

TELFORD & WREKIN COUNCIL

CABINET - 23 MARCH 2010

MAKE A DIFFERENCE SUGGESTION SCHEME

REPORT OF THE ASSISTANT CHIEF EXECUTIVE

1. PURPOSE

- 1.1. To put forward final proposals for the new Make a Difference suggestion scheme.

2. RECOMMENDATIONS

- 2.1. That Cabinet endorse the final proposals and agree that the scheme is launched on 1 April 2010;

3. THE SCHEME

3.1 Purpose and Objectives

3.1.1 On 10 November 2009 Cabinet endorsed the development of a new Employee and Member suggestion scheme. The implementation of this scheme is a 'One Council, One Team, One Vision' priority as it will create the opportunity for employees and Members to engage in the delivery and improvement of council services and operations.

3.1.2 The new scheme provides a formal route for employees and members to put forward their suggestions to help achieve efficiencies and improve services.

The main objectives are to:

- generate quality ideas and implement them
- support the 'One Council, One Team, One Vision Ethos'
- empower and recognise staff
- improve our services and achieve efficiency savings
- improve employee engagement

3.2 Key Principles

- Suggestions will be encouraged which achieve efficiencies, improve the way we deliver services, manage the organisation and improve working conditions
- All Council employees and Members can make a suggestion through the scheme
- Suggestion can be made online or manually
- Every suggestion will be recorded and tracked and this information will be available for all employees and Members
- Employees and Members can remain anonymous if they wish
- Due recognition and reward will be given for any suggestion put forward

- Every suggestion will be independently evaluated
- If employees/Members disagree with the outcome of an evaluation they can request a review
- Suggestions will be evaluated to see if it could be implemented in other services / at a Council-wide level
- If employees would like to be involved in implementing their suggestion this will be accommodated where possible – this must be agreed with their manager)
- The scheme will be reviewed after 12 months to ensure it is effective.

3.3 Process

3.3.1 Appendix 1 illustrates the process that will be followed when a suggestion is submitted through the scheme.

3.3.2 There are 4 main roles involved in the process:

- Suggestor – employee or Member who puts a suggestion forward
- Coordinator – officer who leads and manages the scheme day-to-day
- Evaluator – manager responsible for evaluating whether a suggestion can and should be implemented, identifying the pros, cons, costs and benefits
- Steering Group – oversee scheme delivery and performance (appendix 2 – Terms of Reference).

3.3.3 The Coordinator will sit within the Organisational Development and Change Management Service.

3.3.4 Evaluators will be selected in each service area to evaluate suggestions. Meetings are currently being held with each Service Area management team to establish who will be evaluators. Training sessions will be held with evaluators to ensure that they understand their role and how the process will work.

3.4 Accessibility and Eligibility

3.4.1 Accessibility - All Telford & Wrekin Council Members and employees that are directly employed by Telford & Wrekin Council are entitled to submit suggestions through the Make a Difference Scheme and where appropriate receive a reward.

3.4.2 Eligibility of suggestions – suggestions will be checked by the Coordinator to ensure they are eligible before they are sent on to be evaluated (Appendix 3).

3.5 Recognition and Reward

3.5.1 Everyone who submits a suggestion through the scheme will receive a thank you letter/e-mail and a Make a Difference gift (e.g. mug) to recognise their efforts and to raise awareness of the scheme to others.

3.5.2 Good news stories and successes will be promoted in a variety of ways.

3.5.3 Employees will be eligible for a reward if a decision is made to implement their suggestion. However, rewards will not be available to Members.

- 3.5.4 Employees will choose one reward from a selection of options: £25 cash, £25 'Love to Shop' Vouchers, £25 gift certificate to The Place, 1 month Aspirations Gym membership, 1 Adult Passport Ticket to Ironbridge Gorge Museums.
- 3.5.5 For team suggestions, £25 vouchers will be given per employee up to 4 employees for a team event i.e. vouchers for restaurant, bowling, theatre, etc (maximum reward £100 for teams with 4 or more employees).
- 3.5.6 Annual awards will be developed (e.g. Delivering major cashable efficiency savings and non-cashable efficiency savings). The value of these rewards need to be determined.

3.6 Future Management and Resources

- 3.6.1 The scheme will be managed within the Organisational Development & Change Management service.
- 3.6.2 The estimated budget for the scheme is £3000 (administration, rewards, publicity). Budgets are being realigned to resource the scheme.
- 3.6.3 The Coordinator will provide regular performance reports to the Steering Group and where appropriate the Corporate Management Team to ensure the scheme is effective and delivering required outcomes (Appendix 4).

4.0 OTHER IMPLICATIONS

4.1 Equal Opportunities

The scheme is available to all Council employees and members.

4.2 Environmental Impact

Some suggestions may have a positive impact on environmental issues.

4.3 Links with Corporate Priorities and Risk

The scheme helps to deliver the Efficient Community Focused Council. All suggestions will be reviewed to ensure that it helps to delivery the corporate priorities.

4.4 Financial comment

The ongoing cost of the scheme is estimated to be around £3,000 per annum which will be accommodated within existing budgets; any costs arising in 2009/10 will be met from current year underspends.

The granting of incentive awards is a taxable item. However, discussions with HM. Revenues & Customs (HMRC) indicate that in relation to Suggestion Scheme Encouragement Rewards, where the value is £25 or less then there is no tax liability. There are certain conditions attached to this: (a) the scheme must be open to all employees; (b) the suggestions must relate to the business; (c) the suggestions must not be part of a person's normal job; (d) suggestions can't come from a meeting whose purpose is to get suggestions. Once the scheme is fully developed it will need to be sent to our local HMRC Compliance officer to gain formal approval. In the event that HMRC do not give approval there would be additional costs of tax and national insurance that would fall on the Council. Where the value of the

reward is greater than £25, for example the team awards, this will be given in vouchers and a paye settlement agreement will be required so that it does not form part of an individual's taxable income. Also, in this instance, the employer is subject to tax and details would have to be included in annual payroll returns.

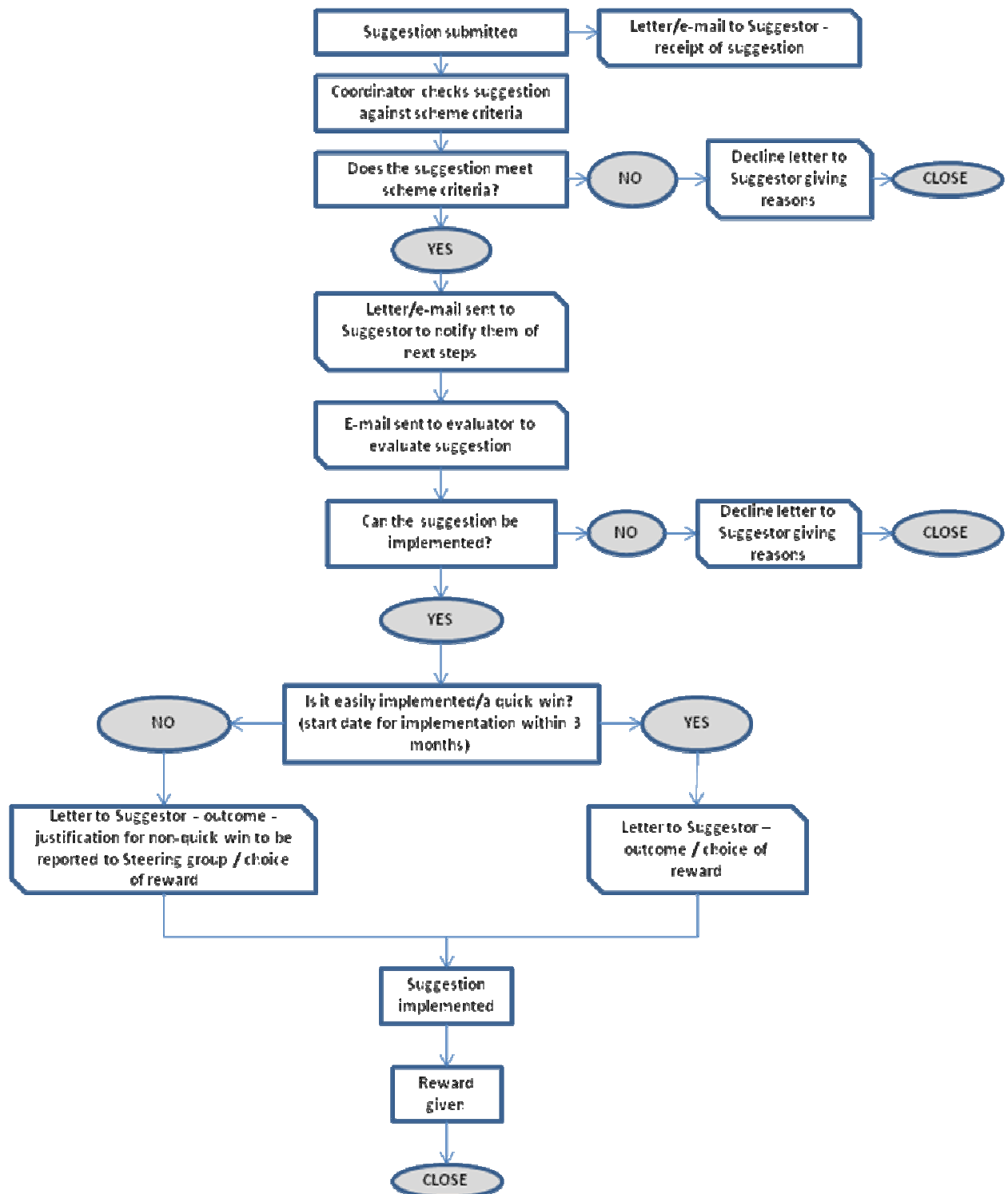
4.5 Legal comments

Key points to consider from a legal perspective are as follows:

- The scheme should be made available to all council employees who should all be given an equal opportunity to take part
- The process for considering suggestions should be consistent and transparent ensuring fair consideration is given to all suggestions (the process should be clearly set out).
- Before commencing the scheme the 'incentive award', tax issue (referred to in the financial comment above) needs to be clarified and resolved. Formal confirmation of the view from HMRC should be obtained in the event of any future queries.

Report Prepared by Debbie Byle, Project Lead, 380137

Appendix 1 – The Process



Appendix 2 – Make a Difference Steering Group Terms of Reference

Roles and Responsibilities

The overarching role of the Steering Group is to oversee the delivery of the Make A Difference scheme at the Council.

Responsibilities include to:

- monitor the delivery of suggestions and the benefits that are being achieved e.g. cost savings and efficiencies and service improvements
- review suggestions that will have a council-wide impact and approving future action
- manage any challenge that come through the scheme
- undertake a scheduled review of a sample of suggestions which have been declined following evaluation

Frequency of meetings

The group will meet on a monthly basis. This will be reviewed in 6 months (October 2010).

Members

1. Organisation Development & Change Management Manager / Gail Rider –Business Efficiency Team - to share role
2. Employee Focus Group Chair / Vice Chair
3. Senior HR Officer
4. Corporate Finance Manager
5. Union representative (to be coordinated by union reps)
6. Scrutiny Leadership Board Member/Value for Money Scrutiny Member

Chairman to be identified at next meeting – end March 2010.

Co-ordinator to be identified (scheme to be overseen by Debbie Byle, Project Lead at this stage (March 2010)

Appendix 3 – Eligibility of Suggestions

Suggestions will not be progressed through the Make a Difference scheme if:

- a. *You could reasonably have been expected to come up with your suggestion as part of your normal duties*

The test here is, could you implement the suggestion without approval from your line manager? If yes, your suggestion cannot be progressed through the scheme. However, your suggestion is still valuable and you are encouraged to implement it.

- b. *Your suggestion tackles a health and safety issue*

Your suggestion concerns a health and safety matter and all employees have a legal duty to report all shortcomings in health and safety provision.

- c. *Your suggestion relates to your terms and conditions of employment*

If your suggestion relates to the terms and conditions of your employment, please speak to your manager or contact Human Resources.

- d. *Your suggestion is a duplicate*

Your suggestion is the same or similar to one that has already been received and reviewed through the Make a Difference Scheme.

- e. *Your suggestion refers to a problem without giving a solution*

Any suggestion put forward should propose a solution to an issue, problem or opportunity.

- f. *Your suggestion is a complaint rather than an idea*

The Make a Difference scheme is not intended as a vehicle for complaints.

- g. *Your suggestion has been made at a meeting held for the purpose of suggestions*

Appendix 4 – Performance Reporting

A performance report will be presented to the Steering Group on a monthly basis.

1. Key Indicators

There are 3 key indicators which measure the effectiveness of the scheme:

- **Implementation rate**

Calculation: (no. of suggestions submitted (exc. duplicates) / no. of suggestions implemented

The 2008 survey carried out by Ideas UK indicated that the implementation rate for public and sector suggestion schemes 12% (12 suggestions implemented in every 100).

Target for 2010/2011: 10% implementation rate.

- **Savings achieved**

Estimated financial savings will be identified for all suggestions as part of the evaluation process.

In some circumstances, suggestions that are implemented will not achieve financial benefits. However, for suggestions where estimated financial benefits have been identified, these will be monitored to establish the actual savings realised.

The savings made could be reinvested in another part of the service to support improvement. However, in the current financial climate cashable savings may need to contribute to the overall savings target.

Target for 2010/11: Baseline to be established and target set for 2011/12

- **Non-financial benefits achieved**

Estimated non-financial benefits will be identified for all suggestions as part of the evaluation process.

Once suggestions are implemented, actual non-financial benefits will be monitored. Outcome measures for these will be specific to each suggestion.

Other information will be reported to the Make a Difference Steering Group to inform them about the following:

2. Additional information

Additional information will be provided to inform the Steering Group about the delivery of the scheme on a monthly basis.

This information will also be broken down by Service Area:

No. of suggestions submitted	No. of suggestions awaiting implementation
No. of suggestions declined	No. of suggestions implemented
No. of suggestions under evaluation	

For suggestions which are implemented, the following information will be reported:

Suggestion	Non-financial benefits
Implementation information	Actual financial savings achieved
Date of implementation	Action non-financial benefits received
Approximate financial savings	