

 Employment Committee – June 16th 2011		Agenda Item No. 8
Title	Changes to the Final Increment Scheme	
For further information about this report please contact	Karen Warren	
Wards of the District directly affected	None	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	Yes/No If yes state why	
Date and meeting when issue was last considered and relevant minute number	None	
Background Papers	None	

Contrary to the policy framework:	Yes/No
Contrary to the budgetary framework:	Yes/No
Key Decision?	Yes/No
Included within the Forward Plan? (If yes include reference number)	Yes/No
Equality & Sustainability Impact Assessment Undertaken	Yes/No (If No state why below)

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	2/5/11	CMT
Head of Service	May 2011	Susie Drummond
CMT		As above
Section 151 Officer	May 2011	Mike Snow
Monitoring Officer	2/5/11	Andy Jones
Finance	May 2011	Mike Snow
Portfolio Holder(s)		
Consultation & Community Engagement		
<p>This report was taken to the JCF on 11th May 2011 where comments were received from GMB and Unison were considering it at a regional level</p> <p>Opinions gathered from Heads of Service</p>		
Final Decision?	Yes/No	
Suggested next steps (if not final decision please set out below)		

1. **SUMMARY**

- 1.1 This report outlines the changes recommended for the Final Increment Scheme applicable to all staff employed under JNC terms and conditions of employment.

2. **RECOMMENDATION**

- 2.1 The recommendation is that the Final Increment Scheme for Senior Manager is brought in line with the increment system in place for all JNC staff.

3. **REASONS FOR THE RECOMMENDATION**

- 3.1 The current scheme was last updated in February 2005 and applies to staff employed on the JNC for Chief Officer's terms and conditions; therefore this is applicable for all Head of Service posts and above.
- 3.2 It stipulates that staff must achieve a 'specified performance criteria', described as achieving targets and plans; and have been in post for two years before the final increment can be agreed. It also states that the scheme will be reviewed in line with changes to the Council's performance management framework.
- 3.3 The policy has been reviewed and within the Systems Thinking culture that the Council is endorsing, the methods of assessing achievement are not in tune with our continuous learning ethos. Systems thinking means a move away from target based assessments which have been shown to encourage behaviours and activities which are not necessarily focused on doing the right things for customers and are designed only to ensure that targets are met. Instead we are looking to encourage an approach whereby leaders support operational staff to focus on what matters to customers and leaders engage staff in continuously improving in relation to what matters to customers. This approach needs different relationship between leaders and operational staff which the existing approach based round "performance criteria" does not usually help.
- 3.4 It is therefore proposed that the Final Increment Scheme is brought in line with JNC increment scheme and progress is automatic and managed by exception. This does not mean a "watering down" of our systems of management. As with any members of staff, there are other robust methods for managing staff that are not achieving in their role – namely the Capability Policy and Probationary Periods. These existing policies, coupled with an approach which focuses on the customer and engaging staff in continuous improvement should aid motivation, performance and outcomes for customers.

4. **POLICY FRAMEWORK**

- 4.1 **Policy Framework** – the report does not bring forward changes to the policies listed below:
- Development Plan Documents
 - Fit for the Future
 - Food Law Enforcement Service Plan
 - The plan and strategy which comprise the Housing Investment Programme
- 4.2 **Fit for the Future** – The report brings in line the current scheme to reflect the culture and ethos that as a Council we aspire to by removing any artificial

targets and milestones and encouraging a focus on the customer and continuous improvement. It also brings it in line with the JNC staff increments.

5. **BUDGETARY FRAMEWORK**

- 5.1 There is not an impact on the Budgetary Framework, including the process set out in the Budget and Policy Framework Procedure Rules within the Constitution.

6. **ALTERNATIVE OPTION(S) CONSIDERED**

- 6.1 The recommendation was taken to CMT and alternatives were considered and in creating a new scheme it led to the question – what is the purpose of the scheme? What is it trying to achieve? Were the criteria of the scheme putting barriers in the way for staff doing their job and to what end was that adding to making Warwick District a great place to live, work and visit? Answering these questions led CMT to agree that a new scheme was not required if we were committed to putting Systems Thinking into the heart of everything that we do

7. **BACKGROUND**

- 7.1 See the current Final Increment Scheme at Appendix 1.