



Senior Managers Pay & Performance

Terms of the Scheme

Updated September 2018

1. This scheme applies to the Chief Executive, Deputy Chief Executives, Strategic Directors and Directors.
2. The pay review year will run from 1st April to 31st March.
3. Objectives agreed targets and leadership behaviours and values will need to be in place at the start of each review year on 1st April in order to ensure that staff have a clear idea of what is expected of them.
4. Individuals must be in post at the end of the review year in order to be eligible to receive any agreed pay award.
5. A review of the scheme will be undertaken at the end of each year and changes may be made in the light of this evaluation.
6. A key date checklist is attached (Appendix A).
7. The scheme seeks to measure the achievement of objectives and actions within target dates. (The 'What') It also measures the behaviours/values that are brought to the working environment by the individual through the use of the Council's Behaviours and Values framework (The 'How')
8. The objectives need to be clearly defined and actions need to have a time and quality indicator in order to ensure that individuals can evidence their performance and show what they have achieved by the end of the review year. The objectives/targets set must be SMART (Specific, Measurable, Achievable, Relevant and Timebound) and will be independently verified by the Senior Managers Pay Panel to ensure consistency across the organisation. Objectives may be reviewed during the year if circumstances change. Some objectives will be set corporately and will apply across the Senior Leadership Group.
9. The required leadership behaviours and values need to be demonstrated and will count towards the assessment of overall performance.
10. The scheme provides for a mid-year review of performance normally in October, in order that progress can be monitored and if there are development areas required these can be addressed within the Personal Development Plan.
11. For new recruits previous experience and existing salary level will be used to determine if an individual is placed on the 'rate for the job' or the 'development rate' appropriate to the grade.
12. Individuals must be at work and working subject to the pay scheme for a minimum of 4 months in the performance year in order to be eligible for an annual pay award at the end of the review year.
13. Individuals must be in post at the end of the review year in order to qualify for an annual pay award.
14. Individuals deemed as less than satisfactory within this scheme will not receive an annual pay award for that particular review year. In these cases, performance issues should be addressed through other mechanisms e.g. capability procedures.

15. Staff subject to this scheme will cease to have a contractual entitlement to NJC pay awards as the Council will no longer be part of the national machinery for pay bargaining for staff within the Senior Manager Pay Scheme. All other terms and conditions of service remain within NJC unless otherwise stated in contractual documents and amendments.
16. Grades are determined by the relevant job evaluation scheme.
17. All payments, including annual pay awards, are superannuable.
18. Pay awards will be considered annually by the Senior Managers Pay Panel having regard to:
 - a) Any national pay award agreed for the rest of the workforce.
 - b) Financial situation within the Council
 - c) Organisational, department, service and individual performance.
 - d) The prevailing situation in the labour market and its impact on salaries regionally and nationally, and the Council's ability to recruit and retain Senior Managers.
19. Following the assessment interview the documentation will then need to be completed by the individual member of staff, the line manager and (in the case of CMT members) by the Leader and the Leader of the Opposition. If there is disagreement over any aspect of the narrative, then this must be highlighted for the panel who will act as final arbitrators.
20. The scheme is applied as set out in the grid below.

Performance Related Pay for Senior Managers

| | |
|------------------|--|
| Not Met | Individuals who are not delivering against their objectives and/or who are not demonstrating the Council's values and leadership behaviours. |
| Under –achieving | Individuals who are not quite meeting their objectives and/or who are not fully demonstrating the Council's values and leadership behaviours. |
| Met | Individuals who are meeting their targets and objectives and who are demonstrating the Council's values and leadership behaviours. |
| Exceeds | Individuals who are delivering above expectation against some targets and objectives and/or who are champions of the Council's values and leadership behaviours. |

21. The scheme includes a review of development requirements at mid-year. Those who are under achieving will be given an opportunity to improve. If no improvement occurs, then other relevant policies will need to be applied.
22. The expectation is that the organisation will continuously improve through the use of this scheme.

| | |
|----------------------------------|--|
| Scope: | The scheme will apply to the Chief Executive, Deputy Chief Executives, Strategic Director and Directors. |
| Delegations: | Decisions on annual pay awards will be taken by a Member panel based on recommendations from the Chief Executive and advised by the Director of Transformation. |
| Amendments in this Issue: | New Policy : September 2006 Amended November 2009 Amended November 2010 Amended November 2011 Amended January 2012 Amended December 2013 Amended January 2015 Reviewed January 2016 Amended January 2017 Amended September 2018 |

Appendix A

Key Dates/Checklist

| <u>DATE</u> | <u>ACTION</u> | <u>ACTION BY</u> |
|-------------|---|--|
| February | Prepare end of year evidence to support delivery of objectives and demonstration of the Council's behaviours and values. Prepare draft objectives for the forthcoming year and highlight any known development needs | Individual |
| March | <p><u>Chief Executive</u> Appraisal meeting with Group Leaders to agree final year assessment and new year's objectives, behaviors and values</p> <p><u>CMT Members</u> Appraisal meeting with Chief Executive to agree final year assessment and new year's objectives, behaviours and values</p> <p><u>Directors</u> Appraisal meeting with Deputy Chief Executive to agree final year assessment and new year's objectives, behaviours and values</p> | <p>Individual / Group Leaders</p> <p>Individual / Chief Executive</p> <p>Individual / Deputy Chief Executive</p> |
| April | <p><u>CMT Members</u> Documentation to be forwarded to the Leader and the Leader of the largest opposition group for review and comment. NB Both leaders may choose to consult other members, including relevant Cabinet Members as part of this review.</p> <p><u>Directors</u> Documentation to be forwarded to the Chief Executive for review and comment</p> | <p>Individual / Leader / Leader of the largest opposition group</p> <p>Individual / Chief Executive</p> |
| May | Senior Managers Pay Panel meet to moderate all assessments and new objectives and to recommend any annual pay award. | Senior Managers Pay Panel |
| June | Cabinet to endorse the pay award recommendation of the Pay Panel | Cabinet |
| June / July | Individuals are notified of any annual pay awards | HR Services |
| October | Mid year review is held with the individual and Line Manager to review progress | Line Manager / Individual |