

## **BRECKLAND COUNCIL**

### **Report, on behalf of the Chief Executive to the General Purposes Committee, 16<sup>th</sup> February 2011**

#### **BASIC PERFORMANCE INCREASE**

##### **1. Purpose of Report**

- 1.1 This report outlines the proposals for the pay award for Breckland staff in 2010/2011. The proposals are based upon the outcomes of consultation with Unison.

##### **2. Recommendations**

It is recommended that the Council/Committee:

- 2.1 Award staff a Basic Performance Increase (BPI) of **0%** of their salary.
- 2.2 Award staff an increase of 0% of their salary for being rated Performing
- 2.3 Award staff an increase of 0.5% of their salary for being rated Overachieving
- 2.4 Award staff an increase of 1% of their salary for being rated Exceptional
- 2.5 Review and renegotiate the Basic Performance Increase (BPI) in a years time with renegotiated terms to be implemented in April 2012.
- 2.6 Review the PRP scheme for implementation April 2012

**Note:** In preparing this report, due regard has been had to equality of opportunity, human rights, prevention of crime and disorder, environmental and risk management considerations as appropriate. Relevant officers have been consulted in relation to any legal, financial or human resources implications and comments received are reflected in the report.

##### **3. Information, Issues and Options**

###### **3.1 Information**

- 3.1.1 A report was taken to the General Purposes Committee on 7<sup>th</sup> January 2009 entitled 'Breckland Performance Management and Pay Scheme' to discuss and agree the proposals for amendments to the existing performance related pay scheme.

- 3.1.2 It was agreed that the staff pay awards would be made up of the following two elements:

- A Basic Performance Increase (BPI)/ Cost of Living – consolidated to an individual's annual salary rated Performing and above. This percentage would also be the basis for reviewing and increasing the top and bottom of the salary scales for each grade.
- Performance Related Pay (PRP) award – consolidated (to the top of the scale) into an individual's annual salary 0% for Performing, 0.5% for Over Achieving and 1% for staff rated Exceptional. This award would be dictated by an individual's performance rating. Performance related pay was introduced following the withdrawal of the former incremental pay scheme.
- All awards are consolidated to the top of the pay scale and are pensionable. Any award above the top of the pay scale will be un-consolidated and paid as a one off bonus payment.

- 3.1.3 Following a series of consultation meetings with Unison, the following proposals are being put forward:

- 3.2 Award staff a Basic Performance Increase (BPI)/Cost of Living of **0%** of their salary.
- 3.3 Award staff an increase of **0%** of their salary for being rated Performing (up to 50% of staff)

- 3.4 Award staff an increase of **0.5%** of their salary for being rated Overachieving (up to 35% of staff)
- 3.5 Award staff an increase of **1%** of their salary for being rated Exceptional (up to 15% of staff)
- 3.6 Review and renegotiate the Basic Performance Increase (BPI) in a years time with renegotiated terms to be implemented in April 2012. Review the PRP scheme during 2011.

## Issues

- 3.2.1 **Employee relations** – Unison have advised that following a vote of their members they are unable to support the proposals and would prefer that any available budget was applied evenly across all performing staff. However if the budget were to be evenly spread across the organisation the scheme would be more generic rather than a Performance Related Pay Scheme.

## 3.3 Options

- 3.3.1 Against the background and issues already highlighted, the following options exist:
- 3.3.2 **Option 1** – To approve the proposed recommendation as set out in section 2 of the report.
- 3.3.3 **Option 2** – Not to approve the proposed recommendations, and request that further negotiation takes place.

## 3.5 Reasons for Recommendation(s)

- 3.5.1 The suggested preferred option for the Council is **Option 1**.
- 3.5.2 The Chief Executive has conducted a series of involved consultation meetings with the trade union and Human Resources representatives. Furthermore research has been conducted to ensure that the proposals suggested are not out of line with other comparable businesses, or with the forecasted national economy.

## **4. Risk and Financial Implications**

- 4.1 The recommendation for 0% Basic Performance Increase (BPI) is in line with public sector pay nationally as a result of the economic recession. This proposal is intended to recognise over achieving and exceptional performance and has been included in the 2010/11 estimating approved by Council. Please see attached Proforma B, Appendix 1.

## 4.2 Financial

- 4.2.1 The salary budgets for 2011/12 have been set assuming the percentage BPI and PRP increases as detailed in paragraphs 3.2 to 3.5 within the report. The estimate for salary budget is £21,500.

Therefore the proposed BPI and PRP levels are affordable within the current approved budget.

## **5. Legal Implications**

- 5.1 None

**6. Other Implications**

- a) Equalities: An Equalities Impact Assessment has been completed.
- b) Section 17, Crime & Disorder Act 1998: None
- c) Section 40, Natural Environment & Rural Communities Act 2006: None
- d) Human Resources: None
- e) Human Rights: None
- f) Other: [e.g. Children's Act 2004] None

**7. Alignment to Council Priorities**

- 7.1 7.1 The matter raised in this report falls within the following Council priorities:
- A safe and healthy environment
  - A prosperous place to live and work

**8. Ward/Community Affected**

- 8.1 N/A

Background Papers

None

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Key Decision Status (Executive Decisions only):

This is not a key decision.

Appendix

Appendix 1 – Proforma B

Appendix 1

**BRECKLAND COUNCIL PROFORMA B**  
(CAPITAL AND REVENUE BUDGETS)

FROM: Alison Chubbock (Accountancy Manager)

THIS PROFORMA PROVIDES THE FINANCIAL IMPLICATIONS IN RESPECT OF THE ATTACHED REPORT
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**REPORT:** Basic Performance Increase (BPI) Pay Award  
**REPORT DATE:** 3 February 2011

	£ Year 1 2010/11	£ Year 2 2011/12	£ Year 3 2012/13	£ Year 4 2013/14	£ Year 5 2014/15
<b>Revenue</b>					

**Total Revenue**

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**Funding required:**  
Total capital cost  
Revenue cost

**Considered by:**  
LJCC

**Date:**  
03/02/11

**Financial Services Comments**

The salary budgets for 2011/12 have been set assuming the percentage BPI and PRP increases as detailed in paragraphs 3.2 to 3.5 within the report.

Therefore the proposed BPI and PRP levels are affordable within the current approved budget.