

# GENERAL PURPOSES COMMITTEE

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Thursday, 12 October 2017 at 7.00 p.m.

C1, 1st Floor, Town Hall, Mulberry Place, 5 Clove Crescent, London,  
E14 2BG

## SUPPLEMENTAL AGENDA

**This meeting is open to the public to attend.**

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For further information including the Membership of this body and public information, see the main agenda.

**4 .4 HR Policies and Procedures - diagnostic**

**1 - 70**

This paper provides a briefing for Members following:

- the conclusions of the Independent Industrial Relation Review at the end of 2016 that was jointly commissioned with all recognised trade unions; and
- a Phase 1 review of a number of key HR policies and procedures undertaken by the HR and Transformation Team as a key recommendation arising from that review.

**4 .9 Whistleblowing – New policy, processes and the work of Grant Thornton**

**71 - 98**

Attached are the appendices for this report that were not included in the main agenda pack.

<p>Non-Executive Report of the:</p> <p><b>General Purposes Committee</b></p> <p>12 October 2017</p>	 <p><b>TOWER HAMLETS</b></p>
<p><b>Report of:</b> Heather Daley, Divisional Director Human Resources and Transformation</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>Briefing Paper – Employment policies and procedures – diagnostic</b></p>	

<b>Originating Officer(s)</b>	Heather Daley and Anna Finch-Smith
<b>Wards affected</b>	All wards

### Reasons for Urgency

Due to requiring last minute changes, this report could not be attached to the main agenda pack.

### Summary

This paper provides a briefing for Members following:

- the conclusions of the Independent Industrial Relation Review at the end of 2016 that was jointly commissioned with all recognised trade unions; and
- a Phase 1 review of a number of key HR policies and procedures undertaken by the HR and Transformation Team as a key recommendation arising from that review.

Appendix 1 of this report is the brief for that independent review setting out the objectives, scope and expected outcomes and benefits from the review. The brief sets out the following in relation to expected benefits:

- “Benefits that are expected as a result of the review include: improved industrial relations culture; fully embedded industrial relations framework; reduction in the average number of days to complete investigations/restructures; increased two way communication with Trade Unions and a collaborative approach to problem solving; more joint working; reduction in the number of disputes; and improved workforce morale and employee relations.”

Appendix 2 is the Summary Report (December 2016) of the independent review undertaken by the Institute of Employment Studies (IES) titled “London Borough of Tower Hamlets Review of Industrial Relations”. The review was overseen by a steering group of council officers and representatives of Unison, GMB and Unite. The steering group was chaired by the Corporate Director, Resources. The recommendations of the IES review were wide ranging and included:

- Integrating the CHAD and wider grievance and disciplinary process;
- Replacing the Joint Consultative Advisory Group (JCAG) and provision for Failure to Agree and reviewing feedback processes;
- Reviewing the staff-side so it worked as a single table in which all recognised trade unions participate;
- Simplifying and shortening procedures;
- Reviewing procedures, including sickness absence, so managers had flexibility to adapt them appropriately to individual cases.

The report provided a general sense that the relationship between the organisation and the Trade Unions needs to become more 'fleet of foot', agile and better at changing internally. This is also highlighted by employees who, through various engagement mechanisms, are telling us: that it is difficult to get things done, change processes are very procedural, slow (in particular processes relating to employment and employee relations) often inconsistently applied and working against the culture and best practice we are striving for; and Members will be aware of concerns about the excessive amounts of time it has taken on occasions to set up and hear Member appeals against dismissal.

The areas covered in this paper align with:

- An earlier report to GP Committee on 05 July 2017, where it was agreed that Part 5.4 (Member/ Officer Relations' Protocol) of the Council's Constitution would need to be further reviewed and recommendations for amendment brought back to this meeting of the GP Committee. This included to the section headed "Recruitment, Appointment and Other Senior Staffing Matters";
- The Council's HR Strategy - which is also under review. The Corporate Leadership Team (CLT) has previously considered a paper and supported an emerging new framework and priorities for this strategy in line with being an Employer of Choice;
- Organisational culture change as set out in the Best Value Improvement Board (BVIB) report of 11 September 2017 on the Corporate Improvement Journey;
- Changes proposed to the Council's Whistleblowing policy and procedure; a report in respect of which is also before tonight's Committee titled: "Whistleblowing – New policy, processes and the work of Grant Thornton";
- Proposed wellbeing provisions for employees which will significantly improve the offer and support for staff.

## **Recommendations:**

The General Purposes Committee is recommended to:

- 1.1 Note the briefing within the report.

### **1. REASONS FOR ANY FUTURE DECISIONS**

- 1.1 Some changes to employment policy, provision and procedure, were they to be made in the future, would require contractual changes that would need to be consulted with the trade unions; as well as changes to the Council's Constitution.
- 1.2 The rationale for any changes would need to be closely aligned to the Council's ambition to be an Employer of Choice with a drive to improve management practice and support managers and employees to think differently to achieve positive outcomes and move away from proceduralising employment issues. They should also overtly support managers and employees to try to resolve matters through dialogue where possible. If this were to happen then the proposed approach would be for many (or the majority) of employment issues to be managed by managers and employees informally through the day to day procedures, meaning less formal action.

### **2. ALTERNATIVE OPTIONS**

- 2.1 This is a briefing paper for noting only.

### **3. DETAILS OF REPORT**

- 3.1 As part of the Council's ambition to be an Employer of Choice and to address issues and concerns raised by staff, managers and the recognised Trade Unions a specification to undertake an Independent Industrial Relation Review was drafted and jointly approved by the recognised Trade Union. The purpose of the review was to have an independent assessment of the current industrial relations and to identify the areas of improvement and change and to highlight and adopt best practice. It was considered essential that the review be independent and be jointly overseen by both the council and recognised Trade Unions (Unison, GMB and Unite) the review was extensive and took place over a 4 to 5 month period with regular liaison and oversight by a joint Project Steering Group that discussed and agreed all the findings

and recommendations and approved the final report before its presentation to the Council's Corporate Leadership Team. The recommendations arising from the review have been used as the basis for the phase 1 review of HR policies and procedures.

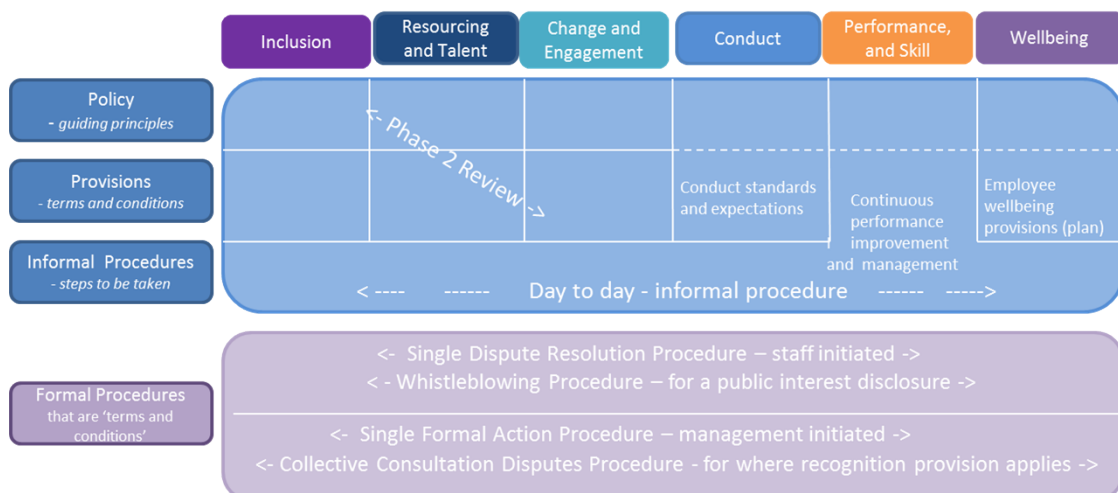
- 3.2 Positive Employee Relations: The Council's aim is to be an 'employer of choice', putting the employee/manager relationship at the heart of the employee relations culture. We aim to lead in best practice and ensure an open and honest culture where staff and managers feel supported and motivated; and where we support the wellbeing of our employees.
- 3.3 It is important that we remove any procedural or practice barriers to achieving improved employee relations, that concerns are considered with little or no undue delay and employees are treated fairly and consistently. We want to ensure that this forms part of our next steps in the Council's journey to becoming a 'best in class' employer. The conclusions following the Phase 1 review of some key employment policies and procedures were that we need to:
- Draw a distinction between, and have a common understanding of, the difference between: policy, provisions, procedure and guidance;
  - Address unnecessary delays in: undertaking and concluding investigations, and convening hearing and appeals;
  - Work to avoid disputes as far as possible and if they arise, ensure they are resolved as fairly and swiftly as possible;
  - Work with trade unions and Members to, for example, streamline our industrial relations procedures, including reviewing the Joint Consultative Advisory Group (JCAG) and Failure to Agree mechanisms;
  - Ensure we dovetail and align any changes with other employment initiatives including: the Whistleblowing Policy and Procedure; provisions for the wellbeing of employees; mechanisms for implementing organisational change;
  - Align any changes with the Council's refreshed core values;
  - Emphasise in any changes the importance of regular two-way conversation and constructive, honest dialogue between managers and employees – and for this to be the preferred route as opposed to formal action where possible;
  - Provide uncomplicated policies and procedures for both every day, and for when matters need to be formalised, both from a management and an employee perspective;
  - Change the way that employee performance is planned, discussed and monitored so there is a culture of continual performance management;
  - Identify where, if subsequently provisions/procedures were to change, those changes would result in enhanced arrangements for employees;
  - Be very clear that any changes impacting the code of conduct, disciplinary procedure and grievance procedure would need to be discussed and consulted with the trade unions;
  - Be very clear if any changes require amendments to the current Constitution.

3.4 In line with best practice it seems sensible for there to be a clear distinction moving forward on the difference (and a separation therefore) between: policy, provisions, procedure and guidance. The distinction that ought to be made is as follows:

- Policy: Guiding principles
- Provisions: Contractual or non-contractual terms and conditions
- Procedure: The steps that are to be taken – both on a day to day basis as part of good management; and formally when continued employment is at risk; or employees (either directly or through their representatives) need to formalise matters
- Guidance: Advice; and day to day good practice

3.5 The diagram below details the HR strategy context; the parameters for the Phase 1 review and potential way forward; and the distinction between:

- policy, provisions, procedure and guidance;
- day to day processes/management; and
- formal action processes for: employees, managers and management/trade unions



3.6 In line with the recommendations arising from the joint Industrial Relations Review the Phase 1 review of HR policies and procedures identified a plethora of documents with varying titles and content relating to:

- Conduct (including code of conduct);
- PDR – performance, development and review;
- Sickness and wellbeing (including poor health and ill health capability);
- Employee grievance (including CHAD - combatting harassment and discrimination and employee whistleblowing i.e. a public interest disclosure) – informal and formal procedures;
- Managing: discipline, standards for [poor] performance, and sickness – informal and formal i.e. where continued employment is at risk;
- Collective consultation – including the disputes procedure.

- 3.7 Conduct: The Council's commitment as a public sector organisation to the Nolan Principles; and its own underpinning core values are the genesis for its employment policies, provisions (or rules), procedures and guidance in relation to employee conduct.
- 3.8 The touch points with the new Whistleblowing policy and procedure would need to be clearly spelt out in a revised Code of Conduct for Employees, or 'Conduct, Standards and Expectations document' so that all the processes that could lead to a whistle blow (i.e. a public interest disclosure) are joined up. Any changes to the current Code of Conduct for Employees would need an amendment to the Constitution; and any changes to the Code of Conduct for employees would need to be consulted with the recognised trade unions.
- 3.9 Performance, Development and Review (PDR): The links between the Council's corporate objectives, and employees' objectives need a clear and unbroken link. The current Corporate Performance, Development and Review Scheme comprises a mixture of:
- Policy – i.e. guiding principles – which includes every team or service having a plan (set of objectives); and every employee having related objectives and a formal performance review annually with their line manager, supported by a 6-monthly progress review meeting and regular one to one meetings.
  - Procedure - i.e. the day to day steps to be taken – which include:
    - o the completion of an online form (paper form where this is not possible) that should record at least 5 objectives and outputs for the coming year in line with an employee's team or service plan. These objectives must be SMART (specific, measurable, achievable, realistic and within timescales) and reviewed with/by an employee's manager at the meeting. At least one of these objectives should be related to equalities and diversity. These should also relate to the team or service plan objectives.
    - o The completion of a personal learning and development plan (PDP)
    - o Consideration of performance in line with the core values, and also in the case of managers, the managers leadership and management framework
  - Guidance – advice on how to undertake those procedural steps.
- 3.10 Changes to the Council's policy, procedure and guidance relating to day to day management of employee performance (i.e. where continued employment is not at risk) from the beginning of the performance year 2018/19 – moving to a process of 'continuous performance improvement and management' is something that is being considered and will be for discussion with the trade unions to enable an improved procedure for day to day discussions and agreed actions between employee and manager in relation to: near term objectives and performance; professional supervision; professional and generic learning and development, wellbeing, and any informal management/employee notes.



- 3.11 Sickness and Wellbeing - the effective management and reduction of sickness absence is a corporate priority. The HR and Transformation Team has applied the 'outcomes based accountability' methodology currently being rolled out across the council to determine the long term, medium term and short term outcomes needed; the immediate interventions required; and to identify key performance indicators to track and report on progress to demonstrate the impact being achieved.
- 3.12 The long term outcome is for a 'well workforce with low levels of sickness absence'; and, to achieve this, the medium term outcomes are:
- an honest and open culture
  - managers confidently dealing with staff wellbeing
  - resilient employees empowered to support their own wellbeing
  - employees taking responsibility for their own health and wellbeing
  - a clear employee assistance programme in place
  - employees accessing support regularly
  - consistent approach to sickness management
  - management of sickness absence compliant with procedures
  - managers adopting a supportive and sympathetic approach
  - employees confident in talking to managers about wellbeing/sickness absence
  - evidence-informed wellbeing interventions
  - employees having a wellbeing/sickness management plan
  - co-production of wellbeing/sickness plans for employees
- 3.13 The short term outcomes, as a stepping stone to the medium and long term ones, are:
- good relations between employees and managers
  - employees having access to mental, physical and financial management wellbeing support
  - issues identified early
  - regular health and safety assessments
  - accurate data available
  - robust systems in place to record and manage sickness absence/wellbeing
  - clarity of roles and responsibilities of stakeholders
- 3.14 The immediate interventions needed and that are being progressed include:
- review of the service delivery model for wellbeing
  - revision/provision of wellbeing/sickness absence management policy, procedures and guidance; and a coherent and well-resourced employee wellbeing provision plan
  - delivery or provision of training for managers and employees
  - production of a robust performance dashboard, measurable outcomes; and regular data analysis.
  - creation of an engagement and communications plan for the introduction of revised procedures and guidance for wellbeing/sickness management

- 3.15 Employee Grievance: (including CHAD - combatting harassment and discrimination and employee whistleblowing i.e. a public interest disclosure). The focus for any updated policy and procedure would be to resolve as many issues as possible at an informal stage or through informal dispute resolution methods, such as mediation. The Grievance Procedure for employees is contractual and changes would need to be consulted with the Trade Unions.
- 3.16 Discussions have started informally with the trade unions about the provision of a single Dispute Resolution Procedure for employees (as opposed to the two current procedures) to address issues being raised of such a serious nature that warrant formal action, or where resolution through informal routes has not been achieved. Any changes to the Grievance Procedure for Employees would need to be consulted with the recognised trade unions.
- 3.17 The revised Whistleblowing Policy and Procedure, which is the subject of a separate report to tonight's GP Committee titled "Whistleblowing – New policy, processes and the work of Grant Thornton" would align with the new proposed approach, with touch points in all related policies and procedures having clear links and reference to whistleblowing.
- 3.18 Managing Discipline, Standards for [Poor] Performance, and Sickness and Health Incapability – informal and formal. An organisation's Disciplinary Procedure for when formal action is being taken is contractual and so changes to it would need to be discussed with the Trade Unions.
- 3.19 Having a coherent approach to the day to day management of all the above, including the handling of employee grievances is considered to be the best way forward; including ensuring a clear expectation that managers and employees try and resolve matters without formal escalation wherever possible. For this to be the case there needs to be a simplified formal action procedure or procedures; regular dialogue between employees and managers, and additional guidance and training, including via the learning management system for employees and managers.
- 3.20 Member Involvement in Appeals against Dismissal - The involvement of Members in appeals against dismissal could also be reviewed and this was one of the recommendations of the independent review of Industrial Relations by the IES.
- 3.21 The main findings from the joint Industrial Relations Review covered four areas: -
- Strategy - the development of, and agreement on, a clearer, defined employee relations strategy and set of principles;
  - Industrial Relations Procedures - to be streamlined and made more transparent;
  - Consultation and Communications - wider and informal consultation and communications processes with all staff should be developed in order to develop their understanding of and contribution to the Council's strategic

agenda and engage all staff, not just trade union members. This should be integrated into the wider employee relations strategy.

- Management Development - development of management skills and competence in staff communications and dispute resolution and wider development and promulgation of positive behaviours.

3.22 The specific suggestions that could help achieve the change set out in the review re Strategy are: -

- Development and dissemination of a concise set of values that relate to employment relations – including clear linkages to the wider HR strategy and relationship to the Council’s values;
- Linked to this, a clear definition of the positive employee relations climate that the Council seeks in order to deliver its strategy;
- Definition of the channels for achieving a positive employee relations climate. This centres on clear definition of which issues fall under negotiation, consultation and communication, and the various mechanisms to involve people available under each area;
- Recognition of the importance of the formal representation role and partnership with trade unions;
- Involvement of line managers, staff and trade unions in developing the Council’s employee relations strategy to ensure understanding and support;
- Ensuring councillors and all key stakeholders are engaged with and buy into the shift in IR approach.

3.23 The review sets out changes to Industrial Relations Procedures which might include options such as: -

- Integrating the CHAD and the wider grievance and disciplinary process;
- Replacing the Joint Consultative Advisory Group (JCAG) and Failure to Agree with a feedback process to the Council HR Committee, with clear milestones and timescales for issues to be addressed; the Mayor and councillors are obviously critical to reforms in this area;
- And/or considering the use of external/independent mediation in that process in order to ensure fair and timely outcomes;
- Enabling the staff-side structure to work in practice as a single table in which all recognised trade unions participate;
- A general ‘tidying up’/updating/simplifying/shortening of employment procedures and guidance;
- A review of the implementation of employment procedures, including sickness absence, in order to ensure that they have enough built-in flexibility in order to permit managers to adapt them appropriately to individual cases and to make a judgement about when, and when not to, to formalise matters.

3.24 Collective Consultation Disputes Procedure - At present the Council has a dispute resolution procedure that was introduced as part of the Employment Options programme in 2015 and which deals with disputes arising from restructures. There is the option to review and update this to take account of:

- The recommendations of the joint independent Industrial Relations Review;
- Recent local changes made to the format for the Corporate Trade Union Forum meeting which have been designed to ensure consistency and timely engagement between the recognised Trade Unions and the organisation.

3.25 Any update to the Collective Consultation Dispute Procedure that, for example, amends or removes the Joint Consultative Advisory Group (JCAG) meeting provisions (and reference locally to the term 'Failure to Agree') would require consultation (but not agreement) with the Trade Unions.

### **Trade Union Position**

3.26 Informal engagement with the trade unions suggests they appear to be favourably disposed to the single resolution procedure for employees, but that more engagement and discussion is needed in relation to any possible changes elsewhere. A particular concern that trade unions have is for any change to the current facility for their members to be accompanied at informal stages, or investigation meetings.

3.27 The latest figures show the trade unions represent approximately half the workforce (please note these figures have been updated since those referred to in the I.E.S. review) but the current employment procedures and practices are lengthening the time it ought to be taking to address and conclude employee relations cases, and restructure consultation and implementation for all employees. The IES Review found, for example, that between 2010 and 2015 most employee relations cases from investigation to concluding hearing took between 100-200 days to resolve, compared to the typical timescale that our current policy and procedures should result in of 50-60 days.

3.28 There is a requirement for organisations that recognise Trade Unions to consult through collective agreement procedures in relation to terms and conditions of employment – and this includes any changes to the Code of Conduct for employees, the Disciplinary Procedure and the Grievance Procedure.

3.29 The main recommendations from the I.E.S review that impact on the relationship between the Council and Trade Unions include: -

- A clear definition of the positive employee relations climate that the Council seeks;
- Definition of the channels for achieving a positive employee relations climate, including clear definitions of which issues fall under negotiation, consultation and communication;
- Recognition of the importance of the formal representation role and partnership with Trade Unions.

#### **4. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 The detail within this report are captured within the HR Transformation Programme and the comprehensive review of HR strategies/policies and procedures. These form a part of Phase 1 of the Policies, Procedures and Practice Review a key element of the Council's strategic plan.
- 4.2 This diagnostic review aims to generate thinking and potential subsequent efficiencies through the rationalisation and streamlining of current procedures and practices and the simplifying of management and employee interactions.
- 4.3 Any subsequent savings generated from the implementation of consequential changes will not necessarily be cashable if they result in the re-direction of employee time to other defined employee roles and activities. Any delay in the handling of the conclusion of an employee relations case has a financial and cultural cost to the organisation, so changes that will improve this are to be welcomed. Additionally, expenditure on legal fees should reduce in line with an improvement in employee relations.

#### **5. LEGAL COMMENTS**

- 5.1 As the report states, the aim would be to reach agreement with the trade unions on the contractual changes proposed, however should that not be possible, then in order to make the changes a process of dismissal and re-engagement of staff would need to take place to enforce the changes.
- 5.2 The Council's Code of Conduct, Grievance Procedure and Disciplinary Procedure are terms and conditions of employment and therefore the Council would need to consult with the Trade Unions to seek agreement to the new terms and conditions of employment.
- 5.3 Section 9P of the Local Government Act 2000 requires the Council to prepare and keep up to date a Constitution and which is also to contain such information as the Secretary of State may direct. A Constitution Direction (The Local Government Act 2000 (Constitutions) (England) Direction 2000) was issued by the Secretary of State in December 2000 sets out the broad themes to be included in a local authority's Constitution. One of these themes is the roles of officers of the local authority and this includes both the code of conduct for officers and the arrangements for recruitment, appointment, dismissal and disciplinary action for officers. Any review and adoption of a revised code of conduct for officers and a revised Officer Employment Procedure Rules would need to be in accordance with the Council's statutory responsibility.

#### **6. ONE TOWER HAMLETS CONSIDERATIONS**

- 6.1 Individual equality analyses would need to be undertaken before each of the new policies and procedures identified in the report are introduced to ensure that equality and diversity considerations are taken into account. Any new

proposed policies and procedures would also be shared with the various staff forums for their input.

## **7. BEST VALUE (BV) IMPLICATIONS**

- 7.1 The potential changes that this review might lead to would contribute to a change in the culture of the organisation and will ensure employee relations issues are managed at the lowest level by managers in an effective and efficient way.

## **8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 8.1 N/A

## **9. RISK MANAGEMENT IMPLICATIONS**

- 9.1 The risks are set out in the Legal Comments section and the implications are covered in the linked report.

## **10. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 10.1 N/A

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### **Linked Reports, Appendices and Background Documents**

#### **Linked Report**

- None

#### **Appendices**

- Requirements Specification for Independent Industrial Relations Review
- Institute of Employment Studies – London Borough of Tower Hamlets Review of Industrial Relations Summary Report - December 2016

#### **Local Government Act, 1972 Section 100D (As amended)**

#### **List of “Background Papers” used in the preparation of this report**

List any background documents not already in the public domain including officer contact information.

- None

#### **Officer contact details for documents:**

- N/A

## **Requirements Specification**

### **1. Background to Requirements**

An independent review of the industrial relations culture and operational effectiveness has been jointly agreed between the council and the non-schools based trade unions (Unison, GMB and UNITE). It will explore a number of specific areas that have previously been raised, by either trade unions or management, as areas for concern or comment. The council's workforce broadly separates into two distinct groups: schools based staff and non-schools based staff. There are a variety of negotiating bodies that set the conditions of service for different groups of council staff and, in the case of teachers, there are also statutory provisions. Schools operate under local management arrangements and, consequently, this project focuses on non-school based staff; however this review will take the opportunity to consider matters of common interest.

Current working practices will be assessed against best practice from leading organisations in the field, with the aim of creating a more productive industrial relations framework and culture within the council. The project will look at a number of processes and behaviours that govern and contribute towards the industrial relations culture, recommending ways to improve these processes and behaviours, and the principles that govern them. The review will look at these in relation to both management and the Trade Unions.

The review will focus primarily on following areas: -

- Recognition Agreement
- Facilities Agreement
- Staffside
- Consultation and negotiation
- Communication
- Culture
- Behaviours
- Dispute Resolution
- Policies and Procedures
- Action against Trade Union Officials
- Length of Investigations (CHAD/Grievance/Disciplinary)

### **2. Requirements**

The expected deliverables and outcomes from the review will be: -

- To highlight and adopt best practice in the areas identified above and to be able to move the industrial relations culture of the organisation forward, in light of the transformational change that will need to be achieved over the coming years.

- To undertake engagement with stakeholders, including elected Members, for example by undertaking interviews, holding focus groups etc., to understand the current culture and the areas that work well and those requiring improvement. This will include consideration of matters of common interest with other recognised Trade Unions.
- To produce a set of options and recommendations for consideration and approval, on each of the areas covered in this document based on best practice.
- To produce an agreed implementation programme for management, HR and the Trade Unions around the recommended changes and best practice in regards to industrial relations.
- To produce an organisational change plan – to include the actions needed to achieve a culture of mutual trust and collaboration.
- To identify areas where joint working could be utilised and made more effective, e.g. joint training.
- To produce a communication framework – covering when communication will take place, what will be communicated, how it will be communicated and by who.
- To produce a consultation framework – covering what mechanisms should be used to consult at different levels in the organisation and what escalation processes there should be.
- Provide suggestions on any other elements of a best practice approach to industrial relations that are not specifically covered in this document.

The role and operation of HR Committee or the constitutional governance of the council's decision making approach to major terms and conditions of staff, or the political approach of the organisation to the role of Trade Unions are not within the scope of this review.

The review will acknowledge that Trade Unions have a right to independently campaign and communicate with their members and more broadly within an agreed framework or protocol.

A final report with recommended actions will be presented to the council's Corporate Management Team and the Mayor within 4 months of the conclusion of the project. The report presented to CMT will take account of the views of the Trades Unions, with the aim of ensuring a jointly agreed report and recommended actions. Any actions not agreed by the Trades Unions will be set out in the report, with any proposed alternatives also included.



Benefits that are expected as a result of the review include: improved industrial relations culture; fully embedded industrial relations framework; reduction in the average number of days to complete investigations/restructures; increased two way communication with Trade Unions and a collaborative approach to problem solving; more joint working; reduction in the number of disputes; and improved workforce morale and employee relations.

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# London Borough of Tower Hamlets: Review of Industrial Relations

Andrea Broughton, Duncan Brown and Clare Everett

## Institute for Employment Studies

IES is an independent, apolitical, international centre of research and consultancy in HR issues. It works closely with employers in all sectors, government departments, agencies, professional bodies and associations. IES is a focus of knowledge and practical experience in employment and training policy, the operation of labour markets, and HR planning and development. IES is a not-for-profit organisation.

## The IES HR Network

This report is the product of a study supported by the IES HR Network, through which members finance, and often participate in, applied research on employment issues. Full information on Network membership is available from IES on request, or at [www.employment-studies.co.uk/network](http://www.employment-studies.co.uk/network).

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# 1 Introduction

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This report summarises the findings from a review of the current industrial relations (IR) situation in the London Borough of Tower Hamlets, which the Institute of Employment Studies (IES) has been commissioned to undertake by Tower Hamlets Council.

The **aims** of the project have been to:

- Review the current IR structures, processes and culture in the Council;
- Recommend any changes and improvements that could contribute to a more productive, collaborative and effective industrial relations framework and culture within the Council.

In terms of **scope** of the Review:

- On staffing, the project has focused on arrangements for non-schools staff;
- On content, the focus has been on formal IR structures and agreements, but also the 'softer' processes of behaviour and communications and involvement that underpin the IR culture in the Council.

The **methodology** for the review has involved an analysis of the current situation from three main perspectives:

- An external perspective in terms of gathering and presenting academic research and information on external trends and examples to highlight best practice and changes in IR in relevant employers;
- An assessment of the level of alignment and reinforcement which the current IR situation provides for the delivery of the Council's vision, strategy and values;
- And the extent to which the current situation meets the needs and motivations of employees and their representatives.

The **work stages** involved in the Review have been as follows:

1. Initial planning of the project with a joint management and trade union steering group, which has subsequently met a number of times during the course of the project to review and facilitate progress.
2. Key stakeholder interviews. IES staff carried out 16 individual interviews with the Mayor, Chief Executive, corporate directors, trade union branch secretaries and HR staff. We also held a meeting with the CLC and with 7 senior managers/service heads in small groups and a focus group of 18 HR business partners. The findings from this stage are summarised in Section 2 of this report.
3. Staff focus groups. IES ran 6 focus groups involving 23 staff from across the Council in order to discuss their perceptions of IR in the Council at present, the main strengths and weaknesses and what changes and improvements might be desirable and feasible. These findings are presented in Section 3.
4. Review of external research, trends and practices. IR practices and trends and changes in them in relevant organisations externally have been assembled by IES, as well as relevant research on what makes for successful and collaborative IR arrangements. The findings are presented in Section 4.
5. Review and analysis of internal documentation relevant to the current IR situation. In Section 5 a more detailed analysis and comparison of IR structures and policies and their application in Tower Hamlets is summarised.
6. Development of change options and recommendations, in conjunction with the project steering group. The final section of the reports summarises the key issues raised by the findings shown previously, and presents feasible options and recommended actions to address and improve IR arrangements in the Council.
7. Drafting and submission of this report.



## 2 Stakeholder Interview Findings

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### 2.1 Introduction

IES carried out 16 individual interviews with key stakeholders, including trade union branch secretaries, and then additionally held a meeting with the CLC and two small group discussions involving seven service heads. We also held a focus group of 18 HR business partners. The interviews were held following a structured agenda considering the current IR situation and any desirable changes and improvements. Interviews typically lasted approximately one hour.

These meetings were held confidentially on a Chatham House basis in order to encourage openness and honesty in the feedback. Given the range of stakeholders, views on the current situation and level and direction of change required obviously varied between individuals, sometimes considerably. Here however, we summarise the major common points raised. Overall, everyone agreed that the review was beneficial and that changes and improvements in the IR situation should be considered.

We would stress that these views are those of the interviewees and not necessarily those of IES.

### 2.2 Findings

Our interviewees were all very supportive and felt that it was good timing to be carrying out an independent review. There was a high level of interest shown in IES's work, and the review was broadly welcomed by all – the common message to us appeared to be to do a full and thorough review, 'don't rush, get it right'. Tower Hamlets IR, we were told by almost all parties, has to be understood in the unique context of the Council, the borough and its recent history. In particular, the diversity of the local community, the relatively strong funding situation for the Council in the past, resulting from its residents and businesses, and the 'trauma' resulting from the previous administration were all regularly mentioned.

### 2.2.1 Views about the Council

First and foremost, our interviewees described Tower Hamlets as a good place to work – we were told that people are proud to work there, generally enjoy their work and have good relationships with colleagues. However, a number of interviewees felt that the Council has been ‘cushioned’ in the past from the impact of severe financial cutbacks affecting the sector, because of funding for the poorer parts of the Borough and the income from Canary Wharf businesses; but that this is much less likely to be the case in the future.

The scale of cuts required in the current budget would mean that the Council will need to undertake more and faster service change and internal restructuring, in the way that other councils have had to. There was a general sense that while staff and trade union consultation and involvement would always be high in the Council and core to how it operates, it needs to become more ‘fleet of foot’, more agile and better at changing internally to maintain and enhance services to residents in the future.

The HR business partners said that people know that the council needs to be more creative if it is to save £60 million in the future, and that there cannot just be recourse to voluntary severance: in their view, there is too much reliance on this.

### 2.2.2 Industrial relations

Unanimously, people felt that good union relationships are essential to an effectively operating Council and engaged and high-performing staff. There is a commitment to joint and collaborative working by everyone. However, everyone also accepted that there were aspects of current management/union interactions and wider staff involvement and communications that would benefit from improvement. Further, the history of IR in the Council was described as relying quite heavily on personal relations; some individual personal relationships and actions in parts of the Council were felt to have had a powerful negative effect on IR more widely and had been allowed to persist for too long.

Many interviewees referred to Tower Hamlets as a ‘siloes organisation’ and described the highly varied and inconsistent strength and quality of IR across the organisation – varying from ‘excellent’ in some areas to ‘poor’ in others.

Interviewees described Tower Hamlets as a traditional IR culture, with the trade unions more/more extensively involved than is typical in other authorities today – not surprisingly, stakeholders saw strengths and weaknesses in that situation.

Overall, however, trade unions were described as being in a powerful position compared to the situation in other, comparable, employers. Partly this was held to reflect the weakness of leadership and strategic direction in recent years in the face of a difficult political situation, which had encouraged a sense of ‘drift’ in Council activities.

Interviewees recognised and mentioned some of the unusual features of IR here, such as the JCAG and CHAD processes. Particular cases and problems resulting from these were described by some, such as delaying necessary changes or over-ruling decisions. But everyone appeared to agree that abusing these arrangements in a self-interested way, for example by registering a lot of failures to agree (FTAs), was not good for anyone, nor in anyone's best long-term interests. A number of interviewees questioned whether these formal structures were really the 'blockers' to change and effective IR, or whether poor and inconsistent management in using them effectively was in fact the real issue.

Many referred to problems resulting from a lack of clarity and definition in some of the IR policies, for example on specific issues, where are the boundaries between, and what falls into the categories of consultation, bargaining, and communications.

The HR business partners felt that the relationship with trade unions in the Council depends on the directorate and also depends to some extent on personality. They also characterised the IR culture at the Council as quite traditional, with a culture of escalation. The culture of FTAs was also discussed at length by the HR business partners, with the view that this is the case in most situations where there are potential redundancies. However, they also noted that the unions have never stopped any redundancies going ahead: they have merely delayed things.

### **2.2.3 Views on management**

The management culture was described to us as under-developed and risk averse, with a strong following-procedure/process focus in the organisation. One individual described this as a 'culture of fear' amongst managers when making decisions, in case they were reversed; and another spoke of the 'kick the can down the road' approach, of avoiding big and difficult issues, that this encouraged.

The HR business partners felt that the lead from senior management could be clearer. They also said that the Council needs to enable managers to be more assertive when dealing with trade unions and overall. They felt that there is often a lack of clarity about decision-making and roles and that there is also a lack of trust between unions and management.

### **2.2.4 Policies and procedures**

A number of interviewees, particularly the service heads, felt that minor issues can be escalated too quickly, that formal procedures are called into play too early, that issues and disputes can take excessive amounts of time to address and resolve, rather than being fairly discussed and addressed as swiftly as possible, as they happen.

We also discussed related HR policies in the interviews. The terms and conditions were generally held to be a good package, and a number of interviewees felt that the severance

packages are generous, leading to an over-use of voluntary redundancy in restructuring situations.

The HR function was described as being 'weak' in the past, in respect of its influence and expertise and confidence. It was described as not strategic but process-driven, and along with the legal function, was seen as encouraging the risk-averse culture and by some managers as not being supportive enough of them. We heard examples of being made to follow 'long-winded complex procedures', and of HR giving contradictory advice on using them.

In terms of the key focus for the future, interviewees wondered whether there needs to be a review and changes to formal IR policies and structures to effect improvement, whether they just need to be implemented more effectively, or whether there needs to be change in both.

The HR business partners felt that there is a blur between what is out for consultation and negotiation. They noted that some managers have tried to make a stand, but they are not supported further up the line. They felt that the procedures themselves are not that bad, although there is room for improvement. Rather, the problem is in the implementation, and they take a long time.

*'Managers are scared, so take the procedures slowly. Performance management barely exists. If managers try to performance manage, a grievance goes in immediately'.*

They felt that the result of this is that managers become wary of making dismissals for misconduct or sickness absence, as they worry that it will be appealed and overturned.

They acknowledged that line managers are expected to be experts on a lot of things, whereas, of course, they are not. There is also variety of performance between line managers. One made the point that policies are drafted by HR and seen as HR policies and so the managers do not own the process.

## 2.3 Summary

These discussions raised many interesting points. It is clear that people appreciate working for the Council and view it as a good employer. There is awareness of a need to save money in the current climate and people are generally aware that there will be change.

There is a strong commitment to working with trade unions and acknowledgement of the role of trade unions in the Council. Industrial relations are viewed as quite traditional in the Council, and something that varies in quality and strength across the organisation. Industrial relations here is characterised by procedures and the relatively strong position

of the trade unions, which registers many FTAs. There are also issues around the boundaries between information, consultation and bargaining.

Almost all interviewees agreed that aspects of the current IR structure need changing/improving/updating: the key questions this Review needs to answer are which ones and how far/how fast/how is this change to be effected.

There was a view that there needs to be a stronger lead from senior management and that many middle managers are unsure, risk-averse and over-reliant on procedures. In terms of policies and procedures, there was a view that they are not bad in themselves, but that they need to be implemented more consistently and flexibly. In particular, managers need to be given the confidence to tailor to individual cases and circumstances. HR needs to support managers to do this. There seems to be an issue with the policies in that they are drafted by HR and so not owned by managers.

### 2.3.1 The Way Forward

The most commonly mentioned changes and features of good IR in the future were as follows:

- The Council needs a clear organisational strategy that people can understand and relate to, a common collective vision and set of values that staff can buy into and support.
- There needs to be more accountability for everyone, staff, unions, managers and HR. This could be achieved by a charter setting out expectations and behaviour for everyone.
- The Council needs its leadership to inject 'pace and energy and meaning' – to 'set the example from the top' on change.
- There needs to be less 'silo' working and more cross-organisational team-working.
- Managers need to be skilled and supported and trained to manage well and consistently across the Council.
- Interviewees felt we should all be working to avoid disputes as far as possible and if they arise, ensuring they are resolved as fairly and swiftly as possible.
- HR/IR Procedures should be simplified and clarified, but generally interviewees felt, as one put it, that this 'won't achieve anything on its own'.
- There needs to be an effectively operating Staff Side.

- There needs to be effective discussion and involvement of unions and staff on the best ways of addressing the major challenges facing the Council.
- The relationship between management and unions needs to be open, effective and 'balanced'.
- HR needs to be, and is being, strengthened, in order to give proper, effective and consistent advice and support to managers and employees.
- People also felt that wider internal staff communications and involvement needs to be improved.

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## 3 Focus Group Findings

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### 3.1 Introduction

IES ran six group discussions to a structured format involving 23 staff from across the Council, in order to discuss their perceptions of IR in the Council at present, the main strengths and weaknesses and what changes and improvements might be desirable and feasible. Meetings lasted approximately one hour and were held under Chatham House rules, with summary themes and points described in this paper. A short questionnaire was also administered and the results from this are also profiled in the accompanying charts.

Turnouts were lower than expected, but the participants were highly engaged and provided a surprisingly consistent picture of the key issues, supported by a wide range of examples across the diverse activities of the Council.

*'Thoroughly enjoyable, good to share thoughts, experiences and ideas on this'.*

We have written up the results in the same order as we discussed the various aspects of industrial/employee relations in the meetings.

### 3.2 Findings

#### 3.2.1 General employee relations climate

Focus group participants were asked about the general employee relations climate in the workplace and how they felt about working for the Council. Many participants said that they enjoyed their jobs, there was a good atmosphere, there were good relationships between staff and that it was generally a good place to work.

*'I really enjoy working here. We change people's lives'.*

*'It does feel like a good place to work'.*

However, there was significant variation between directorates: Market Services, for example, was described as being 'in crisis'.

Relations between colleagues, teamwork and cooperation were generally characterised as good. We were told, however, that relationships and communications could be a little compromised by people not being in the same place, although this was not insurmountable. However, relations with management and particularly more senior management were thought to be at times more formal, impersonal and tense, with relatively low involvement and communications. Nevertheless, people felt generally well supported in their roles.

Anxiety about restructuring (see next section) was mentioned by all groups. Some felt that they knew that something was coming but that they did not know exactly what it was going to be like and whether or not they would have a job in a year's time, which was causing them some anxiety. Others felt that effective staff were leaving because of the uncertainty.

*'People tend to get on well here, but everyone is working under the same uncertainties regarding future restructuring and cost-saving'.*

There was also talk in all groups of increasing work pressure, which affected the general atmosphere at the workplace. A number of individuals had been at the Council for a long time, and some spoke of not particularly being valued, almost taken for granted.

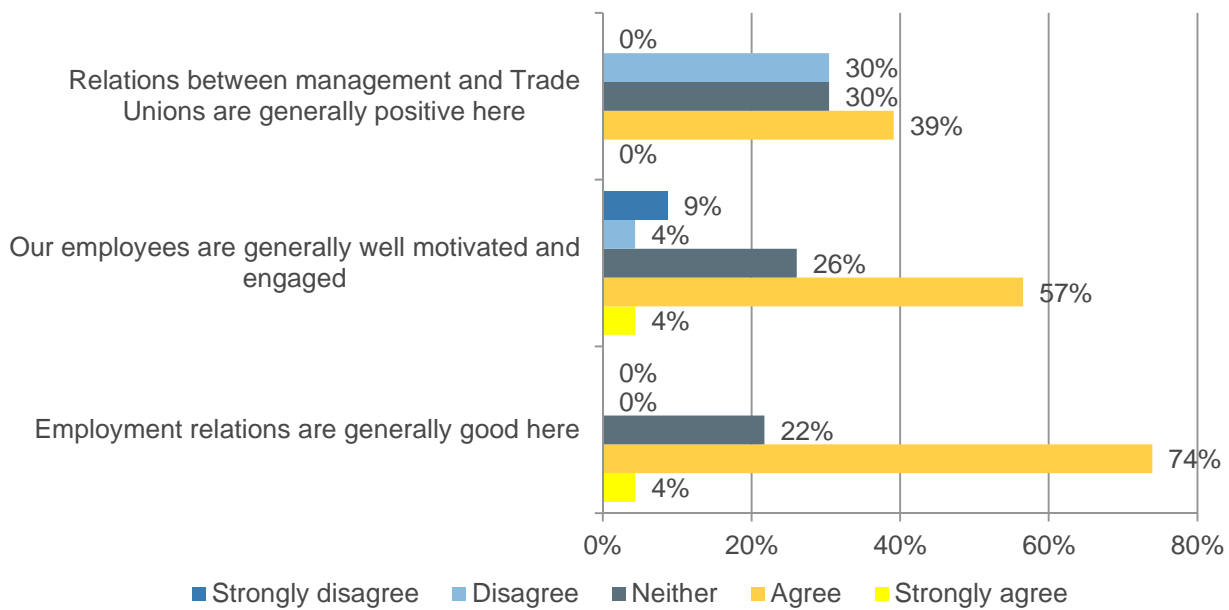
One issue that affected people's perceptions of working at the Council was hotdesking, which some groups felt was a major stress factor.

*'Hotdesking is a major cause of stress, with the pressure to be in the office by 9:15, otherwise it's difficult to find a desk or you have to sit away from your team'.*

Figure 1 below shows participants' responses to questionnaire questions on the general employment relations climate at the Council. A total of 69 per cent of participants agreed or strongly agreed that relations between management and trade unions were generally positive. Sixty-one per cent thought that employees were generally well-motivated and engaged, and 78 per cent thought that employment relations were generally good (none thought that they were not good).



**Figure 1: Views on General ER Climate**



Source: discussion group questionnaires: N = 23

### 3.2.2 Strategy and change

This was the major area of discussion in all of the groups. All groups pointed to the fact that there had been a lot of change in the Council over the past few years and they knew that there was more to come. A lack of strategic direction, slow implementation and poor communications were also mentioned in all of the groups.

One of the main effects of this situation is an increase in pressure and workload. Coupled with uncertainty and anxiety about the future, this was unsettling for staff. Many individuals felt that they were now under pressure to deliver ‘more for less’ and in areas such as social care, the feeling was that case loads were increasing considerably. There was also a feeling that the administrative burden was becoming greater and that people were doing much more administrative work than previously, due to cutbacks.

*‘Case loads are increasing but we are not recruiting, so this is increasing our workload’.*

*‘We’re getting squeezed. It’s all about making money and generating income for the Council’.*

Some individuals felt that there was a general lack of control over their work. Local line managers were deemed to be supportive, but there was a feeling that the managers themselves were not in control either, as they were not party to the details of senior management strategy.

*'The way that restructuring has been dealt with has put some good managers in a difficult position, if they want to be transparent.'*

A clear feeling emerged from the groups that communication about change was not clear or transparent and was very much 'top-down'. Some individuals felt that there was a general lack of a clear and communicated strategic plans and direction. Some people felt that the anxiety around change was down to people not being told clearly what was going to happen to them or their team, which has an impact on productivity.

*'Change isn't communicated very well.'*

*'This is an expensive process and any longer-term integrating rationale and plan is generally not explained, resulting in the lack of a clear strategic approach.'*

Others felt that there were frequent changes and communications happened rather late in the process, resulting in a lack of understanding and buy-in from staff and this was also something that affected morale.

*'You hear a rumour of change in your area, but aren't involved until the formal consultation process late on.'*

*'Delays and delays'*

*'Most staff aren't involved'*

One of the tools used to communicate change is the intranet. While people acknowledged that the information is there, many felt that the intranet was not the natural home for communication about change, as people do not look at the intranet to find out about change. Emails were felt to be more suitable for this purpose.

*'We don't have time to look at the intranet to see whether there has been any announcement on change.'*

There was also a feeling that change takes too long – in some cases up to a year – to implement, by which time things may have moved on and the next round of change is on the horizon.

The lack of a clear long-term, strategic direction was directly mentioned in some of the groups and hinted at in others. Some felt that the Council's priority was really rather short-term in order to reduce costs with no clear ambition beyond that. Some individuals perceived a very financially-driven agenda, rather like a private sector company, with an emphasis on quantity rather than quality.

*'The priorities are to cut costs and 'salami slice' in the short term.'*

There was also a feeling that some managers were coming in and making changes in order to make their mark or further their careers, and then moving on, leaving the next cohort of managers to come in and do the same. Turnover of senior staff was seen as another important factor driving the uncertainty.

One group pointed to a lack of a clear vision and direction for the Council, encouraged by a relatively high rate of senior staff turnover, which has reinforced a management culture of risk aversion. Leadership is felt to be still lacking and staff talked about 'drift' and 'frustration' as a result.

*'What is the vision to make a real difference?'*

*'There is the absence of any clear rationale'*

The roadshows from the chief executive were thought to be good by some, although there was still a feeling that more local-level communication was needed. There was also a view expressed by others that the roadshows were a bit of a 'tick-box' exercise and indicated the lack of staff consultation and buy in.

Overall, however, senior management was not deemed to be very visible. There was much talk of the senior management team having moved to one of the top floors. Individuals understood the rationale for this, ie that the senior management team needed to work together. However, there were quite strong views that this sends the wrong message to the rest of the workforce.

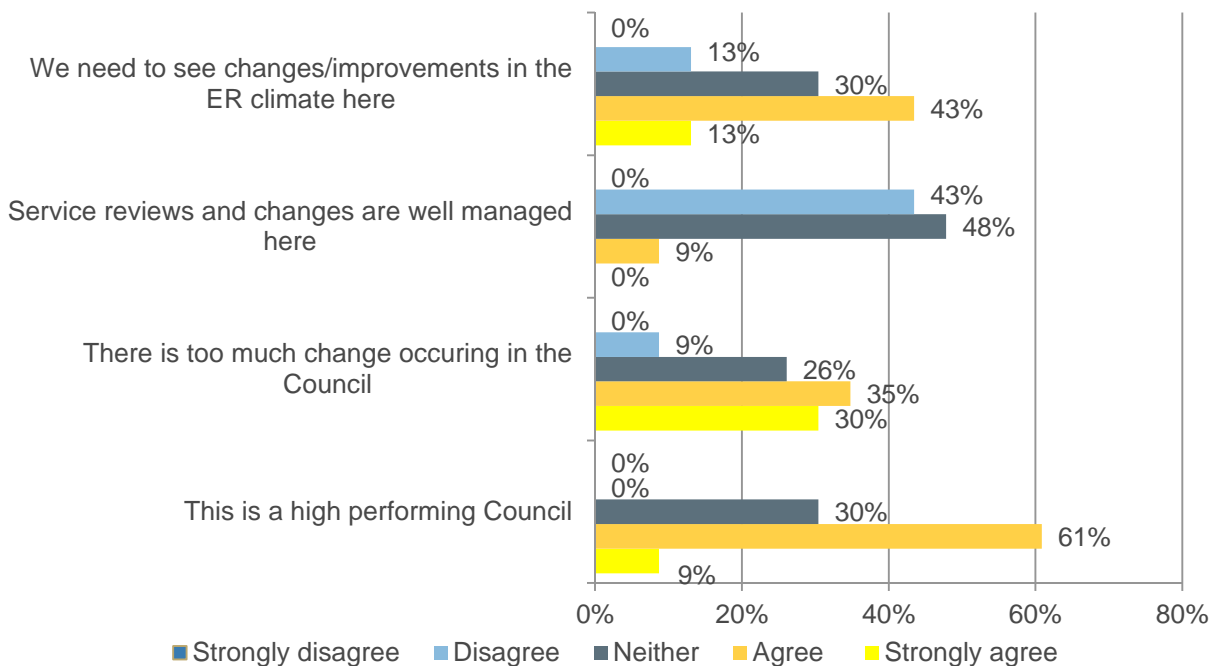
*'Senior management is not very visible and limits the amount they tell you.'*

*'Keeping people in the loop would show people that you value them.'*

There was also discussion in some groups about the support available to those having to communicate and deal with change at middle management level. The general feeling was that this support could be better – be that on the technical detail or at an emotional level.

Figure 2 below sets out participants' views on council strategy and change. A total of 56 per cent agreed that there needed to be changes or improvements in the employment relations culture at the Council. Sixty-five per cent agreed or strongly agreed that there was too much change taking place at the Council. Seventy per cent thought that Tower Hamlets was a high-performing Council, but 43 per cent did not think that service reviews and changes were well-managed and only nine per cent thought that they were.

**Figure 2: Views on Council Strategy and Change**



Source: discussion group questionnaires: N = 23

### 3.2.3 ER and HR policies and procedures

All groups discussed the content and operation of ER and HR policies and procedures. The overall feeling was the HR/ER procedures and policies tended to work well in general, but that the organisation as a whole was over-proceduralised and bureaucratic. There has been a move to put all HR procedures online and this seems to be working quite well, characterised by most as an improvement in terms of accessibility and understanding. This was not a universal view, however, with one participant mentioning that some people keep their own paper records for holidays as they do not like the online system.

A clear view emerged that the Council is a very proceduralised organisation. Given that there appears to be a lack of vision and direction, and some aspects of management skills are generally seen to be weak, managers are often not confident in making and implementing decisions, and so appear to rely too heavily on standardised procedures. They are often not confident in progressing them on their own or varying/tailoring them to suit, and doing this was described by managers in the groups as taking considerable effort.

*‘People rely too much on procedures to get things done; you have to write each report several times and even then may not get a decision. The purpose gets lost’.*

Overall, HR policies and procedures were seen to be clear and accessible, but implementation could often be poor, lacking in sensible and sensitive adaptation to particular circumstances. The processes could be long-winded, which leads to over-reliance on procedure and lack of effective employee involvement and decision-making.

*'The problem is not the policy, it just needs to be managed and interpreted intelligently and with common sense'.*

The view in general was that the policies were clear, but that managers did not receive a lot of support when implementing them, and often felt left on their own when managing difficult cases. This leads to a reluctance to take them forward, and even then, only through the given process. Formal reviews created another element of workload for already busy managers and HR in some cases struggled to staff these, delaying progress further. But at least they were seen as a 'safe' and predictable option.

Participants in another group had quite a sceptical view of the Council's diversity policies, which they thought did not work so well on the ground and were better on paper than in practice. Some individuals could also cite cases of bullying, sometimes from a personal point of view.

*'There isn't a lot of diversity in terms of progression and the PDRs are a waste of time'.*

But generally there was a remarkable lack of discussion, unless IES prompted it, about the specific IR procedures such as the CHAD and JCAG processes, about which most participants knew but on which few had experience or strong views. The general difficulty in progressing decisions in a risk-averse organisations and the time taken to address any disputes were the main themes in all of the groups. The exception was sickness absence, a process of which most had had experience or had witnessed.

## **Sickness absence**

There was much discussion of the sickness absence policy. There was a feeling that it was quite draconian and caused quite a lot of anxiety amongst those who needed to go through the procedure.

*'Sickness isn't managed. It's just fed into the procedure'.*

*'People are apprehensive to take time off'.*

*'The sickness policy can feel a little like a disciplinary'.*

*'There is no incentive to try to come back to work early after sick leave, as it will just trigger another absence if you go off sick again'.*

*'You come back feeling victimised. There is a standard procedure – one size fits all'.*

*'You feel you have to justify yourself'.*

There was recognition that there needed to be a policy to stop abuse of the sickness absence system, but it was also felt that it caused a lot of worry among genuine cases, who need supporting. There was also some inconsistency in implementation, with some managers giving people the flexibility to work at home if they were not feeling 100 per cent, and others not. Some managers were felt to be very good.

*'I had to take time off sick and wanted to come back full-time, but my manager eased me back in gradually, and I was very grateful for that – it made it a lot easier to come back'.*

One group pointed out that having a blanket sickness absence policy for the whole Council was unfair towards those who work in close contact with children and who are therefore more likely to catch viruses and need to take time off sick. Overall, however, Occupational Health was felt to be very good and supportive.

### **3.2.4 Disputes and disagreements**

Overall, the Council was not seen to be a particularly high conflict environment: disagreements were seen to result from restructuring and poor management of HR policies and personal/personality conflicts.

*'Disciplinaries are not really an issue here. People challenge each other, but that's good'.*

*'Things have improved. But it depends on your manager'*

There was a view that disciplinary procedures can take a long time, and the application varies, according to the manager. It was felt that the Council's handling of disputes has improved over the past decade or so, but that much depends on the manager. Some are open and flexible, whereas some are seen as more draconian.

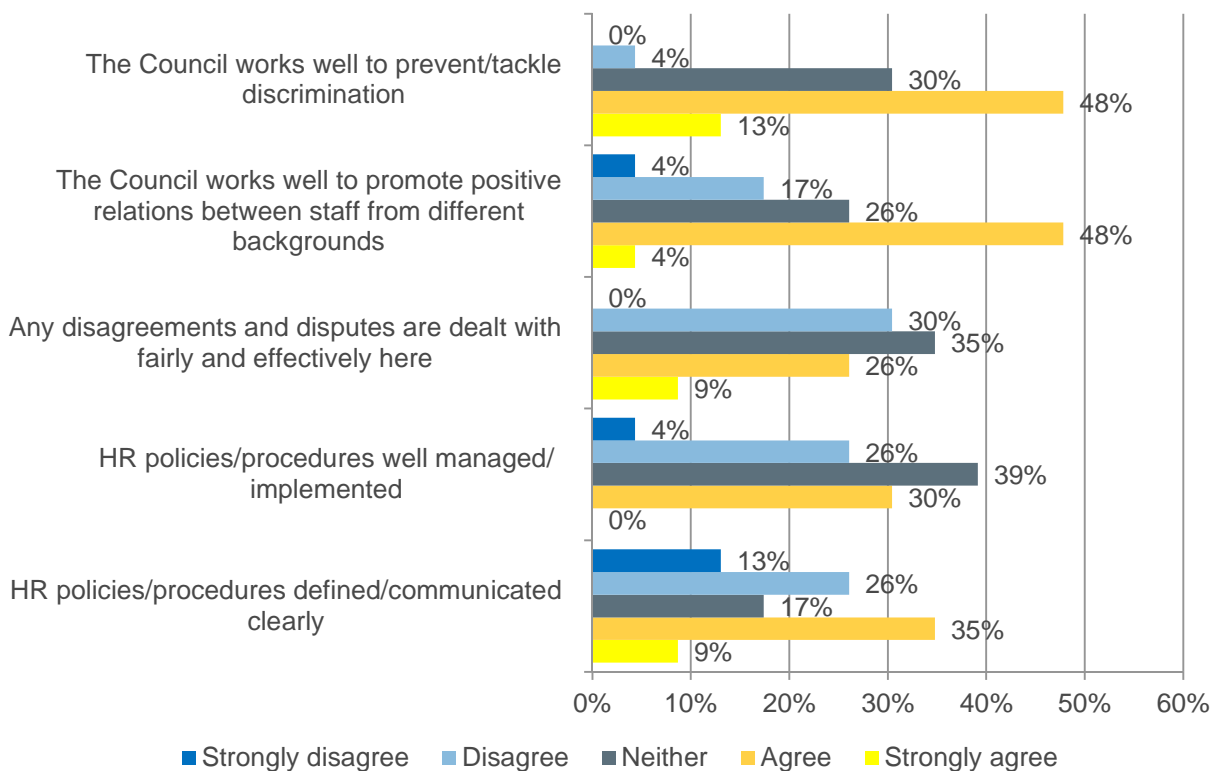
One view was that investigations can take a long time as people need to do their day job alongside this. There was a feeling that managers need to be very committed and have a lot of stamina to see a disciplinary process/performance issue through.

There was talk of some incidences of bullying that had not been addressed, but it was felt that, with the odd exception, managers seem to handle things in a professional manner.

Figure 3 below contains participants' views on HR and ER policies and on disputes. There was broad agreement that the Councils works well to prevent and tackle discrimination (61 per cent and only four per cent disagreed with this statement). Similarly, 52 per cent thought that the Council worked well to promote positive relations between staff from different backgrounds, although 21 per cent disagreed with this.

However, views on policies were not as positive. Only 35 per cent felt that disagreements and disputes were dealt with fairly and effectively, while 30 per cent thought that they were not. Only 30 per cent thought that HR policies and procedures were well managed and implemented, whereas 30 per cent thought that they were not. A total of 44 per cent thought that HR policies and procedures were defined and communicated clearly, whereas 39 per cent thought that they were not.

**Figure 3: Views on HR/ER policies and disputes**



Source: discussion group questionnaires: N = 23

### 3.2.5 Current terms and conditions

There was in general broad satisfaction expressed with the terms and conditions at the Council. The pay was judged, on the whole, to be satisfactory, in comparison with that at other councils. The main issue seemed to centre not around pay as such, but the perception that there was too much of a focus on targets.

*‘Terms and conditions are generally good. However, management seem more interested in targets rather than anything else’.*

Elsewhere, it was felt that the pay and conditions were good enough, as this was not the main reason that people worked for the Council.

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*'Pay is not so important in general – we're here because we want to make a difference to the communities we're serving'.*

There were pockets of dissatisfaction with pay and this was more of an issue in particular parts of the Council, such as planning, where the department was competing for key staff with other Councils and the private sector, and it was felt that pay was hindering recruitment and retention. There were also some issues around inconsistency of terms and conditions and grades, due to mergers of teams. There was also a view expressed by a number of participants that there is good progression up the pay scales, but then longer-serving people get 'stuck at the top'.

People very much appreciate the flexible working policy and the opportunity to work from home, although it can be implemented inconsistently.

*'I personally like working for the council. The flexibility is good and the pay is ok'.*

### **3.2.6 Trade unions, communications and involvement**

Trade unions were described as having a formal consultation role but like senior management, were not seen as being very visible and assumed to be more closely involved in the 'political process', focusing on certain cases. Trade unions were not spontaneously mentioned in any of the groups. When asked, the view was generally that the trade unions were not particularly visible on a day-to-day basis, although they did, it was felt, play an important role in the management of restructuring. The presence and membership of trade unions was also seen to give reassurance, even if there was not specific evidence nor always great confidence that they could influence the final decisions and outcomes. Their main involvement was seen to be through the application of and disagreement over procedures such as sickness.

*'I like the idea of them being there if I need them'*

*'You don't see them a lot'.*

*'You get lots of emails from them'*

*'You only go to them if there is a big issue'.*

*'The trade unions worked very positively with us on a sickness procedure case. They took a strong role in trying to achieve the best outcome'.*

In terms of involvement, there was no strong sense of employees being involved in decision-making. Some individuals said that they felt listened to within their particular service and by their immediate manager, but not in the Council more widely.



Lack of staff involvement on major issues such as restructuring was a common pattern across the Council based on these staff, with odd exceptions mentioned. The trade unions were not generally seen as an effective alternative channel of involvement.

*'We don't have open and honest conversations'.*

*'They don't involve you until it's got to the formal stage'.*

There was also a perception that leadership and management could be distant and impersonal.

*'The directors aren't visible...they don't know who your kids are'.*

*'The Chief Executive doesn't set a great example: even people in the building hadn't seen him before the recent roadshows'.*

*'We do have core values, but people don't seem to know that we have them'.*

*'Employee views are not heard at the moment. There are a lot of smart people at the bottom of the organisation. Senior management needs to keep in touch with what's going on at the bottom'.*

The roadshows were deemed by most to be a good exercise to see but rather vague in contents, with little detailed information: there was no detail on individual services and people did not get the opportunity to comment. There was awareness of coffee mornings, however, and favourable views on initiatives such as birthday teas.

Internal communication was seen as relatively weak. There was a view that middle management was often not fully briefed on developments, which makes it difficult for them to brief those who report to them. The communications function in the Council was, we were told, itself restructured and tended to focus far more on external than internal messaging.

One group mentioned that the IT at the Council does not work well, with the system crashing and printers breaking down.

The groups felt that communication should be more open and that there needs to be more transparency in communications around restructuring.

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## 3.3 Management and HR

### 3.3.1 Overall views on management

There was an overall view that management at the Council was generally not strong, prone to be remote, perceived to lack confidence and under-trained. Immediate line managers were generally felt to be supportive, although much depends on the individual. Some managers appeared to lack interpersonal skills and this sets the example of behaviours for other staff to follow.

*'My managers are approachable, as are my colleagues'.*

*'They seem nervous about talking to staff about changes'.*

*'The team leader didn't pick up that my colleague was on the verge of collapsing'.*

There was a feeling that the quality of management was generally not strong, leading to a 'say/do' gap in behaviour, for example the Council going through the IIP approval process, but then it is not followed through in practice.

As noted above, there was much talk about the visibility of the senior management team and the merits of them having moved to a top floor. Some felt that this was not a positive move, whereas for others, it did not have all that much significance.

*'This is ridiculous and sends the wrong message – the senior managers need to be with their teams. It makes it harder for us to do things. It's all very well, them communicating with each other, but they need to communicate down.'*

*'It does feel like they're up there and we're down here'.*

*'They don't wander around much, but I don't need to see them. As long as they're doing their job'.*

### 3.3.2 HR support

There was much discussion about the HR function and some mixed views. Some felt that it can be hard to build relationships with those in HR as they tend to work different patterns, such as job-share and part-time. Many individuals said that the main advice they received from HR was to look on the intranet, which they understood, but sometimes needed to talk something through, or found that the guidance on the intranet was consistent.

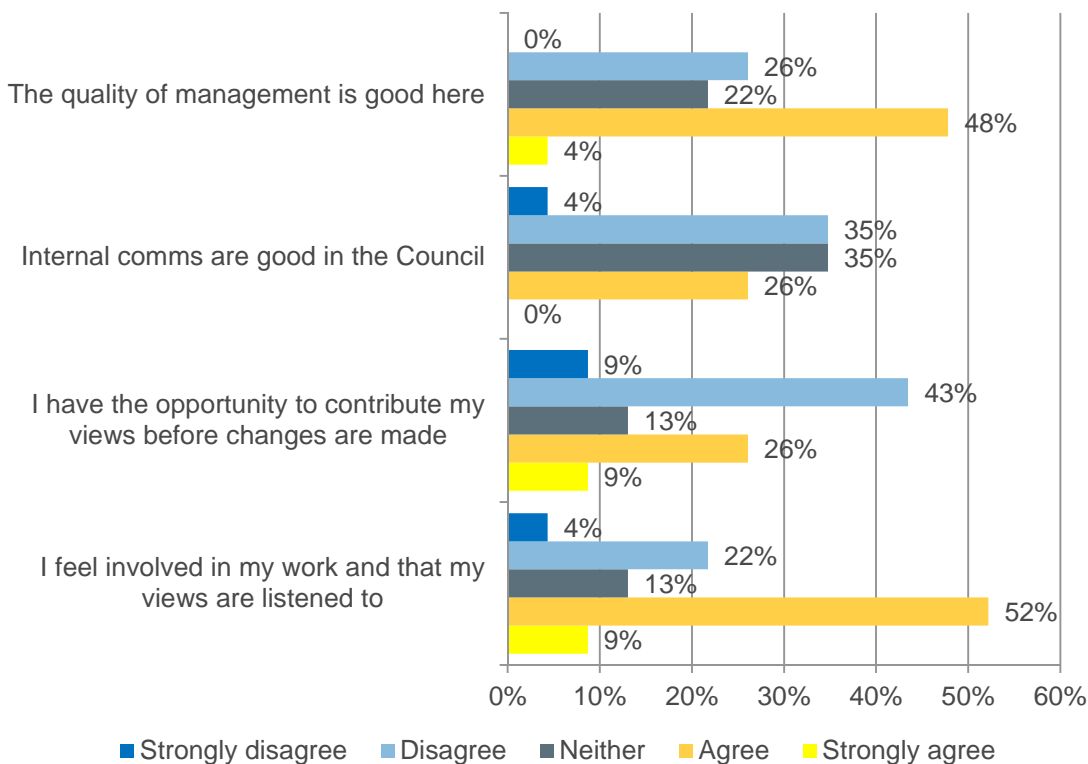
*'It depends on the contact that you have in HR. The information they give you can conflict with the advice on the intranet, or with what another HR rep has told you'.*

Some felt that the HR guidance notes need updating. Others felt that HR staff are available and are seen to have improved their support since they were centralised. Some managers felt that they had to do too much HR administration, which was previously carried out by HR. Others said that HR staff had supported them on specific issues, including providing emotional support.

*'HR was very useful in clarifying my position when I was on secondment'.*

Figure 4 below sets out participants' views on communication and management. Fifty-two per cent of participants agreed that the quality of management is good at the Council, although 26 per cent thought that it was not. Only 26 per cent thought that internal communications were good in the Council, compared with 39 per cent who thought that they were not. Only 35 per cent felt that they had the opportunity to contribute their views before changes were made, compared with 52 per cent of those who did not. However, on a more personal level, 61 per cent said that they felt involved in their work and that their views were listened to, compared with 26 per cent who disagreed. This tallies with what we were told in the groups about appreciation of the Council overall as a good place to work.

**Figure 4: Views on Communication & Management**



Source: discussion group questionnaires: N = 23

## 3.4 Summary

There was general agreement among the groups that the Council was a good place to work. There is a sense of a committed workforce but one that feels under-informed, involved and resourced, increasingly suffering the effects of restructuring and change on their workloads and effectiveness. Interestingly, this was not seen to have resulted in a big increase in disputes and disagreements, but perhaps more of a sense of withdrawal by managers and staff, supporting an over-reliance on policies and procedures and a lack of initiative and decision making. Even the trade unions were seen generally as more of a reassuring presence than an effective alternative 'voice', but like senior management, often caught up in the Council's processes and procedures.

There are key issues identified around **lack of visible and strategic leadership** and management and communications, with staff feeling isolated and not involved.

Solutions were seen to lie in more open leadership, better management development, improved and more consistent line management, more open communications and much earlier and higher levels of staff involvement in changes affecting them. There also needs to be more of a clear vision and direction, simpler procedures, managers trained and held accountable, and better staff communications and involvement.

When asked what they would like to see changed, the following issues were mentioned:

- 'A stronger vision from senior management'
- Improved internal communications
- 'Management training is definitely needed'
- Linking up the development and delivery of services: less silo working
- More flexibility to reward and recognise high contributors
- Induction around core values so that people can act professionally and challenge things in a progressive way.
- More working time flexibility and clearer and more consistent policy on working from home
- Revised hotdesk policy
- Flexibility in taking annual leave.

## 4 External Market Situation

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### 4.1 Introduction

In this section of the report we profile and illustrate relevant market trends in IR in the UK, in order to assess the extent to which the IR situation at Tower Hamlets is typical amongst UK employer. We also review the research evidence as to the potentially positive impact of IR on organisation performance and the factors which support this.

We consider in turn

- General shifts in the IR environment and the move to broader concepts of employee relations and engagement;
- The research evidence on what characterises positive employee relations and high performance working;
- Evidence, particularly from other councils, of the role of employee relations in promoting successful change in organisations.

We more specifically analyse the current internal situation at Tower Hamlets in Section 5.

### 4.2 Findings

#### 4.2.1 Context: general shifts in UK and Council IR

The context of UK industrial relations in which Tower Hamlets' own processes and experiences are positioned is radically different from that of 20 or even 10 years ago. With the decline in traditional manufacturing industries and growth of part-time and flexible working, we have seen continuing reductions in union membership in the private sector. This has reduced the sole focus on formal trade union relationships. Employers have moved towards greater employee engagement strategies and broader approaches to employee communications and involvement, involving a wider range of collective and individual mechanisms and a greater variety of consultation and communications vehicles to sit alongside traditional negotiations and joint trade union consultation.

In terms of **trade union membership**, 70 per cent of the UK workforce in 1979 was unionised but by 2015 this was down to a quarter, although the decline appears to have plateaued, and even some growth in membership was evident in 2014-15. Coverage is significantly higher in the public sector and in local authorities than in the private sector.

The **development of employment legislation** has had a major impact on employee and industrial relations and trade unions, for example through the original limitations on picketing and the statutory recognition provisions, the various pieces of legislation on employment tribunals, all the way through to the Trade Union Act 2016.

The term '**employee relations**' has become much more common, rather than the more traditional 'industrial relations' term. The term 'employee engagement' has also become widespread. In common with much of HR policy and practice, higher organisational performance has become the goal of good employee relations.

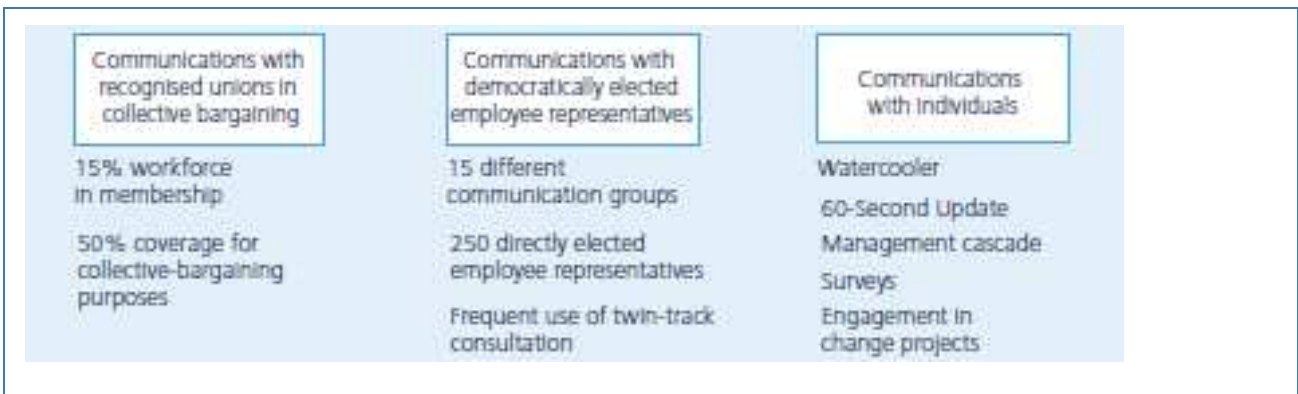
In terms of employee relations trends, according to the CIPD's research (2007), 'the emphasis continues to shift from institutions to individual relationships...there is more emphasis on direct communications and involving and motivating staff' and so 'organisations need to be capable of dealing with employees on an individual and a representative basis'.

The changing role of the HR function has been described as moving from being an independent management/union broker and employee champion to much more of a business partner and supporter of high performance (Francis and Keegan, 2005).

WERS (2011) showed growth in other communications vehicles such as team briefings, problem solving groups etc. – with more than half of employers having more than five of 16 'new' practices identified, as well as a decline in the use and coverage of traditional joint consultative committees (JCCs).

#### **Case Example: ER Through a Range of Channels at ITV**

- Only a minority of ITV employees are now trade union members, although collective bargaining covers the majority of them. ITV now practices its ER approach in terms of three sets of relationships and channels:
- the traditional formal collective bargaining with trade unions, used for pay negotiations and securing agreement to major organisational restructurings;
- a consultation and communications structure of elected representatives which considers a wider range of business and organisational issues and ensures the input of employees is heard;
- direct communications with individual employees through wide variety of face-to-face and on-line channels.



Source: CIPD (2007)

It is, however, questionable whether in fact the communications and involvement vacuum created by the trade union decline in many workplaces has been effectively replaced by other mechanisms. Some commentators assert that employee engagement levels remain generally low and that lack of employee skills, involvement and engagement, a ‘representation gap’, is a key contributor to the UK’s relatively poor productivity record (Saundry, quoted in Faragher, 2016). The concept of individual employee engagement has also come in for criticism as an ill-defined and unachievable objective (Purcell, 2014).

### Public sector changes in the context of austerity

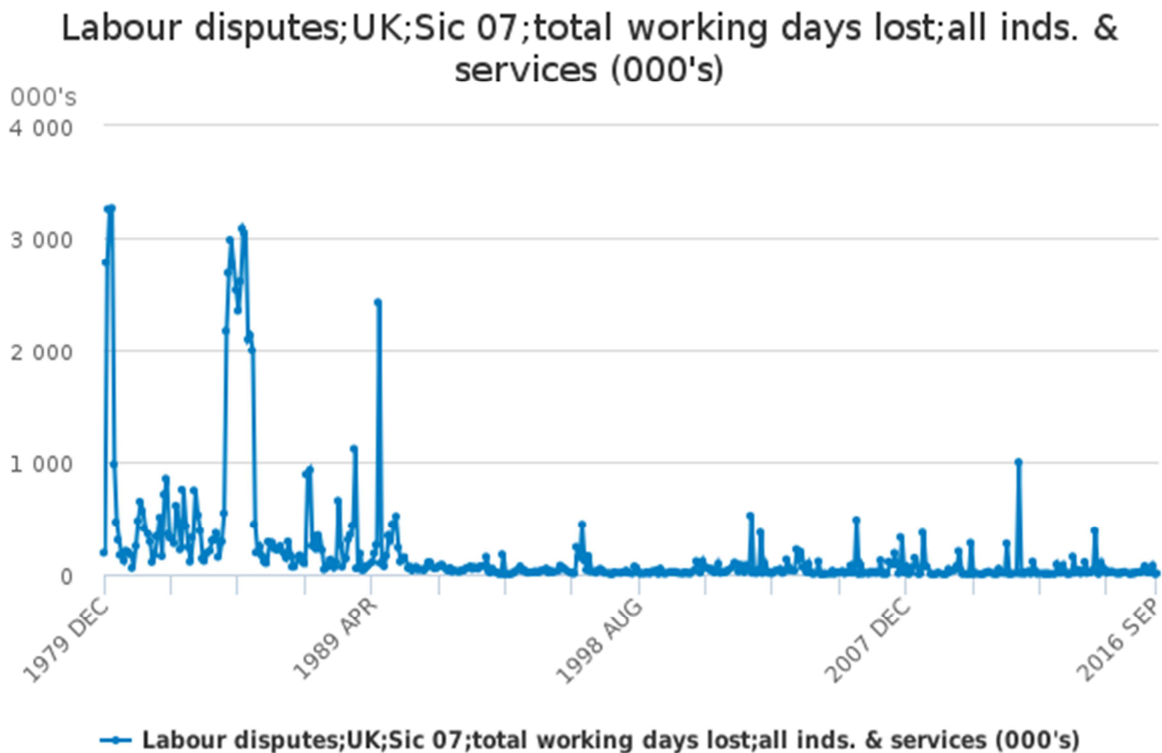
Even in the public sector and local government, where coverage and levels of unionisation have remained higher, there have been major changes, particularly driven by the austerity-induced budget cutbacks since 2008/09. There have also been examples of reductions in rewards and conditions (such as pensions and voluntary severance packages).

However, the focus in employee relations content has generally been away from the detail of pay rates, job evaluation, job descriptions and labour demarcations towards securing and supporting major organisation restructuring and change. While aggressive de-recognition and dismiss-and-re-engage strategies have been rare, the mix of service provision, organisation shape and size and in some cases terms and conditions of employment have seen major changes in recent years, forcing employers and their HR functions to change IR and related procedures to deal with this scale and volume of change— see below.

### Dealing with conflict

We have also seen changes in methods of resistance to change, away from strikes towards subtler methods of showing displeasure at changes. There has been a decline in the number of days lost to strike action, with a fall to a total of just 81,000 in 2015, the lowest figure on record – see chart below.

**Figure 5: Total UK Working Days Lost to Strike Action since 1979 (Source: ONS)**



Source:

There has also been corresponding growth in the provision and use of mediation, encouraged by government, with major growth in ACAS’s services in these areas and interest as well shown by employers in training managers to deal with conflict at the local level, supported by HR ‘troubleshooting’. Significant growth did occur in employment tribunal (ET) claims after 2000. But the introduction of charges for this process has seen rapid decline in ETs again, with the numbers of discrimination and unfair dismissal claims falling from 16,000 per annum to 7,000 since the fees were introduced in 2013. This has also encouraged mediation and other simpler and faster methods of resolution

The CIPD (2015) argues that it is ‘essential to have a balanced suite of options for conflict resolution’ in the modern workplace, as well as ‘concerted action to develop the skills and encourage methods such as mediation that enable more informal and direct (and faster) approaches’. More than a quarter of employers are currently taking action to more effectively prevent and resolve disputes before they enter the formal ER process.



### Case Study: Mediation at Arcadia Group

Arcadia Group is the largest privately owned clothing retailer in the UK with over 2,500 outlets including the Topshop and Topman brands.

A pilot mediation scheme was introduced within Topshop and Topman in August 2009. Grievances cases were typically taking three weeks to resolve and were taking up a considerable amount of line manager and HR time. The aim of the pilot was to cut costs by reducing the number of cases referred to the grievance procedure. In the next twelve months, the number of grievances between managers and subordinates was reduced by 50 per cent and all but two of the cases which utilised mediation were brought to successful conclusions.

*Source: CIPD (2007)*

Line manager training is a significant area of action within this suite of options, with for example the CIPD (2016) noting in its latest annual survey of absence management that the most common actions by employers to address absence have shifted towards giving line managers more responsibility, training and support, as well as investing more in occupational health. A number of research studies show that early intervention by managers is associated with declines in long-term sickness absence.

A CIPD survey (2015) of manager and employee views found four in 10 employees reporting conflict at work over the last 12 months, most commonly over differences in personality/interpersonal relations and 'failing to relate to each other (ie managers and colleagues) as individuals in a healthy way', but also over issues such as individual performance and resources. The CIPD surveys also show significant growth in the use of mediation, now by over a third of employers, be that in-house or using external, independent mediators.

### The new generation

A more recent challenge to traditional IR structures and processes is that of 'Generation Y' entering the workforce, with an apparently different pattern of needs and motivations to their predecessors, which is presenting challenges both to employers and trade unions in securing their commitment. According to Zheltoukhova, 'Trade unions face the same challenges as employers: how do they foster the individual relationship sought while staying relevant to their collective position' when trying to engage with this diverse and technologically educated generation (Faragher, 2016).

### Case Example: Reducing formal staff complaints and promoting positive employee relations at Surrey County Council

- Significant levels of organisational change at the Council had reinforced an adversarial culture in which surveys indicated that people tended to be too scared to raise a complaint and if they did, put it straight into the formal complaints process, driving a significant rise in cases and ET claims. Managers and their HR officers had lost confidence in their own skills in such situations and feared they would be over-ruled by senior managers if they acted outside of or tried to tailor the procedures. The volume of disputes served to delay the progress of cases even more.
- In response, and borrowing a methodology developed in their youth justice department for reducing the number of court cases, the HR function developed an OD initiative they term 'restorative HR'.
- They define this as essentially 'having a more grown up conversation at the start of any situation', facilitated by a trained individual playing a mediation role. Initially HR staff were trained in the process and then some 40 facilitators and 70 'fairness champions' from across the organisation were developed likewise to support colleagues and play this role at an early stage in situations of disagreement and conflict – on anything from absence to departmental restructuring.
- The process is very loosely defined, focusing on open discussion and the identification of joint solutions.
- Now some 15% of cases are dealt with through this process and there has been a significant decline in the number of tribunal cases.

*Source: Human Resources magazine (2016)*

#### 4.2.2 What makes for success in IR? High performance working

A wide variety of research studies have now been undertaken into the relationship between employee relations and wider HR policies and practices and organisational performance – over 90 examples are cited in the meta-analysis undertaken by Combs et al (2006). While there is still much debate over the nature and detail of these relationships, there does seem to be a wide consensus on the following points:

- These IR/HR practices, often referred to in the literature as High Performance Work Practices (HPWP), can exert a positive influence on organisational performance, and this appears to be particularly evident in knowledge and service-based organisations, such as local authorities. These results have been replicated in public and voluntary as well as private sector settings – West et al (2006) for example showing the influence of good HR/ER practices on mortality rates in UK acute hospital wards.
- Rather than any particular single ER practice, such as team briefings or joint consultation committees, being influential, these practices seem to work in combination with each other, often referred to as the 'basket' or 'bundle' of HPWPs.

The UKCES (2008) has summarised the research and groups these influential practices into three areas illustrated below: practices that involve employees, develop their skills and motivate them to perform.

**Figure 6: High Performance Work Practices**

Employee Involvement	Skills Acquisition	Motivational Practices
<ul style="list-style-type: none"> <li>• Task discretion</li> <li>• Task variety</li> <li>• Problem solving teams</li> <li>• Descriptions</li> <li>• Project teams</li> <li>• Team briefings</li> <li>• Suggestion scheme</li> <li>• Staff survey</li> </ul>	<ul style="list-style-type: none"> <li>• Induction</li> <li>• Work shadowing</li> <li>• Off-the-job training</li> <li>• On-the-job training</li> <li>• Training plan</li> <li>• Training budget</li> <li>• Annual performance review</li> <li>• Evaluation of training</li> </ul>	<ul style="list-style-type: none"> <li>• Organisational Performance-related pay</li> <li>• Individual performance-related pay</li> <li>• Formal employee consultation procedures</li> <li>• Formal discipline and dismissal procedures</li> <li>• Flexible benefits</li> <li>• Flexible working</li> <li>• Equal opportunity policy</li> </ul>

Source: UKCES

Employee involvement and communications policies and practices come out as being particularly important components of the HPWP bundle in many of these studies. For example, IES’s research (2004) on employee engagement in public sector organisations in London found that the practices correlating with employee engagement and performance varied in each setting, but that employee involvement policies and practices were the most influential and commonly important ones.

The IES study also highlights that this research suggests that there are no universally successful IR practices, but that they need to be tailored to the unique characteristics and culture of each employer; or to express it another way, ‘no best practice, only best fit’ (Brown, 2008).

The nature of leadership and management and the culture of an organisation seem to be the critical variables that ER policies and practices need to be tailored to fit. Brown and West (2005) for example found that particular practices such as employee recognition plans and good benefits packages were more likely to be used by high performing service-based employers. But they only were effective if staff were fully engaged in their work and trusted the employers and their managers.

The quality of the implementation of these ER practices, rather than just their existence or design, also seems to be key to their success. There is now a voluminous literature on the importance of line managers and implementation, and the common existence of the ‘say/do’ (Pfeffer and Sutton, 2006), ‘policy/practice’ (Bevan, 2007) gap in the operation of ER and HR practices, most commonly addressed by improvements in line manager training and internal communications (Hutchinson et al, 2003).

Though more limited, some research has found an association between increased work conflict and decreased performance and productivity in groups (Jehn et al, 2010).

### 4.2.3 Changing Organisations– What makes for success? How are service reviews and major change being carried out in Councils?

IES (2016) recently carried out a review for the LGA of major change initiatives and restructurings involving more than 20 councils<sup>1</sup>. The aims were to research how HR/ER and OD practices and processes had supported these changes and to summarise the wider research literature on what makes for successful change.

On the broad issue of organisational change, the main summary conclusions we drew after reviewing many studies of change in public and private sectors (eg CIPD, 2012) were:

- Changing organisations is hard – the majority do not succeed.
- The most common and most influential factors on the failure of restructurings to deliver on their planned objectives appear to be to do with the people and the culture of organisations.
- Leaders have a major influence but enabling HR/IR policies and processes play a vital reinforcing role.
- Poor communications and lack of employee involvement seems to be a particularly important cause of failure and the commonest learning and change that employers would make in their approach would be to involve employees more extensively and earlier in the change process.
- Paying early attention to the process of change and OD needs is vital, including addressing change/ transition management, development of culture/values, and the essentials of project and risk management.
- Success appears to be about best fit and a ‘balanced’ approach rather than implementing universal ‘best practices’ and an evolutionary rather than ‘big bang’ and revolutionary progression seems to be more effective in many situation.

Specifically looking at the Council studies in the IES research reinforced many of these points, but also highlighted some distinct features of local authorities. For example, more

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<sup>1</sup> <http://local.gov.uk/documents/10180/7632544/workforce+-+L16-31+Investigating+and+improving+HR+and+OD+capability+-+23+feb+2016+-+stephen+cooper/13ea193d-a1ca-4643-98f5-0860b5104afd>

than 70 per cent reported having achieved their cost efficiency goals, but fewer than 20 per cent believed they had delivered on their aims of improved external effectiveness and public service.

Overall conclusions were as follows:

- Prepare well: have a clear business plan and blueprint for change;
- Ensure senior managers and councillors drive and lead the changes; engaging with councillors was seen as particularly important in the study;
- Put residents and their needs at the heart of your changes;
- Don't be negative about financial pressures and cuts: take the opportunity to make genuine improvements and implement fresh ideas;
- Learn from outside but find the right 'fit' for your organisation, services, customers and context;
- Ensure that you have the resources and expertise to plan and support the change process internally, help and support those struggling to adapt and deal fairly with those resisting change;
- Ensure close and effective trade union relationships and also communicate extensively directly, including face-to-face, with employees;
- Take the time to involve people but also proceed with sufficient pace and momentum.

Looking at the HR/IR and OD initiatives undertaken and learning drawn from those, there had been perhaps a surprising lack of change in IR procedures in councils, even where high levels of organisational change had occurred. This can be seen in the level of change reported by the participating councils in Table 1.

**Table 1: HR/OD Changes Made: Extent of Integration of Policies**

	<b>1. Not at all</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5. Fully</b>	<b>Total</b>
Workforce planning	4	3	1	0	3	11
Recruitment and resourcing	1	3	2	0	5	11
Pay and benefits	6	0	0	2	3	11
Other terms and conditions, eg overtime, shifts	6	1	0	1	3	11
Training and development for senior staff	1	2	2	3	3	11
Training and development for other staff	1	4	1	2	3	11
Employee relations/communications	2	1	3	1	4	11
Performance management and appraisal	3	2	2	0	4	11
HR information systems and payroll	2	2	1	1	5	11
Employment contracts	3	1	0	2	5	11

*Source: IES research for LGA (2016)*

This reflected the fact that a lot of change had occurred through local informal dialogue and involvement, for example through directorate service reviews with staff and HR personnel participating in review groups, although the case participants in this research emphasised that significant HR/IR policy reduction/simplification had been occurring, even if new policies had not been adopted.

The change and OD initiatives undertaken so far, shown in the table below, also pointed to an incremental approach commonly being adopted, with very little evidence of 'big bang' approaches to change, such as so-called 'dismiss and re-engage' strategies.

**Figure 7: Change and OD Initiatives in Restructuring Councils**



Source: IES research for LGA (2016)

The final conclusions from the study are shown in the table below, highlighting the following points:

- Key enablers of successful council change were most commonly felt to be establishing clarity around the strategy and rationale for change as well as the supporting organisation design; and high levels of dialogue and securing key stakeholder support;
- The major barriers were generally to do with lack of sufficient political and council support and staff communications/engagement; and also lack of capacity/resources to make and deliver the changes effectively, particularly in terms of investing in training;
- The learning points to pass onto other councils were largely about the change process, particularly the need to enhance stakeholder involvement and communications (councillors, unions, employees etc.) and making sufficient time/resourcing available to manage the change effectively.

Other studies in councils support these conclusions, such as the importance of the culture and change process, rather than focusing purely on ER policies and designs.

**Table 2: Major Learning Points from the LGA Research**

	Key Enablers	Key Barriers	Learning
1	<p>Early development of clear, shared OD principles, structures and processes</p> <ul style="list-style-type: none"> <li>- 'single staffing structure'</li> <li>- 'shared HR and finance teams'</li> <li>- 'shared organisation review policy'</li> <li>- 'common service review process'</li> </ul>	<p>Lack of resourcing and capacity</p> <ul style="list-style-type: none"> <li>- 'insufficient capacity and resource to drive change through'</li> <li>- 'capacity and pace of change'</li> <li>- 'financial reductions/speed of change'</li> </ul>	<p>Enhance the level communications and involvement</p> <ul style="list-style-type: none"> <li>- 'increase the level of change communications'</li> <li>- 'ensure effective communications'</li> <li>- 'communications and engagement are vital'</li> <li>- 'Listen to people'</li> </ul>
2	<p>Consultation and dialogue with unions and employees</p> <ul style="list-style-type: none"> <li>- 'continual dialogue'</li> <li>- 'engaging staff in the change process'</li> </ul>	<p>Political and member support</p> <ul style="list-style-type: none"> <li>- 'Lack of member support'</li> <li>- 'Member buy in'</li> <li>- 'Member buy in has been challenging'</li> </ul>	<p>Make the resources and capacity available to manage the change</p> <ul style="list-style-type: none"> <li>- 'taking time'</li> <li>- 'invest and resource the change programme'</li> <li>- 'ensuring capacity and support for key staff'</li> <li>- 'recognise delivering change has to be resourced'</li> </ul>
3	<p>Common terms and conditions and employment approach</p> <ul style="list-style-type: none"> <li>- 'alignment of core T &amp; Cs'</li> <li>- 'single pay and reward strategy'</li> </ul>	<p>Cultural differences</p> <ul style="list-style-type: none"> <li>- 'Early resistance and suspicion'</li> <li>- 'Retaining individual identities'</li> <li>- 'Staff understanding and support'</li> </ul>	<p>Manage the political dimensions</p> <ul style="list-style-type: none"> <li>- 'wider member involvement, balance pace versus engagement'</li> <li>- 'political buy-in is essential'</li> </ul>

Source: IES research for LGA (2016)

### 4.3 Section Summary

Since the late 1970's structural changes in the UK labour market have helped to produce a significant decline in trade union membership and influence, although the majority of employees in the public sector remain unionised.

Employers have responded by replacing IR-focused approaches with a wider range of mechanisms and channels of individual and collective communications and consultation. There has also been a switch both in the ways that employees express their disagreement with changes and the procedures and mechanisms used to address them, with a significant growth in mediation, line manager training and HR trouble -shooting activity.

Research suggests that employee involvement is an important underpin of successful performance in organisations, as part of a basket of so-called High Performance Working Practices. However research also suggests that these practices need to be tailored and



adapted in each organisation and that their implementation is the key to a successful positive influence on employee relations, engagement and performance.

Research on restructuring and change in local authorities also indicates that the 'softer' and more informal processes of stakeholder and employee communications and involvement seem to be key, although IR structures and HR policies and procedures are also being streamlined in the process. Stakeholder involvement, heavily involving employees and ensuring councillors are on board, seems to correlate with successful change implementation and there is very little evidence of big-bang dismiss-and-re-engage type approaches to change in the sector.

## 5 Internal Situation in Tower Hamlets

This section looks in detail at the current industrial relations situation in Tower Hamlets Council, commenting on areas including trade union membership, activities and arrangements, disciplinary and grievance procedures and the length of time it takes to complete investigations.

### 5.1 Trade union membership and wider employee relations

Approximately 6.5 million employees in the UK were members of a trade union in 2015 with 3.8 million in the Public Sector.<sup>2</sup> Overall, trade union density in the public sector stood at 54.8 per cent in 2015. With a total headcount of 5,416, trade union membership of Tower Hamlets' employees stood at 34 per cent of the total workforce in 2015, down slightly on the previous year. This indicates that trade Union membership within the Council is slightly below average<sup>3</sup> - see Table 3 below.

**Table 3: Trade union membership at Tower Hamlets**

	G.M.B.	UNISON	Unite	Total Union Membership
DOCAS Members	707	1,941	103	2,751
Non-DOCAS members as at notification for 10/14 strike action	388	441	63	892

NB: Some non-DOCAS employees may have changed to DOCAS since 10/14.

*Source: Tower Hamlets HR function*

<sup>2</sup> BIS (May 2016) Trade Union Membership 2015 Statistical Report, p.3  
[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/525938/Trade\\_Union\\_Membership\\_2015\\_-\\_Statistical\\_Bulletin.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/525938/Trade_Union_Membership_2015_-_Statistical_Bulletin.pdf)

<sup>3</sup> Ibid.

As noted in the previous section, trade unions have broadly seen their membership decline steadily since the late 1970s, while the fall within the public sector has more recently been attributed to spending cuts in the sector that have resulted in job losses, as well as significant reductions in membership amongst young people.<sup>4</sup> As such, Tower Hamlets would not be unusual in noticing reduced membership in recent years. Staffing in the Council overall has fallen by 26 per cent since 2010. Unison membership fell by 11 per cent in 2015/16 according to London Councils' data, compared to a decline across all the London boroughs averaging six per cent, while total employee numbers fell by eight per cent. National data also shows that women are more likely to be union members, as are UK born and BME employees, those with higher-level qualifications and those in full-time and/or permanent roles.

In addition to falling membership levels, the influence and power of trade unions has also been limited by legislation and other trends over the past three decades. For example, there has been a decline in the number of union workplace representatives in the UK from 335,000 in 1984 to less than 150,000 in 2004<sup>5</sup>. Restrictions on industrial action, the break-up of national bargaining structures, and legislative changes introduced to end the 'closed shop' have also resulted in a decline in the proportion of workers covered by collective agreements. We consider the nature and content of facilities and recognition agreements below.

In the past 25 years, as noted in the previous section, there has also been a large increase in the proportion of workplaces using non-union worker communications, involvement and voice mechanisms (up from 16 per cent in 1984 to 46 per cent in 2004) and a sharp decline in those using union-only forms (from 24 per cent five per cent).<sup>6</sup> This suggests that while there is still a healthy appetite for participation and representation, it is moving away from the focus being purely on traditional trade union structures. We see limited evidence that Tower Hamlets thinks about employee involvement in these terms. As well as a signed recognition agreement, we believe that there needs to a clearer policy covering all the aspects of employee relations, in terms of overall principles and the structures and content of formal IR bargaining, employee consultation, and wider staff communications and information provision.

The current draft recognition agreement does include definitions of communications, consultation and negotiation, but only really covers the latter area. While we have not considered the wider internal communications policy of the Council in any detail, our sense would be that in areas of major change such as service re-designs, staff are not

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<sup>4</sup> Wright, C.F. (September 2011) What role for trade unions in future workplace relations? Acas, p.3

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

routinely involved, for example on re-design groups, and that no common model is employed in this process (unlike the situation in a number of other councils that we have worked with). The draft recognition agreement talks about the Council consulting collectively with the trade unions on organisational reviews, but says nothing about local involvement. The level of employee involvement and communications is therefore left to local management discretion and, if our focus groups are in any way representative of the overall picture, the level of involvement would appear to be generally low, even though this factor correlates so strongly with successful organisational change (see previous section).

Table 3 above shows that trade union membership is not equally spread amongst the three represented unions. UNISON represents over 70 per cent of union members, whilst Unite represents less than four per cent. Currently the Council has 5.5 FTE staff who devote at least 50 per cent of their time to TU activities and there are 61 shop stewards allocated approximately in line with these membership levels – 42 for unison, 16 for GMB and three for Unite. These numbers have not fallen in line with figures on total membership and workforce reductions in the Council, but our experience and the data from other London Councils suggests that this is normal practice.

Although not covered by the London Councils' database, our experience is that other councils generally use single table bargaining and give all unions in their workforce, unless their membership is very small, equal bargaining rights.

## 5.2 Recognition arrangements

The Employment Relations Act 1999 established the right to statutory recognition on 6 June 2000. Under the provisions of this Act, an employer may be compelled to recognise a union for collective bargaining on holiday, pay and hours. As a result, many employers have taken a more positive approach to recognition and instigated voluntary recognition agreements. Unison itself provides a guide to drawing up effective agreements including best practice examples.<sup>7</sup>

The Council currently has no formal recognition agreement in place with the trade unions, but recognises the trade unions that are recognised nationally. Practice has been to operate as if there were a recognition agreement, in that Unison, GMB and UNITE are recognised for collective bargaining purposes. There is a draft local recognition agreement which supplements the recognition agreement of the National Joint Council for Local Government Services, although this does not appear to have been agreed and signed off by all of the parties to it.

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<sup>7</sup> UNISON (March 2016) A Negotiators Guide to Recognition Agreements

The Council's current Facilities Agreement supports this joint staffside model of engagement with recognised trade unions. A clear advantage for employers in having these single-table arrangements is that the bargaining process is streamlined and this reduces the amount of time and resources spent on negotiating with multiple unions and allows them, for example to respond more effectively to any changes proposed.<sup>8</sup> Externally we are seeing the clarification and editing down of these agreements and increasingly the integration of recognition and facilities agreements. But in Tower Hamlets we appear to have the worst of all worlds at the moment, with a single staffside table in theory but not all the recognised unions attending it.

As well as the agreement not being signed off, our understanding is that due to lack of co-operation between the three unions, in practice at the moment they are not meeting as a single table but only Unison are attending.

Below the overall Council level, arrangements vary across the directorates, with monthly TU forums in some areas such as CLC, and ad hoc meetings in other directorates.

Our observations on these agreements and arrangements would be as follows:

- As already stated, the recognition agreement needs to form part of a wider ER policy; the existing principles and objectives are well drafted but need to be extended to reinforce the need for high employee engagement and involvement in support of high organisation performance through all of these various channels and structures.
- There is no point in having an agreement in draft: it needs to be signed off by all parties and any barriers to doing this identified and addressed.
- Consideration might be given to integrating and simplifying the facilities and recognition agreements.
- Agreements need to be practiced. Again, the issues preventing a joint table operating need to be openly discussed and addressed by all parties.
- A clearer and more consistent model of trade union and employee involvement such as monthly forums needs to be applied in all directorates of the Council, not just some of them.
- The processes in situations of restructuring and change need to be much more clearly specified.

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<sup>8</sup> Ibid. p.6

## 5.3 Disagreements, Disputes and Disciplinarys

Table 4 below above shows that on average, 19.6 disciplinary cases are raised annually within Tower Hamlets Council and that about 30 per cent have been concluded.

According to a CIPD survey on conflict management, the average number of disciplinary cases per year in public sector organisations in 2011 was 20 and the median was 8.5. This would suggest that Tower Hamlets is in line with other UK organisations. However, the average number across both public and private sector organisations is 16.5 cases per year, suggesting that more cases are brought forward in the public sector.<sup>9</sup>

**Table 4: Number of disciplinarys at Tower Hamlets Council**

	Quarter								Total
	Q1 14/15	Q1 15/16	Q1 16/17	Q2 15/16	Q2 16/17	Q3 15/16	Q4 14/15	Q4 15/16	
Total Disciplinarys since April 2014	1	7	6	7	1	10	9	8	49
Of which:									
Closed	1	5	0	5	0	2	0	2	15
Open	0	2	6	2	1	8	9	6	34

*Source: Tower Hamlets HR Function*

Internal documentation from Tower Hamlets would suggest that the formal disciplinary procedure is being overly used as a first rather than last resort. The data would also suggest that as a result, cases are not being resolved effectively in a timely manner.

Using mediation to resolve disputes and grievances at an earlier stage may be an option that Tower Hamlets may want to consider. Research by CIPD shows that 57.3 per cent of responding organisations used mediation to resolve workplace issues and that it was more widely used in public sector organisations (82.8 per cent as opposed to 47.9 per cent in the private sector).<sup>10</sup> Delving deeper, 42.6 per cent of responding organisations noted using external mediation consultants in such processes.

Comparing with other councils in London would suggest that the number of disputes and cases is not out of line with other London boroughs, particularly inner London, but that the duration of these cases is comparatively lengthy. The 2015/16 comparative London Councils' data includes the following:

<sup>9</sup> CIPD (March 2011) Conflict Management Survey Report, p.5

<sup>10</sup> Ibid. p.12

- In terms of the number of disciplinary cases concluded (43) expressed as a percentage of headcount, at 0.98 per cent, Tower Hamlets is just below the all-London councils' median.
- Disciplinary dismissals at 11/0.25 per cent are similarly at the median amongst other London councils.
- The number of ET cases received at 10 was up on the previous year (seven) and in the upper quartile, though well below some other boroughs such as Lewisham and Hackney.
- The number of formal grievances received was 26, or 0.66 per cent of headcount, down from 32 but still in the top quartile (fourth highest) amongst all London boroughs in number, though closer to the median as a percentage.
- Similarly the number of formal grievances (29) placed Council in the top quartile across London, though as a proportion of headcount, it falls back into the third quartile (0.66 per cent).
- However in terms of duration of disciplinary cases Tower Hamlets is in the upper quartile with 107 days, and while the number of suspensions is in the second quartile for London (nine), the average duration of them at 159 days is the highest in London (see below).

## 5.4 Length of investigations

The Disciplinary, CHAD and Grievance Procedures contain an intended timescale of 20 working days for completion of any investigation. Table 5 below provides the most accurate indication of the length of investigations at Tower Hamlets Council that is currently available. This highlights the length of time taken from the start of an investigation to the date of a hearing, for cases between 2010 and 2015. These figures, however, do not include cases where the investigation did not result in a hearing. The Council expects that the process from start of investigation to hearing date would normally take somewhere between 50-60 days, but anticipates that some cases will take longer to resolve due to child protection issues or police involvement.

The results of a CIPD survey of organisations on conflict management in 2011<sup>11</sup> showed that the average number of formal grievance cases raised by employees in respondents' organisations over 12 months was 22.3. However, looking only at the public sector

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<sup>11</sup> CIPD (March 2011) Conflict Management Survey Report, p.5

organisations, the average rose to 76.7, which can be attributable in part to the larger size of these organisations. ET claims took on average 19 days of management time to address.

The data provided from Tower Hamlets suggested that most cases take between 100-200 days, with a large number also taking between 40-100 days to complete. This by any standards could be considered a long time and highly resource-intensive, as well as potentially damaging to employee relations and organisational culture.

**Table 5: Length of investigations at Tower Hamlets Council**

Disciplinary, Grievance and CHAD Investigations							
No. of days taken from case opening to hearing	Adults Services	Childrens Services	Communities, Localities and Culture	Development and Renewal	Law, Probity and Governance	Resources	Total
<40 days	2	12	3	2	0	2	21
40 - 100 days	10	30	19	9	5	5	78
100 - 200 days	23	33	21	12	4	6	99
200-300	13	16	8	2	2	1	42
300+	0	0	4	2	0	0	6
<b>Total</b>	<b>48</b>	<b>91</b>	<b>55</b>	<b>27</b>	<b>11</b>	<b>14</b>	<b>246</b>

Source: Tower Hamlets HR Function

Documentation provided from Tower Hamlets suggests that managers can be ill-equipped or lack the confidence to deal with disciplinary and grievance procedures themselves. Subsequently, large numbers of cases are being taken through formal procedures rather than exploring informal options such as mediation and line managers dealing with issues so they do not need to be escalated.

The formal processes are time-consuming and resource-intensive for HR staff and directors and, combined with the volume of cases being opened, are contributing to the long timescales quoted above for completion. Fifty-six per cent of respondents in the 2011 CIPD conflict management survey were using settlement agreements, 17 per cent in public sector using external mediation and around half have been training managers to address any conflicts as they emerge at the local level. This, along with switching the focus of HR activity towards local troubleshooting, has seen the fastest growth in usage over the past three years. The CIPD notes, however, that 'many HR and line managers lack confidence in informal approaches to managing conflict and continue to be nervous about departing from grievance procedures'. Therefore, this problem is not unique to Tower Hamlets.



## 5.5 Summary

This section has reviewed trade union arrangements and disciplinary and grievance procedures at Tower Hamlets Council. Overall, trade union membership, at around 34 per cent, is relatively low, although the influence of trade unions in the Council is relatively strong.

Recognition and facilities agreements in terms of content seem broadly in line with other councils, but they could perhaps be integrated and simplified. A broader employee relations context in terms of the relationship between bargaining, consultation and communications would also be beneficial. A clearer and more consistent model of trade union and employee involvement such as monthly forums needs to be applied in all directorates of the Council, not just some of them. The processes in situations of restructuring and change also need to be much more clearly specified.

The number of disciplinary cases taken through procedures seems to be in accordance with the average at other Councils. However, the length of time they take to complete is above average. It may be worth considering the use of alternative, more informal, dispute resolution mechanisms in order to reduce the number of cases entering and amount of time spent on investigations. Mediation may also be an option to reduce the time taken to resolve issues and cases and improved line manager competence and HR trouble-shooting skills might also be of benefit, initiatives which have been popular recently in other UK councils and employers more widely.

## 6 Ways Forward and Recommendations

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### 6.1 Introduction

In this section of the report we:

- Summarise the findings and issues raised by this review and described in the previous sections;
- Present ideas and change and improvements options for the IR and wider employee relations climate, organised into four main areas;
- Initially outline our thinking on next steps and implementation of such changes.

### 6.2 Issues

A summary of the key issues raised by the earlier findings is as follows:

1. There is an over-reliance on formal IR procedures and processes and lack of engagement through these with the Council strategy and major changes/restructurings required.
2. There are failings in the operation and implementation of some of these procedures, for example staffside model, which does not operate in practice.
3. A failure to evolve to what we call a broader 'ER approach' in the Council, which is more typical of employee relations in public sector bodies today, with more fully developed consultation and communications channels to complement formal relationships and negotiations with trade unions.
4. This appears to leave many staff feeling uncertain about the future, under-involved and –informed and the lack of any strong sense of the Council's strategy and identity. It also means the potential of staff to be involved in and deliver the Council's strategic aims is being restricted at present.
5. An apparent lack quite widely across the Council of management confidence and skills to fully engage their staff, effectively manage IR and dispute procedures, communicate

openly and early, deal with any disputes and issues locally and informally, leading to: inconsistencies in employee relations practices and quality in different parts of the Council ('it depends on your manager'); and wider examples of poor interpersonal skills and undesirable behaviours being displayed.

## 6.3 Changes and Recommendations

In moving towards a more forward-looking and positive employee relations climate therefore, we believe that changes should be considered in four main areas:

- **Strategy.** This would involve the development of, and agreement on, a clearer, defined employee relations strategy and set of principles, such as:
  - Development and dissemination of a concise set of values that relate to employment relations. There should be clear linkages to the wider HR strategy and relationship to the Council's values;
  - Linked to this, a clear definition of the positive employee relations climate that the Council seeks in order to deliver its strategy;
  - Definition of the channels for achieving a positive employee relations climate. This centres on clear definition of which issues fall under negotiation, consultation and communication, and the various mechanisms to involve people available under each area;
  - Recognition of the importance of the formal representation role and partnership with trade unions;
  - Involvement of line managers, staff and trade unions in developing the Council's employee relations strategy to ensure understanding and support;
  - Ensuring councillors and all key stakeholders are engaged with and buy into the shift in IR approach.
- **Industrial relations procedures.** Industrial relations procedures could be streamlined and made more transparent. Changes to industrial relations procedures might include options such as:
  - Integrating the CHAD and the wider grievance and disciplinary process;
  - Replacing JCAG and Failure to Agree with a feedback process to the Council HR Committee, with clear milestones and timescales for issues to be addressed; the Mayor and councillors are obviously critical to reforms in this area

- And/or considering the use of external/independent mediation in that process in order to ensure fair and timely outcomes;
  - Making the staffside structure work in practice as a single table in which all recognised trade unions participate;
  - A general 'tidying up'/updating/simplifying/shortening of procedures – we understand that work has already started on this and support the involvement of line managers themselves in this process;
  - A review of the implementation of procedures, including sickness absence, in order to ensure that they have enough built-in flexibility in order to permit managers to adapt them appropriately to individual cases.
- **Consultation and communications.** Wider and informal consultation and communications processes with all staff should be developed in order to develop their understanding of and contribution to the Council's strategic agenda and engage all staff, not just trade union members. This should be integrated into the wider employee relations strategy, which might cover:
- Internal communications strategy and delivery, including nature, frequency and contents of communications;
  - Improved team briefing, quality circles and similar processes;
  - Extending senior management communications with staff, including for example more frequent senior management updates, blogs, question times, brownbag lunches, etc.;
  - Introducing some form of dedicated exchange process whereby employees could be informed of latest organisational developments, including possible upcoming restructurings, and have an opportunity to express their views;
  - A standard service review process model for managers to follow, incorporating early involvement employee;
  - Staff recognition programmes, designed to reinforce employee involvement and contribution.
- **Management development.** Development of management skills and competence in staff communications and dispute resolution and wider development and promulgation of positive behaviours. This might include:
- First line manager training and teambuilding activity;

- Dedicated manager training in working effectively with trade unions;
- Training to support line managers when implementing policies, including sickness absence, in order to increase a more confident, flexible approach;
- Development of a sample of line manager champions, given additional training in mediation processes to support colleagues;
- Developing HR ER-trouble-shooting capabilities.

In sum, the Council has formal IR arrangements and procedures which need to be updated and made to work as intended, focusing on the key strategic issues for the Council and union members, But with a major change programme now required, there is also a need for a far more broadly-based and extensive communications and engagement strategy to ensure that all staff understand and engage with these changes and are involved directly in the specific changes affecting their area of work. Where disagreements occur, these need to be addressed fairly and as quickly and effectively as possible. Managers need to have the skills and confidence to manage these changes, engage their staff behind them, work with trade unions locally and handle any potential disagreements consistently but also with sense and sensitivity.

## 6.4 Implementation

- We would envisage outlining these proposals in draft, then working with you to detail and finalise them and plan their implementation, to include in the final report and recommendations.
- We need to agree the final process and timings for completing this work with you.

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## LONDON BOROUGH OF TOWER HAMLETS

### WHISTLEBLOWING POLICY

DRAFT



## **1. INTRODUCTION**

- 1.1 Tower Hamlets is committed to the highest standards of behaviour of openness, probity and accountability of all employees, Councillors and its contractors and as such takes very seriously any form of malpractice that is identified or discovered.
- 1.2 Whistleblowing is the term used when a worker passes on information concerning wrongdoing. The wrongdoing will typically (although not necessarily) be something you have witnessed at work.
- 1.3 An important aspect of accountability and transparency is a mechanism to enable Councillors, employees, contractors, suppliers and partners to voice concerns about such wrongdoings in a responsible and effective manner. You may be worried about raising such issues or may want to keep the concerns to yourself, perhaps feeling it's none of your business or that it's only a suspicion. You may not express your concerns because they feel that speaking up would be disloyal to their colleagues, managers, or to the Council. You may also fear harassment or victimisation. In these circumstances it may be easier to ignore the concern rather than report what may just be a suspicion of malpractice.
- 1.4 We expect employees, and others that we deal with, who have serious concerns about any aspect of the Council's work which you believe shows serious malpractice or wrongdoing within the Council to bring it to our attention and this Policy puts an easy mechanism in place to report your concerns and to raise issues.
- 1.5 All employees of London Borough of Tower Hamlets may use this Policy. This includes permanent and temporary employees. It also covers agency workers and employees seconded to the Council.
- 1.6 Contractors working for the Council may also use this Policy in order to make us aware of any concerns that they, their employees or sub-contractors may have with regard to any contractual or other arrangement with the Council. Any concerns relating to non-Council business, however, should be raised with the relevant contractor's organisation, regulator or other suitable agency.

## **2. SCOPE**

- 2.1 This Policy and associated procedures is not designed to be used where more appropriate procedures are available. For example, your issue may be a personal grievance about a problem or concern you have about your work, working conditions or relationships with colleagues. If so, then these should raise these with your line manager in the first instance or use the Council's Dispute Resolution Procedure.

- 2.2 Further, this Policy and procedures are in addition to the Council's complaints procedures and other statutory reporting procedures applying to Directorates. You are responsible for making service users aware of the existence of these procedures.
- 2.3 This Policy and its procedures/guidance are designed to enable you to raise concerns at a high level and to disclose information which you believe shows malpractice, impropriety, criminal activity, or dangers to health and safety. This policy is intended to cover concerns which are in the public interest and may at least initially be investigated separately but might then lead to the instigation of other procedures e.g. disciplinary.
- 2.4 Further you need to be acting in the public interest and which is why personal grievances and complaints are not usually covered by.
- 2.5 The Policy is intended to cover concerns where you reasonably believe that the disclosure tends to show past, present or likely future wrongdoing falling into one or more of the following categories:
- criminal offences (this may include, for example, types of financial impropriety such as fraud);
  - unauthorised use or misuse of public funds
  - failure to comply with an obligation set out in law;
  - abuse of position, whether or not for personal gain
  - miscarriages of justice;
  - endangering of someone's health and safety;
  - damage to the environment;
  - conduct which may damage the Council's reputation;
  - other unethical conduct; and
  - covering up wrongdoing in the above categories.

### **3. OUR ASSURANCES TO YOU**

#### Your safety

- 3.1 The Mayor, Councillors, the Chief Executive and Corporate Leadership Team are committed to this Policy and recognise that the decision to report a concern can be a difficult one to make. If you raise a genuine concern under this Policy, you should have nothing to fear, you will not be at risk of losing your job or suffering any form of retribution as a result. Provided you are acting in good faith, it does not matter if you are mistaken, no action will be taken against you.
- 3.2 It is important to note that this assurance does not extend to those who make malicious or vexatious allegations or who make an allegation for personal gain. This could be construed as gross misconduct and disciplinary action may be taken against you.

#### Statutory protection

- 3.3 Whistleblowing law is located in the Employment Rights Act 1996 (as amended by the Public Interest Disclosure Act 1998). It provides the right for you to take a case to an employment tribunal if you have been victimised at work or you have lost their job because they have 'blown the whistle'. This is on the basis that you have a reasonable belief that what you have reported is true and the report is in good faith.

#### Harassment or victimisation

- 3.4 The Council will not tolerate any harassment or victimisation (including informal pressures) from you colleagues, peers, managers, or from external sources, and will take appropriate action to protect you when you raise a concern in good faith.
- 3.5 Any investigation into allegations of potential malpractice will not influence or be influenced by any disciplinary, capability, or redundancy procedures that already affect you.
- 3.6 If you consider that you have been, are being or are likely to be victimised, dismissed, made redundant or made to suffer some other detriment as a result of making a report under this procedure, you should report your concerns to the Council's Monitoring Officer. The matter will then be dealt with as a new referral under this procedure.

#### Your confidentiality

- 3.7 We will treat all concerns raised in a confidential and sensitive manner. Your identity will be kept confidential so long as it does not hinder or frustrate any investigation. However, the investigation process could reveal the source of the information and you may need to provide a statement as part of the evidence required. In such cases, we will always ask your consent to disclose your identity. Further, it is always possible that your identity could be guessed.

#### Anonymous allegations

- 3.8 It is not unusual for individuals who are thinking about raising a concern to want to make it anonymously. However it is best that concerns are raised openly as it makes it easier for consideration and investigation of the concern. It is recognised, however, that there are circumstances when you would wish to keep your identity confidential.
- 3.9 Anonymous concerns that do not have a point of contact to which correspondence can be sent (e.g. an email address) will be considered at the discretion of the Council. In exercising this discretion the following factors will be taken into account
- the seriousness of the issues raised;
  - the credibility of the concern; and
  - the likelihood of confirming the allegation from attributable sources.
- 3.10 Therefore whilst we do not rule out the possibility of conducting investigations where you have not given a point of contact, it should be noted that, in practice, we

are unlikely to be able to proceed in the majority of such cases because of the practical difficulties that arise. No contact point will often present a barrier to effective investigation because it is impossible to contact you to check information received, ask for more details, or give feedback.

#### **4. THE RESPONSIBLE OFFICER**

- 4.1 The Corporate Director, Governance (as Monitoring Officer) has overall responsibility for the maintenance and operation of this policy.

#### **5. RECORDING AND MONITORING**

- 5.1 The Monitoring Officer will maintain a confidential and secure register of all concerns raised through this Whistleblowing Policy. Investigations undertaken as a result of concerns being raised through these channels will be reported to the Audit Committee. Furthermore, weaknesses in Tower Hamlets controls may be identified through our investigations and recommendations to improve these will be raised with relevant managers and Chief Officers.
- 5.2 All records will be treated as confidential and kept no longer than necessary in accordance with Data Protection. Individuals have a right to request and have access to certain personal data; however, some information may be withheld in order to protect a third party.

#### **6. REVIEW OF WHISTLEBLOWING POLICY**

- 6.1 This Policy and reports made under it will be reviewed annually by the Monitoring Officer who will make a report to the Audit Committee.

#### **7. EXTERNAL CONTACTS**

- 7.1 Whilst we hope this Policy gives you the reassurance you need to raise such matters internally, we would rather you raised a matter with the appropriate regulator than not at all. If you do not wish to report your concern to the Monitoring Officer: you can get legal advice from a lawyer, or tell a prescribed person or body.
- 7.2 A Prescribed person or body as set out in the “prescribed persons list” published by the Department for Business, Innovation and Skills. The organisations and individuals on the list have usually been designated as prescribed persons because they have an authoritative or oversight relationship with the sector, often as a regulatory body. An up-to-date list can be found here:

<https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2>

- 7.3 If you tell a prescribed person or body, it must be one that deals with the issue you are raising, e.g. a disclosure about wrongdoing in a care home can be made to the Care Quality Commission.
- 7.4 If you raise concerns outside the Council you should ensure that it is to either one of the prescribed persons or bodies as set out in the “prescribed persons list” published by the Department for Business, Innovation and Skill. Through this Policy however, the Council also guarantees like protection if it is a qualified disclosure made to:
- The Police
  - Public Concern at Work  
020 7404 6609  
<http://www.pcaw.org.uk/>  
(The whistleblowing charity who can give advice and help on whistleblowing)
  - The Local Government Ombudsman  
0300 061 0614  
[http://www.lgo.org.uk/forms/ShowForm.asp?fm\\_fid=62](http://www.lgo.org.uk/forms/ShowForm.asp?fm_fid=62)
- 7.5 You should not disclose information that is confidential to the Council or to anyone else, such as a client or contractor of the Council, except to either one of the prescribed persons or bodies as set out in the “prescribed persons list” or 7.4 above.

# LONDON BOROUGH OF TOWER HAMLETS

## WHISTLEBLOWING PROCEDURE



## **1. INTRODUCTION**

- 1.1 Whistleblowing is when an employee reports suspected past, present or imminent wrongdoing, or an attempt to conceal wrongdoing. Officially this is called 'making a disclosure in the public interest'. Whistleblowing is important to safeguard the effective delivery of public services, and to ensure value for money. It serves to protect and reassure the workforce, increasing public confidence and to maintain a healthy working culture and an efficient organisation.
- 1.2 This Procedure applies to all employees of London Borough of Tower Hamlets including permanent and temporary employees. It also covers agency workers and employees seconded to the Council.
- 1.3 Contractors working for the Council may also use this Procedure in order to make us aware of any concerns that they, their employees or sub-contractors may have with regard to any contractual or other arrangement with the Council. Any concerns relating to non-Council business, however, should be raised with the relevant contractor's organisation, regulator or other suitable agency.
- 1.4 This procedure outlines the process that you should follow when reporting a perceived wrongdoing within the Council.
- 1.5 It is important that this procedure is followed when raising any concerns, to ensure that the matter is dealt with correctly. Where a concern is raised using the correct procedure, the individual will be protected from any unfair or negative treatment. As set out in this procedure, you can raise concerns through a number of internal routes.

## **2. ROLES AND RESPONSIBILITIES**

- 2.1 The roles and responsibilities which apply in relation to the Whistleblowing Policy include, but are not limited to:

### The Monitoring Officer

- Has overall responsibility for the maintenance and operation of the Whistleblowing Policy.
- To whom whistleblower concerns are raised.
- Considering whether the concern is covered by the Whistleblowing Policy.
- Ensuring matters raised are handled properly.
- Monitoring whistleblowing cases and to report on the use of this Procedure and the outcome of investigations, including disclosures where no further action is taken.



### Corporate and Divisional Directors

- Promoting and providing a safe culture and environment where employees and other workers are confident that they can speak up about concerns without fear of reproach or recrimination.
- Ensuring that mechanisms are in place within Directorates to inform the Monitoring Officer of any matters of concern which are raised

### Line Managers

- Providing a safe environment where Tower Hamlets employees and other workers are comfortable speaking up about matters of concern.
- Ensuring that any matters raised are treated seriously and dealt with promptly in accordance with this policy and procedure, including informing the Monitoring Officer of all concerns reported to them.
- Maintaining confidentiality, as appropriate, of the employee(s) involved in the concern.
- Not deterring, bullying, isolating or otherwise victimising anyone using these procedures or destroying information about malpractice, all of which may result in disciplinary action.

### Councillors

- Can report and pursue concerns reasonably believed to be in the public interest.
- Supports standards of behaviour of openness, probity and accountability of all employees, Councillors and its contractors.
- Will receive reports giving them the opportunity to scrutinise the operation of the Whistleblowing Policy and Procedure and will lead on a shared learning culture.
- Will receive regular monitoring reports and yearly performance reports.

### Employees and other workers

- Reporting and pursuing concerns reasonably believed to be in the public interest (affecting others and not just the individual; this procedure is not to be used for reporting personal grievances or complaints relating only to the complainant's treatment).
- Raising concerns to the appropriate person in the appropriate way in line with the Whistleblowing Policy and this Procedure.
- Not raising or pursuing any malicious or vexatious allegations relating to the department or colleagues

### **3. WHAT IS A RELEVANT CONCERN**

3.1 Please see the Whistleblowing Policy (section 2).

### **4. REPORTING A CONCERN**

4.1 If you experience something in the workplace which you consider to be a relevant concern then it is important that the concern is raised straight away. Whilst proof is not required, you must have a reasonable belief that disclosing the information is in the public interest before raising a concern using this Procedure. The following paragraphs outline the different ways in which to raise a concern.

4.2 The concern should, in most instances, be raised with your line manager though it is important that you do raise the concern with the person best placed to deal with the matter and with whom you feel most comfortable.

4.3 There may be certain rare occasions, however, when it would be inappropriate to raise the concern with the line manager because, for example, the concern:

- may implicate the manager in some way,
- is about a senior manager within the line management chain or somewhere else in the department,
- is particularly serious and needs to be dealt with as a matter of urgency

4.4 Concerns can also be raised with a senior manager if it is not appropriate to raise the concern with the line manager or the employee feels more comfortable doing so.

4.5 If it is believed that the concern is extremely serious and urgent and it cannot be raised with the line manager, another line manager, a senior manager, then it can be raised with the Monitoring Officer. The concern should only be raised in this way if the employee has given serious consideration to all other internal options.

4.6 You can raise your concerns in confidence with the Monitoring Officer in the following ways:

- Complete the 'Blow the Whistle' report form and which is available:
  - on the Council's website;
  - on the Council's intranet;and then email it to: [monitoring.officer@towerhamlets.gov.uk](mailto:monitoring.officer@towerhamlets.gov.uk)
- By sending an email to the Monitoring Officer at the above email address;
- By letter addressed to the Monitoring Officer, 6<sup>th</sup> Floor, Mulberry Place, 5 Clove Crescent, London E14 2BG
- By telephoning the Monitoring Officer on 020 7364 4800

- By appointment to discuss with the Monitoring Officer or a person appointed by him/ her for that purpose
- Through a friend, a trade union representative, or a professional association representative

4.7 Employees who are the subject of an ongoing investigation or procedure (e.g. disciplinary or redundancy) will not necessarily have their investigation or the procedure halted or suspended should they raise a concern under this policy. The decision in relation to this will be made by the Divisional Director, HR & Transformation in consultation with Monitoring Officer.

## **5. INFORMATION NEEDED TO RAISE A CONCERN**

5.1 When raising a concern under this procedure, you should provide the following information where possible:

- the nature of the concern and its key elements,
- when it happened,
- who was involved.

5.2 In addition to details of the concern, you should try to provide the following information

- the background and reason behind the concern;
- whether you have already raised a concern with anyone and the response;
- any other relevant dates;
- if applicable, any personal interests that you have must be declared from the outset.

5.3 It is important that matters are not investigated by you. Proof is not needed, just a reasonable, honest belief that wrongdoing has occurred or is likely to occur.

## **6. PROCEDURE FOR INVESTIGATING CONCERNS**

6.1 All investigations will be conducted sensitively, as quickly as possible, and under this procedure. The investigation should be concluded within three months of the matter being raised, though some scenarios may result in a longer timeframe. While we cannot guarantee that the outcome will be as you may wish, the matter will be handled fairly and in accordance with the Whistleblowing Procedure.

- 6.2 Once you have raised a concern with your line manager, a meeting may be arranged with them to determine how the concern should be taken forward. This may involve the line manager seeing if the matter can be satisfactorily resolved at that time without the need to trigger the formal procedure. Otherwise, it may involve an internal inquiry or a formal investigation. It will be established at the meeting who will be dealing with the matter, for example, the Health and Safety Team if the matter relates to Health and Safety.
- 6.3 If a meeting is arranged, you may be accompanied by a trade union representative or a colleague who is not involved in the area of work to which the concern relates if you so wish. If you prefer, the meeting can be conducted over the telephone rather than face to face.
- 6.4 Where the concern is passed to the Monitoring Officer or you raise it directly with the Monitoring Officer then provided that you are not anonymous we will within five working days commencing from the first working day following receipt of concern provide a written acknowledgement will be sent to you.
- 6.5 Then within 15 working days commencing from the first working day following receipt of the concern, you will then be informed in writing of:
- how it is proposed to deal with the matter;
  - whether further investigations will take place, or if not deemed appropriate, why this decision has been made;
  - an estimate of how long it might take to provide a final response; and
  - what support can be offered to you.
- 6.6 A decision will also be made on whether the concern should be investigated internally under the Whistleblowing Policy or the Grievance, Disciplinary or another policy, as appropriate. It may also be decided that the matter should:
- be referred to the Police, and/or
  - be referred to the external auditor, and/or
  - be the subject of an independent inquiry; or
  - have no further action taken
- 6.7 Some concerns may be resolved by agreed action without the need for formal investigation. If urgent action is required, this may be taken before any investigation is conducted.
- 6.8 We may decide that no further action will be taken under this policy in the following (not exhaustive) set of circumstances:
- if, after investigation, there is no evidence that malpractice has occurred, is occurring or is likely to occur;

- if the matter concerned is already the subject of legal proceedings, or has already been referred to the police or other public authority;
  - if the matter is already, has already been, or should be, the subject of proceedings under one of the Council procedures
- 6.9 We will aim to update you on the progress of the concern within 28 days of it being raised, where possible. However, in the event of a formal investigation or the involvement of the police or other external agency, you will receive sufficient information about the outcome of any investigation to enable you to be informed that the concern is being dealt with.
- 6.10 Once the investigation has concluded, you will receive an explanation about how the matter has been addressed. If there are legal constraints, e.g. in a criminal investigation, you will receive sufficient information about the outcome of any investigation to enable you to be informed that the concern has been dealt with. If no further action is proposed we will inform you of the reasons for this in writing.
- 6.11 If the investigation is not completed within three months or in the time originally estimated for the investigation, we will provide regular updates as agreed with you.
- 6.12 Throughout any investigation, you will still be expected to continue your duties/role as normal unless deemed inappropriate.
- 6.13 Please note that the time estimates cited above are indicative only. We will respond to your concerns as quickly as possible but we will have to test your concerns. Rest assured though that testing your concerns is not the same as either accepting or rejecting them. The overriding principle for us will be the public interest. In order to be fair, initial enquiries may have to be made to decide whether an investigation is appropriate and, if so, what form it should take.

## **7. CONFIDENTIALITY**

- 7.1 We will take steps in any investigation to ensure that confidentiality is maintained as far as possible and will endeavour to protect your identity. This should be possible in the majority of cases. Thus, any document, report or recommendation prepared by us in relation to the matter will not identify you unless:
- the person has consented to their identity being exposed in writing, or
  - there is evidence to show that the person who raised the concern has acted maliciously, or
  - we are under a legal obligation to do so, or
  - the information is already in the public domain, or

- it is on a strictly confidential basis to a professionally qualified lawyer for the purpose of obtaining legal advice.

7.2 All parties will be under an obligation to use all reasonable endeavours to ensure that they keep the matter and all information relating to the disclosure strictly confidential except, as permitted under this procedure, as required by law or until such time as it comes into the public domain.

7.3 The same considerations of confidentiality should be afforded to the employee(s) at the centre of the concern as far as appropriate.

## **8. TRAINING**

8.1 From time to time appropriate training will be given to Councillors, Corporate and Divisional Directors, Line Managers and employees and other workers in respect of the operation of the Whistleblowing Policy and Procedure.

8.2 It will also form part of the induction for Councillors and all new employees.

## WHISTLEBLOWING

### Supporting Guidance for Managers

#### What matters should be dealt with under the policy?

The Policy and associated procedures should be used to report acts or omissions that give an employee serious cause for concern and are in the public interest. The following list provides examples of such acts or omissions:

- criminal offences (this may include, for example, types of financial impropriety such as fraud);
- unauthorised use or misuse of public funds
- failure to comply with an obligation set out in law;
- abuse of position, whether or not for personal gain
- miscarriages of justice;
- endangering of someone's health and safety;
- damage to the environment;
- conduct which may damage the Council's reputation;
- other unethical conduct; and
- covering up wrongdoing in the above categories.

#### What type of concerns should not be raised under this policy?

A whistleblowing concern is about a risk, malpractice or wrongdoing that affects others. Complaints relating to an individual's employment (e.g. a personal grievance about a problem or concern an employee has about your work, working conditions or relationships with colleagues) should either be dealt with informally by the employees line manager in the first instance or use the Council's Dispute Resolution Procedure.

#### What are my responsibilities under this policy?

##### Raising Awareness

When staff suspect or discover something is wrong, they are encouraged to report this to their manager. This gives you the chance to correct any potential or actual malpractice before the issue escalates. Please note that if there are allegations of potential fraud, or financial irregularity, then these must be reported to the Monitoring Officer.

You must ensure that all employees under your supervision are aware of the Whistleblowing Policy and associated procedures and that they know how to raise a concern if they become aware of malpractice or wrongdoing.

Regular reminders of the Whistleblowing Policy should be provided at team meetings. Regular 1:1 meetings for the purposes of work planning and personal development will also provide employees with the opportunity to raise concerns confidentially if necessary.

### Responding to Concerns

Whistleblowing is raising a concern about wrongdoing, risk or malpractice with someone in authority. A concern can be raised in a variety of ways, for example, by email, letter, telephone, or during a 1:1 meeting. It may be that several letters or emails together constitute a whistleblowing concern.

A whistleblowing concern may be raised during a grievance or a disciplinary or capability process. This may raise a question mark in your mind as to the motivation behind the timing of the allegations being made. However, regardless of the context, the concerns raised must still be treated seriously and investigated in accordance with the Whistleblowing Policy.

When an employee raises a concern you should:

- Consider whether the concern is actually a public interest disclosure or whether it is best dealt with under another procedure and advise the employee accordingly.
- Keep accurate records of discussion and meetings relating to the concern and gather as much information from the employee as possible and record on a Whistleblowing Complaints Record Form as appended.
- Give reassurance that protection against recrimination or victimisation will be provided.
- Take advice from HR if you consider steps are needed to protect the Whistleblower.
- Report the matter to the Monitoring Officer.
- Await further instruction regarding any investigation.
- Keep the employee informed.

### Maintain Confidentiality

Council policy assures individuals raising a concern under this procedure that their report will be treated confidentially. You should assure the individual that your initial contact will be dealt with in the strictest confidence and only discussed with other relevant persons for the purposes of seeking advice.

You should advise the individual however, that should the matter become, for example, the subject of a disciplinary case or police investigation it may not be possible to guarantee anonymity.

### Ensuring Protection from Victimisation, Bullying & Harassment

Victimising or deterring staff from raising legitimate concerns is a serious disciplinary offence. Managers must ensure that anyone who makes a complaint had confidence that it



is going to be properly investigated and addressed; and they will suffer no detriment as a result of speaking out.

Council Policy assures individuals raising a concern under this procedure that they will be protected from unfair dismissal, victimisation and harassment as a result of making a public interest disclosure that they reasonably believe to be true.

As line manager you have a responsibility to ensure that victimisation, bullying and harassment are not tolerated within your team and to immediately address any reports of such behaviour.

### **What should I do if I receive an anonymous complaint?**

If you receive an anonymous complaint you should consider whether the allegations fall into one of the whistleblowing categories as detailed on the whistleblowing complaint record form.

Where you consider the allegations to constitute a whistleblowing complaint you should follow the whistleblowing procedure and report the matter to the Monitoring Officer.

Whether a concern expressed anonymously will be investigated under this policy will be at the discretion of the Council. In exercising this discretion, the factors to be taken into account will include:

- the seriousness of the issue raised;
- whether the allegation/concern is worthy of belief; and
- the likelihood of confirming the allegation from attributable sources.

## WHISTLEBLOWING COMPLAINT RECORD

CONTACT INFORMATION	
Name of Employee making the complaint:	
Service:	
Line Manager:	
Contact Telephone Number:	

Complaint received anonymously	<input type="checkbox"/>
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COMPLAINT CATEGORY	
• a criminal offence such as theft, fraud, bribery or corruption	<input type="checkbox"/>
• unauthorised use or misuse of public funds	<input type="checkbox"/>
• a failure to comply with an obligation set out in law	<input type="checkbox"/>
• abuse of position, whether or not for personal gain	<input type="checkbox"/>
• a miscarriage of justice	<input type="checkbox"/>
• endangering the health and safety of an individual	<input type="checkbox"/>
• damage to the environment	<input type="checkbox"/>
• conduct which may cause damage to the Council's reputation	<input type="checkbox"/>
• other unethical conduct	<input type="checkbox"/>
• covering up wrongdoing in any of the above categories	<input type="checkbox"/>

**EMPLOYEE(S) INVOLVED**

Name:

Post Title:

Service Area:

Name:

Post Title:

Service Area:

**DESCRIPTION OF COMPLAINT**

**RECORD DETAILS**

Name of Officer recording the complaint:

Date complaint recorded:

Date matter reported to the Monitoring Officer:

**OUTCOME**

- matter to be investigated under the disciplinary procedures
- matter closed due to lack of information
- matter referred to an alternative procedure
- anonymous complaint not substantiated

## WHISTLEBLOWING

### Supporting Guidance for Investigators

- Read and understand the concern that has been raised
- Note the scope of what you are being asked to do and plan your investigation accordingly considering-
  - What additional information do you need?
  - Who do you need to interview?
  - What outside agencies, if any, do you need to liaise with?
  - Do you need to liaise with the manager(s) of individual(s) who is/ are the subject of the concern.
- Estimate the time to be taken to carry out the investigation. **Remember the presumption is that the investigation should normally be completed within 3 months.**
- Write to the individual who raised the concern to introduce yourself and giving an estimated date for conclusion of the investigation. If any additional information is required before holding interviews then request it at this stage.
- Consider whether the member(s) of staff who are being complained against should be informed of the investigation or is it likely that such notification would prejudice the investigation;
- If it will not prejudice then the member(s) of staff should be contacted and informed as soon as is practicably possible;
- The investigator should liaise with the relevant manager(s), if appropriate and where it is likely that such notification would not prejudice the investigation;
- Arrange and hold interviews with all relevant people as soon as possible. This is important as memories of events can fade. **Delays in investigating will lessen the effectiveness of the procedure and make it harder to obtain the evidence. Delays can also cause unnecessary concern and resentment for the person under investigation.**
- Send statements/transcripts of interviews to the individual interviewed following the interview for them to confirm accuracy and add any clarification.
- If there are delays in the investigation, make sure to keep the individual who raised the concern informed and given updated completion estimate.
- Ensure that you make notes of each and every contact with persons during the course of the investigation;
- If you consider that the scope of the investigations needs to be changed, do not change the scope off your own back. Make sure you get the consent of the Monitoring Officer before changing the scope.

- Once the investigation has concluded, promptly prepare a written report containing the findings of the investigation. Make sure that if you are summarising interviews that the summaries are accurate. **Remember the decision as to action to be taken is for the Monitoring Officer although you should make a recommendation for consideration.**
- Write to the individual who raised the concern to advise them that the investigation has been completed and a report has been referred to the Monitoring Officer. **Do not advise that individual as to the outcome of the investigation but advise that the Monitoring Officer will consider the report and write to that individual accordingly.**
- If you have contacted the person(s) who is/are the subject of the concern and they are aware of the investigation then also contact them to advise them that the investigation has been completed and a report referred to the Monitoring Office. **Again, do not advise as to the outcome of the investigation but state that the Monitoring Officer will consider the report and write to that individual accordingly.**
- **REMEMBER CONFIDENTIALITY AND YOU MUST NOT DISCLOSE THE IDENTITY OF THE PERSON RAISING THE CONCERN UNLESS THAT INDIVIDUAL HAS CONSENTED**

No.	Priority	Recommendation	Response
1	High	<p>The Council needs to create a more open, transparent and safe culture that will encourage all employees and members of the public to raise concerns and speak out. It should develop a culture of shared learning and practice. This could be achieved by:</p> <p>(1) adopting a whistleblowing/raising a concern charter;  (2) renaming the policy to 'raising or reporting a concern', similar to the NHS (whistleblowing often has negative connotations);  (3) demonstrating to employees that action is taken in an effective and efficient manner, including against vexatious concerns;  (4) public recognition on a regular basis, including the improvements made as a result of investigations;  (5) introducing officer, member and Mayoral performance reporting, focusing on the improvements and changes made to support a no blame culture;  (6) promoting the role of the charity Public Concern at Work to provide advice and help; and  (7) actively supporting whistleblowers by appointing mentors and guardians.</p>	<p>(1) We have a whistleblowing policy in place and it has been strengthened following the comments from the review incorporating a revised Policy and Procedure for adoption;</p> <p>(2) It has been agreed to continue with the name as Whistleblowing for the policy.</p> <p>(3) The policy incorporates in Part 3.2 reference to the vexatious allegations and may be construed as gross misconduct.</p> <p>(4) , (5) Agreed. The policy will be reviewed annually by the Monitoring Officer and the policy and monitoring will be taken to Audit Committee;</p> <p>(6) highlighted in 7.4 and will continued to be monitored as part of the wider monitoring under the Audit Committee.</p> <p>(7) Agreed if individual requires</p>
2	High	<p>The council should develop a culture of shared learning and reflective practice, where evaluation without attributing blame becomes common practice.</p>	<p>By reporting to Audit Committee and regular monitoring and highlighting areas of good practice and improvements this aspect will be part of the process.</p> <p>If the MO will report matters of shared learning and practices with CLT on as when basis.</p>
3	Medium	<p>Settlement agreements should clearly state that the confidentiality agreement does not preclude a worker from making a protected</p>	<p>We will continue to have any Settlement Agreement legally compliant with the law. The Agreement the council has is fit</p>

		<p>disclosure.</p> <p>The Council should obtain legal advice and reconsider precluding employees within a settlement agreement from being able to make a claim in a tribunal in relation to a protected disclosure under the Public Interest Disclosure Act.</p>	<p>for purpose and specifically asks for details of any additional matters of concern.</p>
4	High	<p>The Council should publicise and raise awareness of its whistleblowing policy and procedures, and should do this through a range of methods to ensure all employees are informed, including those without intranet access. This could be achieved by:</p> <p>(1) including whistleblowing arrangements as part of an employee induction process;</p> <p>(2) re-launching the policy;</p> <p>(3) introducing mandatory training;</p> <p>(4) utilising new communication methods, such as plasma screens, the weekly newsletter from the chief executive, team talks and social media;</p> <p>(5) ensuring those staff not online can access the whistleblowing policy; and</p> <p>(6) monitoring levels of awareness.</p>	<p>The redraft policy and procedure will be relaunched to ensure that all officers are aware. It will form part of the induction for new employees and training will be provided. Comms are being engaged and screens will be used and other forms of communications.</p>
5	Medium	<p>Consider updating/changing the whistleblowing policy and procedures:</p> <p>(1) consider if the policy should remain applicable to the public and ensure that policy and procedures are improved so that members of the public are clear on how they can raise a concern;</p> <p>(2) set out who has overall responsibility, consider including a section on roles and responsibilities for Members, officers and committees;</p> <p>(3) ensure the role of the line manager is defined and clear throughout the process;</p>	<p>(1) The updated Policy will be applicable to employees. The Council's complaints procedure continues to be used widely by members of the public to raise all concerns including public interest concerns;</p> <p>(2) Agreed.</p> <p>(3) Agreed</p> <p>(4) Agreed</p>



		<p>(4) extend the scope to make applicable to contractors, temporary staff and volunteers;</p> <p>(5) include safeguarding examples and refer to the relevant safeguarding policy and procedures;</p> <p>(6) actively encourage whistleblowing and reporting;</p> <p>(7) ensure that informal as well as formal structures and procedures are in place to address the range of severity of concerns it might receive; and</p> <p>(8) regularly review the policy to ensure advice lines and telephone numbers are up to date.</p>	<p>(5) “our assurances to you” in the whistleblowing policy details the procedures the Council should be following when safeguarding employees;</p> <p>(6) Agreed;</p> <p>(7) Work is underway to address this ;</p> <p>(8) Agreed. The Policy will be reviewed annually.</p>
6	Medium	<p>The Council should improve the whistleblowing procedures in operation. It should:</p> <p>(1) record where a concern originates, both by the Monitoring Officer and the Department which first receives a concern;</p> <p>(2) improve the effectiveness of its internal hotline, advertise the opening times of the hotline and ensure an answer service is provided or consider using an external hotline;</p> <p>(3) agree at what stages the whistleblower will be informed, by whom and if these targets are not met and what action the Council will implement.</p>	<p>(1) Agreed in accordance with Data Protection Act regarding the processing of personal data;</p> <p>(2) There is no whistleblowing hotline or an intention to have such. There are hotlines with the Corporate Fraud Team relating to specific fraud functions</p> <p>(3) A timeline is given as to when the whistleblower will be informed of the outcome.</p>
7	High	<p>The role of Elected Members and committee responsibilities should be clarified:</p> <p>(1) the Council should establish which Committee is responsible for whistleblowing (usually the committee charged with governance, the Audit Committee). This committee should assess the effectiveness of the policy as well as ensuring ownership and monitoring implementation of the policy;</p> <p>(2) the annual reporting to Overview and Scrutiny should be formalised, to include numbers of disclosures, action taken, what has changed as a result and key lessons learnt; and</p>	<p>Work in progress</p> <p>The revised policy establishes that the Audit Committee is responsible for whistleblowing;</p>

		<p>(3) all political groups to be encouraged to promote the policy within their group membership.</p> <p>The arrangements for reporting to Members should be clarified and made clear to Members so they can effectively hold officers to account and effectively scrutinise as required.</p>	
8	Medium	<p>Ensure members:</p> <p>(1) code of conduct includes reference to the whistleblowing policy;</p> <p>(2) are clear how the whistleblowing policy is different to other HR type policies; and</p> <p>(3) are encouraged to use the current procedures so that performance data on use of the policy is up to date and accurate.</p>	Whistleblowing is contained in the Codes and Protocols of the constitution which is being reviewed and members are trained on the codes.
9	High	The Council should consider how those charged with governance (Members and officers) are made aware of whistleblowing concerns, where they originate. The volume of safeguarding allegations may indicate that this information should only be required for allegations raised by employees.	The procedure details how an employee should raise a concern (with their line manager unless not appropriate in the circumstances). The MO will oversee all complaints and address trends at CLT and/or direct with CD's.
10	Medium	The Council should ensure that those employees who have sight of and are involved in whistleblowing allegations, from health and safety to safeguarding are aware of their duty to ensure the information as a matter of routine remains confidential and they understand the protection that those raising a concern are entitled to.	Confidentiality is maintained as far as possible - see clause 7 of the policy.
11	Medium	The Council should consider if a case management system should be introduced for the corporate whistleblowing concerns.	Agreed
12	Medium	The Council should confirm if the existing anti-fraud investigation procedures are appropriate for whistleblowing and ensure they are consistently applied across the Council. They should set out who is able to complete an investigation, ensuring that investigations are	Agreed.

		completed by those with the necessary skills.	
13	Medium	<p>The Council needs to decide what fraud prevention and detection expertise and skills are required and the cost effectiveness of the service. It should:</p> <p>(1) Consider what skills and expertise are lacking and that may need to be obtained externally such as digital forensics;</p> <p>(2) have clear terms of reference to avoid an investigation losing direction, irrelevant lines of enquiry being pursued and unnecessary time and money being incurred;</p> <p>(3) record all concerns received in a clear and consistent way using a standardised report.</p>	Guidance is to be provided to investigators
14	Medium	The Council should examine the circumstances and conditions which allowed the incident to occur, ensuring lessons are learnt and action taken as a result.	The procedure and policy provides that outcomes are examined and that lessons are learnt.
15	Medium	Training should be provided for those responsible for investigating whistleblowing cases.	Agreed
16	Medium	<p>Training for Members should include:</p> <p>(1) sessions on use of the policy and its procedures; and</p> <p>(2) Members roles and responsibilities both within the Council's committee structure and sitting on Boards and Committees outside of the Council.</p>	Agreed
17	Medium	The Council should develop effective performance monitoring and reporting and to do this should record the themes, trends and outcomes across the Council. This information should be reported to CLT and Members, as clarified in recommendation 7.	The redrafted policy and procedure addresses this

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