

**UNRESTRICTED MINUTES OF THE REMUNERATION COMMITTEE  
THURSDAY, 14 APRIL 2011**

PRESENT :

\* DENOTES ATTENDANCE

Councillors Bull, \*Goldberg, \*Gorrie, \*Kober, \*Meehan (Chair) and \*Whyte

<b>MINUTE NO.</b>	<b>SUBJECT/DECISION</b>	<b>ACTION BY</b>
RECO21.	<p><b>APOLOGIES FOR ABSENCE</b></p> <p>An apology for absence was received from Councillor Bull.</p> <p><b>NOTED</b></p>	
RECO22.	<p><b>URGENT BUSINESS</b></p> <p>There were no items of urgent business.</p>	
RECO23.	<p><b>DECLARATIONS OF INTERESTS</b></p> <p>There were no declarations of interests.</p>	
RECO24.	<p><b>MINUTES</b></p> <p><b>RESOLVED</b></p> <p>That the unrestricted Minutes of the meeting of the Remuneration Committee held on 13 December 2011 be signed as an accurate record of the proceedings.</p>	
RECO25.	<p><b>REVIEW OF THE APPRAISAL SCHEME - TO FOLLOW</b></p> <p>The Chair asked for a brief introduction of the report.</p> <p>The Assistant Chief Executive – Mr Young advised the meeting that the report had been late due to the need to assess the proposed changes to the current performance appraisal scheme for the Chief Executive, Chief &amp; Deputy Officers, with the Independent external assessor – Mr Penn who was in attendance.</p> <p>Mr Young commented that in respect of the background to the changes proposed, the Committee would recall that at its previous meeting in December 2010 there had been concerns expressed as regards the current performance appraisal scheme having insufficient clarity in relation to performance and outcomes. Members had commented on the lack of sufficient transparency and little information provided on a large number of posts, and that the award of increments appeared by and large to be virtually automatic.</p>	

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In particular Mr Young referred the Committee to the table detailed at para 7.2 which gave an analysis of increments awarded over the past 3 years with the scheme allowing for awards ranging from 0-4 increments on either a consolidated or non consolidated basis. Mr Young advised that generally there had been awards of between 0-2 incremental pay points, with the majority of individuals receiving 1 increment.

Given the concerns expressed that the Committee were in effect being presented with a fait accompli at the point of considering the proposed increment awards Mr Young advised that the scheme was proposed to be revised to have a more focused and transparent scrutiny of the scheme with Chief and Deputy Chief Officers – approx 30 being subject to in depth analysis and a 360 degree peer/management appraisal. The existing scheme would apply to remaining senior officers. The terms of reference of the new Corporate Committee would be amended to reflect the proposed changes. As a result, the standards for awarding increments would change with for standard performance 0 increments to be awarded, for performance beyond targets 1 increment awarded, for exceptional performance 2 increments awarded, and for poor performance 0 increment awarded and formal procedural action. This would represent a variation in the contracts of SM graded staff and consultation would commence to seek this change.

Mr Young concluded that the proposed scheme was not one which allowed for large bonuses being paid to individuals and indeed individuals did their jobs because of a commitment to the work ethic and not salary led. He also advised that the variation to the proposed scheme affected both Mr Davies and himself any particular question that could compromise either could be asked to Mr Penn.

The Committee then undertook a wide ranging discussion in relation to the proposed changes to the performance appraisal scheme, the main points being:-

- That the setting of performance targets was key in terms of being able to assess performance, and that there needed to be some consideration of who should be responsible for setting these and where they should be signed off – and clarification sought and given in relation to whether this was the function of the Cabinet Member responsible for the service area, or by this Committee or its successor body, that Cabinet members were involved in the target setting together with individuals meeting with Chief Executive/Director responsible, to set targets;
- that the table shown at para 7.2 was not entirely accurate in terms of those 26 persons who did not receive an increment in that a number of those within that figure had either commenced the service with the Council after the appraisal year had commenced, or had left the Council' service during this period and comments in response that there was no intention to mislead in terms of the figures shown for 0 increments and that the tables also showed that the vast majority of individuals had received 1 increment;
- reference to para 7.4 of the report in respect of this Committee

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having discretion in terms of awarding increments and that there had been no occasion where this Committee had actually refused the awarding of an increment, and clarification that on previous occasions the Committee had deferred consideration of the award of increments pending further clarification/review of proposals;

- clarification of the number of persons now to be assessed under the proposed revised scheme and confirmation that there would be a clearer and more in depth focus for approx 30 individuals as opposed to 130, with the scheme's implementation being subject to staff side consultation and comment that the actual performance appraisal scheme was not a contractual matter but salaries were and therefore it was necessary to consult, and also give notification of a variation of the performance appraisal criteria;
- comments from members that the successor Cttee – the Corporate Committee should have a clear role in terms of approving of targets once they had been set through the already established target setting route of CE/Director and Cabinet member.

The Chair then summarised and it was:-

**RESOLVED**

That approval be given in principle to resolutions (i) to (iv) below noting the need for some to be the subject of appropriate consultation and notice to end the current performance appraisal scheme with staff;

- i. that the analysis of the application of performance appraisal for senior managers and Chief Officers in the Council, as detailed in para. 7.2 of the report be noted;
- ii. that approval be given in principle to the changes to the criteria for the award of incremental progression as detailed in paragraph 7.6 of the report;
- iii. that approval be given in principle to changes to the scope of the performance appraisal scheme to limit its application to Chief Officers and Deputy Chief Officers;
- iv. that the changes to the methods of assessment and proposals to amend appraisal documentation as detailed in para 7.8 of the report be noted;
- v. that it be noted that formal consultation would now commence on the revisions to the performance appraisal scheme and that any amendments to the proposals would be reported to the successor body to the current Remuneration Committee, the Corporate Committee, for consideration; and
- vi. that the successor body to the current Remuneration Committee that the Corporate Committee, terms of reference include responsibility for agreeing the finalised performance targets for Chief Officers and Deputy Chief Officers on an annual basis following the setting of the performance targets in line with current practices of Chief Executive/Director and Cabinet Member.

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<b>RECO26.</b>	<b>ANY OTHER UNRESTRICTED ITEMS OF BUSINESS THE CHAIR CONSIDERS TO BE URGENT</b> Nil.	
<b>RECO27.</b>	<b>EXCLUSION OF THE PUBLIC AND PRESS</b>  <b>RESOLVED</b>  That the press and public be excluded from the proceedings as Item 8 contains exempt information as defined in paras 1 & 2 of Section 100a of the Local Government Act 1972; namely information relating to any individual, and information which is likely to reveal the identity of an individual  <b>SUMMARY OF EXEMPT/CONFIDENTIAL PROCEEDINGS</b>	
<b>RECO28.</b>	<b>EXEMPT MINUTES</b>  Agreed the exempt minutes of the Remuneration Committee of 13 December 2011	
<b>RECO29.</b>	<b>ANY OTHER EXEMPT ITEMS OF BUSINESS THE CHAIR CONSIDERS TO BE URGENT</b> Nil.	

The meeting ended at 18.45hrs.

COUNCILLOR GEORGE MEEHAN

Chair