PERTH AND KINROSS COUNCIL

18 May 2016

Fair Work Framework

Report by the Depute Chief Executive, HCC, (Corporate and Community Development Services) and Chief Operating Officer

PURPOSE OF REPORT

This report updates the Council on the Fair Work Framework 2016 which was produced by the Fair Work Convention. The Framework is designed to guide workplace practice in order to drive forward fair work in Scotland. Fairness is at the heart of all the Council's people practices. However, the report proposes that with the support of our employees and trades unions, we assess our practice against the principles of fair work with a view to improving our understanding of fair work and our people practices, where appropriate.

1. BACKGROUND

1.1 The Fair Work Convention was established by the Scottish Government in 2015 following a recommendation of the Working Together Review which was completed the previous year. The Convention was remitted to drive forward the Fair Work agenda by producing a Fair Work Framework by the end of March 2016. The Convention has broad membership from across Scotland:

Anne Douglas, FWC Co-Chair Linda Urquhart, FWC Co-Chair Grahame Smith, General Secretary, STUC Henry Simmons, Chief Executive, Alzheimer's Scotland John Reid, General Manager, Michelin Dundee Lilian Macer, Scottish Convener, Unison Professor Patricia Findlay, University of Strathclyde Mary Alexander, Deputy Regional Secretary - Scotland, Unite Bernadette Malone, Chief Executive, Perth & Kinross Council

- 1.2 The purpose of the Fair Work Framework is to build on work in this area by identifying the component parts of Fair Work and advising the Scottish Government on where it should priortise activity. The Convention adopted an aspirational agenda that fair work becomes a hallmark of Scotland's workplaces and economy. It sets out a vision that **by 2025**, **people in Scotland will have a world-leading working life where fair work drives success, wellbeing and prosperity for individuals, businesses, organisations and society.**
- 1.3 The Framework sets out what is meant by fair work, why it is important, who can play a part in making Scotland a world leading nation in fair work and how this might be achieved. It also acknowledges that, given the broader economic context, there are challenges along the way. In essence, it –

- Articulates a practical blueprint for Fair Work which promotes a new type of dialogue between employers, employees and trade unions, public bodies and the Scottish Government.
- Supports the Scottish Government's objectives of increasing sustainable economic growth and reducing inequality through the promotion of greater diversity, innovation and equality in the workplace.
- Understands business challenges in adopting Fair Work principles and offers help to support a progressive change.
- 1.4 The Convention engaged with a wide range of stakeholders in developing the Framework for Fair Work. It travelled throughout Scotland and took evidence from workers in small, medium and large employers, trade unions, a variety of representative trade and professional bodies, skills and economic development agencies and included the views from the private, public and third sectors. Employees and trade union representatives from Perth & Kinross Council contributed to the evidence considered by the Convention through a focus group held in November 2015.
- 1.5 It also drew on national and international research as well as examples of good practice. This evidence confirmed that fair work can deliver clear benefits for individuals alongside higher productivity, performance and innovation for employers. In turn, these benefits influence economic prosperity and social wellbeing in Scotland.
- 1.6 The Fair Work Framework is the start of the journey to fairer work. The full Framework document is available on the <u>Fair Work Convention website</u>.

2. FAIR WORK PRINCIPLES

2.1 Fair work is defined as work that offers effective voice, opportunity, security, fulfilment and respect; that balances the rights and responsibilities of employers and workers and that can generate benefits for individuals, organisations and society. These are shown in Diagram 1 overleaf.



Diagram 1 – 5 Dimensions of Fair Work

- 2.2 The Framework draws on the evidence of "what works" under each of the five dimensions of fair work. Importantly, these dimensions can reinforce each other and strengthen the impact on behaviours, attitudes and outcomes. Examples of good practice and ideas for enhancing each of the dimensions of fair work are cited within the report.
- 2.3 The Convention invites everyone in the workplace to use the framework to guide practice in relation to fair work. Employers can evaluate their approach and practices; and workers and their representatives can evaluate their own experience of work. And both can then work together to identify areas where fairness may be enhanced.
- 2.4 An initial assessment of Perth & Kinross Council's approach to leading and managing our people gives confidence that fairness is at the heart of all that we do. Like most employers, fairness is express in our Employee Code of Conduct and employment policies and procedures. Perth & Kinross Council is an accredited Living Wage Employer which is also evidence of our commitment to fair work. We also have good insight into how the fair work principles are embedded within our practice. This comes from a wide range of indicators and sources, including employee feedback in our employee engagement survey, a culture of learning, service recognition, Securing the Future Awards, low numbers of employee complaints, published equal pay audits, positive relationships with trade union representatives, a track record in service delivery, opinions from various scrutiny and inspection bodies, including the Gold Award from Investors In Young People. Many of these are described in the annual workforce reports and performance reports which are shared with elected members.
- 2.5 It is proposed that we continue work with our employees and trade unions in order to develop our insight and understanding of fair work and identify areas for improvement. This will help examine our arrangements for giving employees a say and opportunities to influence and change work practices, how people can access learning and employment and progress in work, the employment conditions they experience, the work that people do and how people are treated at work.
- 2.6 We are an ambitious Council and have set out a programme of transformation and modernisation through to 2020. Roles and responsibilities, knowledge, skills and abilities required in future will change. Therefore, embedding a fair work approach that equips people to make informed choices about their learning, development and future employment will enhance our resilience as employees and as an organisation. Enhancing our positive people practices with fair work principles could see Perth & Kinross Council recognised as the first Fair work body in Scotland.

3. CONCLUSION AND RECOMMENDATION(S)

- 3.1 Our employment framework and our leadership are characterised by fair working practices. Our people priorities include building capacity through a focus on wellbeing, resilience and engagement.
- 3.2 We are reliant on our employees for their effort, commitment and passion for public service as well as their ideas and willingness to embrace new ways of thinking and working. This is the optimum time to have a dialogue with our employees and their trade union representatives on Fair Work because of the extent and pace of change that will continue as the Council transforms and modernises through to 2020. Focussing on what will make a positive difference to our people within the workplace will enhance capacity and strengthen the Council's ability to deliver the changes required to deliver the best possible services to the people of Perth and Kinross.
- 3.3 It is recommended that the Council:-
 - Notes the work of the Fair work Convention and the Fair Work Framework: ٠
 - Remits the Depute Chief Executive, HCC (Corporate and Community Development Services) and Chief Operating Officer to work with employees and trade unions to assess our people practices against the Fair Work principles and report back to a future meeting.

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Author(s)

Annroved

Name	Designation	Date
John Walker	Report by the Depute Chief Executive, HCC, (Corporate and Community Development Services) and Chief Operating Officer	13 April 2016

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	Yes
Corporate Plan	Yes
Resource Implications	
Financial	None
Workforce	Yes
Asset Management (land, property, IST)	None
Assessments	
Equality Impact Assessment	None
Strategic Environmental Assessment	None
Sustainability (community, economic, environmental)	None
Legal and Governance	None
Risk	None
Consultation	
Internal	Yes
External	None
Communication	
Communications Plan	Yes

1. Strategic Implications

Community Plan / Single Outcome Agreement

1.1 The proposals within this report will help develop our people pratices which in turn will support the delivery of the Perth and Kinross Community Plan / Single Outcome Agreement.

Corporate Plan

1.2 The proposals within this report will help develop our people pratices which in turn will support achievement of all of the Council's Corporate Plan Priorities:

2. Resource Implications

<u>Financial</u>

2.1 There are no financial implications arising from this report.

Workforce

2.2 The Corporate Human Resources Manager has been involved in the preparation of this report and will be responsible for taking the proposals forward.

Asset Management (land, property, IT)

2.3 There are no implications for land, property or IT.

3. Assessments

Equality Impact Assessment

3.1 The proposals have been considered under the Corporate Equalities Impact Assessment process (EqIA) and assessed as **relevant** to the extent that the proposed dialogue with employees and trade unions is designed to enhance fair work which will support the Council in fulfilling its statutory duties to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups.

Strategic Environmental Assessment

3.2 No action is required as the Act does not apply to the matters presented in this report.

Sustainability

3,3 No action is required as the Act does not apply to the matters presented in this report.

Legal and Governance

3.4 There are no legal issues arising within this report.

<u>Risk</u>

3.5 N/A.

4. Consultation

<u>Internal</u>

4.1 Directors have been consulted in the preparation of this report. Trade unions have been involved in the consultation undertaken by the Fair work Convention. They have welcomed the Council's approach to Fair work and will be fully involved in taking forward the recommendations within this report.

External

4.2 N/A

5. Communication

5.1 We will raise awareness of Fair Work through our staff communications. We will identify a cross section of employees to take part in the assessment of our people practices against the Fair Work dimensions set out withn the Framework.

2. BACKGROUND PAPERS

Fair Work Convention website – <u>www.fairworkconvention.scot</u>.

Fair Work Framework, 2016

Working Together Review: Progressive Workplaces in Scotland, 2014

3. APPENDICES

N/A