

Chairs' Committee  
20 October 2008  
Open  
Report of the HR Adviser

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## Penn Report – Follow up on Recommendations

**RECOMMENDED** that the update report be noted.

### Introduction

1. This report has been produced at the request of the Chair of the HR Committee to report to the Chair's Committee the action that has been taken in respect of the recommendations in the Penn Report.

### Background

2. The Penn Report was commissioned by the Authority to identify the lessons that might be learned from the abortive Job Evaluation project in the Constabulary in 2005.
3. The Report was received by the Authority on 25<sup>th</sup> July 2006 and at the meeting it was agreed to accept the recommendations in the Report.
4. The Report contained 62 recommendations. While some were specifically for the Police Authority, most were for implementation by the Constabulary and of these the majority related to the way in which any future job evaluation/pay and grading exercise is handled. To that extent quite a number are not yet capable of being implemented as it is not intended to commence a further job evaluation/pay and grading exercise until next year.
5. The attached schedule sets out all 62 recommendations with an indication of action that has been taken or, where appropriate, will be taken. In respect of actions by the Constabulary preliminary consideration has commenced in respect of a future job and grading exercise and this is reflected in some of the detailed comments against actions required by the Constabulary.
6. It will be noted that all those recommendations that can be actioned at this time by the Constabulary have been effected.

**ACTION TAKEN ON THE RECOMMENDATIONS IN THE PENN REPORT**

Recommendation	Action taken
<p><b>The approach to job evaluation by the Constabulary</b></p> <ul style="list-style-type: none"> <li>• In any future job evaluation project the Constabulary should ensure that it has access to and makes effective use of human resources expertise in both job evaluation and the development and design of pay structures;</li> <li>• In any future job evaluation project the Constabulary should ensure that whatever scheme is used is 'fit for purpose' and that 'best practice' is followed in piloting the scheme, developing 'conventions' and establishing mechanisms for 'sorethumbing' the outcome;</li> </ul>	<p>The Force has now employed HR staff with previous experience of pay and grading at a senior level.</p> <p>Benchmarking jobs will be used in order to pilot the scheme and ensure that the results 'feel fair' before commencing with the full evaluations. The scheme chosen will reflect the values for the future needs of the Force.</p>
<p><b>Structuring and resourcing projects</b></p> <ul style="list-style-type: none"> <li>• In any future job evaluation project the Constabulary should ensure that an effective communication process is put in place to ensure that all managers and staff are aware of the scope of the project, the methodology and possible outcomes;</li> <li>• In any future job evaluation project the Constabulary should ensure that those actively involved in the project are effectively trained and equipped to undertake the tasks that they are required to perform;</li> <li>• In any future job evaluation project there should be clarity at the outset about the extent and scope of the project and the objectives that it is intended it should achieve;</li> <li>• In any future job evaluation project the remit of any Project Board or Steering Group should be clearly defined and the trade unions should be represented on that Board/Group;</li> </ul>	<p>A communications strategy will be in place prior to the commencement of the job evaluation project.</p> <p>Adequate training will be provided to panellists and analysts in the scheme to be adopted and any other people involved in material activity.</p> <p>The scope of the project will be agreed prior to the commencement of the project.</p> <p>The project governance will be agreed prior to the commencement of the project, with the proposal of a Steering Group and a Project Board with representatives from the Unions and a representative from the</p>

<ul style="list-style-type: none"> <li>• In any future job evaluation project it should be clearly defined what aspects of the development of the outcome will be within joint machinery with the trade unions and what, in the first instance, will be a matter for management to develop;</li> <li>• In any future job evaluation project the Constabulary should ensure that the level of resources (both financial and human) allocated is sufficient to meet the likely requirements of the project;</li> <li>• In any future job evaluation project the Constabulary should endeavour to ensure continuity of membership of any Project Board or Steering Group and, as far as is reasonably practicable, ensure that those who are managing the project are not doing so as part of an 'add-on' to existing duties.</li> </ul>	<p>Police Authority included. The Force proposes that the Chief Constable and a member of the Police Authority jointly be the Senior Responsible Officers.</p> <p>Decisions will be taken regarding which aspects of the development of the outcome will be for management to decide and which decisions will be made in conjunction with the Unions. However, it is the intention to approach the project from a partnership perspective with the Unions. The aspects of the development of the outcome to be within joint machinery, which will be set out in the governance arrangements and/or the agreed working protocols.</p> <p>There will be sufficient resources allocated, both financial and human, in order to meet the requirements of the project.</p> <p>A separate project team will be established in order that staff are not attempting to carry out their "day job" and also be part of the project.</p>
<p><b>Project management</b></p> <ul style="list-style-type: none"> <li>• The appropriateness of the <i>Prince</i> methodology for a project of this nature should be reviewed;</li> <li>• In any event the parameters of a future job evaluation and pay exercise should be clearly defined so that there is no doubt what methodology is going to be used for the various elements of a comprehensive review of pay and grading [It may be that the actual</li> </ul>	<p>The use of Prince2 methodology for use as a platform for the project management aspects of the job evaluations, i.e. to obtain the post rankings, will be discussed and agreed with all key stakeholders.</p> <p>It is intended that the development of the pay and grading will be carried out using external consultants and independent pay modelling software.</p>

<p>development of a pay strategy and structure will better be handled outside Prince methodology given that it will require negotiation with trade unions at a senior management level];</p> <ul style="list-style-type: none"> <li>• Mechanisms should be put in place to ensure that the principles of the methodology are properly adhered to for those parts of any project that are established in accordance with the methodology;</li> <li>• Given the significance of any future job evaluation project, while ownership should not reside in one person, the project should be led actively by a member of the Constabulary Executive, who should, if appropriate chair any Project Board;</li> <li>• If the <i>Prince</i> methodology is to be used the Chairs of Project Boards and other key players should be effectively trained in the methodology;</li> <li>• Effective arrangements should be put in place to update senior managers on both progress and issues arising during a future project;</li> <li>• The Constabulary (managers and Police Staff) must recognise that while target dates may be set for the completion of any exercise, flexibility may be required</li> </ul>	<p>Senior management will review the various pay models that will be produced, and negotiations will take place with the Unions on a minimum of two options. Affordability and impact on staff will be the criteria used to determine the most suitable scheme.</p> <p>It has been suggested that a police officer COG member be appointed as a champion for the project. It is taken as read that the Director of HR will also be a champion for this exercise. The precise arrangements are to be agreed as part of the governance arrangements for the exercise.</p> <p>Adequate training in whatever methodology is utilised will be provided to all key players.</p> <p>Regular briefings will be given to senior management regarding the project and its progress/issues.</p> <p>The top 5 risks have been highlighted to COG regarding the delay in the progress of the project if certain elements are not completed on time. These and others are also listed as a Risks Register within the project initiation document. Realistic time lines have been proposed for the project with the proviso that slippage may occur due to the highlighted issues. Once the project plan has been established, communications will highlight flexibility on timescales.</p>
<p><b>Quality assurance</b></p> <ul style="list-style-type: none"> <li>• In any future job evaluation project, the 'sorethumbing' process, rationale and 'trails' for audit purposes must be clarified at the</li> </ul>	<p>The QA process, including the rationale and any trials, will be documented for audit purposes and may be carried out by</p>

<p>outset;</p> <ul style="list-style-type: none"> <li>The communication process must include raising awareness that 'sorethumbing' is an integral part of the job evaluation process, but that 'lobbying' by individual managers, staff or the trade unions on behalf on specific jobs or groups of jobs undermines the integrity of the process.</li> </ul>	<p>external consultants.</p> <p>The communications strategy and process will ensure that staff are aware that "sorethumbing" is an integral part of the JE process. If there are any issues regarding the scoring of particular posts, they will be resolved by the re-evaluation of the jobs by another panel only. There will be no other means of changing a score other than at the appeals stage.</p>
<p><b>Developing the pay model and structure</b></p> <ul style="list-style-type: none"> <li>That a Pay and Reward Strategy is prepared for consideration and approval by the Police Authority;</li> <li>That such a strategy needs to underpin the development of future reward structures which may include the development of new pay structures following further job evaluation and review of associated allowances and benefits;</li> <li>In any future job evaluation project there must be confidence that the 'stack', even though it may not be complete, is broadly 'fit for purpose' before detailed pay modelling take place;</li> <li>It must be recognised by the Authority and by management and staff in the Constabulary that, given the overall constraints imposed on the Authority and the Constabulary, additional budgetary provision to deliver a Pay and Reward Strategy may be limited and that alternative sources of funding, including</li> </ul>	<p>A Pay and Reward strategy will be prepared for consideration and approval jointly by the Police Authority and COG.</p> <p>It is the Force's intention to introduce a total reward concept including job evaluation within the project, rather than just looking at JE. A review will be carried out regarding the existing rewards.</p> <p>Advice will be sought from the external consultants as to when the pay modelling should commence. However, it is suggested that at least 80% of the evaluations should be completed before this begins. The rankings will be reviewed by the Steering Group and Project Board to ensure they are "fit for purpose", but if there are any elements which cause concern, any changes should only be made via the QA process, i.e. evaluation via a different panel. If the Force looks to change any rankings other than via this method, the whole exercise will be flawed.</p> <p>It will be communicated to staff and management that both affordability and staff impact have to be considered when making decisions on the pay and grading. Legacy allowances have already been addressed in some areas on the introduction of the Police Staff Handbook.</p>

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<p>reductions in 'headcount' and ending 'legacy' allowances, may be required;</p> <ul style="list-style-type: none"> <li>• If the Pay and Reward Strategy is to include any 'contribution', 'competence' or performance' pay, the Constabulary must ensure that effective procedures and processes are in place to underpin this, that managers and staff are trained in them and that effective procedures are in place to monitor outcomes;</li> <li>• There should be clarity about what aspects of implementing any Pay and Reward Strategy need to be negotiated and what may be matters for consultation;</li> <li>• If, as part of that Pay and Reward Strategy, it is necessary for the Constabulary to pay market supplements, these should be determined by reference to benchmark research and implemented as apart of the new pay structure;</li> <li>• There must be clarity about where authority lies within the Constabulary to approve any new pay structure and the role of the Police Authority within that approvals process, recognising that on those matters that require negotiation it may be necessary to gain approval to negotiating options;</li> <li>• As part of any approvals process comprehensive written Impact Assessments covering both the effect on staff and the impact on budget need to be prepared.</li> </ul>	<p>The equal pay audit may highlight other allowances that may need to be reviewed.</p> <p>Performance pay will need to be a separate element of the pay and reward project and is unlikely to be introduced at the time the job evaluation aspect of the project goes live.</p> <p>The negotiated brief will be agreed before negotiations and will clarify where the authority lies to approve any new pay structure within the Constabulary, and the role of the Police Authority within that approvals process.</p> <p>A market supplements policy will need to be negotiated with the unions prior to the introduction of the new pay and grading structure. This will include how long a market supplement is valid for, and what process will be followed to determine when this is to be applied. Agreement will also need to be reached regarding how ongoing reviews of these supplements will be conducted.</p> <p>Full impact assessments on staff and budget will be prepared and documented and presented as part of the approvals process, together with a specific Equalities Impact Assessment.</p>
<p><b>Risk assessment</b></p> <ul style="list-style-type: none"> <li>• That the risk assessment procedures</li> </ul>	<p>The risk assessment procedures</p>

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<p>incorporated in the Prince methodology should be adhered to in so far as any future exercise is established using that methodology;</p> <ul style="list-style-type: none"> <li>• That if the Prince methodology is not used in any future job evaluation project appropriate risk awareness mechanisms are identified and monitored;</li> <li>• As part of any approvals process there should be comprehensive Impact Assessment covering both the effect on staff and the impact on budget;</li> </ul>	<p>appropriate to whatever methodology is used will be adhered to.</p> <p>Risks will be identified and monitored.</p> <p>Impact assessments with regard to both staff and budget will be highlighted at the time any approvals are required.</p>
<p><b>Management and staff 'buy in'</b></p> <ul style="list-style-type: none"> <li>• In any future job evaluation project an effective communication (as opposed to marketing) strategy should be put in place to ensure that all managers and staff are aware of the scope of the project, the methodology and possible outcomes;</li> <li>• While recognising that there will be aspects of any future exercise, particularly matters such as negotiating strategies with the trade unions, that should reasonably remain confidential, the Constabulary should strive to achieve openness in the process with both staff and managers;</li> <li>• It must be recognised and accepted that openness of communication requires that 'bad news' as well as 'good news' about the implications, progress and consequences of any future exercise should be shared with staff and managers at all levels. It must also be clearly recognised by Police staff and managers that job evaluation is a major organisational change in which there will be 'winners' and 'losers';</li> <li>• Given the high level of feeling and suspicion generated by the job evaluation project on which this Review has focused, particular attention should be given to ensuring that Police Staff understand and accept the outcome of any future project, irrespective of</li> </ul>	<p>An effective communications strategy will be put in place regarding all aspects of the project.</p> <p>An effective communications process will be put in place regarding all aspects of the project.</p> <p>The communications strategy will ensure a true picture of the progress and possible outcomes of the exercise, i.e. winners and losers.</p> <p>This message will be conveyed to all staff and managers.</p>

<p>the impact on them as individuals;</p> <ul style="list-style-type: none"> <li>• The Executive as a whole should demonstrate to the Constabulary its commitment to and understanding of the significance such exercises even though management of major cross-cutting exercises may be the responsibility of a particular member of the Constabulary Executive;</li> <li>• Consideration should be given to how in any future job evaluation project the correct balance is achieved between consultation through the accredited trade unions and other approaches to communication and consultation if the current relatively low level of Union membership continues;</li> </ul>	<p>The project can only be a success if COG and the Police Authority jointly show their support for the project team and the actions being taken. It should be regarded as a "Force wide project" rather than an HR project.</p> <p>The Unions are recognised as the vehicle by which the Force negotiates staff issues. There has been a larger take up of union membership since the last job evaluation exercise. If it appears that there are a large number of staff who are not union members, those staff have the right to request the formation of a staff works council to represent them - a route the project might suggest.</p>
<p><b>Trade union negotiations</b></p> <ul style="list-style-type: none"> <li>• In any future job evaluation project the role and responsibilities of the trade unions should be clearly defined;</li> <li>• In any future job evaluation project trade union representatives should receive appropriate training and reasonable time off to fulfil their role(s)</li> <li>• In any future job evaluation project the trade unions should be represented on any Project Board/Steering Group, recognising that there may be aspects of the exercise that are to be the subject of negotiation and/or consultation with the Trade Unions (e.g. the development of pay structures) and which may, therefore, fall outside the remit of such a Project Board/Steering Group;</li> <li>• In any future job evaluation project job evaluation project there be clarity at the outset about those matters which are to be for negotiation and those which are to be for consultation;</li> <li>• The formal and informal negotiation and consultation machinery for Police staff should</li> </ul>	<p>Management will be working in partnership with the Unions in relation to this project.</p> <p>Full Training and appropriate time to dedicate to the exercise will be given.</p> <p>It is proposed that a Trade Union member be part of each evaluation panel as well as Regional Trade Union representatives being part of the Steering Group.</p> <p>There will be confirmation at the outset with the Unions as to what will be negotiated and what will be consulted upon.</p> <p>The formal and informal negotiation and consultation machinery will be reviewed</p>

<p>be reviewed to ensure that it is both fit for purpose and understood by the parties;</p>	<p>and discussed with all concerned.</p>
<p><b>Financial imperatives</b></p> <ul style="list-style-type: none"> <li>• The Authority should determine, in the context of the Pay and Reward Strategy and its Medium Term Financial Strategy, how much it considers appropriate to set aside within as possible 'new' budget provision for any future job evaluation project;</li> <li>• In any future job evaluation project the Chief Constable and the Authority should consider alternative sources of funding outcomes (including and organisational review) that meet in full or in part the objectives set out in the Pay and Reward Strategy but which cannot be contained financially within any 'new' budget provision that may be made available;</li> <li>• Financial assumptions and implications should be included in all Impact Assessments prepared during any future job evaluation project particularly those prepared prior to approval within the Constabulary and by the Police Authority;</li> <li>• The level of financial awareness and expertise among non-finance middle and senior managers within the Constabulary should be reviewed and consideration should be given to how it should be developed to enhance the effectiveness of financial management;</li> </ul>	<p>Will be developed as relevant time</p> <p>It is recognised that alternative sources of funding outcomes will be considered by the Chief Constable and the Police Authority.</p> <p>Financial assumptions and implications will be included in all impact assessments prepared for approval by the Constabulary and Police Authority.</p> <p>Financial imperatives will be driven by the budgeting process and the need for effective paybill control and this will be managed centrally. High level decisions will be agreed with the Police Authority. (The general level of financial awareness amongst middle and senior managers is being reviewed, and development measures established as part of the overall leadership and management</p>

	development programme.)
<p><b>The decision-making process</b></p> <ul style="list-style-type: none"> <li>• In any future job evaluation project it needs to be established at the outset which decisions relating both to the management of the project and to its outcomes are the responsibility of the Project Board/Steering Group, the Programme Executive, the Constabulary Executive, the Chief Constable and the Police Authority;</li> <li>• The key management (as opposed to operational) decision making procedures in respect of Human Resource management within the Constabulary should be reviewed and, without impeding the need for flexibility in specific circumstances, codified to enhance clarity about authority and responsibility;</li> <li>• Consideration should be given to whether such a review would also be appropriate in other management areas of the Constabulary;</li> <li>• The Chief Constable and, where appropriate, the Police Authority should identify key impact assessment information necessary to enhance the quality of decision making (e.g. financial appraisal, organisational impact, diversity implications) and ensure that these are incorporated into the papers for strategic and other significant management decision making processes.</li> </ul>	<p>The project governance will be agreed prior to the commencement of the project, setting out respective responsibilities of each governance body, and will seek to ensure that there is no unnecessary delay in day to day issues, whilst the major decisions are made at the appropriate place.</p> <p>The authority and responsibility for key management decision making is to be codified for clarity.</p> <p>Consideration is to be given to extending such codification to other management areas.</p> <p>The impact assessment aspects to be included in strategic and corporate decision making papers are to be determined.</p>
<p><b>The role of the Police Authority</b></p> <ul style="list-style-type: none"> <li>• The Authority should review the role and function of its Human Resources Committee and, in conjunction with the Chief Constable, determine what matters relating to human resource management within the Constabulary it should be required to approve prior to implementation;</li> <li>• Irrespective of the outcome of this general review the role, contribution and decision making responsibilities of the Police Authority in any future job evaluation project be defined at the start of the exercise and appropriate</li> </ul>	<p>Scheme of delegation and revised Committee Terms of Reference produced</p> <p>In hand as part of preliminary work on future JE project and will be included in the PID</p>

<p>mechanisms established to ensure that the Authority can fulfil its responsibilities;</p> <ul style="list-style-type: none"> <li>• The Authority should review its overall mechanisms for scrutinising the effectiveness of the management of the Constabulary;</li> <li>• The Authority should consider whether it should have access to its own independent human resources advice and how that advice could most effectively support the Authority and the Constabulary;</li> <li>• The Authority should, with the Chief Constable, review how and to what extent it should be represented on Project Boards and Steering Groups within the Constabulary, including the rationale for and role of such representatives and what mechanisms might be put in place to highlight or raise matters of potential concern;</li> <li>• In addition to formally approving any Pay and Reward Strategy and its subsequent application, the Authority should, as part of its scrutiny function, monitor both the progress and outcomes of any future job evaluation or pay exercise;</li> <li>• As part of the review of the joint negotiation and consultation machinery for police staff, the role of the Authority should be considered;</li> <li>• The Authority should ensure that, when being asked to take decisions of major significance, comprehensive papers are prepared and circulated in advance and that reliance is not placed solely on presentations. Such papers should include key impact assessment information.</li> </ul>	<p>Complete</p> <p>Authority appointed an HR Adviser</p> <p>Incomplete</p> <p>Will need to be picked up at the appropriate time</p> <p>Authority's HR Adviser attends Partnership Group and JNCC</p> <p>Improving</p>
<p><b>Leadership and management</b></p> <ul style="list-style-type: none"> <li>• The role, purpose and responsibilities within the Constabulary's management arrangements for Command Team meetings, Force Executive, Force Strategic Board and</li> </ul>	<p>The role etc.of the various executive bodies in the Constabulary have been reviewed as part of the establishment of appropriate executive mechanisms for the</p>

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<p>Programme Boards should be reviewed and clarified;</p> <ul style="list-style-type: none"><li>• The decision-making protocols and policies of the Constabulary should be reviewed so as to ensure clarity about responsibility and accountability (be it individual or collective) for major projects, strategies and other significant management decisions together with consistency in the application of those protocols and policies;</li><li>• Building on the above, consideration should be given as to how the Constabulary might best engender corporate ownership at all relevant levels of 'cross cutting' issues and major change projects, while recognising that leadership of particular projects/initiatives/portfolios might rest with a particular member of the Constabulary Executive;</li><li>• Consideration should be given about the steps that might be taken to increase the confidence of both Police Officers and Police Staff within the Constabulary, firstly to bring forward matters that might be perceived to have negative connotations (e.g. what has been termed 'bad news stories') and secondly, to challenge more senior managers without concern for recrimination where reasonable challenge is beneficial to the outcome;</li><li>• Consideration should be given to measures that could give confidence to Police staff that they are 'valued' by the Authority and by the Constabulary;</li></ul>	<p>2012 strategy and supporting programme.</p> <p>An appropriate structure is currently being considered for the executive mechanisms.</p> <p>As part of the communication programme for the 2012 strategy, updated values and acceptable and expected behaviour have been promulgated, and reinforced by example by top management, including legitimate challenge of senior management without recrimination. This needs to be continued to establish general acceptance and confidence.</p> <p>Measures to build confidence in officers and staff that they are valued form part of the 2012 strategy plan, which is currently being developed. The aim is to build high staff satisfaction levels in all aspects, including a sense of being valued, and establishing the Constabulary as an "Employer of Choice".</p>
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