

Date: 2023-09-26

Subject: **Salary Administration Policy: Annual Reporting – January 1 to December 31, 2022**

Contact: **Cynthia Ogbarmey-Tetteh, Director, Human Resources**

Report Number: Corporate Support Services-2023-843

Recommendations:

1. That the report from Cynthia Ogbarmey-Tetteh, Director, Human Resources to the Committee of Council Meeting of October 25, 2023, re: **Salary Administration Policy: Annual Reporting – January 1 to December 31, 2022**, be received;

Overview:

- **The City of Brampton’s Salary Administration Policy is founded on the principles of building trust and confidence, ensuring transparency, consistency, equity, and fostering innovation.**
- **The Council approved Salary Administration Policy 4.1.0 on November 1, 2017, with an effective date of January 1, 2018. This policy focused on promoting our investment in people through fair and consistent guidelines applied across employees and clear oversight controls for accountable leadership and increased levels of authorization to establish public trust and confidence.**
- **In compliance with the Council Resolution CW378-2017, staff is required to report to Council on the application of Salary Administration Policy 4.1.0.**
- **There are no direct financial implications resulting from this information report.**

Background:

The Salary Administration Policy came into effect on January 1, 2018, along with Council Resolution CW378-2017 mandating staff in Human Resources (HR) to report to Council on the application of this policy.

A modernized salary administration policy, procedures and practices is critical to attracting, retaining, and engaging a skilled and high-performing workforce. Reviewing the data associated with the out-of-policy critical cases informs Council on the effectiveness of our salary administration approaches to attract and retain top talent.

Current Situation:

The Salary Administration Policy enables practices that maintain our progressive market position, while fostering an engaged and innovative workforce. The best practice principles within this policy elevate the level of oversight, compliance, and our commitment to leading industry practices.

To ensure policy compliance and meet staff direction within Council Resolution CW378-2017, Human Resources is required to report to Council on the application of Salary Administration Policy 4.1.0. Specifically, reporting on critical business that were approved in circumstances that required consideration for the attraction and retention of top talent and specific instances of inversion, under-fill, or voluntary transfer to a lower grade.

This report presents the data from January 1, 2022, to December 31, 2022. Appropriate documentation of the approvals from the Operating Department, HR, Finance and the Chief Administrative Officer (CAO) have been completed in preparation for this report. Any salary adjustment transactions at the City of Brampton were processed using an Employee Data Change (EDC) form. HR used the EDC query to examine all the salary adjustment transactions for the period: January 1, 2022 to December 31, 2022. The following summarizes the salary administration application and associated financial impacts.

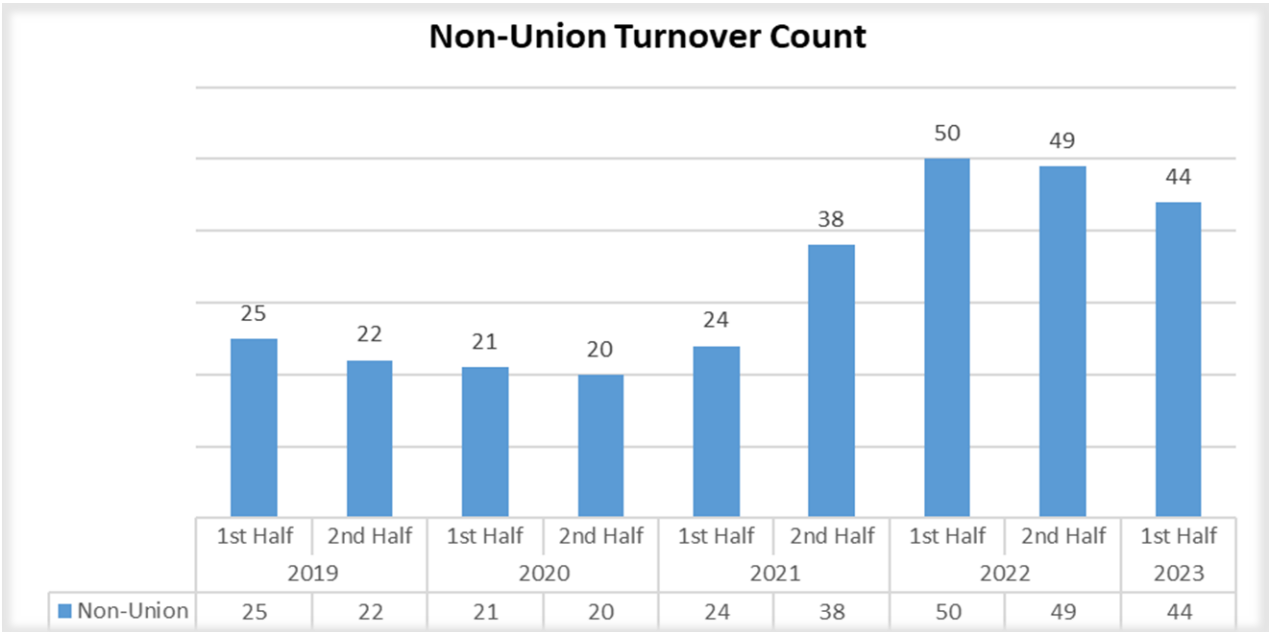
Table 1: Salary Administration Usage of Key Initiatives (January 1, 2022 – Dec. 31, 2022)

Salary Admin Policy Category	No. of Employees	% of Employees (on total Staff)	2022 Prorated Cost	Annualized Cost
Critical Attraction	4	0.54%	\$16,640	\$28,923
Critical Promotion	17	2.29%	\$83,051	\$270,068
Critical Retention	21	2.83%	\$71,986	\$176,083
Approved Critical Business Cases	42	5.65%	\$171,678	\$475,074
Inversion	2	0.26%	\$6151	\$8,202
Under-Fill	4	0.54%	(\$56,670)	(\$82,905)
Voluntary Transfer (to lower grade)	0	-	-	-
			-	
Total Incidents	48	6.46%	\$121,159	\$ 392,169

As per the policy, the approval of the above items required submission of a formal business case, which includes consultation with Finance and HR, along with sign-off by the department head, HR, and the CAO. The approval process for critical cases must also include a review of organizational impacts and an examination of internal equity to ensure fairness and consistency. Internal equity is the comparison of employee salaries in the same grade relative to knowledge, skills and years of experience based on the nature of the position. The critical business cases include a rationale to support the request and how it aligns with the execution of the City’s Strategic Plan and Council Priorities.

2022 was a challenging year in attracting and retaining employees. For non-union employees, the voluntary turnover rate has been steadily increasing over the last four (4) years and we are starting to observe a decline.

Table 2: Non-union Turnover Count 2019 to 1st Half of 2023



Non-Union voluntary turnover showed an overall upward trend since 1st half of 2021. The 1st half of 2023 has shown a decline compared to 2022 1st half. Using exit interview data from 2022, the top reason listed as contributing to the turnover for non-union employees was better job opportunities which encompasses salary.

In recognition of the attraction and retention challenges, a market review of non-union salary ranges will be conducted through an external vendor to assess how we compare with similar organizations. This work will inform the non-union compensation program and the City’s philosophy and goals to remain competitive and place us in a state of readiness for for the integration of employees from the Region of Peel to enable the provision of essential services to the residents of Brampton

Corporate Implications:

Financial Implications:

There are no direct financial implications resulting from this information report.

Strategic Focus Area:

This report underscores the City of Brampton's commitment to Government and Leadership objectives, emphasizing service excellence, equity, innovation, efficiency, effectiveness, accountability, and transparency. It highlights the significance of performance evaluation, individual recognition, sound salary administration, and fiscal responsibility to taxpayers. The Pay-for-Performance program aligns performance with corporate goals, supporting talent attraction and retention for service excellence to the community.

Conclusion:

This report highlights full compliance to the Salary Administration Policy 4.1.0. and this review satisfies the application of policy and administration requirements, as per Council resolution CW 378-2018. HR will continue to provide annual updates to Council.

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