

CHILTERN DISTRICT COUNCIL

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Chiltern District Council and Staff Joint Committee

Monday, 2nd August, 2010 at 10.00 am

Cabinet Room, Council Offices, King George V Road, Amersham

A G E N D A

- 1 Evacuation Procedures
- 2 Apologies for Absence
- 3 Declarations of Interest
- 4 Minutes
To sign the Minutes of the meetings held on 9 July 2010, circulated separately.
- 5 Performance Related Pay Scheme: Update (*Pages 1 - 2*)
Appendix 5 (Pages 3 - 4)
Appendix 5.1 (Pages 5 - 6)
- 6 Exclusion of the Public
To resolve that under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item(s) of business on the grounds that it involves the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Act.

Note: All Reports will be updated orally at the meeting if appropriate and may be supplemented by additional reports at the Chairman's discretion.

Membership: Chiltern District Council and Staff Joint Committee

Councillors: N M Rose - Chairman
Miss P A Appleby
A Dibbo
D W Phillips
J F Warder

Staff: A Whichelow – Vice Chairman
E Darvell
T Pearce
M Shirley
I Snudden

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CHILTERN DISTRICT COUNCIL

CHILTERN DISTRICT COUNCIL AND STAFF JOINT COMMITTEE – 2 AUGUST 2010

PERFORMANCE RELATED PAY SCHEME: UPDATE

Contact Officer: Alan Goodrum 01494 732001

RECOMMENDATION

The Committee is asked to note the views of the Personnel Committee on 28 July 2010 regarding the Performance Related Pay Scheme: Update.

Report

- 1 The Performance Related Pay Scheme: Update Report being considered by the Personnel Committee on 28 July 2010 is attached as Appendix 5.
- 2 The views of the Personnel Committee will be reported verbally to the Chiltern District Council and Staff Joint Committee at the meeting on 2 August.

Background papers: None

**CHILTERN DISTRICT COUNCIL
PERSONNEL COMMITTEE - 28TH JULY 2010**

PERFORMANCE RELATED PAY SCHEME: UPDATE

Contact Officer: Alan Goodrum 01494 732001

RECOMMENDATION

The Committee is asked to note the progress made, and to express any views on the options being considered on 2nd August, as described in the Appendix.

Report

Background:

- 1 Council resolved on 23rd February 2010: That the Council convenes without delay a meeting of the Personnel Committee to address the matter of the Performance Related Pay Scheme, to construct proposals as a basis for consultation and negotiation with Council staff.
- 2 At the last meeting of Personnel Committee, on 29th April 2010, it was agreed that the Chiltern District Council and Joint Staff Committee (CDCJSC) be convened as soon as possible to discuss the future of the Performance Related Pay scheme. An additional consultation mechanism was also set up for staff who were not necessarily union members.

Progress:

- 3 The CDCJSC has now met three times. There have also been three meetings with small numbers of non-union staff. The respective positions of the Council and staff sides have been stated, and explored. The range of possible options submitted for consideration to Personnel Committee on 9th February 2010 have been discussed and the 'hybrid' options worked up in more detail as regards the financial aspects.
- 4 There was joint agreement at the meeting on 9th July that a smaller number of the wide range on the table for discussion could be pursued further. A summary of each was requested, to enable further consideration. This is attached as *Appendix 5.1* and will be discussed at the CDCJSC on 2nd August.
- 5 Members of the Committee will recall the external legal advice which supported the view that change to the existing contractual arrangements would be best achieved by agreement, collectively, via the Joint Staff arrangements.
- 6 Copies of the legal advice will be available to members at the meeting and it will be necessary to resolve to go into private session if it is discussed.

**BRIEFING PAPER FOR THE CHILTERN DISTRICT COUNCIL AND JOINT STAFF
COMMITTEE ON 2ND AUGUST 2010**

Background:

At the meeting held on 9th July 2010, the Committee requested that a small number of the wide range of options and sub-options be summarised to enable further discussion. The full range previously discussed is:

- 1) Use the present scheme to achieve overall savings, plus 1(b) - In addition retain the full c.£110,000 savings from the current year's lack of a pay award.
- 2) "Buy out" the scheme for current staff.
- 3) Terminate the scheme, giving 3 months notice and no compensation.
- 4) Terminate the scheme, giving 3 months notice, but with 4 years protection for current staff.
- 5) Negotiate a revised scheme.
- 6) Hybrid options i.e. combinations of (1) - (5) (see below)
- 7) Suspending the 'pay' element of the current scheme.

Hybrid Options selected for further discussion:

As was made clear in the previous briefing papers, the hybrid options are a combination of a partial buy-out, by means of an increase in pay of 2% (funded from the budgetary provision made for this year's pay award and the deletion of the Recruitment budget), and negotiating a scheme with a lower range of possible payments, and lower average value/cost. The negotiations would be around the level of reduction to the scheme.

Members will appreciate that these are estimated figures, based on current staff salaries and past experience of payments made.

OPTION	CHANGE TO BASIC £	RANGE/BANDS				AVERAGE PRP%	SAVINGS ON PRP	COMMENTS
		SAT	GOOD	V GOOD	EXCELLENT			
Current scheme (1b)	0	0-2	2½-4	4½-6	6½-8	4%	0	But would capture £110,000 savings on pay award and £36,000 recruitment budget
6c(ii) Increase to basic with lower value scheme								But would not capture pay award and recruitment budget savings
I	2%	0	0.1-2.0	2.1-4.0	4.1-5	2.5	£109,875	
II	2%	0	0.1-1.5	1.6-3.0	3.1-4.0	2.0	£146,500	
III	2%	0	0.1-1.25	1.26-2.5	2.6-3.0	1.5	£183,125	
IV	2%	0	0.1-0.75	0.76-1.5	1.6-2.0	1.0	£209,750	
6c(iii) Only staff who have reached the top of their grade eligible (other staff still have incremental progression)	2%	0	0.1-2.0	2.1-4.0	4.1-6.0	3, for 2/3 of the staff, 0 for the rest	£73,250, rising to £164,580 over 4 years, if normal protection is given	But would not capture pay award and recruitment budget savings
6c(iv) As for 6c(iii), but with staff not at the top of the grade eligible for PRP at half-rate, reflecting the fact they receive increments shown in brackets	2%	0	0-1.2 (0.05-1.0)	2.1-4.0 (1.05-2.0)	4.1-6.0 (2.05-3.0)	3, for 2/3 of the staff, 1.5 for the rest	£123,500	But would not capture pay award and recruitment budget savings NB No protection given, savings immediate
6d	For any of the above models, the Council could, instead of adding a sum to basic pay, make a one-off lump sum (non-pensionable) payment to current staff, of an amount to be negotiated, together with a lower value scheme.							