

TELFORD & WREKIN COUNCIL

CABINET – 10 NOVEMBER 2009

EMPLOYEE SUGGESTION SCHEME

JOINT REPORT OF HEAD OF POLICY, PERFORMANCE & PARTNERSHIP AND HEAD OF CUSTOMER STRATEGY & BUSINESS TRANSFORMATION

1. PURPOSE

- 1.1 To put forward some initial proposals for an Employee Suggestion Scheme.

2. RECOMMENDATIONS

- 2.1 That members agree the key principles and outline process in Sections 4.1 and 4.2; and**
- 2.2 Agree the next steps in Section 5 and delegate authority to the Head of Policy, Performance & Partnership, following consultation with the Cabinet Member: Policy, Performance & Partnership, to finalise details of the scheme.**

3. BACKGROUND

- 3.1 The Council does not currently have an official Employee Suggestion Scheme, although this has been considered a number of times in the past. There now appears to be growing support for setting up such a scheme from both the Corporate Employee Focus Group and a range of members, including the Cabinet Member for Policy, Performance & Partnership and the Value for Money Scrutiny Group. A Scrutiny Review of Employee Suggestion Schemes has also recently been carried out (see Appendix 2 for recommendations).
- 3.2 Research into a number of private and public sector organisations suggests that the potential benefits of Employee Suggestion Schemes include:
- Cost and efficiency savings;
 - Service improvements;
 - Improved communication;
 - Improved employee satisfaction/engagement;
 - Greater innovation, creativity and sharing of good practice.
- 3.3 Employee Suggestion Schemes also give employees an opportunity to initiate change and a voice when change is happening (only 59% of employees in the recent Employee Survey were satisfied with the influence they have in decisions that affect their job and just 30%

agreed that change in the organisation is well managed by senior managers in their Portfolio).

- 3.4 As we are entering a period of significant change and financial pressures, this seems an opportune moment to revisit setting up an Employee Suggestion Scheme. It would also link in well with the programme of Lean training that is currently being piloted.
- 3.5 A group of officers from Policy, Performance & Partnership, the Business Efficiency Team and Scrutiny have developed some initial proposals, based on research into a number of private and public sector Employee Suggestion Schemes. The proposals include some key principles, an outline of how the scheme could work and some areas for further discussion.

4. PROPOSALS

4.1 Key Principles

- 4.1.1 The scheme should have a clear value for money focus with criteria/guidance to encourage suggestions that save money or improve the way we deliver services or manage the organisation. Clear criteria should prevent the Suggestion Scheme becoming an internal 'complaints service' and could be used to score and prioritise suggestions.
- 4.1.2 The scheme should be accessible to all employees – so whilst we would encourage employees to make suggestions via the Intranet, we should provide an alternative mechanism for employees without access to a PC e.g. a suggestion box.
- 4.1.3 There should be some sort of 'independent' assessment to ensure that feasible suggestions are recognised and acted upon and also to identify suggestions that could have Council-wide impact (see Section 4.2).
- 4.1.4 All suggestions should be recorded and tracked and this information should be made available to all employees (see Section 4.2).
- 4.1.5 There should be an element of recognition and/or reward, ideally even for people whose suggestions are not taken forward.

4.2 Outline Process

- 4.2.1 Appendix 1 sets out a possible process for an Employee Suggestion Scheme. Key elements of the proposed scheme are:
- The scheme should run initially for a **trial period of two years**, with a formal review of its effectiveness at the end of this timescale;

- **Independent assessment** – a small steering group would be responsible for assessing suggestions with input as needed from relevant officers and members. This group would also assess whether suggestions about a specific service could have a wider organisational impact and where appropriate, refer these on to corporate projects e.g. Business Efficiency Team, service reviews, strategy/policy development programme. We would recommend involving member(s) and employee representatives in this group;
- Employees should, if they wish, be able to **submit suggestions anonymously**. While it would mean that we would not be able to recognise or reward these employees or get more information from them if this was required, the aim is to encourage as many people as possible to submit ideas;
- **Co-ordination** – most schemes are administered by a co-ordinator(s), who effectively ‘screen’ suggestions that do not meet the criteria and request further information as necessary. In some organisations e.g. Ricoh, co-ordination of the scheme is a full-time role, although elsewhere it is picked up as part of an existing role;
- **Recording and tracking** – all suggestions received via the Intranet would be recorded on a ‘message board’. The co-ordinator(s) would be responsible for recording suggestions received in other ways and adding progress updates on all suggestions to the message board. In this way, all employees (and members) with Intranet access could see what suggestions had been received, whether these were feasible, and what progress had been made with implementing them (we would have to consider how we could make this information available to employees without a PC e.g. through regular bulletin updates). We would also keep a record and running total of improvements and efficiencies made, so that the value/impact of the scheme could be viewed and assessed on an ongoing basis.
- **Recognition and reward** – Our research suggests that where monetary rewards are used, these tend to be relatively modest even in the private sector (usually in the form of vouchers and ranging from just £3 to about £250) and we are minded to incorporate some small degree of monetary reward as part of the scheme (possibly to recognise the ‘best’ idea received every six months). In addition to this, we will also consider non-monetary reward and recognition such as:
 - Create a ‘Top Employee Suggestion(s) of the Year’ category in the annual internal awards;
 - Reception or a ‘night out’ for suggestions where a team has worked together to implement an idea;
 - An additional day’s leave (your birthday?);
 - Prizes based around Council services e.g. free Aspirations membership, tickets to The Place etc;
 - Additional training/development and/or chance for employee to be directly involved in implementing their suggestion.

- In terms of the **scope of the scheme**, this will be open to all employees and elected members, though there would be no monetary reward available for members. The scheme could also be open to schools and learning communities (NB with reference to recommendation 11 in Appendix 2, as Academies are independent, it is not appropriate to look to include them within the Council scheme).
- To help support the development and implementation of the scheme, the Council will become a **member of Ideas UK**, a not-for-profit association of suggestion scheme managers which offers advice and guidance and gives access to a network of over 100 organisations with Employee Suggestion Schemes. Membership of this body will be reviewed on an annual basis.

5. **NEXT STEPS**

5.1 The main next steps are to:

- Consult members, trade unions and employees about the initial proposals and involve the Employee Focus Group in the detailed design of the scheme;
- Look to identify, from within existing resources, an officer to take forward the day to day running/co-ordination of the scheme;
- Identify co-ordinator(s) and set up a steering group to manage the set-up and running of the scheme.
- Continue to research best practice;

5.2 The ideal time to launch an Employee Suggestion Scheme would be December/January, to coincide with the start of the budget process (this also links well with the start of business planning in January).

6 **OTHER CONSIDERATIONS**

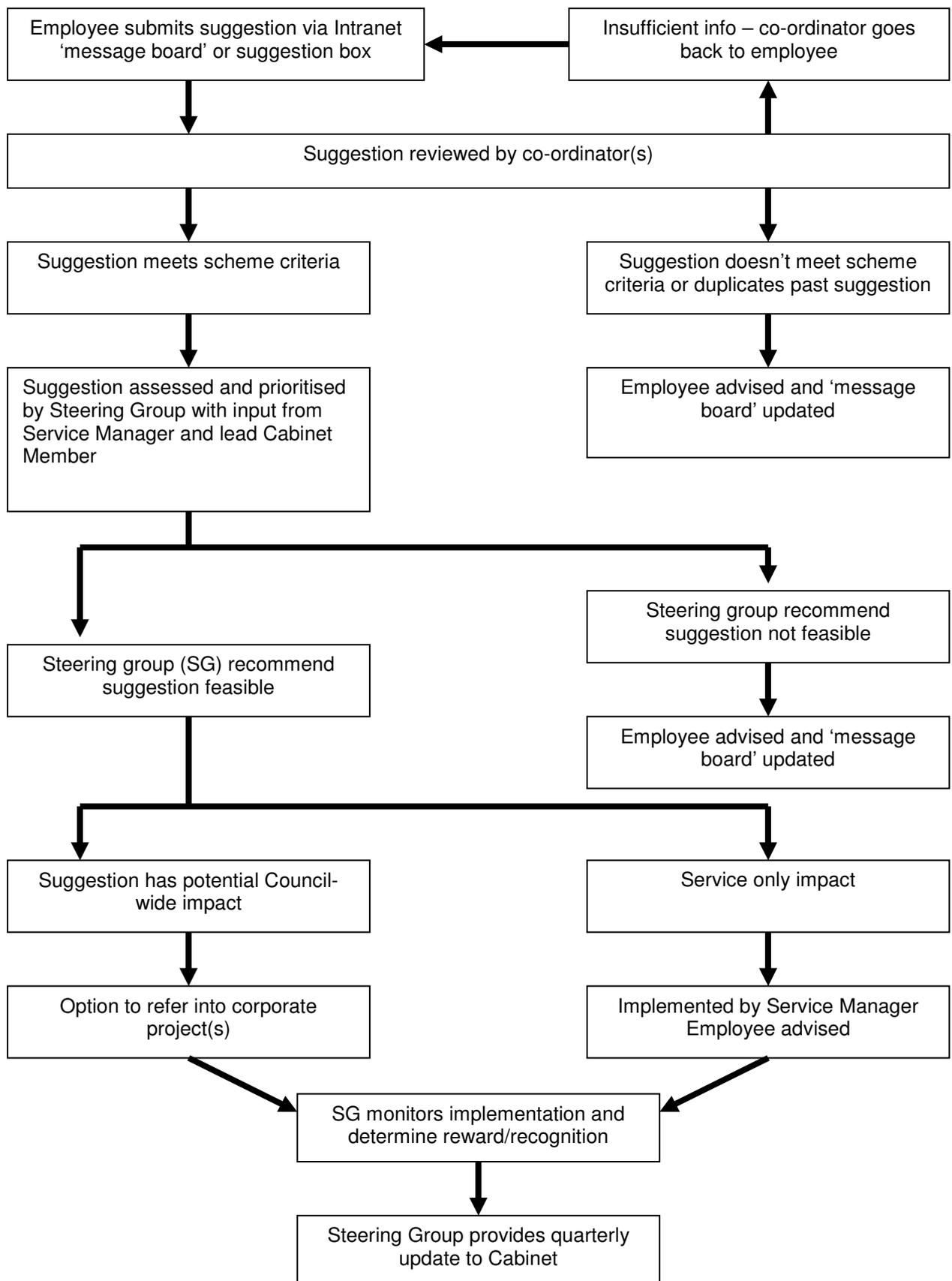
Area	Comments
Equal Opportunities	The scheme will be accessible to all employees and there is scope for suggestions to have a positive impact on equality and diversity issues, both in terms of our workforce and service delivery.
Environmental Impact	As above, suggestions could result in positive environmental impact through better use of resources or improved service delivery.
Legal Implications	The scheme would operate within the Council's governance and statutory framework.
Risk Management	Risks and opportunities of suggestions will be a key consideration when assessing the feasibility of suggestions.
Links with Corporate Priorities	The Employee Suggestion Scheme links most directly to our priority to be an 'Efficient, Effective, Customer-focused Council that delivers Value for Money for the Community'.

Financial Implications	We will look to run the scheme within existing resources and a key focus of the scheme will be to realise savings and efficiencies. The cost of joining Ideas UK is £650 pa
Ward Implications	Dependent on the suggestion, suggestions may have Borough-wide implications.

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Appendix 1 – Employee Suggestion Scheme Outline Process



Appendix 2 – Scrutiny Recommendations

Proposed scheme

The scrutiny Members have reviewed and inputted into the report which will be presented to CMT on 20th October 2009. The Members welcome the proposals but wish to make a number of recommendations to be taken into account in the further development of the proposals.

Recommendation 1

That the Cabinet agrees to implement an Employee Suggestion Scheme along the lines set out in the Employee Suggestion Scheme Discussion Note, and that this should be for a trial period of at least two years.

Recommendation 2

That there should be one full-time member of staff to set up and run the scheme. This need not be in addition to existing headcount, but the role could be created by rationalising existing resources. The position could be officer level but the person must have the right personality, creativity and ability to challenge. The position should be mandated at Chief Executive level and have regular contact with the Chief Executive.

Recommendation 3

That the Council becomes a member of Ideas UK.

Recommendation 4

That every idea should be rewarded and recognised at an appropriate level.

Recommendation 5

That there should be awards for both individual and team suggestions.

Recommendation 6

That the scheme must be simple, high-tech and non-bureaucratic to eliminate unnecessary staff time and so that suggestions are “fast-tracked” where possible to implementation.

Recommendation 7

That there should be an independent moderator for suggestions that have personnel or personal implications.

Recommendation 8

That the scheme is regularly reviewed and monitored and that monitoring information is public.

Recommendation 9

That the trade unions are involved.

Recommendation 10

That the scheme should be open to Members, but that Members should only receive a very token reward for suggestions.

Recommendation 11

That schools, or learning communities, and Academies should be invited to participate.