# REPORT TO THE PERSONNEL, LICENSING & ADMINISTRATION COMMITTEE

Date of Meeting	3 <sup>rd</sup> June 2008	
Title of Report	Responsibility Allowance	
Link to Corporate Priorities		
Public Report	Yes	

## **Summary of Report**

The purpose of the report is to provide the Personnel, Licensing & Administration Committee with the information necessary to make a decision on the payment of a Responsibility Allowance to ensure that employees are fairly remunerated for covering corporate and other similar responsibilities.

## Officer Recommendations

The Committee are asked to approve the proposed Responsibility Allowance as set out in paragraph 3.4. of the report.

Other than those implications agreed with the relevant Officers and referred to below, there are no other implications associated with this report.				
Financial Implications	Legal Implications	Community & Environmental Implications	Human Resources Implications	Equality & Diversity Implications
Yes	None	None	Yes	Yes

Contact Officer	Elaine Orchard	Head of Human Resources	01249 706338		
	eorchard@northwilts.gov.uk				

#### 1. Introduction

1.1 The purpose of the report is to provide the Personnel, Licensing & Administration Committee with the information necessary to make a decision on the payment of a Responsibility Allowance to ensure that employees are fairly remunerated for covering corporate responsibilities.

#### 2. Recommendations

2.1 It is recommended that Personnel, Licensing & Administration Committee approve the proposed Responsibility Allowance as set out in paragraph 3.4.

## 3. Background Information

- 3.1 During the period leading up to the vesting of Wiltshire Council there have been changes at senior management and other management levels that have led to officers being asked to take on corporate responsibilities such as emergency planning and health & safety. Responsibilities of this nature would normally be held by someone on the Corporate Management Board. In addition to this managers may also need to ask officers to take on other responsibilities outside of normal duties.
- 3.2 The Council currently has the following policies in place to recompense employees who are taking on extra responsibilities:
  - a) <u>Acting-up</u>, this applies when a person is asked to take on the full responsibility of a post at a higher grade for more than 4 weeks.
  - b) <u>Ex-gratia payments</u>, these can be paid in the following circumstances:
    - Where more than one employee covers the duties of a higher graded post or alternatively where one person covers a proportion of the duties of a higher graded post (over and above the minimum period of four weeks).
    - (ii) Additional duties to those normally performed by the postholder (over and above the minimum period of four weeks).
    - (iii) Carrying out the duties which are deemed significantly and exceptionally onerous

An ex-gratia payment is primarily intended to reward employees for performing above and beyond the normal duties and responsibilities.

Generally the scheme will focus on performance, merit or commitment over a period of time or at the completion of a specific project. Due care and attention should also be exercised by managers to ensure that an employee operates within the scope of the Working Time Directive.

Good work can be rewarded more immediately, and it is possible to reward people at the top of their salary ranges without exceeding the pay structure.

c) <u>Market supplements</u>, these are paid when a grade of a post does not attract the number or calibre of applicants necessary to undertake the post.

The major difference between an ex-gratia payment, acting-up and the payment of a market supplement is that an ex-gratia payment is not superannuable.

- 3.3 However, none of the above applies fully to the circumstances leading up to vesting of Wiltshire Council and the need to ask officers to undertake responsibilities outside of their current role. It is clear that acting-up can be applied when an employee is taking on full responsibility and there are several employees who have been seconded into a more senior role who are in effect acting-up. The ex-gratia payment is most closely aligned to the circumstances; however, it only applies after the responsibility has been taken rather than as soon as the responsibility is given.
- 3.4 Therefore, it is proposed that the Ex-gratia Payment Policy is amended to allow for the payment of a Responsibility Allowance to be paid as soon as the responsibility is given to the employee. The method of calculation would follow that used for ex-gratia payments and market supplements, as appropriate, with the Chief Executive and the Corporate Management Board having delegated responsibility for authorising the payment. It would not be superannuable as the payment will not be for taking on the full duties of a post. In addition it cannot be paid beyond 31 March 2009 without a review being undertaken.

## 4. Financial Implications

4.1 Managers will still be expected to manage within their existing budgets.

## 5. Human Resources Implications

5.1 An approved policy will enable managers to manage changing situations with flexibility and reduced employee relations issues.

#### 6. Equality & Diversity Implications

6.1 An approved policy can be monitored to ensure that it is being applied equally to all.

#### 7. Risk Analysis

7.1 It is possible that as we move towards vesting day that there will be a reduction in senior managers as they move into new roles with Wiltshire County Council in preparation for being part of Wiltshire Council. North Wiltshire District Council needs to have a flexible approach to managing remuneration that will ensure specific corporate responsibilities are not missed.

Appendices:	•	None
Background Documents Used in the Preparation of this Report:	•	Acting-up and Ex-gratia Payment Policy Market Supplements Policy

#### Previous Decisions Connected with this Report

Report	Committee & Date	Minute Reference
None		