

Annex 6 –Draft Proposal for a Performance Supplement

Subject to the satisfactory achievement of agreed targets as outlined in your Annual Objectives document as part of your Performance & Development Review (PDR) process, you will be entitled to a Performance Supplement of up to 10% of your base salary, payable at year end, in accordance with the following scale:

Performance achievement	Performance Supplement Payable
Less than 60% of targets achieved	Nil
60% targets achieved	4% of base salary
80% targets achieved	6% of base salary
90% targets achieved	8% of base salary
100% targets achieved	10% of base salary

This scale is modelled on the following principles;

- Simple to understand and administer
- Pay is a reinforcer not a motivator
- Reward is for outputs / outcomes
- Payout is weighted against high performance

Therefore, it's design is:

- A simple linear scale
- No supplement for below average achievement, i.e. less than 60%
- Final 2% supplement for remaining 10% achievement