

## **BRECKLAND COUNCIL**

**Report of:** Assistant Director Commissioning

**To:** General Purposes Committee - 29 May 2013

**(Author:** Neil Fordham, Payroll & Reward Manager)

**Subject:** PRP Scheme and Pay Award 2013/14

**Purpose:** To seek approval of the PRP and pay awards (for 2013/14)

### **Recommendation(s):**

It is recommended that the Council/Committee:

- 1) Award staff a Basic Performance Increase (BPI) of 1% of their salary;
- 2) Award staff an increase of 0.5% of their salary for being rated Overachieving;
- 3) Award staff an increase of 1% of their salary for being rated Exceptional;
- 4) Uplift pay scales (minimum and maximums) by 1.0% (as per Appendix A);
- 5) Agree the process and eligibility guidelines (as per Appendix C);
- 6) Review and renegotiate the Basic Performance Increase (BPI) and PRP awards in a year's time with renegotiated terms to be implemented in April 2014.

## **1. BACKGROUND**

1.1 The agreed budget for pay awards for 2013/14 is 1.325%. This compares to 0.325% in the years 2012/13 and 2011/12.

1.2 Staff PRP and pay awards are made up of the following two elements:

- A Basic Performance Increase (BPI) – 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 into an individual's annual salary. 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.

1.3 Under the current PRP scheme award values (%) have been applied based on the individual Officer's performance rating from the Annual Appraisal scheme. Pay awards processed in these previous years were applied as follows:

- Performing = 0%
- Overachieving = 0.5%
- Exceptional = 1.0%

Based on the expected split of these ratings (what % of staff should be awarded each rating) this was costed on the basis of the average of 0.325%.

## **2. ISSUES**

- 2.1 Breckland payscales have not been uplifted since 2009 (traditionally increasing when a 'cost of living' award was agreed) this has resulted in a significant number of staff, including all those at the top of their respective pay "grade", not receiving any increase in pay for the past 3 years.
- 2.2 Under the proposals contained within this report the 1.325% budgeted funds for 2013/14 awards would incorporate a 1% Basic Performance Increase and 0.325% to be allocated to Overachieving and Exceptional performers as prescribed below.
- 2.3 Unison have been consulted and have confirmed that they support the PRP and pay award proposals being put forward.
- 2.4 The following awards are proposed for 2013/14: -

### Basic Performance Increase

- Apply a 1.0% consolidated 'Basic Performance Increase' to all staff in post on 31<sup>st</sup> March 2013;
- Uplift the pay scale minimums and maximums by 1.0% with effect from 1 April 2013 (see appendix A); the BPI to be applied to salaries first, before the scales are uplifted;
- Awards effective from 1 April 2013.

### Performance Related Pay

- In addition to the BPI award above, consolidated PRP payments to be made, using the following ratings to determine % values (ratings taken from the 2012/13 annual appraisals):
  - Exceptional = 1.0%
  - Overachieving = 0.5%
  - Performing = 0%
- Awards consolidated up to the maximum of the respective pay band; non-consolidated PRP payments will be made where staff reach the maximum of their pay band.
- Awards effective from 1 April 2013.

## **3. OPTIONS**

- 3.1 Against the background and issues already highlighted, the following options exist:
- 3.2 Option 1 – To approve the proposed recommendation as set out in Section 2.4 of the report.
- 3.3 Option 2 – Not to approve the proposed recommendations, and request that further negotiation takes place.

## **4. Reasons for recommendations**

- 4.1 Option 1 is recommended. This option provides a Basic Performance Increase of 1.0% award plus the possibility of up to a further consolidated 1.0% award in respect of Performance Related pay (up to pay band maximums).

4.2 Uplifting of pay band minimums and maximums will allow staff who have been at the top of their scales since 2009, to receive a consolidated pay increase; since 2009 any award due for these staff would have been non-consolidated.

## **5. IMPLICATIONS**

### **5.1 Risk**

Risk of employee relations issues and grievances if the Authority does not implement a fair and consistently applied pay scheme.

### **5.2 Financial**

Proforma B attached. The proposals set out above fall within the current agreed budget for salary increases.

### **5.3 Legal**

None

### **5.4 Equality and Diversity**

None

### **5.5. Alignment to Council Priorities**

Yes

### **5.6 Wards/Communities Affected**

n/a

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Background papers:-

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#### **Key Decision**

no

#### **Appendices attached to this report:**

Appendix A: Proposed Pay Scales 2013/14

Appendix B: Proforma B

Appendix C: Pay Scheme Eligibility guidance