

Report title:	Results of pay reward process 2017
Contains confidential or exempt information?	No.
Member reporting:	
Meeting and date:	Employment Panel, 14 August 2017.
Responsible Officer(s):	Alison Alexander, Managing Director and Director of Adult Social Services.
Wards affected:	None.

REPORT SUMMARY

This report summarises the results of the 2017 pay reward process. This year all employees received a 0.8% pay award and qualifying employees also received pay reward increases of between 0.35% and 1.38% depending upon their personal performance.

1 Details of Recommendation

RECOMMENDATION: That Employment Panel notes the report

2 REASONS FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

2.1 For this appraisal year, 2016/17:

- All employees had an appraisal by the deadline, 31 March 2017.
- There were four ratings – outstanding/excellent/good/unsatisfactory.
- The total points available were increased from 120 to 150.
- The ratio for the distribution of pay reward was 1:2:4 (good:excellent:outstanding)
- Employment Panel agreed the ranges for each rating in May 2017. See table 1.
- 11 review of appraisal score requests were received, three were upheld.
- 5 employees were excluded from pay reward on the basis of live disciplinary/capability/sickness absence management processes.
- 133 excluding casuals (219 including casuals) employees received the pay award only (excluded or started after 1 October 2016). These people were not eligible for pay reward.
- Pay reward payments were also processed for ex-RBWM employees transferred to Optalis, Volker and Project Centre.

2.2 The maximum score available for 2016/17 is 150, made up of 120 points for achievement of objectives and 30 points for the CREATE values, a maximum of five points for each of the six values. Table 1 sets out the score ranges for each rating and the number and percentage of staff in each rating.

Table 1: Score ranges for 2017

Rating	Score range	Employees in receipt of pay reward in addition to pay award
Outstanding	137+	There are 79 employees (9.81% of total) in this category.

Rating	Score range	Employees in receipt of pay reward in addition to pay award
Excellent	120 – 136	266 employees (33.04%)
Good	78 – 119	430 employees (53.42%)
Requiring improvement	77 or lower	30 employees (3.73%) - Improvement plans being implemented

- 2.3 Based on the budget available, the ratio and numbers of qualifying employees the final pay reward percentages and average pay reward value are set out in Table 2.

Table 2: 2017 pay reward percentage and average value

Rating	Pay reward %	Average reward value
Good	0.35	£ 80
Excellent	0.69	£ 210
Outstanding	1.38	£ 396

- 2.4 The total value of pay increases for 2017 i.e. pay award and pay reward are set out in Table 3.

Table 3: Total percentage increases for 2017

Rating	% Pay reward	Pay award %	Total %
Excluded	0	0.8	0.8
Started after 1/10/16	0	0.8	0.8
Requires Improvement	0	0.8	0.8
Good	0.35	0.8	1.15
Excellent	0.69	0.8	1.49
Outstanding	1.38	0.8	2.18

- 2.5 The combination of pay award and pay reward in 2017 and paying both at the same time, in June 2017, added a layer of complexity for pay award and reward. This will be addressed through further refinements to the scheme for 2018 and clearer communication of the reward element for employees.
- 2.6 HR will review and consider how best to manage the pay award and pay reward processes in 2018 given the issues this year and the added complexity next year of also managing Optalis and AfC payment processes and the programme of delivering differently projects planned completion at the end of the financial year.

- 2.7

Table 4: Options

Option	Comments
Employment Panel notes the report. Recommended option	

3 KEY IMPLICATIONS

Table 5: Key implications

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
None.					

4 FINANCIAL DETAILS / VALUE FOR MONEY

- 4.1 The approved revenue budget for pay reward was £500,000. The pay award accounted for £320,900. Employment Panel agreed that £180,000 was to be used for pay reward.

5 LEGAL IMPLICATIONS

- 5.1 The pay reward scheme allows the council to determine annually if and how it will distribute any budget identified for pay increases.

6 RISK MANAGEMENT

Table 7: Impact of risk and mitigation

Risks	Uncontrolled Risk	Controls	Controlled Risk
None identified.			Low.

7 POTENTIAL IMPACTS

- 7.1 None identified.

8 CONSULTATION

- 8.1 None required.

9 TIMETABLE FOR IMPLEMENTATION

- 9.1 The payments were processed in June.

10 APPENDICES

- 10.1 None.

11 BACKGROUND DOCUMENTS

- 11.1 None.

12 CONSULTATION (MANDATORY)

Name of consultee	Post held	Date sent	Commented & returned
Cllr L Targowska	Principal Member/		
Alison Alexander	Managing Director	01/08/17	02/08/17
Andy Jeffs	Executive Director	01/08/17	04/08/17
Rob Stubbs	Section 151 Officer	01/08/17	03/08/17
Mary Kilner	Head of Law and Governance	01/08/17	03/08/17

REPORT HISTORY

Decision type: Non-key decision	Urgency item? No
Report Author: Terry Baldwin, Head of HR 01628 796992	