

## EMPLOYMENT MATTERS COMMITTEE

2 DECEMBER 2015

### REVIEW OF PAY PROGRESSION SCHEME

Report from: Tricia Palmer, Assistant Director, Organisational Services

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#### Summary

**To update the Committee on the suggested changes to the MedPay pay progression scheme following staff consultation.**

#### 1. Budget and Policy Framework

- 1.1 The staffing implications of pay progression are a matter for this Committee, which can decide on the policies and processes supporting any changes in staffing.

#### 2. Background

- 2.1 Further to staff, manager and Trade Union feedback, HR presented various changes to the MedPay scheme to Corporate Management Team on 24 June 2015. Corporate Management Team's subsequent decisions on these changes have now been shared with the whole staff group, as agreed by this Committee on the 9 September 2015. This report is an update on feedback received and recommended changes to make to the MedPay Policy.

#### 3. Consultation

- 3.1 Trade Unions were initially invited to comment on the proposed changes at the end of September. No comments were received. Following this, staff were invited to make comments for a period of two weeks from the 5 October to 16 October. A summary of the changes, as well as a link to a document containing greater detail was made available on More 4 You. The feedback levels from staff was very low. A total of 9 staff sent comments via email, of which only 5 related to the changes proposed.

3.2 Detailed below are the proposed changes and comments received from staff:

<b>Changes to Policy</b>	<b>Comments</b>
<p><b>Increasing from 3 levels to 4 levels</b> Keep Level 1 and 3 as they are, but to split Level 2 into (a) and (b)</p>	<p>This change was supported by all 5 responders. Two of whom made specific comments. One being that this change should only be introduced for 2016/17 rather than for 2015/16, and the other that more detail was needed if Level 2 (a) was only for staff just missing out on Level 1</p>
<p><b>Automatic Level 2 for staff with long term absences</b> Colleagues who are absent for sickness reasons are no longer given an automatic level and each case will be treated individually</p>	<p>Change supported by 2 responders but no specific comments received</p>

<b>Other Changes</b>	<b>Comments</b>
<p><b>Simplifying the paperwork</b> Making the forms more user friendly</p>	<p>Change supported by 2 responders but no specific comments received</p>
<p><b>Communication</b> Clearer guidance to managers on when to communicate the moderated levels once CMT have signed off</p>	<p>Change supported by 2 responders, with one making a specific comment to share proposed level prior to moderation</p>
<p><b>Alternative ways to recognise great performance</b> Other ways to reward staff with non-monetary rewards. Also, whether Level 2 (a) &amp; (b) should receive the same money, but Level 2 (a) to get an additional days leave for example</p>	<p>Change supported by 3 responders, with one making a specific comment to keep % increase same for Level 2 (a) but much smaller one off payment and letter of recognition</p>
<p><b>Extending the Year End process from February to March</b> By extending the time period for one month, this will alleviate time pressures to complete the process and allow senior managers to review the end of year budget position and take this into account when conducting reviews</p>	<p>Change supported by 2 responders but no specific comments received</p>
<p><b>Link for Senior Management and Budgetary Control</b> Senior/Service Managers must achieve a balanced budget to achieve Level 2</p>	<p>Change supported by 2 responders but no specific comments received</p>

3.3 In addition to the above changes, Corporate Management Team made other decisions relating to MedPay. This was to share more information with managers and staff to enhance their understanding of the scheme as follows:

- Level 1 – Corporate Management Team requested that information was shared with staff about the types of achievement that were assessed and moderated at this level. This detail was shared as part of the comments process in October 2015.
- Circulate alternative ways of recognition – details will be shared with staff and managers as part of the communication process regarding any changes to the scheme approved by Employment Matters Committee on 2 December 2015.

#### 4. Changes to the Scheme

4.1 Further to the feedback Corporate Management Team decided that increasing to four levels of assessment would enhance the scheme and recognise the full range of performance. The four levels would be as follows:

Level	Description	MedPay Progression Award	Additional Rewards
1 (A)	Excellence	Amount to be set by Full Council	A one-off payment to recognise wider contribution
1 (B)	Performance exceeded the required standard	Amount to be set by Full Council	An additional days leave as a one-off award
2	Performance to the required standard	Amount to be set by Full Council	None
3	Performance improvement required	No progression	None

4.2 A further change would be to only allow staff on maternity, adoption or other authorised leave to be automatically assessed at level 2. However, staff with less than six months work activity at the point of assessment because of sick leave will be assessed on a case by case basis, in consultation with HR.

## 5. Risk management

Risk	Description	Action to avoid or mitigate risk	Risk rating
Unequal MedPay assessments	Failing to undertake MedPay assessments in a fair and consistent manner across the organisation could lead to complaints of inequality from individuals. This would lose the integrity of the scheme.	Mandatory training provided to all managers undertaking MedPay assessments.  HR Services to undertake a 'sense-check' analysis of levels awarded and rationale for pay progression decisions across the organisation.	Medium

## 6. Consultation

6.1 As detailed in Section 3 of this report.

## 7. Financial implications

7.1 The amount of any pay award, including the additional days leave, will be determined by the council at Cabinet in February 2016. The cost of an additional days leave will be post dependant as to whether cover is required. The total cost of additional days leave is expected to be minimal and will be absorbed into the respective manager's salary budget.

## 8. Legal implications

8.1 None

## 9. Recommendations

9.1 Employment Matters Committee are asked to agree the revisions to existing policy by

- increasing to four levels of assessment by changing Level One to 1(A) and 1(B).
- to change the criteria for automatic Level 2 to apply only to staff on maternity, adoption, and other authorised leave.

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**Appendices**

Appendix 1 - Revised MedPay Policy Statement  
Appendix 2 - Diversity Impact Assessment

**Background Papers:**

None