

Report of: Chief Officer Human Resources

Report to: Corporate Governance and Audit Committee

Date: 26th June 2018

Subject: Annual assurance report on employment policies and procedures and employee conduct.

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. This is the annual report to the committee concerning the Council's employment policies and employee conduct. From the review, assessment and on-going monitoring carried out, the Chief Officer HR has reached the opinion that, employee conduct is properly managed, policies are regularly reviewed and employee conduct forms part of normal manager/ employee relations.

Recommendations

1. Members are requested to consider and note the positive assurances provided in this report in relation to:
 - the requirements of employee conduct are established and regularly reviewed;
 - requirements relating to employee conduct are communicated and feedback is collected on whether expected behaviours are being demonstrated;
 - and employee conduct is monitored and reported:

1 Purpose of this report

- 1.1 To provide assurance to the Corporate Governance and Audit committee that: the requirements of employee conduct are established and regularly reviewed; requirements relating to employee conduct are communicated and feedback is collected on whether expected behaviours are being demonstrated; and employee conduct is monitored and reported.

2 Background information

- 2.1 An internal audit of “Employee conduct – central controls” was issued in June 2015 and this concluded that overall there was “Good assurance”. A recommendation from the audit was that a reporting mechanism be introduced to the Corporate Governance and Audit Committee to give assurance that the key employment policies and procedures are fit for purpose, effectively communicated, working as intended and regularly reviewed. The first such report was presented in September 2015, followed by June 2016 and June 2017.
- 2.2 An internal audit of register of interests issued in August 2016 concluded that overall there was “acceptable assurance” on the control environment and “good assurance” on compliance and the recommendations made in the audit report have been implemented.
- 2.3 An internal audit of gifts and hospitality issued in August 2016 concluded that overall there was “good assurance” on the control environment and “good assurance” on compliance and the recommendations made in the audit report have been implemented.
- 2.4 The Audit Plan for 2018/19 includes a planned audit, “Application of HR Policies - To gain assurance that a sample of HR policies are consistently and properly applied across the authority.”

3 Main issues

3.1 Employee Code of Conduct

An Employee Code of Conduct is in place and is set out in Part 5 of the council’s constitution ‘Codes and protocols’. It was revised in 2013 to align it with the Members Code of Conduct. Any breach of the employee code of conduct can lead to disciplinary action. In addition to this the Council has also established a set of values to inform the way that the council delivers services and the way in which employees work. In 2017 the values were refreshed and “tweaked” to reflect the feedback from colleagues. The changes were:

- Get the best deal on price, quality and social impact
- I am part of a team with a “can do” attitude
- Working with people - Engaging all communities
- Take a “no wrong door” approach if someone needs help

- 3.2 Further work is underway on developing the ‘can do’ culture where everyone feels safe and confident to take a ‘can do’ approach to working towards our ambition to

be the best city and the best council. This included the first “can do” week incorporating the leadership conference in October 2017. Recognising and sharing our successes is integral to the notion of ‘can do’ culture, which runs throughout our existing values, where staff may say:

- I am open to new ways of working.
- I appreciate the efforts of others and acknowledge a job well done.
- I look for ways to improve processes and service delivery.

3.3 Employees have access to the Code of Conduct and associated policies via the Toolkit section on InSite along with guidance and supplementary notes. It is the duty of managers to ensure that the Code of Conduct is available to employees who do not have access to InSite. There is also an induction checklist that is completed for new starters and this ensures employees are aware of the Code of Conduct on the first day of their employment.

3.4 The Code of Conduct is referenced every time a communication goes out about any of the policies and procedures which link to the code. In addition to regular council-wide reminders regarding the code of conduct, individual services identify when specific reminders are needed.

3.5 Gifts and hospitality

The rules on the acceptance of gifts and hospitality are communicated to managers and staff annually to ensure all employees are aware of the process. This communication normally takes place in early December as offers of gifts and hospitality traditionally see an increase in the run up to the Christmas period. The table below shows the details of the declarations for the past 3 years.

	Total number of declarations.	Number of offers that were rejected.	Number of offers which were accepted.	Number of accepted offers valued at less than £50.
2017/18	97	27	70	35
2016/17	135	48	87	41
2015/16	121	43	78	47

The vast majority of offers are for attendance at seminars/ award ceremonies/ networking events and were made to employees working within City Development. On an annual basis Directors are sent a copy of the register for their directorate and they are responsible for reviewing this to ensure that they are satisfied that there are no concerns, either with what individual officers have declared over the year or with any particular firm making inappropriate offers. No such concerns were identified in the last annual review and there have no referrals in 2017/18 to the HR casework team for any breach of the gifts and hospitality policy.

3.6 Employee Register of Interests

There is a rolling programme in place for the completion of register of interest forms, this involves an annual exercise and in addition new self-declarations are processed throughout the year. High risk posts are identified using the following criteria: posts that give significant advice or speaking for the council; posts where there is significant authority to make decisions; and posts with significant discretion over spending. For the 2017/18 annual exercise the business support centre sent out 1005 forms. The details of declarations that have been made have been sent to the relevant Directors for review and they have also been given the details of the 92 non responders so these can be chased up. Directors and chief officers have a responsibility to assess declarations and take the necessary actions to address any potential conflict of interest. Examples of declarations include duties such as school governors and other voluntary activities, employment outside the council and personal relationships with contractors. There have been no referrals to the HR casework team in 2017/18 for any breach of the register of interests policy.

3.7 Employee Training and Development

Much of the training and development available to employees is booked through the PAL system where courses are divided into categories and are delivered via online and classroom methods. In total for 2017/18 there were 14,918 training sessions completed. The top three categories were, Health, safety and wellbeing (3074), Working with Adults (2138) and Managing Information (2086).

3.8 Mandatory information governance training for all employees was completed in summer 2016. Employees with IT access completed an e-learning package and those without IT access received a leaflet to their home address. The refreshed training was launched on 16th April 2018 and incorporates information to ensure employees understand their responsibilities under the new General Data Protection Regulations. Employees have 8 weeks to complete the e learning after which if it is not complete their system access will be withdrawn until it is complete.

3.9 Within Adult Social Care and Children's and Families there are a number of job roles that require statutory training. LCC was successful in a bid to be a Teaching Partnership. The Leeds and Wakefield Social Work Teaching Partnership

comprises of Leeds Adults and Children's social work, Wakefield Adult and Children social work, Leeds Beckett university and University of Leeds. The partnership leads the whole of social work development and curriculum from starting at university on the degree course to practicing as a social worker. In Children's and Families examples of training to meet a statutory requirement include "Safeguarding Children" which is compulsory for all staff and "Therapeutic Crisis Intervention" which is required for all residential workers. In ASC there are courses, "Safeguarding for Adults" which is for all staff and "The Mental Capacity Act in the workplace" which is for frontline care staff.

3.10 The health and safety team deliver or advise on a range of training and development to ensure that LCC meets its statutory obligations and that all employees have the necessary knowledge and skills to carry out their roles safely. The Head of H&S has monthly assurance meetings with the Director of Resources and Housing to discuss H&S performance and the high hazard group meets quarterly to discuss H&S priorities and share details of any incidents and good practice across services. The annual health and safety report which provides assurance on health, safety & wellbeing is presented to CLT, Executive Board and the Corporate H&S Committee each year. The annual report highlights H&S performance across the year and also identifies new priorities and strategies for the coming years.

3.11 Politically restricted posts

The Local Government and Housing Act 1989 (as amended) states that people in certain council jobs cannot be active in political parties. Those posts are known as 'politically restricted' posts. Posts may be politically restricted for two reasons: they may be specified posts or the post may have sensitive duties. As a guide, the top three tiers of management are likely to be specified posts. Posts will be designated as "sensitive duties" if the role involves regularly advising the authority, or regularly dealing with the media. An exercise was conducted in early 2015 to ensure politically restricted posts were matched to the specified and sensitive criteria. New positions are categorised from the creation of the post. In May 2018 there were 87 politically restricted posts, 76 of which were filled. There have been no referrals in 2017/18 to the HR casework team for any breach of the politically restricted posts policy and procedure.

3.12 Appraisals

Our values and behaviours clearly set out expectations for all managers and supervisors. Arrangements are in place to assess the performance of employees against expected behaviours through the two formal appraisals each year, a 'full year' appraisal (1 April to 30 June) and an 'interim appraisal' (1 October to 31 December). Having listened to feedback from managers and staff earlier this year the way appraisals work have been simplified to create a better conversation which is geared towards getting the best from everyone. The main changes are:

- new, simpler appraisal forms – for paper and online, (appendix 1)
- new questions that builds the conversation around the person
- more focus on individual strengths and things colleagues bring to the team

- an opportunity to discuss how we can all work together to 'be our best'

Latest mid year completion rate = 95.8% (collected in December 2017)

Latest full year completion rate = 97.6 % (collected in July 2017)

3.13 Employee Engagement Survey

Response rates were maintained in 2017, with around 7000 people completing the survey, giving a response rate of 49.4%. The overall engagement score was 7.54 out of 10. This was based on answers to the question 'If a friend asked you to give a score from 1 to 10 working for Leeds City Council, what would it be?' All directorates scored higher than 7 out of 10.

The scores for 20 of the 26 survey questions improved between 2016 and 2017 (with slight variations on the other 6 questions) and four new questions were added including an open question inviting suggestions for making Leeds City Council the best place to work in. 90%+ of staff agree that they have clear expectations, are trusted to do their jobs, and get help and support from colleagues. 90% of staff agree they are making a difference to the people of Leeds.

Six key themes have been identified from across the council:

1. Improving the quality and value of appraisals across the Council.
2. Giving everyone a say and influence at work, especially those in front line teams.
3. Tackling increased workloads and burnout, with everyone doing their fair share.
4. Tacking areas of poor management (fairness, consistency, values and behaviour).
5. Looking at the money pressures that people are facing and the things that will help.
6. Improving IT systems and equipment.

This year services and teams will take a different approach using spring and summer 2018 to listen to staff to get underneath the key issues. To allow this to take place, the next survey will launch in Spring 2019 not Autumn 2018.

3.14 Handling disciplinary matters

There are formal routes for staff to report non-compliance with the Code of Conduct through raising a grievance or submitting a whistleblowing concern which may lead to an investigation under the disciplinary policy. The outcomes of investigations are shown in the table below.

Outcome of disciplinary investigations.	2015/16 Number of employees	2016/17 Number of employees	2017/18 Number of employees
Dismissed	17	28	31
Offered an alternative to dismissal	4	0	0
Final or written warning	27	35	37
Resigned	15	17	17
Recommendation to management.	20	30	19
No further action	18	14	16
Frustration of contract	0	1	0
Total number	101	125	120
Number of total cases coded as "Corrupt or Improper Practice" or "Official Conduct".	27	14	29

- 3.15 Between 2015 and 2017 the following employment policies were revised: disciplinary, attendance, dignity at work, alcohol and drugs, grievance, performance and probationary. In all of these policies there is an emphasis on managers taking early action to avoid issues escalating unnecessarily and also on taking an individualised approach to supporting their employees to be at work and be their best. In 2018 a new supporting colleagues at work policy is being developed which will endorse the social model of disability and help join up the intrinsically linked themes of health, safety, wellbeing, inclusion and diversity.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Reviews of employment policies are subject to consultation with service managers, staff networks and trade union colleagues.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 All reviews of employment policies include Equality Impact Assessments. These ensure equality, diversity, cohesion and integration is considered throughout the development, implementation and review or establishment of any key decisions, strategies, policies, services and functions.

4.3 Council policies and the Best Council Plan

- 4.3.2 An internal audit of register of interests issued in August 2016 concluded that overall there was “acceptable assurance” on the control environment and “good assurance” on compliance.
- 4.3.3 An internal audit of gifts and hospitality issued in August 2016 concluded that overall there was “good assurance” on the control environment and “good assurance” on compliance.

4.4 Resources and value for money

- 4.4.1 Effective management of our workforce has a positive impact on our overall salary costs.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 This report is not subject to call in. All employment policies are legally compliant and if they are not followed then there is a risk of employees taking legal action against the Council through Employment Tribunal claims.

4.6 Risk Management

An internal audit of register of interests issued in August 2016 concluded that overall there was “acceptable assurance” on the control environment and “good assurance” on compliance. An internal audit of gifts and hospitality issued in August 2016 concluded that overall there was “good assurance” on the control environment and “good assurance” on compliance. As an employer there is legal responsibility to ensure that certain employment policies are in place and as a good employer Leeds City Council wants to achieve a culture where all employees are clear on their responsibilities and can be their best. The monitoring of employee conduct allows trends to be spotted and early intervention prevents where possible issues escalating to formal procedures.

5 Conclusions

From the review, assessment and on-going monitoring carried out, the Chief Officer HR has reached the opinion that, employee conduct is properly managed, employment policies are regularly reviewed and employee conduct forms part of normal manager/ employee relations. In particular:

a. In relation to the requirements of employee conduct being established and regularly reviewed:

- The Code of Conduct is accessible to employees and fit for purpose.
- Politically restricted posts have been matched to the specified and sensitive criteria.
- There is a programme of review for employment policies to ensure they are fit for purpose.
- Training and development for employees is in place to meet statutory requirements.

b. In relation to the requirements of employee conduct being communicated and feedback being collected on whether expected behaviours are being demonstrated:

- Annual reminders regarding gifts and hospitality are issued and Directors review annually the declarations that have been made.
- There is an annual programme for the completion of register of interests for employees in identified high risk posts and declarations are reviewed by Directors.
- Through the appraisal process managers rate employees on their overall performance and also on the behaviours they demonstrate.
- Through the annual engagement survey feedback is gathered direct from employees on how well behaviours are being demonstrated.
- Mandatory “Information Governance Level 1” training is in place and is reviewed and refreshed every 2 years.

c. In relation to the requirement that employee conduct is monitored and reported:

- Where appropriate employees are referred for investigation under the disciplinary policy.
- There have been no referrals to the HR casework team in 2017/18 for any breach of the politically restricted posts policy, the gifts and hospitality policy or the register of interests policy.

6 Recommendations

Members are requested to consider and note the positive assurances provided in this report in relation to:

- the requirements of employee conduct are established and regularly reviewed;
- requirements relating to employee conduct are communicated and feedback is collected on whether expected behaviours are being demonstrated;
- and employee conduct is monitored and reported:

7 Background documents

7.1 None.

My Appraisal 2018-19

My details	Name		Payroll number
My manager	Name		Payroll number
Appraisal dates	Planning complete	Mid-year review	End of year review

STEP 1 : Planning for the year ahead with your manager

My objectives for this year		
No.	Objective	By when
1		
2		
3		
4		
5		
My strengths		My development areas
Things you're good at, what you bring to the team		Things to work on, or get help and training around
<p>Getting the best from me</p> <p>What things would help get the best from you at work? Things you'd like to get involved in? Important things that you want to share, about you. Any blocks getting in the way? Ways to make more of your strengths? Career ambitions?</p>		

STEP 2 : Mid-year review meeting

My view – how things are going

My objectives	How are you getting on with your objectives?
My way of working	Have you demonstrated our values over the last 6 months? Share some practical examples
My development	How is your personal development and training going? What have you done and how has it helped?

Managers view and feedback

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STEP 3 : End of year review meeting

Looking back over the last 12 months					
The year overall	How has the year been for you? Share your highs and lows. Have we seen the best of you?				
Rating my own performance over the year	Values and behaviours	Exceeding	Meeting	Not meeting	Unsatisfactory
	Overall performance	Exceeding	Meeting	Not meeting	Unsatisfactory
My comments	Why I have chosen these ratings – thinking about my objectives, the values, my development and job standards.				
Feedback from my manager	About me, my performance and how things have gone in the last 12 months.				
Ratings by my manager	Values and behaviours	Exceeding	Meeting	Not meeting	Unsatisfactory
	Overall performance	Exceeding	Meeting	Not meeting	Unsatisfactory

My signature		Date	
Manager's signature		Date	