

	Insert name and date of meeting in this box.	Agenda Item No. 5
	Employment Committee – March 27 <sup>th</sup> 2012	
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Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?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	Employment 16 <sup>th</sup> June 2011	
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		CMT
Head of Service		Susie Drummond
CMT		As above
Section 151 Officer		Mike Snow
Monitoring Officer		Andy Jones
Finance		Mike Snow
Portfolio Holder(s)		
Consultation & Community Engagement		
Report for 16 <sup>th</sup> June 2011 was taken to the JCF on 11 <sup>th</sup> May 2011 where comments were received from GMB and Unison; at the same time opinions gathered from Heads of Service and SMT		
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. Report was brought in to Employment in June 2011 that outlined a recommendation that the final increment is automatic in line with the NJC scheme. This was rejected and the HR Manager was asked to bring forward further options to be explored.

## 2. RECOMMENDATION

- 2.1 The recommendation that the Committee are asked to consider is that the Final Increment Scheme for JNC staff is joined with the Appraisal Scheme so a clear link is made between achievements and reward 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 with the Systems Thinking principles that the Council is endorsing and is not in tune with our continuous learning ethos. We are encouraging leaders to support operational staff to focus on what matters to customers and leaders should be continuously improving what matters to customers.
- 3.4 The Employment Committee were concerned that achievements must have a clear relationship with reward and a clear mechanism used to measure and identify this relationship. The Appraisal Scheme is an integrated part of the Council's performance management systems and as it has a robust structure already; it is recommended that the Appraisal is the mechanism used to achieve the final pay increment.

## 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 CMT considered alternatives; 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 and the Appraisal scheme was ready made mechanism for review and assessment of achievement

7. **BACKGROUND**

- 7.1 If the final increment pay award is related to a successful Appraisal – this is already a scheme that is familiar and used by the Council already.
- 7.2 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.