of Our Values, and the development of toolkits to help focus discussions on both performance and behaviour. The policy is important because it outlines our principles and approach to managing performance.

2.2 The previous employee performance management framework, 'Your Time', was introduced in 2020 as a replacement to the previous performance appraisal process, following feedback that it was too bureaucratic. The aim of 'Your Time' was to encourage regular, high quality performance conversations between managers and employees. Whilst 'Your Time' was initially well received, it was felt that some of the structure from the previous approach would be useful. It should be noted that the Council does not currently have an approved performance management policy alongside the 'Your Time' framework.

2.3 The 'Our Values' framework was introduced in 2018, and after an initial series of workshops, the onset of the Covid Pandemic meant that the work to embed the values was not completed. Feedback from employees indicated that a review and refresh was required.

3.0 Why Performance Management Is Important

3.1 Effectively managing the performance of employees is critical for the success of the Council. The aim is to ensure that all employees, regardless of their role, understand what is expected of them, that they have the skills and resources to succeed, that they are held to account, and that they are motivated.

3.2 The term performance can include task performance (how core activities are carried out), contextual performance or organisational citizen behaviour (voluntary activity outside of the core role such as helping others or contributing to ad hoc projects, and adaptive performance (how employees respond to changing job demands or how they support innovation). All of these elements are essential to the successful operation of a modern council.

3.3 Tools such as a values/behavioural framework can help employees to perform at a higher level.

3.4 Objective setting can be highly motivational and can be expressed as a metric such as a key performance indicator, an ongoing quality standard or a task to be completed by a certain date. They can also be based on various outcomes, such as a learning or wellbeing outcome, or can be focussed on behaviours.

4.0 Approach taken

4.1 Performance Management and Development Policy (*working title*)

4.1.1 The Performance Management and Development Policy sets out the Council's commitment to managing and encouraging the performance of our employees. The process is intended to be positive and forward looking, with the existing separate policies and procedures for formally managing poor performance being used outside of this process.

4.1.2 The main themes are:

- We are committed to ensuring all employees are given the opportunity to work to their full potential.
- The values are central to this approach
- Success is to be celebrated
- There will be an Annual Conversation (*working title*) with an objectives setting exercise
- There will also be a values discussion and an emphasis on wellbeing
- Managers will be responsible for the performance of their team and will discuss it with the Leadership Team; this will be facilitated by 'report back' discussions, where Heads of Service will report on progress of completion rates, key themes being discussed, key issues that are being encountered, and corporate training requirements
- An impact rating will be determined during the Annual Conversation, based on the impact an employee has had on delivering the Council's priorities, to motivate people, drive accountability and to help prioritise development needs
- The Annual Conversation will continue to be discussed at every one to one conversation, acknowledging that objectives and goals can change and evolve, and that this is expected
- The policy will be reviewed on an annual basis, it is expected that this process will also change and evolve based on feedback received.

4.2 Purpose, values and behavioural framework – tools to support performance management

4.2.1 Having a healthy corporate culture is also critical to success. Having a clear common purpose and clearly defined values helps to encourage a positive culture and ensure employee commitment, engagement and retention.

4.2.2 A story telling exercise was run with the Leadership Team to understand what work people feel most proud of, the contribution the work makes to the lives of others and the impact that it has.

4.2.3 The final purpose statement is currently being agreed based on the stories shared during the exercise.

4.2.4 To develop 'Our Values', a series of workshops were run with employees across the Council, including a separate workshop with the Senior Leadership Team, to establish how connected people feel to our current values, how embedded they are in the organisation, what values they felt needed to be adapted, if any, and what supporting behaviours they felt were important for all staff to exhibit.

4.2.5 A refreshed set of values has been created based on this feedback, with a supporting behavioural framework and summary. The words and phrases that employees used during the sessions have been incorporated into the values and behaviours.

4.3 Toolkits for Managing Performance (Manager and Employee Guides)

4.3.1 Two toolkits containing guidance on performance management, one for managers and one for employees, have been created. They describe the overall approach to good quality performance management, including one to one conversations, team check-ins,

Annual Conversations and Performance Improvement Conversations (informal feedback discussions to highlight areas of performance that need to improve, to be used on an as and when required basis).

- 4.3.2 Guidance is provided on the areas to discuss in each of the different meetings, along with tools to help prepare and sample questions to consider.
- 4.3.3 For the Annual Conversation, the output will be an impact rating, a set of objectives, a 'how I will live our values' plan and a personal development plan.

3.0 Next steps and options

As outlined in the report, substantial engagement with staff has taken place to produce draft:

- Organisational values and behaviours
- Employee values and behavioural framework
- Manager and Employee supporting documents

Further feedback will be sought from key stakeholders including Members, Trade Unions, Staff Ambassadors, and wider staff groups, as part of engagement between now and the intending implementation date of 1st April 2023. Managers will be supported to implement the new framework and a communication plan will be developed to ensure the new approach is successfully implemented and embedded.

The options available to the Committee in respect of the Policy are to approve the appended document as drafted, to approve the document with amendments, or not to approve the document.

However, if substantial changes in respect of any Policy are proposed at the Personnel Committee meeting, it may be appropriate for consideration of that Policy to be deferred to a future meeting to enable Officers to consider the proposed amendment in more detail and to consult further with the trade unions. This would have implications for the proposed implementation timeframe.

4. Conclusion

Members are asked to consider and accept the Officer recommendations set out above in respect of the draft policy appended to this report.

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing):

Please see associated Equality Impact Assessment in respect of the proposed policy. There is no notable impact.

LEGAL IMPLICATIONS

There are no legal implications.

FINANCIAL IMPLICATIONS

There are no financial implications to the implementation of the policy.

OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces:

Managers will be required to meet with their staff on a regular basis. This is to be expected and is part of good management practice, ensuring that the council performs at expected levels.

SECTION 151 OFFICER'S COMMENTS

The Section 151 Officer has been consulted and has no comments to add.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no comments to add.

BACKGROUND PAPERS

New Policy Appended

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