



Desborough Town Council
Town Clerk: Graham Thomson
High Street, Desborough, NN14 2QS
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To: All Members of the Personnel Committee

You are cordially invited to a meeting of the Personnel Committee to be held in the Council's offices in the Library building, High Street, Desborough on **Thursday 25 July 2019**, commencing at **10 am** for the purpose of transacting the undermentioned business.

Members of the press and public are welcome to attend.

Signed,

A handwritten signature in cursive script, appearing to read 'Graham Thomson'.

Graham Thomson
Town Clerk

19 July 2019

Personnel Committee

Councillors: Holmes, McElhinney, Read,
Sawford

AGENDA

- 1. Election of Chair.**
- 2. Apologies for absence.**
- 3. Declarations of interest.**
- 4. To hear representations from Members of the Public.**
- 5. To consider LGSS Pension Scheme potential changes.**
- 6. To consider and approve the staff appraisal process.**
- 7. To appoint Councillors to the Appraisal Panel.**

Fire Alarm

All meetings shall be adjourned immediately on the sounding of the fire alarm. The alarm is a continuous bell. On hearing the alarm please leave the building by the nearest emergency exit.

The emergency exits are through the main front door and through the door at the rear of the library, and out of the glass doors in the meeting room turning right and right again and along to the front of the Co-Op (through the wooden gate).

On leaving the building please assemble on the grassed area in front of Hazeland House. Do not attempt to drive out of the car park as this may impede the arrival of emergency vehicles. Please do not return to the building until you are told it is safe to do so by the Town Clerk.

Toilets

The toilet at the entrance to the Council's offices.

Facilities for Babies and Children

If you wish to use a private area to feed your baby please ask the Town Clerk. There are changing facilities in the toilet.

Access for People with Disabilities

There is parking to the rear and side of the library building. The meeting rooms are located on the ground floor and access is through the main entrance. If you require assistance, please ask.

No Smoking

Smoking (including e-cigarettes and similar equipment) is not permitted in the building.

Reporting on Meetings of the Council

Members of the press and public are entitled to report on meetings of the Council and Committees, except in circumstances where they have been excluded in accordance with the law.

If you wish to report on this meeting, please telephone 01536 628816 or email clerk@desboroughtowncouncil.gov.uk at least two days before the meeting to enable the Council to provide reasonable facilities for you to do so. Failure to advise the Council of your intention may mean the necessary facilities will not be available.

If you are planning to attend a meeting and do not wish to be recorded or photographed please inform the Chair or Town Clerk at the start of the meeting.

Private and Confidential Items

The press and members of the public can be excluded from business of the meeting on the grounds that it involves items of business which include the likely disclosure of exempt information as defined by Section 1 of the Public Bodies (Admission to meetings) Act 1960 (as amended).

To consider an urgent response to the LGSS Pension Service consultation

The LGSS Pensions Service is consulting on a proposal to remove the pooling arrangement so that each parish and town council stands alone. There are pros and cons to the proposal and there will be winners and losers. For some time, the Council has been a member of the LGSS Pensions Scheme (it is a contractual term for the current Town Clerk). The Council is a member of the Resolution Bodies Pool within the Northamptonshire Pension Fund (“the Fund”). There are over 250 different employers in the Fund, each of whom needs to pay contributions which are calculated by the Fund Actuary; the intention is that contributions should be sufficient (when added to investment returns) to pay for the benefits which the Fund needs to pay out for the employer’s members and ex-members when they retire or die.

The Pool was set up by the Fund many years ago to assist employers of a similar type (town and parish councils) to meet the Fund obligations referred to above. For employers with a very small number of members, relatively small changes in the membership profile from time to time could give rise to very large changes in the contribution rate. These changes include: members joining, leaving, retiring early (particularly in ill-health), and receiving pay rises different from those assumed. Pooling smooths out these changes to minimise contribution rate volatility.

In recent years there have been changes leading to the Fund reconsidering the Pool, including:

- Under previous LGPS Regulations, if a Resolution Body (a Council) decided to leave the Fund, it did not need to pay any “cessation debt”. However, current Regulations mean that a Resolution Body will typically need to pay a cessation debt when it leaves. This means that the individual funding positions become crucial for Pool employers in those circumstances.
- One of the key events which could significantly worsen an employer’s funding position, and therefore increase its individual contribution rate, was if an employee had to take ill-health early retirement. It was to protect against such eventualities that the Pool was formed. However, the Fund now has a form of internal ill-health insurance for all employers, so the Pool no longer provides added protection for its employers against this type of situation.
- Pool employers’ active membership does not change significantly over the years, leading to a gradual ageing of the membership thus pushing up contribution rates.

The Fund commissioned analysis to help determine how varied the different employers’ positions are within the Pool. This analysis showed there is a wide spread, so that some employers are paying materially more than they ideally would, and others paying materially less than required. If the proposal to disband the Pool was to go ahead, the impact on employers would be:

- the Pool would no longer operate for any employers;
- each employer would be advised of its own funding position* as at the 31 March 2019 formal valuation date and of its contribution rate applicable from 1 April 2020, based on its own funding position*;
- any future membership changes, early retirements, pay awards etc., among the employer’s own workforce (and ex-employees) would flow through to its own funding position, giving rise to changes in its contribution rate from the following formal valuation. For instance, pay awards higher than assumed would cause the contribution rate to go up, ex-employees dying in retirement earlier than expected would cause the contribution rate to fall;
- the approach to setting contributions would be no more favourable than under the current Pool, so the impact on the contribution rate would not arise simply from the Pool disbanding, but instead on factors such as how the assets are divided on disbandment*, current and future membership, whether the Council seeks to leave the Fund and/or restrict future membership, etc;
- any future membership changes, early retirements, pay awards and so on among other employers (and their ex-employees) would not affect the Council’s funding position or contribution rate.

The Fund is seeking to take a course of action which is as far as practicable agreed by most if not all employers in the Pool. This is an important issue which will affect the Council’s contributions from 1 April 2020 and also possibly the Council’s future membership of the Fund. The Fund is considering two different approaches* to dividing the Pool’s assets among the employers:

- 1) assign assets as per each employer's actual experience to date, so that some will be materially poorer funded than the Pool average as at 31 March 2019 and others will be materially better funded than the average;
- 2) assign assets as per the Pool average funding level, i.e. each employer will get an equal asset share relative to its liabilities, which would be higher or lower than their individually assessed asset share, on the grounds that all have paid the same required contribution rate over the years.

The Fund is minded to adopt approach 2). The specific questions that the Council is REQUESTED to address are set out below. It must be noted that there is no proposal to change the Council's membership of the Scheme and no decision to do so may be made without first obtaining legal advice, and advice from an Independent Financial Adviser.

- (i) Is it more helpful to continue the Pool in its current form, or to move to individually-assessed contribution rates?
- (ii) Are there situations where the continuation or disbanding of the Pool would be particularly helpful, for instance if you are considering merging your activities with another organisation?
- (iii) If the Pool was to be disbanded, does the Council have a preference for the asset division approaches 1) or 2), and why? This is a "zero sum situation", i.e. for every employer which might "gain" from a given course of action, there is another which would "lose".

Graham Thomson
Town Clerk

Desborough Town Council

Staff Appraisal Policy

INTRODUCTION

Desborough Town Council is committed to achieving a high standard in the performance of its employee(s). The aim is to provide an effective and efficient service and a satisfactory working environment affording job satisfaction to its employee(s). A regular review of an employee's performance is an effective tool. It allows an employee to give their views to the Council.

Performance reviews or appraisals help to identify personal development and training needs. Appraisal meetings also provide an opportunity for the employee(s) to seek and receive high quality, responsive and balanced feedback on their work performance from the Council. It is to be said that the discussion is more important than the form filling.

PURPOSE OF APPRAISAL

- Discuss positive achievements over the past 12 months and/or during probation period. To identify reasons for good performance.
- Discuss instances where targets have not been met, jointly identifying factors preventing those goals being achieved.
- Agree standards of performance and behaviour by setting objectives, priorities and targets that are realistic and achievable.
- Provide a formal written record of performance and evidence of key objectives planned for the future.
- Encourage individuals to develop their skills and competencies through a planned approach to personal development and training, supported by the organisation.
- Discuss any training, personal or professional development needs and agree a performance plan to ensure that set objectives can be met and high levels of performance maintained.

APPRAISAL ARRANGEMENTS

Appraisals should occur annually from the date of commencement of employment. The employee is to be given reasonable notice of the meeting. Good practice would be to hold the meeting in a more informal setting than an office. The appraisal process is the ultimate responsibility of the Personnel Committee.

The Town Clerk should be appraised by two or three members of the Personnel Committee, not necessarily the Chair. Any other staff should be appraised by the Town Clerk.

At least two weeks before the appraisal date, the appraiser should give the appraisee a copy of their job description, the targets set in the previous year, and an appraisal form. One week before the appraisal meeting, the appraisee should return the document to the appraiser with their comments and thoughts.

New employees will initially be subject to a 3 month period of probation.

THE APPRAISAL MEETING

The appraisal discussion should be a two-way discussion. The outcomes are recorded on the Appraisal Form. Reference should be made to the job description. The meeting will include:-

1. Review: previous objectives & discuss individual's actual performance. Both parties should concentrate on established facts rather than on unsubstantiated opinions. Review the individual's previous objectives and the degree to which these have been met.
2. Explore: what factors affected individual performance examining both internal and external constraints and issues.
3. Appraisal discussions set and review objectives which should be **SMART**, i.e.
 - S Specific** – clear about what is actually required – avoid too much jargon and detail
 - M Measurable** – tasks should be linked to quantifiable measures
 - A Achievable** – consideration should be given to training and competencies
 - R Realistic** – targets should be neither too difficult nor too easy
 - T Time-bound** – anticipated time frame and targets should be phased throughout the year.
4. Plan for any training / development needs and their cost.

RECORD KEEPING

The appraiser completes the Appraisal Form and hands a copy to the appraisee. The appraisee may read and add their comments. The form may then be updated, signed by both parties and returned to the appraiser. The process will be reported to the Personnel Committee and a copy placed in the personnel file of the appraisee. The appraisee should make reference to the Appraisal Form during the year.