



Personnel Committee

Date: Tuesday, 29 January 2019

Time: 2.00 pm

Venue: Council Antechamber - Level 2, Town Hall Extension

Everyone is welcome to attend this committee meeting.

Access to the Council Antechamber

Public access to the Council Antechamber is on Level 2 of the Town Hall Extension, using the lift or stairs in the lobby of the Mount Street entrance to the Extension. That lobby can also be reached from the St. Peter's Square entrance and from Library Walk. **There is no public access from the Lloyd Street entrances of the Extension.**

Membership of the Personnel Committee

Councillors - Ollerhead (Chair), Akbar, Bridges, Craig, Leech, Leese, N Murphy, S Murphy, Rahman, Richards, Sheikh and Stogia

Agenda

- 1. Urgent Business**
To consider any items which the Chair has agreed to have submitted as urgent.
- 2. Appeals**
To consider any appeals from the public against refusal to allow inspection of background documents and/or the inclusion of items in the confidential part of the agenda.
- 3. Interests**
To allow Members an opportunity to [a] declare any personal, prejudicial or disclosable pecuniary interests they might have in any items which appear on this agenda; and [b] record any items from which they are precluded from voting as a result of Council Tax/Council rent arrears; [c] the existence and nature of party whipping arrangements in respect of any item to be considered at this meeting. Members with a personal interest should declare that at the start of the item under consideration. If Members also have a prejudicial or disclosable pecuniary interest they must withdraw from the meeting during the consideration of the item.
- 4. Minutes**
To approve the minutes of the meeting held on 12 December 2018. 5 - 12
- 5. Senior Management Capacity Review** 13 - 24
The report of Chief Executive is enclosed
- 6. Senior Pay and Grading Update** 25 - 30
The report of the Chief Executive is enclosed
- 7. Local Government Pension Scheme - Updated Discretions Policy Statement** 31 - 52
The report of the Head of Revenues and Benefits, Shared Services and Customer Services is enclosed.
- 8. Improving Disclosure Barring Service Compliance** 53 - 60
The report of the Director of Human Resources / Organisational Development is enclosed

Information about the Committee

The Personnel Committee is made up of the Leader of the Council, the other nine Members of the Executive, the Assistant Executive Member (Finance and Human Resources), and the Leader of the Opposition.

Amongst its responsibilities, the Personnel Committee considers department staffing and organisational reviews; determines collective and corporate terms and conditions of staff and 'market rate' supplements. The Committee also determines the assignment and re-grading of certain posts and policies relating to local government pensions.

The Council is concerned to ensure that its meetings are as open as possible and confidential business is kept to the strict minimum. When confidential items are involved these are considered at the end of the meeting at which point members of the public are asked to leave.

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Smoking is not allowed in Council buildings.

Joanne Roney OBE
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Further Information

For help, advice and information about this meeting please contact the Committee Officer:

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Personnel Committee

Minutes of the meeting held on Wednesday, 12 December 2018

Present: Councillor Ollerhead (Chair) – in the Chair

Councillors: Akbar, Bridges, Craig, Leech, Rahman, Sheikh and Stogia

Apologies: Councillor Leese, N Murphy, S Murphy, Richards

PE/18/27. Minutes

Decision

To approve the minutes of the meeting held on 14 November 2018.

PE/18/29 Proposed New Pay Structure

The Committee considered a report of the Director of Human Resources / Organisational Development (HROD) which sought approval for changes to the Authority's existing pay structure for staff employed on Grades 1 – 12. Subject to approval through the established channels those changes would be implemented in 2019-20.

It was explained that the changes had been developed in consultation with the City Treasurer, the Executive Member for Finance and Human Resources and the Trade Unions at national level. The Committee noted that formal endorsement of the proposed changes by local trade unions would also be sought prior to implementation.

A summary of the changes were described in the report; the Committee noted that they had been developed with aim of:

- Maintaining the integrity of the Council's agreed pay and grading structure and focusing proposals and discussions on the practical implementation of the pay award and not broader issues of pay and grading
- Ensuring the award implementation reflects national guidance issued by the NJC
- Assuring implementation pays due regard to equality (a full Equality Impact Assessment has been conducted).
- Implementing the award within the parameters of affordability.
- Continuing to ensure the Council's lowest paid employees are paid at least the UK Living Wage. It is worth noting that subsequent to the pay award being agreed, in November the Living Wage Foundation recommended an increase to the Living Wage to £9.00 per hour for 2019 - the Council operates on a standard working week of 35 hours, therefore the minimum hourly rate for the Council will equate to £9.51 per hour following the Award's implementation.

With regard to how the award would be implemented, the committee noted that a straight line transition from the current pay structure was proposed with three variations in order to accommodate the new pay spine. The rationale for each of

those variations was explained in full in the report. This also included arrangements for new starters.

Comments from the Trade Unions were submitted for consideration: in essence these amounted to broad support for the new pay structure, particularly concerning the positive impact on the organisation's lowest paid workers.

The Committee noted that opportunities for career progression within the new pay spine remained aligned with established corporate standards and would therefore remain unchanged.

The Committee agreed the proposals.

Decisions

1. To agree the adoption of the new grade structure and spinal column points, as set out in Appendix 2 (attached), to be applied across staff employed by the Council on Grades 1 – 12 with effect from 1 April 2019.
2. To agree the sequence of implementation for existing staff and the arrangements for new starters as set out in sections 4 and 5 of the report
3. To agree that the bar for enhanced overtime payments will remain at the top of Grade 6, which will now be (new) SCP 25.
4. To note that whilst the National Joint Council pay award covers staff up to (new) SCP 43 in Grade 10, the Council's grade structure will continue to extend up to Grade 12 (new) SCP 51.
5. To recommend that Council approves the new pay line, with the intention that the new grade structure be formally endorsed as part of the Pay Policy Statement.

PE/18/30 Employment Policy – Employer Supported Volunteering

The Committee considered a report of the Director of Human Resources / Organisational Development (HROD) which sought endorsement of an amendment to the employer supported volunteering policy. In summary, the policy had been updated to include amendments which had arisen from feedback and a review of policy provisions that had been undertaken following the first year of operation.

The changes had been proposed to allow greater flexibility for employees and the organisation to maximise take up and the impact, particularly for opportunities targeted at Manchester's social value priority groups.

The proposed policy revisions included enable the ability to undertake volunteering in hours as opposed to full or half days. Additionally, there would be a provision to enable Time Off in Lieu for volunteering opportunities for corporate priority event (on a case by case basis).

No Trade Union comments were submitted for consideration for this item.

The Committee welcomed the amendments and endorsed the changes to the policy noting that they would be implemented with immediate effect.

Decisions

1. To approve the implementation of the revised Employer Supported Volunteering policy.
2. To note that that the amended policy will come into force immediately, allowing the City to benefit from staff volunteer leave in hours and in support of corporate priority events outside of normal working time.

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APPENDIX 1: Comparison of Pay Spine – 2018/19 VS 2019/20

	Existing Pay and Grading Structure			Assimilation to New Pay Spine in 2019/20 as per Pay Agreement			
			Current Employees on NJC Terms and Conditions				
	2018/19			2019/20			
	SCP	Basic Pay	FTE	"Old" SCPs	New SCP	Basic Pay	Notes
Grade 1	6	16,394	79.75	6/7	1	£17,364	"Old" SCPs 6 and 7 are "paired off" to create a new SCP 1 from 2019/20
	7	16,495	354.27				
Grade 2	8	16,626	1.26	8/9	2	£17,711	"Old" SCPs 8 and 9 are "paired off" to create a new SCP 2 from 2019/20
	9	16,755	21.29				
	10	16,863	42.33	10/11	3	£18,065	"Old" SCPs 10 and 11 are "paired off" to create a new SCP 3 from 2019/20
	11*	17,007	114.30				
Grade 3	12	17,173	16.69	12/13	4	£18,426	"Old" SCPs 12 and 13 are "paired off" to create a new SCP 4 from 2019/20
	13	17,391	25.21				
	14	17,681	48.52	14/15	5	£18,795	"Old" SCPs 14 and 15 are "paired off" to create a new SCP 5 from 2019/20
	15	17,972	19.95				
Grade 4	16*	18,319	284.69	16/17	6	£19,171	"Old" SCPs 16 and 17 are "paired off" to create a new SCP 7 from 2019/20
	17	18,672	64.42				
	18	18,870	65.82	18	7	£19,554	
	19	19,446	56.26	19	8	£19,945	
	20	19,819	72.65	20	9	£20,344	
					10	£20,751	New SCP to which no "old" SCPs would assimilate
Grade 5	21*	20,541	660.22	21	11	£21,166	
	22	£21,074	91.30	22	12	£21,589	
					13	£22,021	New SCP to which no "old" SCPs would assimilate
	23	£21,693	94.17	23	14	£22,462	
	24	£22,401	68.30	24	15	£22,911	
					16	£23,369	New SCP to which no "old" SCPs would assimilate
	25	£23,111	68.77	25	17	£23,836	
					18	£24,313	New SCP to which no "old" SCPs would assimilate
Grade 6	26*	£23,866	593.41	26	19	£24,799	
				27	20	£25,295	
					21	£25,801	New SCP to which no "old" SCPs would assimilate
	28	£25,463	68.85	28	22	£26,317	
	29	£26,470	71.66	29	23	£26,999	
	30	£27,358	76.17	30	24	£27,905	
Grade 7	31*	£28,221	624.93	31*	25	£28,785	
	32	£29,055	59.21	32	26	£29,636	
	33	£29,909	64.76	33	27	£30,507	
	34	£30,756	62.51	34	28	£31,371	
	35	£31,401	86.73	35	29	£32,029	
Grade 8	36*	£32,233	682.51	36*	30	£32,878	
	37	£33,136	50.17	37	31	£33,799	
	38	£34,106	65.36	38	32	£34,788	
	39	£35,229	71.21	39	33	£35,934	
	40	£36,153	88.10	40	34	£36,876	
Grade 9	41*	£37,107	249.26	41*	35	£37,849	
	42	£38,052	23.01	42	36	£38,813	
	43	£39,002	58.50	43	37	£39,782	
	44	£39,961	30.10	44	38	£40,760	
	45	£40,858	73.55	45	39	£41,675	
Grade 10	46*	£41,846	188.51	46*	40	£42,683	
	47	£42,806	17.00	47	41	£43,662	
	48	£43,757	24.90	48	42	£44,632	
Grade 11	49	£44,697	127.29	49	43	£45,591	
	50	£45,932	1.00	Not part of the National Pay Spine (2.0% pay award applied)		£46,850	
	51	£46,920	12.00			£47,858	
	52	£48,115	11.00			£49,078	
	53	£49,153	40.90			£50,136	
Grade 12	54	£50,299	4.00			£51,305	
	55	£51,383	10.00			£52,410	
	56	£52,484	10.00			£53,534	
	57	£53,602	37.80			£54,674	

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APPENDIX 2: MCC's Proposed Pay and Grading Structure from 2019/20

MCC's Proposed Pay and Grading Structure					
2019/20					
Grade	New SCP	Basic Pay	Monthly	Weekly	Hourly
Grade 1	1	£17,364	1,447.00	333.01	9.51
	1A*	£17,520	1,460.00	336.00	9.60
Grade 2	2	£17,711	1,475.92	339.66	9.70
	3*	£18,065	1,505.42	346.45	9.90
Grade 3	4	£18,426	1,535.50	353.37	10.10
	5	£18,795	1,566.25	360.45	10.30
	6*	£19,171	1,597.58	367.66	10.50
Grade 4	7	£19,554	1,629.50	375.01	10.71
	8	£19,945	1,662.08	382.51	10.93
	9	£20,344	1,695.33	390.16	11.15
	10	£20,751	1,729.25	397.96	11.37
	11*	£21,166	1,763.83	405.92	11.60
Grade 5	13	£22,021	1,835.08	422.32	12.07
	14	£22,462	1,871.83	430.78	12.31
	15	£22,911	1,909.25	439.39	12.55
	17	£23,836	1,986.33	457.13	13.06
	19*	£24,799	2,066.58	475.60	13.59
Grade 6	21	£25,801	2,150.08	494.81	14.14
	22	£26,317	2,193.08	504.71	14.42
	23	£26,999	2,249.92	517.79	14.79
	24	£27,905	2,325.42	535.16	15.29
	25*	£28,785	2,398.75	552.04	15.77
Grade 7	26	£29,636	2,469.67	568.36	16.24
	27	£30,507	2,542.25	585.06	16.72
	28	£31,371	2,614.25	601.63	17.19
	29	£32,029	2,669.08	614.25	17.55
	30*	£32,878	2,739.83	630.54	18.02
Grade 8	31	£33,799	2,816.58	648.20	18.52

	32	£34,788	2,899.00	667.17	19.06
	33	£35,934	2,994.50	689.14	19.69
	34	£36,876	3,073.00	707.21	20.21
	35*	£37,849	3,154.08	725.87	20.74
Grade 9	36	£38,813	3,234.42	744.36	21.27
	37	£39,782	3,315.17	762.94	21.80
	38	£40,760	3,396.67	781.70	22.33
	39	£41,675	3,472.92	799.24	22.84
	40*	£42,683	3,556.92	818.58	23.39
Grade 10	41	£43,662	3,638.50	837.35	23.92
	42	£44,632	3,719.33	855.95	24.46
	43*	£45,591	3,799.25	874.35	24.98
Grade 11	44	£46,851	3,904.25	898.51	25.67
	45	£47,858	3,988.17	917.82	26.22
	46	£49,078	4,089.83	941.22	26.89
	47*	£50,136	4,178.00	961.51	27.47
Grade 12	48	£51,305	4,275.42	983.93	28.11
	49	£52,410	4,367.50	1,005.12	28.72
	50	£53,535	4,461.25	1,026.70	29.33
	51*	£54,674	4,556.17	1,048.54	29.96

* Progression subject to competency review

**Manchester City Council
Report for Resolution**

Report to: Personnel Committee – 29 January 2019

Subject: Senior Management Capacity Review

Report of: Chief Executive

Summary

This report sets out proposals to realign senior leadership capacity, in the context of impending vacancies in the Strategic Management Team and below, together with the need to develop wider leadership capacity and resilience.

The proposed changes will lead to a budget saving of £104k and are designed to invest in delivery capacity in support of the Council's strategic objectives. There will be no net increase in SMT numbers as a result of these changes.

Recommendations

Personnel Committee is recommended:

1. To note the appointment of Sara Todd to the post of Chief Executive of Trafford Metropolitan Borough Council and thank Sara for her commitment and dedication to the people of Manchester for the past 14 years.
2. To recommend to Council that the role profile and duties of the existing Deputy Chief Executive post are varied as set out in the report and to include the duties of the Council's statutory Section 151 Officer. The post will become Deputy Chief Executive and City Treasurer.
3. To agree that the Deputy Chief Executive and City Treasurer will take leadership responsibility for the: Human Resources / Organisational Development (HR/OD); Policy, Partnerships & Research; Reform & Innovation; and the Performance, Research & Intelligence services along with providing overall leadership to the Corporate Core, working closely with the City Solicitor, who will retain responsibility for the City Solicitor's Division.
4. To recommend to Council that the Deputy Chief Executive and City Treasurer is remunerated at a salary of £150k to reflect the increased portfolio and in line with the proposed changes to the Council's Pay Policy Statement detailed elsewhere on this meeting's agenda.
5. To agree that the Deputy City Treasurer assumes a greater proportion of the statutory functions of the City Treasurer role as detailed in the report, within the existing grade for the post.

6. To agree that the City Solicitor will take on responsibility for the Communications service and Civic and Ceremonial function, within the existing grade for the post.
7. To note that the Chief Executive will provide personal leadership to delivery of the Our Manchester approach across the organisation and City, together with strategic communications
8. To recommend to Council the creation of a new post of Strategic Director (Neighbourhoods) at Grade SS5 on the Council's pay and grading structure. This post will take on strategic responsibility for the Neighbourhoods and Highways services. Establishment of this post will enable the disestablishment of the current Chief Operating Officer (Neighbourhoods) post and, in line with *m people* principles, this post holder will be ring fenced for assessment to the Strategic Director role.
9. To agree the redesignation of the Head of Policy, Performance and Research to Head of Local Planning and Critical Infrastructure, at Grade SS3 on the Council's Grading structure.
10. To recommend to Council the creation of a new post of Director Policy, Performance and Reform at Grade SS4 on the Council's pay and grading structure. This post will take on strategic responsibility for the Performance, Research & Intelligence; Policy, Partnerships and Research and Reform & Innovation teams and will be funded through equivalent reductions at the tier below.
11. To agree the creation of a new Strategic Lead - Policy and Partnerships at Grade SS2, which will be funded through equivalent reductions at the tier below
12. To thank Lynne Ridsdale for her contribution to Manchester and note the intention to recruit a replacement Director of HR/OD at the existing grade and under the current Role Profile.

Wards Affected:

All

Revenue Consequences

The proposed structural changes in this report provide a net budget saving of £104k against existing senior management budgets across directorates.

Capital Consequences

There are no capital budget consequences arising from the proposals in this report.

Contact Officers

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Name: Lynne Ridsdale
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Background Documents (available for public inspection)

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

Personnel Committee 27 June 2018 - *Senior Management Arrangements*

1. Background

- 1.1 This report sets out proposals to strengthen corporate leadership resilience and capacity, in the context of:
- The Corporate Plan, which sets out the Council's contribution and approach to delivering the Our Manchester strategy and will drive the strategic direction of the organisation
 - The reduction in size of the Strategic Management Team (SMT) earlier this year, through the deletion of the vacant Deputy Chief Executive post and
 - The need to foster a talent development pipeline to enable the Council to "grow our own" future leaders.
- 1.2 A further need to review capacity has been presented with the impending departures of the Deputy Chief Executive, Sara Todd, who will take up the post of Chief Executive at Trafford Council in the coming months and Lynne Ridsdale, Director of HROD, who is taking up an Executive Director post at Bury Council.
- 1.3 The report sets out proposals to respond to these drivers for change through a review of SMT capacity; support to the SMT and wider leadership capacity.

2. Strategic Management Team Capacity

- 2.1 Last year the Chief Executive led a review of the SMT. The team was streamlined to comprise of Strategic Directors only and an efficiency was made following the departure of one of the two Deputy Chief Executives, with these responsibilities absorbed into the remaining Strategic Director portfolios. There is, however, a need to further review arrangements following the appointment of the remaining Deputy Chief Executive, Sara Todd, to the post of Chief Executive of Trafford Metropolitan Borough Council. In addition to her corporate leadership role, Sara's service portfolio includes the Neighbourhood Directorate (Neighbourhoods Service and Highways) and the People, Policy and Reform functions within the Corporate Core.
- 2.2 Sara has worked at Manchester City Council for 14 years and held leadership responsibility for a range of essential services including Waste, Recycling and Street Cleansing, Community Safety, Compliance and Enforcement, Libraries, Galleries and Culture, Parks, Leisure and Events, Neighbourhoods, Work and Skills, Planning, Licensing and Building Control, Business Units including Markets, Manchester Fayre, Pest Control, Bereavement Services, Fleet and People, Policy, Performance and Research. Sara has also taken the strategic lead for the delivery of the Our Manchester approach throughout the organisation and across the City. Members are asked to acknowledge Sara's significant contribution to Manchester.
- 2.3 In order to provide effective leadership of the organisation and fulfil delegations in the absence of the Chief Executive and ensure sufficient capacity to represent the Council at the highest level, it is important that a Deputy Chief

Executive is identified. The departure of the current Deputy Chief Executive provides an opportunity to consider the detailed portfolio and accountabilities of this post in the context of the new Corporate Plan and emerging Corporate Core Transformation Plan. In line with **m people** principles the City Treasurer will be Level 1 matched to this new post, the Deputy Chief Executive and City Treasurer, which will hold the following portfolio:

- Maintained accountability as the designated S151 officer
- Maintaining existing responsibilities for Financial Management, Procurement & Commissioning, Audit & Risk Management, Capital Programmes, Revenues & Benefits, Customer Services and the Shared Service Centre and ICT
- Additional responsibilities for the former People, Policy and Reform Directorate which comprises: HR/OD; Policy, Partnerships & Research; Performance, Research & Intelligence; and Reform & Innovation.
- Overall accountability of the Corporate Core of the Council, with the exception of the City Solicitor's Division, which will continue to be led by the City Solicitor.

2.4 The Strategic Director grade within the Council's pay and grading structure does not enable the scale and scope of the responsibilities of the new Deputy Chief Executive and City Treasurer portfolio, which were previously incorporated across three SMT posts, to be reflected. The Council's grading structure will therefore require review to accommodate a grade between the top of the current SS5 and Chief Executive grade (SS6). This proposed change is detailed in a separate report to this Committee which recommends that Grade SS6 is deleted and replaced with two new grades for the Chief Executive and Deputy Chief Executive respectively. There will be no change in remuneration for the Chief Executive; the Deputy Chief Executive grade will be created as a spot point at £150k. This amendment will require a revision to the Council's Pay Policy Statement which will be subject to the approval of Council at its next meeting.

2.5 In order to effectively distribute leadership responsibilities across the Strategic Management Team the other areas of the current Deputy Chief Executive's portfolio will be redistributed with:

- The Chief Executive providing personal capacity and leadership to drive the delivery of Our Manchester within the Council and City and leadership to strategic communications function, which will sit operationally within the City Solicitor's portfolio as described below.
- The City Solicitor taking management responsibility for the Communications Service and Civic and Ceremonial team, within the existing grade for the post.

2.6 It is proposed that leadership of the Neighbourhoods Directorate is provided by a new Strategic Director (Neighbourhoods) post who will be a member of the Council's Strategic Management Team and report directly to the Chief Executive. This post will be established, subject to approval by Council, at Grade SS5. The Neighbourhoods Directorate comprises the Neighbourhoods

and Highways Services. This post will also take the lead on City culture strategy. The recommendation is to disestablish the current Chief Operating Officer (Neighbourhoods) post (SS4) and, in line with **m people** principles, ringfence this post holder for assessment to the Strategic Director (Neighbourhoods) role. A further report will be presented in the coming months setting out proposals in relation to additional leadership changes within the Neighbourhoods Directorate.

- 2.7 Current and proposed SMT structures are appended to this report. There will be no net increase in SMT numbers as a result of these changes.

3. Strengthening Senior Capacity

- 3.1 In order to manage the capacity of the Deputy Chief Executive and City Treasurer a number of supporting further structural changes are proposed as outlined below.

- It is proposed that a new Director for Policy, Performance and Reform is created, to take responsibility for the Reform and Innovation; Policy, Partnerships and Research and the Performance, Research and Intelligence teams. The post will support the Chief Executive and SMT in delivery of Our Manchester; take a lead role in reform, including attendance at Reform Board, as well as work with the Deputy City Treasurer to support and hold managers to account for delivery of business change and associated savings. The post has been evaluated at Grade SS4. The new post will be recruited from one of the current SS3 roles overseeing Performance, Research and Intelligence and Reform and Innovation, with an equivalent saving to be made at the tier below.
- In order to provide the capacity for the City Treasurer to move into her new role the Deputy City Treasurer will need to take on a much greater proportion of the statutory functions of the City Treasurer role. This will include:
 - Providing a greater level of support to and attending Senior Management Team Meetings
 - A review of Directorship and Board memberships will be carried out and reallocated within the Senior Management Team in order to avoid any conflicts of interest and to release capacity for the City Treasurer. The Deputy City Treasurer will be expected to take on a greater role in this area.
 - To take on line management of the Commercial Unit that is being established to support the City Treasurer and Strategic Director Development and provide the day to day oversight of commercial transactions.
 - To be fully responsible for all stages of the Capital Checkpoint process and approvals supporting the Capital Board.

In addition, the postholder will need to take a lead role in key areas including the Core Transformation work and to ensure there is sufficient capacity to support the Council in designing a new operating model that will address the challenges of the next spending review.

Additional responsibilities will be contained within existing grade for the post, but arrangements will be monitored to ensure that with the combining of the City Treasurer and Deputy Chief Executive responsibilities there will be sufficient capacity to ensure these duties can be adequately fulfilled.

- The current Head of Policy, Partnerships and Research post will be redesignated as Head of Local Planning and Critical Infrastructure, with a dotted reporting line in to the Strategic Director, Development. The focus of the role would be to support the Strategic Director, Development and the Head of Planning, Building Control and Licencing to bring forward the new Manchester Local Development Plan, drawing on the resource of the Policy and PRI functions, and in doing so align it with:
 - the long term investment plans of critical infrastructure providers (notably, power, water, sewage, and digital infrastructure);
 - the Greater Manchester (GM) suite of Strategies and Delivery Plans that have a direct bearing on the development of the Manchester Local Development Plan (notably the GM Spatial Framework, the GM 2040 Transport Strategy Delivery Plan and other emerging plans, for example, the GM Clean Air Plan; and
 - Manchester's ambitions as set out in zero carbon, affordable housing, green and blue infrastructure and digital strategies.

It should be noted that it will be necessary to consider wider capacity within the Strategic Development directorate going forwards, including, for example, strengthening the capacity of the Directorate to deliver new affordable homes in the city. Further proposals will be brought to the next committee meeting.

- To maintain effective leadership across the Policy functions in the context of the change above, a new Strategic Lead post, Policy and Partnerships, will be created which has been evaluated at Grade SS2 and will report into the Director for Policy, Performance and Reform. The post will be ringfenced to the Strategic Leads for Policy and Strategy and for Resources and Programmes (both currently grade SS1) and equivalent reductions will be made at the tier below. The post will have responsibility for the Strategy and Policy and Resources and Programmes functions and will work closely with the new SS4 role and the new Planning and Infrastructure Post to effectively integrate the work with that of PRI and R&I under the new SS4 role.
- Lynne Ridsdale, Director HROD, leaves the Council in March to take up an Executive Director post at Bury Council. During her time at the Council Lynne has led the team to make significant progress in delivering the People Strategy. Recruitment to a replacement HROD Director is recommended, on the existing grade and Role Profile, to maintain this momentum.

4. Conclusion

- 4.1 The proposals set out above seek to strengthen senior management arrangements across the organisation in the context of the departure of the

current Deputy Chief Executive and the strengthened articulation of corporate priorities, as described by the new corporate plan.

- 4.2 These changes meet immediate capacity needs. However, in the above context more thought is needed on capacity below the SMT level and a further report will be brought forwards in the coming months setting out both structural changes to assure these arrangements and proposals to strengthen succession and development planning for senior leaders.

5. Comments of the Director of HR / OD

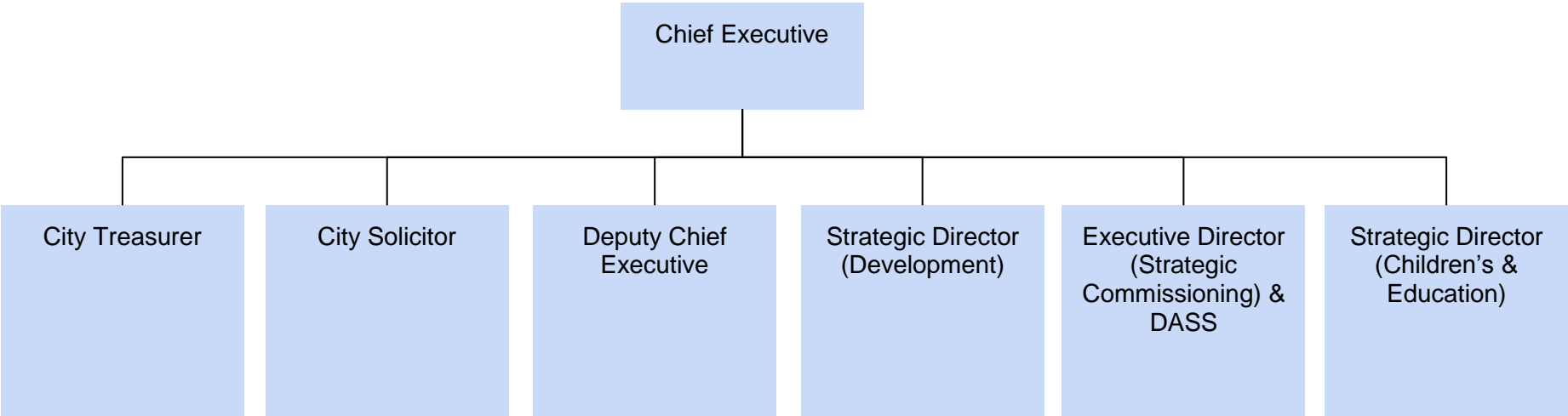
- 5.1 I have been consulted on, and support the proposals which effectively distribute leadership responsibilities across a refreshed SMT. I will work with SMT over the coming weeks to develop further recommendations in relation to senior capacity and portfolios to support SMT and senior talent management and succession planning arrangements across the Council.

6. Comments from Trade Unions

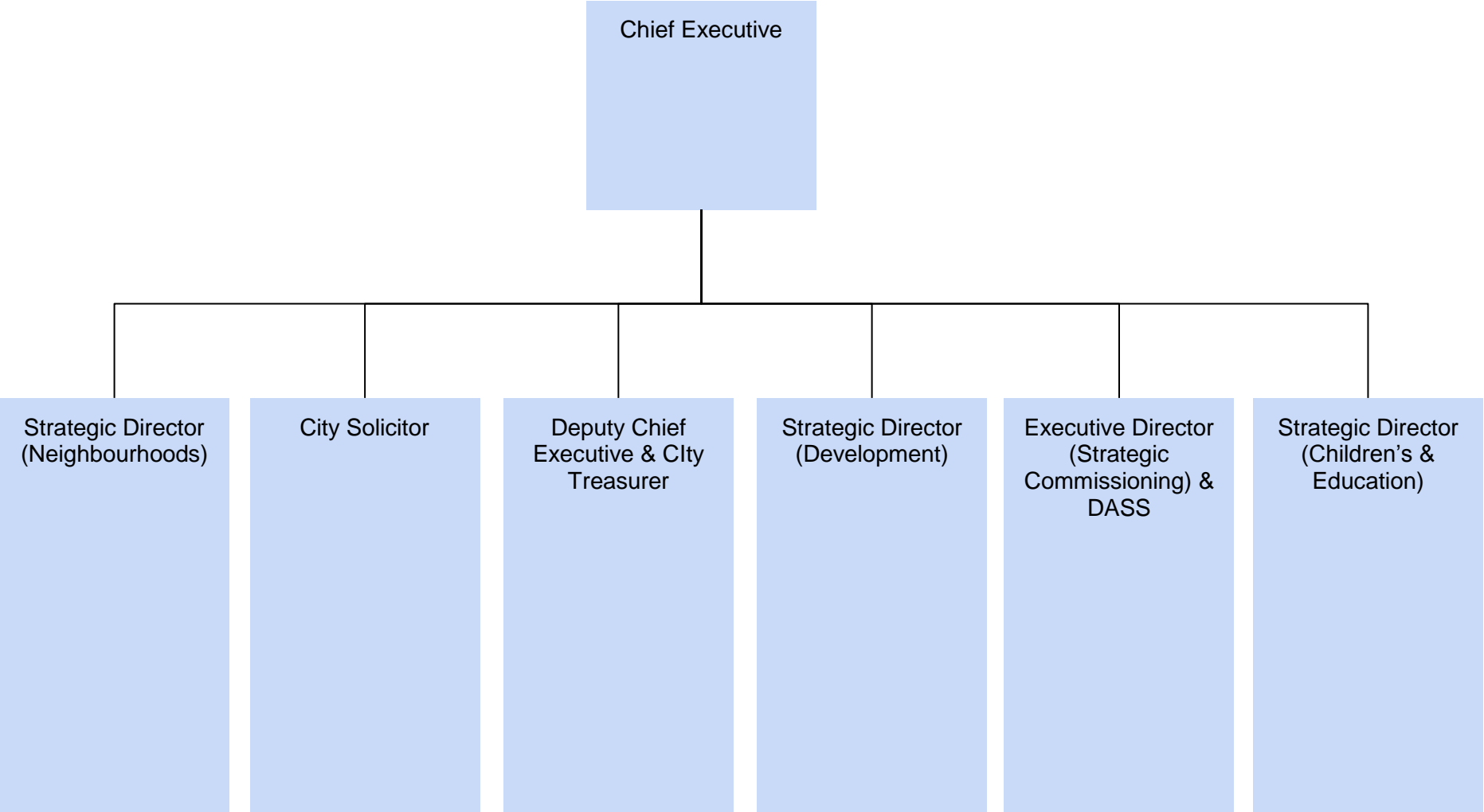
- 6.1 To follow

Appendix 1: Current and Revised Structure Charts - SMT

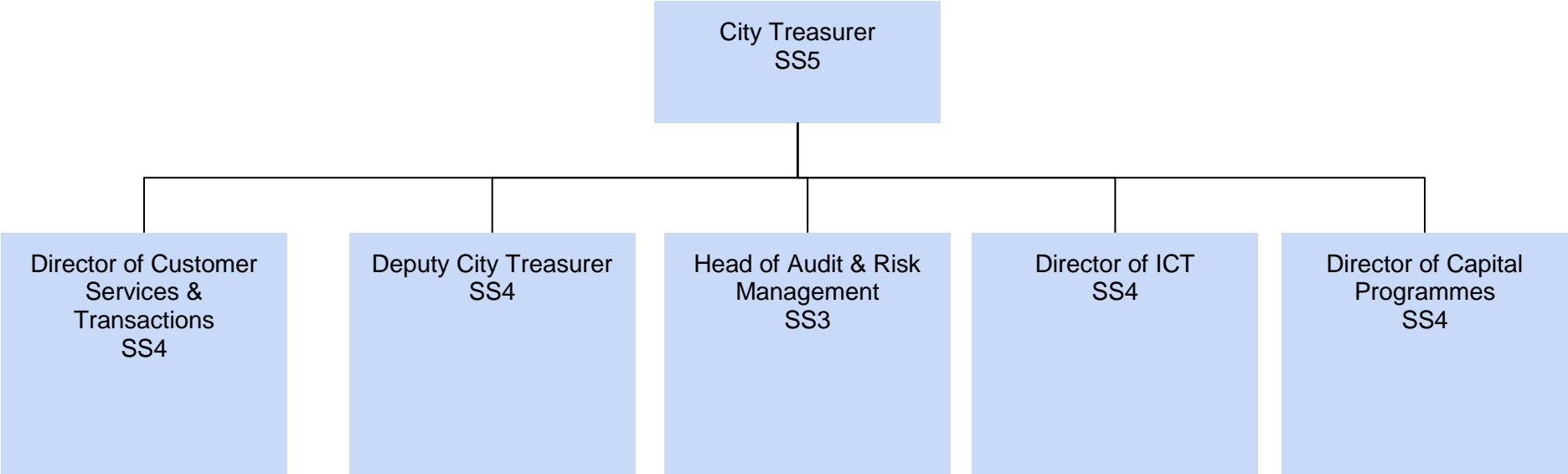
Senior Management Team As-is



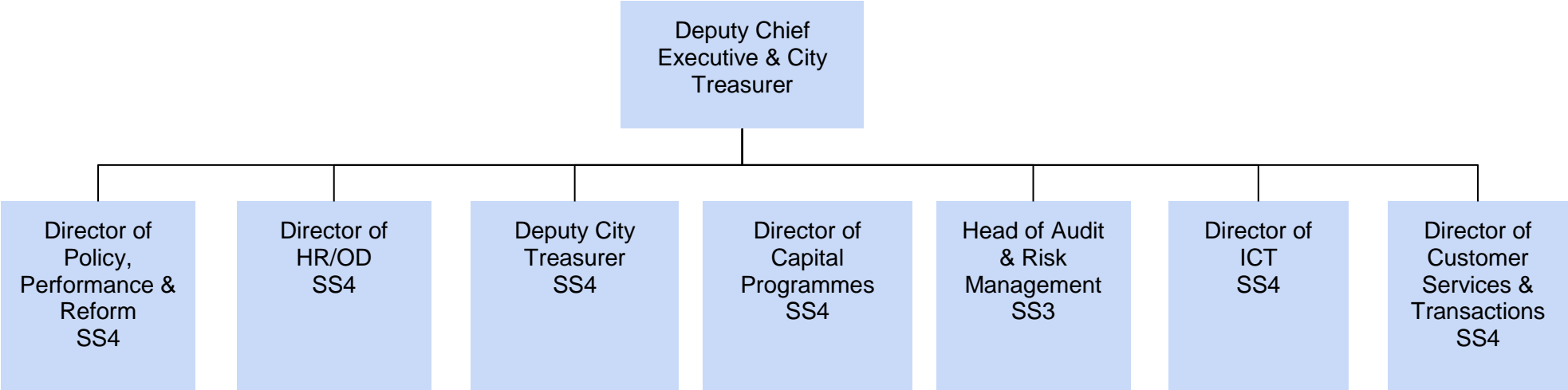
Senior Management Team To-be



City Treasurer current direct reports



Deputy Chief Executive & City Treasurer Proposed reports



Manchester City Council Report for Resolution

Report to: Personnel Committee – 29 January 2019

Subject: Senior Pay and Grading Update

Report of: Chief Executive

Summary

On 12 December 2016 Personnel Committee approved a new senior pay and grading structure with effect from April 2017, subject to completion of the required consultation with individual members of staff, amendment to the Council's Pay Policy Statement and approval by Council of grades where remuneration is or could exceed £100k.

This report proposes a change to the senior pay and grading structure, to account for the newly-created post of Deputy Chief Executive and City Treasurer, relative to the Chief Executive and the Council's Senior Management Team tier.

Recommendations

Personnel Committee are requested:

1. To approve the proposed amendments to the senior pay and grading structure set out below:
 - a) Retain Grade Bands SS1 – SS5
 - b) Delete Grade Band SS6 and replace with two new grades:
 - - Deputy Chief Executive £150,000
 - - Chief Executive £198,900
 2. To recommend to Council that the changes are implemented with immediate effect.
 3. To recommend to Council that the Council's Pay Policy Statement in March 2019 is amended to reflect the changes in the senior pay and grading structure.
-

Wards affected:

All

Financial considerations – Revenue:

The cost of circa £10k relating to the increase between the salary of the former City Treasurer post and the proposed Deputy Chief Executive and City Treasurer post will be contained within existing approved staffing budgets.

Financial considerations – Capital:

None

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

Personnel Committee: 12 December 2016	Senior Pay and Grading
Personnel Committee: 7 March 2018	Pay Policy Statement 2018/19
Personnel Committee: 29 January 2019	Senior Management Capacity
Review	

1. Introduction

- 1.1 On 12 December 2016, following an extensive job evaluation exercise, Personnel Committee approved a new senior pay and grading structure, subject to amendment to the Council's Pay Policy Statement and approval by Council of grades where remuneration is or could exceed £100k. The necessary approvals were granted and new grades and rates of pay were applied with effect from 1 April 2017.
- 1.2 The Chief Executive post was assigned to Grade SS6 on a 'spot' salary. The remaining ranked order of posts were divided into logical management bands to recognise and reflect management tiers. New grades for SS1 - 5 were developed through this exercise, with incremental progression to manage the transition from previous spot salaries and to support building a performance management culture.
- 1.3 Each of the senior grades comprised an initial six incremental points, which were reduced to five increments in April 2018 and are scheduled to reduce to four spine points. The current grade structure is set out below, however the penultimate point in each grade will be deleted with effect from April 2019;

Senior Management Grades/Salaries			
Current Grade	Proposed Grade	SCP	Salary
SS1	SS1	12	£59,664
		13	£60,849
		14	£62,066
		15	£63,307
		16	£64,574
SS2	SS2	22	£67,182
		23	£68,527
		24	£69,897
		25	£71,295

		26	£72,721
SS3	SS3	32	£77,172
		33	£78,715
		34	£80,289
		35	£81,895
		36	£85,507
SS4	SS4	42	£94,072
		43	£95,953
		44	£97,872
		45	£99,830
		46	£101,826
		47	£103,863
SS5	SS5	52	£121,692
		53	£124,860
		54	£130,063
		55	£134,358
		56	£139,786
	DCX		£150.000
SS6	CEX		£198,900

2. Pay and Grading Structure

- 2.1 The Job Evaluation exercise conducted in 2016 and applied to all senior management posts thereafter has provided objective evidence to rank senior jobs in terms of their relative skills and importance to and within the Council. The robust arrangements put in place will continue in their current form, including methodology, oversight and governance, to provide fairness whilst ensuring that the Council continues to attract, retain and manage talent.
- 2.2 The Job Evaluation scheme used to inform decisions on grading senior posts looks at four key characteristics within the job:
- (i) Knowledge · Technical depth · Breadth and diversity of service managed: Integration with other organisations
 - (ii) Challenge and discretion · Nature and variety of problems · Planning timescales and scope to develop new solutions: Level of discretion
 - (iii) Impact · Nature of impact - effect of job across the organisation and community: Managerial responsibility
 - (iv) Responsibility for resources · Freedom to take action · Area affected by job, e.g. resources managed.
- 2.3 The new Deputy Chief Executive and City Treasurer role will have overall responsibility for all services across the Corporate Core (with the exception of legal and democratic services which will continue to be led by the City Solicitor), and will deputise for the Chief Executive, undertaking key duties both within the City and with partners at local, regional and national levels. The role will deliver strategic financial planning for the organisation, financial advice and information for service leads and Councillors maintaining a sound financial management framework across all services and ensuring economic, efficient, and effective use of resources available to the Council. Additionally, the postholder provides leadership to HROD, Policy, Partnerships & Research, Performance, Research & Intelligence and Reform & Innovation services.
- 2.4 The scale and scope of the post of Deputy Chief Executive and City Treasurer post, which is the subject of a separate report to this meeting meant that it scored significantly higher than other posts assigned to Band SS5, which are grouped within 100 points of each other, and was much closer to the Chief Executive post in Band SS6. This is due to the breadth of the portfolio and the unique skill mix incorporated within the role which combines Deputy Chief Executive responsibilities with those of the Chief Financial Officer.
- 2.5 It is therefore proposed to retain Bands SS1 – SS5, but delete Band SS6 and replace with two new, separate grades:

·	Deputy Chief Executive	£150,000
·	Chief Executive	£198,900

These grades would be placed on spot points, therefore salary progression would be subject to pay awards determined by the appropriate JNC negotiating body only.

3. Conclusion

- 3.1 The Council is committed to ensuring that the pay and grading for senior managers is fair, equitable and transparent. These amendments to the senior pay structure support an at-a-glance understanding of organisational hierarchy, remuneration levels and job responsibilities.

4. Comments of the Director of HROD

- 4.1 It is important that reward arrangements are seen to be fit for purpose, to assist the Council in attracting and retaining the best talent to meet the high ambition for the City and driving performance.

5. Trade Union Comments

To follow

Manchester City Council Report for Resolution

Report to: Personnel Committee - TBC January 2019

Subject: Local Government Pension Scheme: Updated Discretions Policy Statement

Report of: The City Treasurer

Purpose of the report

The Local Government Pension Scheme (LGPS) regulations require the Council, as an employer in the scheme, to formulate, publish and keep under review a policy statement on the mandatory discretions it can exercise.

The Discretions Policy Statement was last revised in 2014. Following changes to the pension regulations, the most significant being that all members of the pension scheme can now access their pension from age 55 with reductions on pension benefits forecasted at normal retirement age, it is necessary to review our policy and publish this up to date version.

The key changes are:

- clarification of the Council's expectation that individual members take responsibility for planning and funding their retirement
- a broadening of the scope the Council has to consider applications from members to waive reductions. Previously cases were considered on caring or financial grounds. Now members have an opportunity to explain their circumstances and why they believe that their case is exceptional
- allowing the Council to offer shared cost Additional Voluntary Contribution schemes which reduce costs to the Council and to members
- the addition of the remit of schools

There are no changes to the Council's redundancy and industrial injury discretion position.

This policy will provide important background information to scheme members when they are making a decision about accessing their pension.

This report seeks approval for the updated Council Policy Statement on the exercise of these discretions.

Recommendations

The Committee is asked to agree:

1. To recommend that Council adopts the discretionary framework set out in the revised Pension Scheme Policy Statement.

2. That periodic reviews of the policy statement and any associated documents are carried out by the City Treasurer and the Director of HR and OD in consultation with the Executive Member for Finance and Human Resources. Any substantial changes arising out of that review will be referred to Personnel Committee for approval.

Wards affected

All

Financial consequences for revenue and capital budgets

As the costs of exercising these discretions can have an impact on the Council's financial position in respect of capital cost payments to the Pension Fund, the employer's contribution and the wider financial viability of the scheme, these areas of discretion are considered and monitored by the City Treasurer in their role as Chief Financial Officer (Section 151 Officer).

The City Treasurer may delegate any such decision making, as required, to a suitable nominated representative(s).

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Background documents

The following documents disclose important fact on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy, please contact one of the Contact Officers on the previous page.

- The Local Government Pension Scheme Regulations 2013.
- The Local Government Pension Scheme (Transitional Provisions and Savings) Regulations 2014.
- The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (as amended).
- The Local Government Pension Scheme Regulations 1997 (as amended).
- The Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011.
- 1996 Discretionary Payment Regulations - Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2000 (as amended).
- Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended).
- Personnel Committee report and minutes 18 June 2014 Local Government pension scheme

1.0 Introduction

- 1.1 The Local Government Pension Scheme (LGPS) is a statutory pension scheme and its rules are laid down under Acts of Parliament. The 1997 Regulations provided less central control of pension arrangements, increased the scope of local decision-making and offered improved flexibility in pension provision. This gave employers more scope to manage pension scheme benefits. These are known as discretions.
- 1.2 Subsequent LGPS regulations, including the LGPS 2014 rules, required employers to formulate, publish and keep under review a policy statement in relation to the exercise of a number of discretions under the LGPS. The policy statement should show the basis on which the employer would make its decisions on the various discretions.
- 1.3 Given that there have been further changes to the pension regulations it is both necessary and timely to review the previous policy and publish an updated version.

2 Exercise of Discretionary Powers

- 2.1 It is important that any discretionary power is exercised correctly. In formulating and reviewing its policy an employer is required by the Regulations to:
 - 2.1.1 Have regard to the extent to which the exercise of its discretionary powers, unless properly limited, could lead to a serious loss of confidence in the public service (Regulation 60(5) of the LGPS Regulations 2013).
 - 2.1.2 An employer also needs to be aware of discrimination, i.e. age related, and to be aware of the area demographics as an employer.
 - 2.1.3 Be satisfied that the policy is workable, affordable and reasonable having regard to foreseeable costs. It is recommend that policies are reviewed every 3 years, i.e. in line with the triennial valuation.
 - 2.1.4 Discretionary powers must also:
 - not be used for an ulterior motive and be exercised reasonably;
 - be used taking account of all relevant factors;
 - only be used when there is a real and substantial future benefit to the employer in return for incurring the extra costs; and
 - be duly recorded when used.

3 Local Government Pension Scheme Discretionary Areas – Policy Statement

- 3.1 A copy of the Pension Scheme Policy Statement is attached as Appendix 1. The policy statement document covers the Council's approach to its discretion in the following areas:

- Active members and leavers;
- Deferred members (people who are no longer members of the scheme); including Councillor scheme members;
- Calculation of redundancy payments; and
- Injury Allowance for leavers, deaths and reductions in pay after 15 January 2012.

3.2 It is important to note that nothing in the Policy Statement shall fetter the Council's discretion to exercise its powers. Each application within the discretionary areas will be considered in line with the published policy, taking account of the financial impact on the Council and the pension scheme, the need to avoid unlawful discrimination, and any exceptional circumstances that may exist.

4 Equality Impact Assessment

4.1 An Equality Relevance Assessment and an Equality Impact assessment has been conducted on the Policy Statement. The Equality Impact Assessment is attached as Appendix 2.

5 Review of the Policy Statement

5.1 The LGPS Regulations 2013 ('The Regulations') require all scheme employers to publish and keep under review a written policy statement on how they will apply their discretionary powers in relation to certain provisions of the LGPS.

5.2 This policy statement will be reviewed on a three yearly basis or sooner if there is a change in legislation that would affect its operation or if the Council's business need requires it.

5.3 It is proposed that the review of the policy statement and any associated documents is carried out by the City Treasurer and Director of Human Resources and Organisational Development

5.4 In consultation with the Executive Member for Finance and Human Resources. Any substantial changes arising out of that review will be referred to Personnel Committee for approval.

6 Conclusions

6.1 The Council has carefully considered its approach to the discretionary areas as required by the legislation. The approach has been developed considering the impact on current members, deferred members and leavers.

6.2 Ensuring that discretions are considered under the ultimate control of the City Treasurer or their nominated representative provides assurance in terms of consistent decision making along with full consideration of both the individual financial impacts and the ongoing strategic financial impact of policy decisions.

7 Recommendations

- 7.1 The Committee is recommended to agree:
- 7.2 That the Council adopts the discretionary framework set out in the revised Pension Scheme Policy Statement.
- 7.3 That periodic reviews of the policy statement and any associated documents are carried out by the City Treasurer and the Director of Human Resources and Organisational Development in consultation with the Executive Member for Finance and Human Resources. Any substantial changes arising out of that review will be referred to Personnel Committee for approval.



**MANCHESTER
CITY COUNCIL**

Policy document: Local Government Pension Scheme employer discretions

Updated 26 November 2018

1. Introduction and Scope

1.1 The Local Government Pension Scheme

The Local Government Pension Scheme (LGPS) is a statutory pension scheme. Its rules are laid down under Acts of Parliament. Manchester City Council is a Scheme Employer in the LGPS and will be referred to as 'the Council' in the remainder of this document.

1.2 Purpose of this document

The purpose of this document is to list areas of mandatory discretion the Council has within both the Local Government Pension scheme and the Discretionary Compensation and Injury Allowance Regulations. The policy also details how the Council has determined that it will exercise those discretions.

This document will be published.

1.3 Effective date

When approved by the Council, the following effective dates apply:

LGPS discretions: the date of the decision to amend the policy at Personnel Committee.

Discretionary Compensation and Injury Allowance Regulations: one month after the amended policy statement is published.

1.4 Scope

In formulating and reviewing its policy, the Council is required to have regard to the extent to which the exercise of its discretionary powers, unless properly limited, could lead to a serious loss of confidence in the public service, and be satisfied that the policy is workable, affordable and reasonable having regard to the foreseeable costs.

As the costs of exercising these discretions can have an impact on the Council's financial position in respect of capital cost payments to the pension fund, their employer contribution rate and the wider financial viability of the scheme, these areas of discretion are considered and monitored by the City Treasurer who has delegated authority within the Council's Constitution for pensions administration. The City Treasurer may delegate decision making as required to a suitable nominated representative(s).

This policy document lists the discretions which require a published policy and the Council's approach. This approach takes account of (not an exhaustive list):

- The provision for all members to be able to access their pension early from age 55 at their own choice,
- Normal pension age increasing;

- The Government's aim for people to take responsibility for financing their retirement plans;
- The underlying concept that pension taken early will be in payment for longer than originally assumed when forecasting benefits and therefore the amount paid will be adjusted to take account of this;
- The impact on the Council's wider financial position, including all costs associated with the request;
- Supporting the Council's vision and objectives;
- Maintaining the financial viability of the pension scheme;
- Where appropriate, the impact on employees and consideration of their personal and domestic circumstances;
- The need to have regard to the extent to which the exercise of the discretionary powers, unless properly limited, could lead to a serious loss of confidence in the public service; and
- The need to be satisfied that the policy is workable, affordable, and reasonable, having regard to the foreseeable costs.

1.5 Employee decision making

The Council is unable to offer advice on members' decisions regarding their pension. Members are advised to seek their own financial advice.

Further information is available from the Greater Manchester pension Scheme website.

<https://www.gmpf.org.uk/>

2. Pension Scheme Discretions

2.1 Regulations

Employer discretions apply to active and deferred members.

The LGPS regulations requiring mandatory policies, in force at 14 May 2018, are:

- The Local Government Pension Scheme Regulations 2013 (prefix R).
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (prefix TP).
- The Local Government Pension Scheme (Administration) Regulations 2008 (Prefix A)
- The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 (prefix B).
- The Local Government Pension Scheme (Transitional Provisions) Regulations 2008 (prefix T).
- The Local Government Pension Scheme Regulations 1997 (as amended) (prefix L).
- The Local Government Pension Scheme Regulations 1995 (as amended).
- The Local Government Pension Scheme (Transitional Provisions) Regulations 1997 (prefix TL).

The other regulations requiring policies are:

- The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended). Prefix G
- The Local Government (Early Termination of Employment) Prefix F (Discretionary Compensation) (England and Wales) Regulations 2000 (as amended).
- The Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011. Prefix E
- The Local Government (Discretionary Payments) Regulations 1996 (as amended).

2.2 Scope of Discretions

Within this policy document discretions apply to the following areas:

1. Active members;
2. Deferred members (people who are no longer active members of the scheme) including councillor members;
3. Calculation of redundancy payments; and
4. Treatment of compensatory added years payments and injury allowances

For ease of reference the mandatory discretions and the Council's policy are shown in table format on the following pages, referenced to the relevant Regulation prefixes above.

2.3 Impact on other policies

Where appropriate, other Council policies and procedures affected by these discretionary areas will be updated including those for Flexible Retirement, Employee Ill Health and Early Termination of Employment.

2.4 Decision Making

2.4.1 Decisions

From the day an employee starts a job with the Council, to the day when benefits or dependant(s)' benefits are paid, the employer and the pension scheme administering authority have to make decisions under the pension scheme rules that affect members and their dependants.

2.4.2 The role of the City Treasurer

Employer discretions are the responsibility of the City Treasurer under the Council's constitution. In some cases, the City Treasurer will delegate decision making to a suitable, nominated representative.

2.4.3 Maintained Schools with a delegated budget

Staff in community schools, community special schools, maintained nursery schools or voluntary controlled schools are employed by the Local Authority.

Staff in foundation schools, foundation special schools, foundation trust schools and voluntary aided schools are employed by the Governing Body of the school.

A Maintained School is a community school, a community special school, a maintained nursery school, a foundation school, a foundation special school, a foundation trust school, or a voluntary school.

Section 37 of the Education Act 2002 provides that the Governing Body of a Maintained School with a delegated budget shall determine whether any payment shall be made by the Local Authority in respect of the dismissal of, or for the purpose of securing the resignation of, any member of the school's staff. It is also for the Governing Body to determine the amount of the payment. However, section 37 does not apply in relation to any payment which the Local Authority is required to make by virtue of any contract, other than one made in contemplation of the impending dismissal or resignation, or under any statutory provision (e.g. the payment of a statutory redundancy payment).

Although Section 37 gives all of the Maintained Schools with a delegated budget the power to go beyond the Local Authority's policies as stated above, in reality, as this will entail additional cost, it is not anticipated that schools will depart from the Council's policies. Nevertheless, as Section 37 gives this power for certain discretions, these have been noted by ** in the table below.

If a Maintained School with a delegated budget intends to depart from the Council's policy, the Council expects to be notified in advance, in writing stating why. Notice must be given to the City Treasurer where a school proposes to invoke this power as part of the process for approving terminations and pension decisions.

2.4.4 Exercise of discretion

Nothing in this Policy Statement shall fetter the Council's discretion to exercise its powers. Each application within the discretionary areas will be considered in line with the published policy, taking account of the individual circumstances and reasons for the request, the financial and operational impact on the Council and the pension scheme, the need to avoid unlawful discrimination, and any exceptional circumstances that may exist.

The Council will only consider using its discretion in exceptional circumstances set against the background that:

- Normal retirement age is increasing and will continue to do so;
- People need to take personal responsibility for planning and funding their retirement;
- By taking their LGPS pension early, it means that it is anticipated that the pension will be paid for longer than originally forecasted. Therefore it is normal that this will mean less pension paid per annum than had it been put into payment at normal retirement age. This policy is not expected to mitigate this;

- Members need to take account of their revised pension in light of their financial and domestic circumstances when looking to access it early; and
- The Council is unable to fund the reduction in income or to substitute other forms of financial support because a member chooses to draw their pension early with adjustments.

The Council will consider, in exceptional cases, exercising discretions where there is a clear financial or operational benefit to the Council. The cost to the Council is a key consideration in exercising its discretions.

2.5 Internal Dispute Resolution Process

Where a member is not satisfied with any decision affecting them made in relation to the pension scheme, they have the right to ask for it to be looked at again under the formal complaints procedure referred to as the Internal Dispute Resolution Procedure (IDRP).

The Council's aim is to resolve matters informally when they are raised and preferably without the need to use the formal stages. This does not take away a member's right to use the formal IDRP stages.

The formal IDRP has two stages and covers the decisions employers are required to make including the Council exercising its discretions.

2.6 Policy Review

The regulations require all scheme employers to publish and keep under review a written policy statement on all mandatory discretions they may exercise in relation to members of the LGPS.

This policy will be reviewed on a three yearly basis or sooner where there is a change in legislation that would affect its operation or business needs require it.

It is proposed that the review of the policy statement and any associated documents is carried out by the City Treasurer in consultation with the Executive Member for Finance and Human Resources. Any proposed changes arising out of that review will be referred to Personnel Committee for approval.

3. Discretionary policies in relation to active members (excluding councillor members) and members (excluding councillor members) who cease active membership after 31 March 2014

	Description of the Discretionary area	Legislation Reference	The Council's response and approach to this area of discretion	Current Council policy documents
1.	Whether, how much, and in what circumstances to contribute to a shared cost APC scheme	R 16(2)(e) & R 16(4)(d)	The Council may exercise this discretion where there is an economic benefit to the Council.	SCAVC policy under review
2.	Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement)	R 30(6) TP 11(2)	The Council will not give blanket consent for staff in the LGPS aged 55 or over to flexibly retire and draw immediate payment of pension benefits. Requests will be considered and assessed on their merits taking account of the financial and operational interests of the Council.	Flexible Retirement Policy
3.	Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement	R 30(8)	Requests will be considered and assessed on their merits taking account of the financial and operational interests of the Council.	As 2 above
4.	Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age other than on the grounds of flexible retirement (where the member only has post 31 March 2014 membership).	R 30(8)	The Council will not normally exercise this discretion except where there is a clear financial or operational advantage to the Council	
5.	Whether to "switch on" the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60 (other than on the grounds of flexible retirement).	TP Sch2, para 1(2)	The Council will not normally exercise this discretion except where there is a clear financial or operational advantage to the Council	
6.	Whether to waive any actuarial reduction for a member voluntarily drawing benefits before	TP3(1) TPSch2, para 2(1), B30(5) and	The Council will not normally exercise this discretion except where there is a clear financial or operational advantage to the	

<p>normal pension age other than on the grounds of flexible retirement (where the member has both pre 1 April 2014 and post 31 March 2014 membership):</p> <p>a) on compassionate grounds (pre 1 April 2014 membership) and in whole or in part on any grounds (post 31 March 2014 membership) if the member was not in the Scheme before 1 October 2006,</p> <p>b) on compassionate grounds (pre 1 April 2014 membership) and in whole or in part on any grounds (post 31 March 2014 membership) if the member was in the Scheme before 1 October 2006, will not be 60 by 31 March 2016 and will not attain 60 between 1 April 2016 and 31 March 2020 inclusive,</p> <p>c) on compassionate grounds (pre 1 April 2016 membership) and in whole or in part on any grounds (post 31 March 2016 membership) if the member was in the Scheme before 1 October 2006 and will be 60 by 31 March 2016,</p> <p>d) on compassionate grounds (pre 1 April 2020 membership) and in</p> <p>whole or in part on any grounds (post 31 March 2020 membership) if the member was in the Scheme before 1 October 2006, will not be 60 by 31 March 2016 and will attain 60 between 1 April 2016</p>	B30A(5)	Council	
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	and 31 March 2020 inclusive.			
7.	** Whether to grant additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency (by up to £6,822 p.a at April 2018 – this figure is uprated annually)	R 31	<p>The Council will generally not exercise this discretion.</p> <p>**The Education Act 2002 confers powers on Maintained Schools with a delegated budget to go beyond the Council's policy for the purposes of the dismissal of, or securing the resignation of, any member of the school's staff.</p>	As 4 above

4. Discretion policies in relations to scheme members (excluding councillor members) who ceased active membership on or after 1 April 2008 and before 1 April 2014

	Description of the Discretionary area	Legislation Reference	The Council's response and approach to this area of discretion	Current Council policy documents
1.	Whether to switch on the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60	TPSch2, para 1(2) & 1(1)(c)	The Council will not normally exercise this discretion except where there is a clear financial or operational advantage to the Council	
2.	Whether to waive, on compassionate grounds, the actuarial reduction applied to deferred benefits paid early under B30 (member)	B 30(5), TPSch2, para 2(1)	The Council will not normally exercise this discretion except where there is a clear financial or operational advantage to the Council	
3.	Whether to switch on the 85 year rule for a pensioner member with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60	TPSch2, para 1(2) & 1(1)(c)	The Council will not normally exercise this discretion except where there is a clear financial or operational advantage to the Council	
4.	Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early under B30A (pensioner member with deferred benefits)	B 30A(5), TPSch2, para 2(1)	The Council will not normally exercise this discretion except where there is a clear financial or operational advantage to the Council	

5. Discretionary policies in relation to councillor members who ceased active membership on or after 1 April 1998, and any other scheme members who ceased active membership on or after 1 April 1998 and before 1 April 2008

	Description of the Discretionary area	Legislation Reference	The Council's response and approach to this area of discretion	Current Council policy documents
1	Grant application for early payment of deferred benefits on or after age 50 and before age 55	31(2)	The Council not generally exercise this discretion	
	Whether to switch on the 85 year rule for a member	TPSch2, para 1(2) & 1(1)(f)	The Council will not normally exercise this discretion except	

2	with deferred benefits voluntarily drawing benefits on or after age 55 and before age 60	and R60	where there is a clear financial or operational advantage to the Council	
3	Waive, on compassionate grounds, the actuarial reductions applied to deferred benefits paid early	31(5) & TPSch 2, para 2(1)	The Council will not normally exercise this discretion except where there is a clear financial or operational advantage to the Council	
4	Optants out only to get benefits paid from NRD if employer agrees	31(7A)	The Council will only agree in exceptional cases	

6. Discretion policies in relations to scheme members who ceased active membership before 1 April 1998

	Description of the Discretionary area	Legislation Reference	The Council's response and approach to this area of discretion	Current Council policy documents
1.	Grant application for early payment of deferred benefits on or after age 50 on compassionate grounds	TL4 & L106(1) & D11(2)(c)	The Council not generally exercise this discretion	

7. Discretions relating to redundancy

	Description of the Discretionary area	Legislation Reference	The Council's response and approach to this area of discretion	Current Council policy documents
1.	To base redundancy payments on an actual week's pay where this exceeds the statutory week's pay limit.	G 5	The Council will base redundancy payments on an actual week's pay where this exceeds the statutory weeks pay limit	PC 1447 Local Government Discretionary Compensation Regulations 2006
2.	To award lump sum compensation of up to 104 week's pay in cases of redundancy, termination of employment on efficiency grounds, or cessation of a joint appointment.	G 6	The Council will generally not exercise this discretion.	As 1 above

3.	How to apportion any surviving spouse's or civil partner's annual compensatory added years payment where the deceased person is survived by more than one spouse or civil partner.	G 21(4)	The Council would normally split any payment equally between the surviving spouses or partners. However, this is a rare occurrence and each case will be considered on its individual merits taking into account any express wishes of the deceased person and representations from the surviving spouses or partners.	
4.	How it will decide to whom any children's annual compensatory added years payments are to be paid where children's pensions are not payable under the LGPS (because the employee had not joined the LGPS) and, in such a case, how the annual added years will be apportioned amongst the eligible children.	F 25(2)	The Council would normally split any payment equally between any eligible children. However, this is a rare occurrence and each case will be considered on its individual merits taking into account any express wishes of the deceased person.	
5.	Whether, in respect of the spouse of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries, enters into a new civil partnership or cohabits after 1 April 1998, the normal pension suspension rules should be disapplied i.e. whether the spouse's or civil partner's annual compensatory added years payments should continue to be paid.	F 21(7)	The Council would generally look to disapply the normal pensions suspension scheme rules.	
6.	If, under the preceding decision, the authority's policy is to apply the normal suspension rules, whether the spouse's or civil partner's annual compensatory added years payment should be	F 21(5)	The Council would normally reinstate the payment.	

	reinstated after the end of the remarriage, new civil partnership or cohabitation.			
7.	Whether, in respect of the spouse or civil partner of a person who ceased employment before 1 April 1998 and where the spouse or civil partner remarries or cohabits or enters into a civil partnership on or after 1 April 1998 with another person who is also entitled to a spouse's or civil partners annual CAY payment, the normal rule requiring one of them to forego payment whilst the period of marriage, civil partnership or cohabitation lasts, should be disapplied i.e. whether the spouses' or civil partners' annual CAY payments should continue to be paid to both of them.	F 21(7)	The Council would generally look to disapply the normal pensions suspension scheme rules.	
8.	Whether and to what extent to reduce or suspend the member's annual compensatory added years payment during any period of re-employment in local government.	F 17	The Council would not normally reduce or suspend payments in this instance. The Council reserves the right to look at each case based on the employee's new salary details of the reemployment into local government.	As 1 above
9.	How to reduce the member's annual compensatory added years payment following the cessation of a period of re-employment in local government	F 19	The Council would not normally reduce payments in this instance. The Council reserves the right to look at each case based on the employee's new salary details of the reemployment into local government.	

8. Discretions relating to Injury Allowance

	Description of the Discretionary area	Legislation Reference	The Council's response and approach to this area of discretion	Current Council policy documents
1.	Whether to grant an injury allowance following reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job.	E 3(1)	The Council will not generally adopt this discretion	New Policy statement document
2.	Amount of injury allowance following reduction in remuneration as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job.	E (4) and 8	The Council will not generally adopt this discretion	As above
3.	Determine whether person continues to be entitled to an injury allowance awarded under regulation 3(1)	E 3(2)	The Council will not generally adopt this discretion	As above
4.	Whether to grant an injury allowance following cessation of employment as a result of permanent incapacity caused by sustaining an injury or contracting a disease in the course of carrying out duties of the job.	E 4(1)	The Council will not generally adopt this discretion	As above
5.	Amount of injury allowance following cessation of employment as a result of permanent incapacity caused by sustaining an injury or contracting a disease in the course of carrying out duties of the job.	E 4(3) and 8	The Council will not generally adopt this discretion	As above
6.	Determine whether person continues to be entitled to an injury	E 4(2)	The Council will not generally adopt this discretion	As above

	allowance awarded under regulation 4(1)			
7.	Whether to suspend or discontinue injury allowance awarded under regulation 4(1) if person secures paid employment for not less than 30 hours per week for a period of not less than 12 months.	E 4(5)	The Council will not generally adopt this discretion	As above
8.	Whether to grant an injury allowance following cessation of employment with entitlement to immediate LGPS pension where a reg 3 payment was being made at date of cessation of employment but reg 4 does not apply.	E 6(1)	The Council will not generally adopt this discretion	As above
9.	Determine amount of any injury allowance to be paid under regulation 6(1).	E 6(1)	The Council will not generally adopt this discretion	As above
10.	Determine whether and when to cease payment of an injury allowance payable under regulation 6(1)	E 6(2)	The Council will not generally adopt this discretion	As above
11.	Whether to grant an injury allowance to the spouse, civil partner, cohabiting partner or dependent of an employee who dies as a result of sustaining an injury or contracting a disease in the course of carrying out duties of the job.	E 7(1)	The Council will not adopt this discretion	As above
12.	Determine amount of any injury allowance to be paid under regulation 7(1).	E 7(2) and 8	The Council will not adopt this discretion	As above
13.	Determine whether and when to cease payment of an injury allowance payable under regulation 7(1) (employee who dies as a result	E 7(3)	The Council will not adopt this discretion	As above

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Manchester City Council Report for Resolution

Report to: Personnel Committee – 29 January 2019

Subject: Improving DBS compliance

Report of: Director of Human Resources / Organisational Development (HR/OD)

Purpose of Report

This report presents the background to the work programme being carried out to improve governance and administration arrangements regarding criminal record checks across the Council.

The report serves to provide assurance around criminal record checking activity, detailing the steps taken to ensure that safer recruitment decisions are being made whilst ensuring compliance with safeguarding duties to prevent unsuitable people from working with vulnerable groups.

Recommendations

The Committee is invited to note:

- the updated DBS framework, leadership arrangements and compliance activity.
 - the revised approach for Elected Members,
 - proposals for scoping volunteer capacity, including DBS compliance,
 - the use of funding of circa £50,000 to expand the Neighbourhoods' volunteer record to be used across the Council, and
 - support for the Ban the Box campaign.
-

Wards Affected:

All

Financial implications for the revenue and capital budgets

There are no new financial consequences arising from the proposals within this report.

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

Legislation including: *the Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975, the Police Act 1997 (Criminal Records) and the Safeguarding Vulnerable Groups Act 2006*

DBS Checks: Assurance Update (presented to Audit Committee 14 July 2016)

Disclosure & Barring Service (DBS) Checking Arrangements (presented to Audit Committee - 03 September 2018).

Consideration of the introduction of DBS checks for all Members (presented to Standards Committee - 01 November 2018).

Consideration of the introduction of DBS checks for all Members (recommendations of Standards Committee presented to Council - 28 November 2018).

1. Background

- 1.1 The Disclosure and Barring Service (DBS) was established in 2012 merging the previous functions of the Criminal Records Bureau (CRB) and those of the Independent Safeguarding Authority (ISA). DBS carries out criminal record checks for specific positions, professions, employment, offices, works and licences included in the Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975 and those prescribed in the Police Act 1997 (Criminal Records) regulations.
- 1.2 This report sets out the work programme to respond to recommendations contained within an internal audit report issued in April 2018. The programme will strengthen organisational assurance of DBS management as a basis for safer recruitment and practice.
- 1.3 The inspection of DBS arrangements by internal audit provided a conclusion of moderate assurance (a notable improvement of the Limited Assurance findings from the last audit in 2015).
- 1.4 The DBS process, which involves completing, risk assessing and maintaining DBS clearance of staff and elected members is overseen by a network of Directorate Lead Countersignatories (DLCS). To meet the recommendations of the report the DCLS, with support from the HR team, and in consultation with the trade unions have:
 - refreshed the DBS policy framework (Appendix A)
 - audited the list of posts that require clearance, and
 - made system improvements and planned others, to improve Council records.

2. Leadership of DBS

- 2.1 The DBS Group has agreed with the internal audit recommendation to strengthen leadership capacity of DBS. As such it has been agreed that HR & OD will lead on DBS compliance and the Director of HR & OD will be designated as Lead Countersignatory and registered as such with the DBS.
- 2.2 The Director of HR & OD will chair the DBS Group of Directorate Lead Countersignatories (referred to as the DBS Group).

3. Posts in scope of DBS clearance

- 3.1 The Council's policy confirms that staff who work in or support those undertaking regulated activities with vulnerable children or adults require DBS clearance. The associated list of posts in scope of DBS has been reviewed by the DLCS in consultation with Heads of Service.
- 3.2 The HR&OD Service has introduced new SAP functionality, called Nakisa, which allows services to view structures in an organisational chart format. This enables managers to view DBS requirements for individual posts which will reflect the agreed corporate 'posts in scope' as described in 3.1.

3.3 Linked to this will be additional functionality which can also display the level of DBS check for each employee and the expiry date which ties in with the Council three year renewal policy.

3.4 Arrangements for compliance with DBS status are clear in the policy, however historically these have not always been followed by managers. It is proposed that further communications are issued to managers advising that the requirement for DBS clearance is determined by the DLCS in consultation with the Head of Service only. Any requests to vary posts in scope by managers must be agreed with the DLCS. The DLCS will be consulted by the HR team on all new posts to determine DBS status.

4. Assessing Roles and Risk

4.1 In an attempt to simplify—and provide consistency in—the decision making process (when considering whether a role requires DBS) the following prompts have been incorporated into the DBS framework to help identify whether a criminal record check is needed:

- Can the individual gain access to vulnerable adults and children through their work. This includes the opportunity for access to sensitive records about children and vulnerable adults, including education and social services records?
- Does the role have an influencing feature on vulnerable people and/or those who supervise or carry out regulated activities?
- Case law provides that there does not have to be a conviction, but a proportionate risk of any repeat of the types of incident recorded on a DBS from having a significant negative impact on vulnerable children and adults.

4.2 Where there is any uncertainty around suitability for a role the Council continues the current practice of completing a risk assessment (as outlined in the revised policy and guidance July 2017). As part of this practice the DLCS will continue to brief Heads of Service on an annual basis.

5. Communication and Awareness of DBS Responsibilities

5.1 Proposed key communication and awareness tools are as follows:

- An overview of Safer Recruitment to be incorporated in the corporate induction materials (currently being updated).
- Manager responsibilities to be reflected in Raising the Bar and Our Manchester Leadership training materials.
- The Senior Leadership Group to be briefed.
- A letter to be sent to every member of staff in a post that is agreed to require DBS clearance outlining their responsibilities and obligations.
- Engage with the Trade Unions who will be briefed and updated on implementation.

6. Volunteers

- 6.1 The Council does not currently operate a corporate record of volunteer capacity across the organisation. Neighbourhoods Directorates are in the process of implementing a system to hold records for their volunteer network, which already holds circa 7000 records; schools hold local records for governors and other volunteers. Similar records are required to be held across the rest of the Council to give assurance:
- of appropriate oversight of volunteer capacity—in particular that volunteers are safe to practice in Council services, and
 - that volunteers themselves are working within a safe environment with the required training.
- 6.2 To address the above is proposed that:
- 6.3 Directorates are required to provide details of all registered volunteers to the HR service in order that the scope of volunteer capacity may be assessed. Following this assessment the likely capacity needed to maintain records and DBS compliance will be reviewed and a recommendation made.
- 6.4 Future volunteer recruitment is managed and recorded through the corporate recruitment system, ATS (Applicant Tracking System). This will provide a single record of volunteer capacity being engaged and appropriate recourse to enable any required DBS checks and/or risk assessments.
- 6.5 Resources are made available to expand MCRVIP (the current platform used by Neighbourhoods) to hold a corporate record of all volunteers and their DBS status. It is proposed that this record will share the same ICT infrastructure used by Neighbourhoods but there will be no corporate access to the records of volunteers held by the Neighbourhoods Directorate as these are used for targeted communications within their volunteer base.
- 6.6 The records on MCRVIP are used to direct a network of DBS cleared staff to oversee any Council volunteers from vulnerable groups. One example is young people on work experience placements, as part of current plans to strengthen work experience coordination a network of Work Experience Champions is being developed across all directorates—this group will be DBS cleared.
- 6.7 The DBS Group have been fully engaged with all changes to the DBS framework including the proposed approach for volunteers across the Council.

7. Ban the Box

- 7.1 Business in the Community (BITC) are campaigning to 'Ban the Box' which calls on UK employers to give ex-offenders a fair chance to compete for jobs by removing the disclosure 'box' from application forms and instead asking for the necessary disclosures later in the recruitment process, i.e. once the candidate has been offered the role.

- 7.2 A number of local authorities have received correspondence from BITC requesting their support for the Ban the Box campaign and an approach has also been made directly to the GM Mayor. A proposal for supporting this campaign has been circulated across GM authorities and has been widely supported.

7.3 Legal View on Ban the Box:

Legal Services cannot identify any legal issues in supporting the campaign for roles that do not require a DBS check.

The legal advice obtained included recommendations to ensure that the process is fair when assessing disclosures made. To mitigate any risk this would involve:

- Making sure that any correspondence to the successful applicant(s) is clear that the offer is subject to 'satisfactory' references/record checks.
- If a record check/reference came back and revealed information which suggested there would be some risk attached to that applicant carrying out that particular role, then a risk assessment would be required balancing the apparent risk against the nature of the job being applied for—taking into account any industry guidance or sector-specific regulations.
- If the outcome of this assessment is that the risk is deemed too great, then a clear explanation of the decision would need to be communicated to the applicant. As the applicant may feel unfairly treated and may be likely to seek further information about how the decision was made it is important that these explanations are confirmed in writing and are clear and concise.

- 7.4 DBS responsibilities: As required by the DBS Code of Practice organisations must have a policy on the recruitment of people with convictions. As with all policies it is good practice that these are reviewed and refreshed as necessary. The invitation from Business in the Community to support and commit to the campaign provides an opportunity to review current processes in light of the campaign requirements.

- 7.5 The intention is to undertake work to implement the revised process to support the campaign by the end of Q1 financial year 2019/20 (June 2019).

8. Consideration of the introduction of DBS checks for all Members

- 8.1 A report from the City Solicitor presented to Standards Committee (01 November 2018) and Council (28 November 2018) considers whether Disclosure and Barring Service (DBS) checks should be undertaken for some or all elected and co-opted members serving on the Council and its committees.

- 8.2 The report explained the different levels of check that are available and the information each would disclose: a basic check, a standard check and an

enhanced check. It also examined the different roles that councillors and co-opted members undertake in the Council and explained the significance of “regulated activities” and “saved regulated activities” as defined by the Protection of Freedoms Act (2012), and which activities undertaken by councillors would be considered to be regulated activities.

- 8.3 The report examined a range of options to consider. From ending the requirement for any checks on any councillors; maintaining the present arrangements; introducing more enhanced checks for those members involved in “saved” regulated activities and introducing basic checks for all councillors and co-opted members.
- 8.4 Standards Committee supported the continuation of the present arrangements and introduction of the further options as set out in the report, with councillors involved in saved regulated activities needing an enhanced check, and all other councillors and co-opted members being asked to agree to a basic check that they share with the Council. The committee noted that no member could be compelled by the Council to have a basic check, but suggested that information on the number of councillors who had done so should be published each year.
- 8.5 The Committee also agreed that that it will be important for there to be well-written guidance on the arrangements relating to DBS checks for councillors which political parties could use for candidates that want to stand for election to the Council.
- 8.6 The process for checking will be improved in 2019 as the Council makes steps to register with the DBS Update Service, this will allow instant online checking of DBS certificates, fewer administrative procedures and strengthen the Councils current safeguarding processes. This will make the process for carrying out checks more efficient across the organisation, including any checks required for members.
- 8.7 As referenced in 8.1 following the presentation of the report to Standards Committee the recommendations were submitted to Council on 28 November 2018.
- 8.8 Following the recommendations from Standards Committee the Council agrees to:
 - a) continue to carry out enhanced DBS checks with a check of the barred lists of members who sit on the Fostering and Adoption Panels or who undertake regulation 44 inspections of children's homes;
 - b) undertake enhanced DBS checks, with a check of the barred lists, for all other elected and co-opted members who undertake “saved” regulated activities, namely:
 - all members of the Executive,
 - all members of the Health and Wellbeing Board,
 - all members of the Children and Young People Scrutiny Committee,
 - members of the Health Scrutiny Committee; and

- c) request all other members and co-opted members to agree to basic disclosure checks.

9. Comments from Director of HROD

- 9.1 This report sets out the work programme to strengthen organisational assurance of DBS management as a basis for safer recruitment and practice.

10. Comments from Trade Unions

- 10.1 To follow.