



Not for Publication

Appendix 1 to this report is considered exempt under Access to Information Procedure Rule 10.4 (4) and (5).

Report of the Director of Resources and the Director of Environment and Neighbourhoods

General Purposes Committee

Date: 23rd September 2010

Subject: Introduction of Performance Related Pay Schemes

Electoral Wards Affected:

Ward Members consulted
(referred to in report)

Specific Implications For:

Equality and Diversity

Community Cohesion

Narrowing the Gap

Executive Summary

1.0 Purpose of This Report

1.1 Further to the report to the General Purposes Committee (GPC) on the 6th September 2010 this report sets out a further analysis of the options appraisal presented in order to inform a decision in relation to the implementation of a Performance Related Pay (PRP) Scheme for the Refuse Collection Service.

1.2 Appendix 1 to this report is considered exempt under Access to Information Procedure Rule 10.4 (4) and (5), because it contains information relating to negotiations in connection with industrial relations and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings. It is considered in these circumstances that the public interest in maintaining the exemption from publication outweighs the public interest in disclosing the information.

2.0 Background Information

2.1 On 6th September 2010 when the GPC met and considered this issue Members resolved to:

Note that further work is being done to identify the potential introduction of PRP schemes in other areas of the Council's workforce;

Note the criteria set out at Appendix 1 to the report as the criteria by which PRP schemes considered for introduction within the Council are assessed;

Support the introduction of a PRP scheme within the Refuse Collection Service provided that it meets the criteria set out at Appendix 1 to the report and subject to consideration of further financial information to be provided by the Director of Resources.

To convene a further emergency meeting following the provision of the Director of Resources' further information to the group leaders.

3.0 Main Issues

3.1 The options appraisal outlining the legal and financial implications is set out at confidential **Appendix 1**.

4.0 Implications For Council Policy And Governance

4.1 Members are asked to fully consider the risks set out in the options appraisal with regard to developing the Refuse Collection Service.

5.0 Legal and Resource Implications

5.1 Members will be aware of the risks associated with the Equal Pay agenda. The potential introduction of a PRP scheme carries risks with it and these have been the subject of legal advice and conference. The decision to introduce a PRP scheme in any area of the Council's workforce can carry risk of Equal Pay challenge but at the same time potential benefits in terms of better and more efficient services.

5.2 Members are aware that there are options to consider as alternatives to the introduction of a PRP scheme. These alternatives require full and proper consideration before Members reach a conclusion on the relative merits of these approaches. An analysis of the risks with relevant legal advice and financial information is set out at Appendix 1.

5.3 If approved a PRP Scheme will form part of the collective agreement with the Trade Unions, which is subject to final negotiations.

6.0 Conclusion

6.1 The risks set out at Appendix 1 have to be balanced against the benefits in implementing a PRP scheme, which will provide long awaited modernisation of the Refuse Collection Service coupled with significant financial operational savings.

7.0 Recommendations

7.1 Members are recommended to:-

- Agree to the introduction of a PRP scheme within the Refuse Collection service and authorise the Director of Resources to finalise negotiations with the Trade Unions in order to enter into a collective agreement to bring this into effect.