



15 SALARY POLICY

INTRODUCTION

Berrigan Shire Council and The Berrigan Shire Council Consultative Committee both acknowledge that the attached Salary Policy has been agreed to by both the Council of Berrigan Shire on behalf of the Ratepayers and Residents of Berrigan Shire and the Consultative Committee on behalf of the employees of the Berrigan Shire.

The Berrigan Shire Council Salary Policy (2006) is based on the current requirements of the Notional Agreement Preserving the Local Government (State) Award 2004.

Endorsed Between Berrigan Shire Council and Berrigan Shire Council Consultative Committee

1 STATEMENT OF INTENT

Berrigan Shire Council's Salary System will take into consideration the priorities and concerns of Council, its employees, management, relevant legislation, the community and other relevant parties. The salary system will

1. Be fair and equitable, providing equal opportunity for all staff.
2. Be aimed at providing quality and timely delivery of customer services which are cost effective and/or market competitive.
3. Provide flexibility to maximise workforce productivity and to optionally reward high performance.
4. Provide opportunities for progression and job security based on:
 - Gaining and using agreed skills
 - Performance
5. Be simple in design and easy to administer.
6. Be communicated to all staff and the community.
7. Be market competitive in order to attract and retain employees, while being within the Council's ability to pay.
8. Be supported by relevant training to develop agreed skills required by Council.
9. Through the facilitation of training, provide the opportunity for career paths for all employees.
10. Provide opportunity for employees to participate in setting competency and performance standards.



2 KEY ELEMENTS OF THE BERRIGAN SHIRE COUNCIL'S SALARY SYSTEM

Definitions

Agreed Plans:	These include routine and improvement objectives.
Casual:	Employee engaged on a day to day basis.
Entry Level:	Is the minimum amount payable for the position upon appointment.
Grade Structure:	A 22 Grade structure will be used (see Appendix A).
New Employees:	Employee who has previously not worked with this Council.
Plant & Machinery Operators	Drivers and plant operators.
Performance Payment:	Each grade/level has a performance payment on a rating scale up to 3% of the annual salary which will be used as a performance incentive.
Performance Management:	This is the development of an Action Plan and Training Plan by the employees with their supervisors which is monitored for achievement of agreed objectives.
Permanent Full-Time:	Employee engaged on the basis of a regular number of hours.
Permanent Part-Time:	Employee engaged on the basis of a regular number of hours which are less than the full-time ordinary hours.
Temporary:	Employee engaged for a specified time period. Temporary employment is subject to Award conditions and generally will not exceed 12 months
Trainee:	Employee undertaking a fixed term contract with no permanency of continued employment (ie: 12 months).
Fixed Term Temporary	Same as a temporary employee, engaged for a specific time period and also can be subject to specific funding and a specific project eg. Roads to Recovery.
Core Skills	Must have or obtain to progress to the top of the grade.
Elective Skills	Skills that are desirable for the position.



3 SALARY MODEL

The following agreement has been reached:

- The Berrigan Shire Council Salary Model will consist of an entry level and three steps each of entry plus 3%, entry plus 6% and entry plus 9%. An at risk performance component will be available at entry, each of the steps and on going, currently up to 3% (Appendix A).
- All employees encouraged to participate in a skill and performance review.
- Employee participation in the performance review is optional.

4 GRADE MOVEMENTS

Movement between the Grades will generally only be available through a successful job application or job reclassification (Both subject to GM approval).

Therefore movement to higher Grade levels must:

- add value to the job and the Council
- have been incorporated into the individual's training plan
- add motivation
- be measurable

Jobs shall be re-evaluated in the following circumstances:

- If a position is newly created.
- If a significant change has occurred in the duties and responsibilities of the position (at least a 20% increase), which is confirmed by the relevant Director.
- If an evaluation has been conducted and has resulted in an apparent anomaly.

5 RECRUITMENT

New employees will normally be appointed to the "Entry Level" of the appropriate Grade.

Appointment to a higher Grade will require the approval of the General Manager (also refer to paragraph 4 of this section).

After a probationary period generally not more than 3 months, the Manager will assess the employees agreed skill level and will establish whether they remain on the current pay level within the relevant Grade or progress.

All positions will be advertised in a manner sufficient to enable suitably qualified persons to apply for the position and if appointed then the person/s will be paid at



the nominated rate of pay. Internal applications shall be encouraged from current Council staff.

Where it is believed that there are an adequate number of likely internal applicants, positions may initially only be advertised internally.

6 PROGRESSION IN GRADES

Progression from one step within a grade to another will be based on the acquisition of and use of agreed skills.

If the individual acquires and competently uses the agreed skills they may move one step of the relevant grade at the skills assessment, which is conducted at least annually. The General Manager has the discretion, in exceptional circumstances, to move employees based on the criteria of acquiring and competently using agreed skills, more than one step.

Skill descriptors will be established and agreed for all relevant jobs.

Progression shall be assessed against the following:

Entry Level	Basic requirements to obtain the position.
Step 1	Gain 30% or more of the agreed skills including entry level.
Step 2	Gain 50% or more of the agreed skills including entry level.
Step 3	Gain 80% or more of the agreed skills including entry level.

Each Position Description to contain at least 25 agreed skill descriptors.

The agreed skill descriptors must include those skills regarded as core skills (must have or obtain to progress to the top of the grade) and elective skills (those skills that are desirable for the position).

7 PLANT & MACHINERY OPERATOR SKILL PATH

It is recognised that there is a skill pathway for Plant & Machinery Operators based on the Civil Construction Training Package (BCC98).

Currently the grade range for Plant & Machinery Operators ranges from grade 3 to grade 9.

8 BENEFITS

All benefits (including motor vehicles, telephones and superannuation) should be included in calculating total employment package for all employees. This total should be communicated to employees at review time and are provided for information only.



9 TRANSITION ARRANGEMENTS

If an individual is currently paid higher than the entry level of the relevant grade, Council acknowledges that this was due to the performance and skill of the employee under the previous Award and they will be translated to an equivalent level within the agreed new grade.

10 HIGHER GRADE

Existing award conditions for higher-grade duties will apply.

An employee who is required by Management to relieve in a position which is a higher grade in the Berrigan Shire Council's salary system shall be paid for all the time spent relieving in that position. The rate to be paid shall be determined by considering the skills/experience applied by the employee relieving in the position but shall be at least the minimum rate for that position in accordance with the salary system except where the higher level skills have been taken into account within the salary of the relieving employee.

11 SALARY POLICY REVIEW

In order to ensure the salary policy continues to align with the needs of the Council, employees, relevant legislation and the community's expectations, there will be a review every two years or more often if the need arises.

12 STRUCTURE COVERAGE

All employees, other than Contract employees, will be covered by the Salary System.

For Contract positions, market forces will determine remuneration.

Trainees and Apprenticeships will be in accordance with Award conditions.

13 ALLOWANCES

Allowances will be paid in accordance with Award conditions.

14 HOW TO DETERMINE POSITION VALUE

All jobs will have an up to date Position Description including purpose, responsibilities/duties, qualifications and skills.

The dimensions of skills required to perform each position have been determined and should be reviewed annually.

These skills are then entered into the evaluation system to identify the points for the position (Appendix B).



The Grade is determined from this information, and depending on the points originally determined it may be necessary to adjust the grade level salary to accommodate the range of additional skills required to match the position within the salary point structure.

15 PERFORMANCE

The performance component of up to 3% is available as part of the agreed salary system.

In addition to the demonstrated use of competencies, performance is rewarded through the Council's Performance Management System. The range of performance from minimum of 0% to a maximum of 3%. The individual performance bonus percentage will be determined and communicated each year to the employee with the following principles:

- no surprises
- performance review is an ongoing process of improvement it is not an event.

These principles require performance to be reviewed periodically (both formally and informally) throughout the appraisal cycle.

16 THE KEY ELEMENTS OF THE PERFORMANCE REVIEW ARE:

- a) to provide supervisors and employees with the opportunity to review the employees achievements against the agreed plans and objectives..
- b) to encourage ongoing two-way communication on job performance between the Supervisor and the employee.
- c) to determine appropriate pay for performance evaluation and rewards.
- d) to identify training and development requirements and to encourage the expression of career preferences.

17 RATINGS SCALE

The following ratings will apply to the performance appraisal (as shown in Appendix C)

0%	Learning/needs improvement
1.5%	Competent
3%	Highly Competent

Above is to be used as a guide and progress in multiples of .5%.

The percentage of performance bonus paid should depend on the outcomes of the agreed plan and performance standards.



18 THE PERFORMANCE MANAGEMENT PROCESS:

- Jan/Feb the employee and supervisor will agree on an action plan which will list the expected objectives.
- Employee's performance will be appraised June/July and November after objectives have been set.
- A training plan will be developed and a skills review undertaken for each employee when the employee and supervisor sets their objectives in Jan/Feb each year. Additionally, any salary increase as a result of the assessment shall be effective from the 1st July each year.
- Once end of year assessment is completed, the employee will be paid the appropriate performance bonus. This will take place in December each year. In November the Performance Review shall be carried out as follows:
 - Supervisor reviews the performance of the individual over the last performance management period.
 - Employee comments on the Supervisors review, noting achievements, strengths or weaknesses not recognised.
 - Supervisor and employee identify areas to improve job performance and agree on appropriate action. Action plan is completed.
 - Supervisor rates the overall performance of the employee.
 - Supervisor and the employee can make comments.
 - Date of review is recorded.

Forms for the performance review will be reviewed yearly and improvements incorporated.

19 HOW TO IDENTIFY IF PERFORMANCE MANAGEMENT IS TO BE UNDERTAKEN.

A - Permanent Full-Time or Part-Time:

These employees are encouraged to be fully integrated into performance management.

B - Casual:

Due to the short-term nature of casual employment, and the fact that it is on a day-to-day basis, casual employees will not as a general rule be included in performance management. However, in the event that a casual is employed on a regular and systematic basis, a performance payment may be recommended by the supervisor, and paid at the discretion of the General Manager.

C - Limited Tenure

Limited tenure positions extending for less than 12 months but spanning the majority of the performance assessment period, shall be included in performance



management. Limited tenure/fixed term employment in excess of 12 months may exist where funding is received for a specific project, and would be subject to a Council agreement in compliance with Clause 33 of the Local Government (State) Award 2004. In this case the employees would be subject to performance management.

D - Trainees:

Trainees contracted to fulfil a position for a fixed term,(12 months) may only participate after they complete their traineeship and if they continue to work with Council.

E - New Employees:

The process a new employee should follow is:

Learn about the Council and the job. After a settling in period, the supervisor explains the performance management system, and appropriate objectives are then set.

The maximum time between commencing employment and setting the objectives is to be 6 months.

Formula for payment is:

$$\frac{\text{Number of fortnights since objectives set} \times Y\% \text{ of annual salary}}{26}$$

Y% = the rating percentage.

F - Employee Arriving Late in the Year:

If an employee commences work with Council after June 30th then they are not included in Performance Management until the next year, however they are to have access to an annual assessment.

G - Performance Management & Leave:

For the purpose of this policy, any form of leave taken during the performance period shall not impact on the calculation of the payment at the end of the year. At the conclusion of the performance period the employee performance and achievements will determine the %.

H - Change in job within council:

Existing employee should be assessed on the whole year on both jobs combined.

The employee has a final review at the conclusion of the previous job, then (as soon as possible) sets objectives for the new job.



The supervisor can be different at each of these reviews if this is relevant.

Payment at the end of the year is based on:

$$\frac{(\text{No. of fortnights} \times Y\%) \text{ old job annual salary} + (\text{No. of fortnights} \times Y\%) \text{ new job annual salary}}{26}$$

***Note**

Y = the rating percentage.

The number of fortnights for new job is the time from objective setting to final review (ie. not necessarily from commencement date).

I - Persons leaving before end of year:

Will be assessed against the agreed targets and in accordance with specific timeframes. Council encourages loyalty and rewards performance from its employees and this can be achieved through completion of agreed targets and plans to the satisfaction of Council.

20 OVERTIME/WORKING ON RDO'S

Where there is prior agreement between the council and the employee, an employee directed to work in excess of ordinary hours may elect either to be paid the appropriate overtime rate or be granted time in lieu equivalent to the actual hours worked. This sub-clause shall not apply to employees who are on call or called back to work.

Employees Electing Time in Lieu may

(a) Take the rostered day at an alternative day in the following four weeks;
or

(b) accrue up to five days (The General Manager may approve of accrual of more than five days in exceptional circumstances).

Both (a) and (b) are to be taken at a mutually agreeable time.

21 TRAINING

Employees shall be provided with reasonable and equitable access to training which will facilitate progression within the salary system and provide the opportunity to gain the necessary skill to perform their job.

22 COUNCIL'S BUDGET

Council shall in considering the budget each year take all steps to ensure that the skill progression and performance payments are funded and that employees have the opportunity to move through the skill steps based on assessment against the acquisition and use of skills.



In exceptional cases such as high public liability payments or high WorkCover penalties etc. the performance bonus can be influenced by the Council's ability to pay.

23 AWARD VARIATION

The grades and salary steps as agreed shall increase by the same quantum and be operative from the same date as variations in the Notional Agreement preserving the Local Government (State) Award 2004.

24 GRIEVANCE PROCESS (DISPUTES)

Grievances and disputes which arise through the operation of the Berrigan Shire Council Salary System, shall be handled consistent to Clause 30, grievance and dispute procedures of the Notional Agreement Preserving the Local Government (State) Award 2004.

25 PUBLICATION

Copies of the Berrigan Shire Council Salary System shall be published and made available to all employees.



APPENDIX A

Example of Salary Payment Table – Fortnightly - (As at 1 July 2015)

New Grade		Entry Level	Step 1 (Entry + 3%)	Step 2 (Entry + 6%)	Step 3 (Entry + 9%)
Trainee		As per Award			
1		1541.00	1565.38	1605.78	1646.78
2		1609.12	1640.88	1698.04	1731.74
3		1644.38	1690.76	1738.46	1786.12
4		1683.80	1719.70	1768.42	1817.26
5		1703.54	1753.16	1802.74	1853.66
6		1765.50	1817.26	1870.26	1923.22
7		1830.20	1885.20	1940.04	1994.96
8		1912.16	1969.62	2026.96	2084.30
9		1993.84	2053.78	2113.58	2173.16
10		2075.50	2137.88	2199.92	2262.26
11		2210.96	2277.20	2343.70	2409.88
12		2348.66	2418.92	2489.62	2560.00
13		2484.08	2558.62	2633.12	2707.62
14		2620.66	2699.28	2777.88	2856.62
15		2756.74	2839.46	2922.16	3004.72
16		2892.66	2979.58	3066.26	3153.16
17		3098.28	3191.20	3284.20	3377.12
18		3301.58	3400.58	3499.66	3598.70
19		3506.58	3611.70	3717.00	3822.16
20		3710.38	3821.62	3933.08	4044.22
21		3915.70	4033.24	4150.66	4268.04



An at risk performance payment of up to 3% is available at entry level, each of the steps and on going.

The above table will vary with award movements. Current rates of pay may be obtained from the Payroll Officer.



APPENDIX B

SALARY POINT STRUCTURE

<i>Grade</i>	<i>Points Range</i>
Grade 1	100 – 140
Grade 2	141 – 150
Grade 3	151 – 175
Grade 4	176 – 190
Grade 5	191 – 215
Grade 6	216 – 240
Grade 7	241 – 280
Grade 8	281 – 315
Grade 9	316 – 350
Grade 10	351 – 380
Grade 11	381 – 410
Grade 12	411 – 440
Grade 13	441 – 480
Grade 14	481 – 520
Grade 15	521 – 550
Grade 16	551 – 590
Grade 17	591 – 630
Grade 18	631 – 660
Grade 19	661 – 710
Grade 20	711 – 750
Grade 21	751 – 800
Grade 22	801 –



APPENDIX C

**SHIRE OF BERRIGAN
PERFORMANCE APPRAISAL
RATINGS SCALE
ROUTINE AND IMPROVEMENTS**

<p>Doing <u>Less</u> or <u>Learning</u> the Plan</p> <p>(0%)</p> <p>Learning/needs improvement</p>	<p><u>Doing</u> the Plan</p> <p>(1.5%)</p> <p>Competent</p>	<p>Doing <u>More</u> than the Plan</p> <p>(3%)</p> <p>Highly Competent</p>
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