

# Public Document Pack

Legal and Democratic Services



## HUMAN RESOURCES PANEL

Thursday 4 July 2019 at 5.30 pm

The members listed below are summoned to attend the Human Resources Panel meeting, on the day and at the time and place stated, to consider the business set out in this agenda.

Councillor Peter Webb (Chairman)  
Councillor Christine Cleveland  
Councillor Alex Coley

Councillor Robert Foote  
Councillor Colin Keane  
Councillor Guy Robbins

Yours sincerely

A handwritten signature in black ink, appearing to read 'J.C. Beldan'.

Chief Executive

For further information, please contact Democratic Services, tel: 01372 732121 or

### AGENDA

#### 1. DECLARATIONS OF INTEREST

Members are asked to declare the existence and nature of any Disclosable Pecuniary Interests in respect of any item of business to be considered at the meeting.

#### 2. HUMAN RESOURCES OVERVIEW (Pages 3 - 42)

This report provides an overview of Human Resource and Organisational Development activity which supports the Council's wider team wellbeing, providing evidence of good practice and up to date employment policy.

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## HUMAN RESOURCES OVERVIEW

<b>Head of Service/Contact:</b>	Shona Mason, Head of HR & Organisational Development
<b>Urgent Decision?(yes/no)</b>	No
<b>If yes, reason urgent decision required:</b>	
<b>Annexes/Appendices (attached):</b>	<b>Annex 1</b> - Employee Pay & Reward Policy <b>Annex 2</b> - Gender Pay Gap Report 2019 <b>Annex 3</b> - HR Policy Review Timetable <b>Annex 4</b> - Sickness Absence
<b>Other available papers (not attached):</b>	Epsom & Ewell Borough Council Behaviour Framework

### Report summary

This report provides an overview of Human Resource and Organisational Development activity which supports the Council's wider team wellbeing, providing evidence of good practice and up to date employment policy.

### Recommendation (s)

- (1) That the Panel receives the Human Resources overview report and outlines any particular areas for development or further reporting.

## 1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

- 1.1 To ensure that the Council successfully delivers its key priorities, service plans and strategies it is imperative that the Council has an engaged, skilled and motivated team.
- 1.2 The team's wellbeing, ensuring that the Council undertakes sound employment practice and has up to date employment policies is important to achieving this.

- 1.3 The activity of the Human Resources and Organisational Development team supports the organisation in achieving its people aims with its service delivery plan centred on supporting the service plans of the wider Council and the Behaviour Framework, to achieve the Council's key priorities.

## **2 Background**

- 2.1 In order for the HR Panel to consider areas of wellbeing, HR policy and best practice, this report will provide details of the following areas which the HR team have undertaken:

- Employee Pay & Reward
- National Living Wage and Voluntary Living Wage
- Gender Pay Gap
- Job Evaluation
- Review of HR Policies
- Key Metrics:
  - Labour Turnover
  - Workforce Profile
  - Recruitment
  - Sickness Absence
- Health and Wellbeing at Work
- Learning and Development and Apprenticeships
- Inclusion & Diversity

## **3 Employee Pay & Reward**

- 3.1 Over the past four years the Council's Pay Policy has focussed on the implementation of the recommendations from the Local Government Association (LGA) Pay & Performance Review, which was undertaken in June 2016. The LGA recommended moving from a performance related pay scheme to annual pay progression for all, along with a cost of living award. The table below summarises the actions which have been taken in relation to pay in line with the 2016 - 2020 pay policy.

Year	Pay Award	Changes to Performance Management / Pay Structure	Additional Reward
2016/17	1.5%	None – operation of previous appraisal scheme  Consultation undertaken on new scheme	None
2017/18	1.5%	Used previous appraisal scheme to inform annual progression for all in line with new scheme	None
2018/19	0%	Introduction of My Performance Conversations  Moved from 20 Market Anchors to 12 Grades  Annual increment for all who met criteria moving from SCP to the next	Employees at the top of their grade progressed to SCP9+ (new increment for this year only)  1% non-consolidated payment paid to employees at the top of their grade (new increment for this year only)
2019/20	1%	My Performance Conversations used to inform pay progression  Removal of Grade G12  Removal of SCP1 across all grades  Introduction of SCP10 across all grades	Additional day's leave added to contractual annual leave entitlement

- 3.2 In February 2019 a new Employee Pay & Reward Policy for the period 2020 – 2024 has been drafted and consulted. The aim of this new policy was to clearly define the Council’s pay practices which will remain the same and set out the Council’s intention to award cost of living increases based on CPI for the period 2020 – 2024. It should be noted that within the policy there is a proposed cap of 3% to ensure affordability. The draft policy can be found in **Annex 1**.
- 3.3 As well as providing greater transparency over how pay is structured and calculated, the new policy also provides information relating to peripheral pay areas such as recruitment and retention allowances and relocation and determines the circumstances when it is appropriate to consider additional payments. The policy standardises current practice and reflects the changes that have been made over the past four years in the following areas:
- Pay on Appointment
  - Annual Progression
  - Honoraria Payments
  - Pay Protection
  - Payment of Salaries
  - Overpayments
  - Consultation
  - Pay definitions and calculations
- 3.4 Building CPI based increases into the next Medium Term Financial Plan will facilitate better financial planning and will mean that consultation will only need to take place once for the next four years. This is a move away from the annual consultation and approval process, which has previously left staff frustrated by their perceived lack of ability to influence the cost of living pay award due to the budgeted funds being set aside well before consultation commences. The feedback from Staff Consultative Group was largely positive.
- 3.5 A summary of the pay policy for the next four years is outlined in the table below:

Year	Pay Policy
2020 - 2021	Across the board pay award based on CPI taken in Sept 2019
2021 - 2022	Across the board pay award based on CPI taken in Sept 2020
2022 - 2023	Across the board pay award based on CPI taken in Sept 2021
2023 - 2024	Across the board pay award based on CPI taken in Sept 2022

- 3.6 The funding for the new Employee Pay & Reward Policy will be incorporated into the Council's Medium Term Financial Strategy. The draft policy does form part of the wider HR policy review and will be submitted to Strategy & Resources in due course for approval.

#### **4 National Living Wage (NLW) and Voluntary Living Wage (vLW)**

- 4.1 The National Living Wage increased on 1 April 2019 from £7.83 to £8.21. All employees are paid in line or above the NLW.
- 4.2 The Voluntary Living Wage increased from £8.75 to £9.00 on 31 October 2018. The Council views vLW positively, but there has been no formal commitment within our Pay Policy to pay the vLW rate to ensure affordability.
- 4.3 The deletion of grade G12 and SCP1 across all grades further reflects the Council's commitment to the Voluntary Living Wage. From 1 April 2019, all EEBC employees (with the exception of Casual workers and Apprentices) are paid at an hourly rate which is greater than the Voluntary Living Wage rate of £9.00 per hour.
- 4.4 The vLW is not currently paid to all Casual workers, who are paid in line with legislative requirements and Apprentices, who are paid at the applicable NLW rate for their age.

#### **5 Gender Pay Gap**

- 5.1 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 introduced a mandatory requirement for employers with 250 or more employees to publish details of their gender pay and bonus gap on an annual basis.
- 5.2 Organisations are required to publish the following data:
- the difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees;
  - the difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees;
  - the difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees;
  - the difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees;

- the proportions of male and female relevant employees who were paid bonus pay;
  - the proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands
- 5.3 The Council's latest Gender Pay Gap report (snapshot date 31 March 2018) is attached **Annex 2**.
- 5.4 The following analysis is based on the findings reported by the Local Government Association in 2019, which summarises the data provided by a total of 319 English local authorities (as submitted to the Government's gender pay gap service).
- 5.5 Across the UK economy as a whole:
- the mean gender pay gap is 12% and the median is 9.7%
  - 78% of all organisations paid men more than women
  - 34% of all organisations had a majority of women in the highest quartile pay band
- 5.6 In local government:
- the mean gender pay gap is 6.8% and the median gap is 5%
  - 66% of local authorities paid men more than women
  - 62% of local authorities had a majority of women in the highest quartile pay band
- 5.7 For the second year running the Council has reported a negative mean GPG of -15.3%
- 5.8 The pattern from the UK economy as a whole, and in local government specifically is not reflected in the make-up of the Borough Council's workforce, where the majority of front-line Operational Services Operatives within Waste and Recycling are men, and where line management and senior management roles are held by a significant proportion of women.
- 5.9 Areas that affect the GPG include offer of flexible working, offer of parental leave, supporting parents with childcare all of which the Council currently supports. Creating an inclusive culture, supporting career development, progression for part time workers and supporting diversity and inclusion all contribute to having a balanced GPG.
- 5.10 Gender pay is not a subject about which the Borough Council is complacent, and we are committed to doing everything that we can to reduce the gap. However, we also recognise that our scope to act is limited in some areas. We have, for example, no direct control over the subjects that individuals choose to study or the career choices that they make.

## **6 Job Evaluation**

- 6.1 Due to the significant changes made to the pay structure over the past four years, some pay disparities have resulted and now need to be resolved to ensure the pay structure is sound moving forward.
- 6.2 As part of the Pay and Performance Review, it was agreed that the Council would introduce the use of the National Joint Council (NJC) job evaluation scheme and would undertake a job evaluation exercise across all roles to ensure that they are graded correctly. This will provide a sound, equitable and transparent pay structure for the Council moving forwards.
- 6.3 In considering how the job evaluation exercise could be expedited to minimise impact and disruption to the organisation and morale of staff, it has been agreed that the exercise should be undertaken by South East Employers rather than undertaken in house. This is largely due to the commitment of time and resource needed to complete the exercise.
- 6.4 The Council has taken steps to help streamline the job evaluation process by defining job families, introducing generic role profile templates and drafting initial policies and procedures to support with the implementation of the NJC Job Evaluation Scheme.
- 6.5 Consultation has taken place on the generic role profile templates and associated Job Evaluation policies and procedures. The HR team have been working closely with managers to provide guidance and information to enable them to produce new generic role profiles by the end of June 2019 so that job evaluation can be undertaken.
- 6.6 All roles will be evaluated using the NJC Job Evaluation Scheme by March 2020 to ensure that they are graded appropriately and are correctly positioned within the Council's pay structure.

## **7 Review of HR Policies**

The Council has a number of core HR Policies which include:

- Attendance Management Policy
- Capability Policy
- Grievance Policy
- Disciplinary Policy
- Work & Families Policies – Maternity, Paternity, Shared Parental Leave, Adoption, Parental Leave, Flexible Working
- Managing Workforce Change Policy
- Equality, Diversity & Inclusion Policy
- Recruitment & Selection Policy

- Performance Management Policy
- Pay Policy

- 7.1 The above list is not exhaustive but outlines the core HR policies which make up its people framework.
- 7.2 Over the past 18 months the HR team has delivered significant changes to the Council's Pay Structure, Performance Management scheme, Behaviour Framework and Job Evaluation scheme all of which are ongoing. These changes are the result of planned and systematic culture change to create an organisation which is flexible, adaptable and accountable, providing the foundations of a fit for purpose people framework.
- 7.3 In order to continue to develop the organisation further and create the culture that is needed for the future, the people framework needs to support the organisation to achieve its objectives and create a culture of accountability and flexibility.
- 7.4 The HR team have been working to realign our policies with the new pay structure, performance management scheme and behaviour framework and to ensure that our policies are structured in a way that provides clarity and guidance for the managers and staff who have to use them.
- 7.5 Each policy needs to meet legislative requirements along with ACAS codes of practice to ensure that the Council is meeting its legal obligations and to mitigate risk and any potential challenge.
- 7.6 The timescales for completion and implementation of the new People Framework are as follows and outlined in **Annex 3**:
- Staff consultation (via Staff Consultative Group) – Phase 1 July/Aug  
Phase 2 Sept / Oct
  - HR Panel – 17 December 2019
  - Strategy & Resources Committee – 30 January 2020
  - Implementation – Feb 2020 onwards

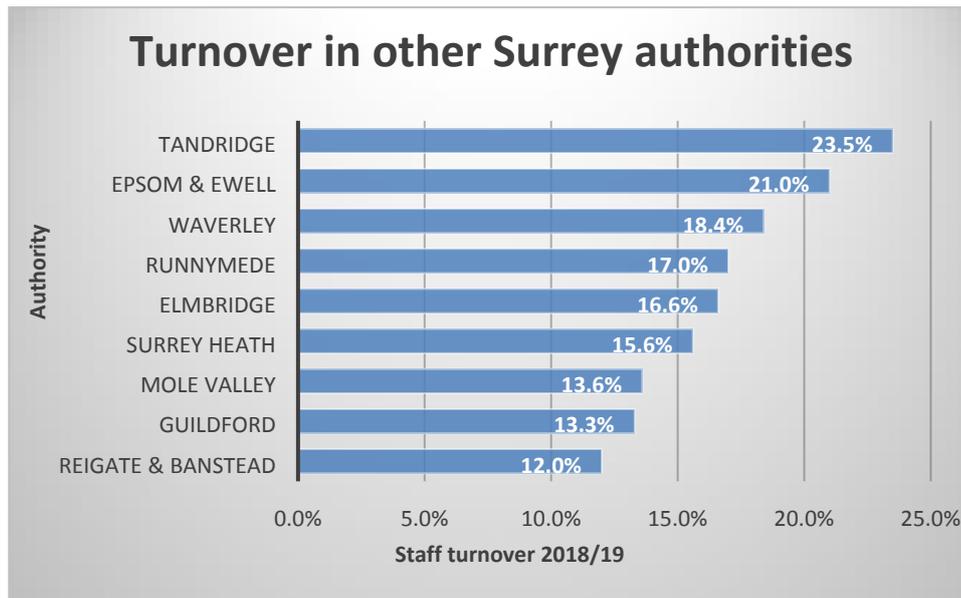
## 8 Turnover

- 8.1 Employee turnover is detailed in the table below:

	Voluntary Reasons	Total Leavers
2016-17	41 (13.3%)	58 (20.4%)
2017-18	42 (13.7%)	49 (16.0%)

2018-19	43 (14.1%)	63 (20.7%)
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8.2 The table below details the 2018/19 employee turnover rates in other Surrey authorities. It should be noted that, whilst the figures provided by some authorities (including Epsom & Ewell) include all leavers, others (Elmbridge, Mole Valley and Reigate & Banstead) have calculated their figures based on voluntary reasons for leaving only. Therefore there is no like for like comparison.

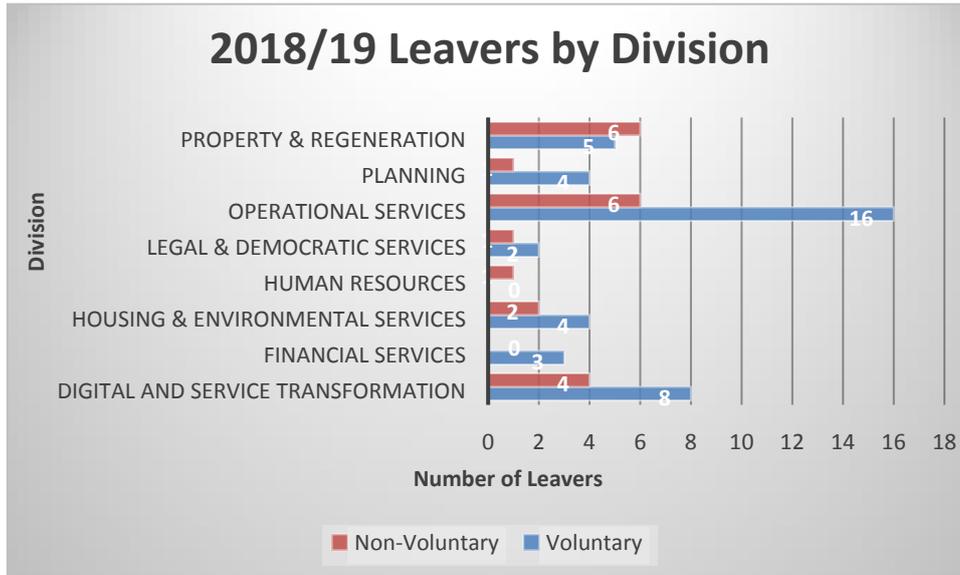


8.3 A breakdown of the reasons for employees leaving the Council's employment during 2018/19 is provided below:

EPSOM & EWELL 2018/19  
LEAVERS BY REASON FOR LEAVING

Death in Service	1
Dismissal	1
End of FTC	8
Redundancy	5
Resignation	37
Retirement	6
Retirement - ill health	3
Unsatisfactory probation	2

8.4 The table below details 2018/19 leavers by Division.



- 8.5 It should be noted that voluntary leavers includes resignations and retirements and non-voluntary leavers includes Death in Service, Dismissal, End of FTC, Redundancy, Ill Health Retirement and Unsatisfactory probation.
- 8.6 According to XpertHR data the median voluntary resignation rate across the UK has risen to 14% in 2019.
- 8.7 XpertHR state that “This is because the level of employment in the UK is at a record high. Every time you have a high-employment situation in the labour market, you’ll see high levels of churn in the workforce.”
- 8.8 In terms of the Council’s turnover, it should be noted that the borough adjoins Greater London which is the country’s largest employment market and this is likely to always impact upon EEBC’s recruitment and retention of staff. In addition, EEBC is a small authority by local government standards and, consequently, opportunities for promotion and development may be fewer than in larger public sector organisations.

**9 Recruitment**

- 9.1 During 2018/19 the HR team managed 76 recruitment campaigns covering a total of 95 vacant posts. Of these, 16 campaigns (18 posts) were re-advertisements where the initial campaign did not result in an offer of employment being made.
- 9.2 61 offers of employment were made, resulting in 56 appointments. Of the 56 appointments, 10 were internal transfers / promotions. 4 candidates declined the offer of employment and the Council withdrew 1 offer of employment due to unsatisfactory pre-employment checks.

- 9.3 Recruitment activity has remained consistent over the past three years, with 69 campaigns in 2016/17, 76 campaigns in 2017/18 and 76 campaigns in 2018/19. The level of recruitment activity can be attributed to the increase in employee turnover, which is detailed above.
- 9.4 During 2018/19 we have experienced particular difficulties in recruiting to roles in the following areas:
- Planning
  - LGV Drivers
  - HR Information & Systems Officer
- 9.5 In order to address these difficulties the Council has applied welcome payments / market supplements to ensure recruitment and retention in these posts.
- 9.6 Recruitment is an ongoing activity for the organisation. To ensure the offer to potential employees is attractive and the Council is able to market itself as an employer of choice the HR team are working on the following initiatives:
- Development of recruitment microsite
  - Recruitment promotional video
  - Introduction of the Jobs Go Public application tracking system
  - Increased use of Linked In/social media for job advertisements
  - Collaborative working with the Marketing Officer
  - Tracking the success of different media in attracting candidates
  - Review of on boarding and induction processes
  - Revision of the recruitment policy
  - Training and skills development for recruiting managers

**10 Workforce Profile**

- 10.1 The headcount as at 31 March 2019 was 304. There is no significant change from 2018, where the headcount was 307.
- 10.2 The table below provides a comparison between the Borough profile 2018/19 and the Council’s workforce profile as at 31 March 2019.

Category	EEBC Borough Profile	EEBC Workforce Profile
Ethnicity	14% Ethnic minority group 86% White Background	11.2% Ethnic minority group 80.3% White Background 8.5% Not known
Gender	51% Female 49% Male	47.7% Female 52.3% Male

Age	0-14 - 19% 15-24 - 11% 25-34 - 11% 35-44 - 14% 45-54 - 15% 55-64 - 11% 65-74 - 10% 75-84 - 6% >85 - 3%	0-14 - n/a 15-24 - 4.3% 25-34 - 15.5% 35-44 - 18.8% 45-54 - 27.0% 55-64 - 28.6% 65-74 - 5.6% 75-84 - 0.3% >85 - n/a
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10.3 The number of Council employees who have declared a disability (as defined by the Equality Act 2010) is 7.9%.

## 11 Sickness Absence

11.1 Effective absence management involves finding a balance between providing support to help employees with health problems stay in and return to work, and taking consistent and firm action to manage the impact and costs associated with sickness absence.

11.2 The Council's approach to managing sickness absence is detailed in **Annex 4**.

## 12 Learning & Development and Apprenticeships

12.1 The Council continues to offer a range of learning and development opportunities for staff from formal training courses to on the job training.

12.2 Individual and team development needs are collated by line managers via the My Performance Conversations and a training needs analysis is undertaken to identify appropriate budget. During the analysis for 2018/19 the following broad training needs were identified:

- Professional Courses
- Management Skills
- Office Skills
- Legal Updates
- Health & Safety/ First Aid/ Fire
- Practical & Operational

12.3 During 2018/19 the training activity has included:

- Induction Training for New Employees
- Professional, Skills and Corporate Training
- E Learning – statutory and legislative awareness
- Management Training / Coaching
- IT Skills Training

- Statutory Skills Training (e.g. Health & Safety, driver skills etc)
- 12.4 The Managers' Huddle continues to prove popular with Managers. The sessions are run in house by Kathryn Beldon, Chief Executive & Shona Mason, Head of HR & OD with the agenda set in collaboration with the Managers Huddle working group. Other team members also present at the Huddle to provide a varied and interesting agenda.
- 12.5 The aim of the sessions is to provide a development, networking and engagement opportunity where Managers can learn about specific subjects, meet and learn from other Managers across the Council and provide feedback on topics and projects that are currently being undertaken.
- 12.6 In the first Managers' Huddle of 2019 the topics covered were Emergency Planning, Recruitment Portal, and Role Profiles/Job Evaluation. Managers also participated in a "laughter yoga" session, which was well received by the majority of delegates.
- 12.7 The Managers' Huddle will continue to be hosted three times per year. The next sessions will take place in June/July 2019, where managers have been invited to participate in a two day Coaching course.
- 12.8 During 2019/20 the Council is seeking to build on the learning and development opportunities by appointing to a Learning & Development specialist role. The appointment will allow the needs of the organisation to be better met and will support with the ongoing development of the Council's managers and employees in developing key skills and knowledge. The advertisement is due to go out shortly and upon appointment the individual will be responsible for reviewing the Council's learning and development needs and working to build and deliver a tailored training programme.
- 12.9 The Council continues to increase its offer of Apprenticeships. While the Council needs to establish funds to pay the Apprentices' salaries the qualification that they undertake can be paid from the Apprenticeship Levy, which the Council is required to contribute to.
- 12.10 The Council currently has Apprentices in the following areas:
- ICT
  - Revenues & Benefits
  - Communications
- 12.11 We are also actively recruiting to Apprentices in the Executive Office, Finance and Environmental Health and hope to make appointments soon.

### 13 Inclusion & Diversity

- 13.1 The Council's Inclusion & Diversity group meets regularly to focus on specific deliverables to support with the Council's duty under the Equalities legislation.
- 13.2 The Equalities Act prevents unfavourable treatment on the grounds of nine protected characteristics, which are Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy & Maternity, Race, Religious Beliefs, Sex, Sexual Orientation.
- 13.3 The Public Sector Duty is:
- To eliminate unlawful discrimination
  - To advance equality of opportunity
  - To foster good relationships.
- 13.4 The Inclusion & Diversity Group are responsible for championing Inclusion & Diversity, reviewing Equality Impact Assessments and supporting initiatives throughout the year.
- 13.5 In 2018/19 the group pushed forward with the initiatives making progress on the following:
- Initial review of easy read documents within the Housing department
  - Inclusion & Diversity Event for Staff – Faith Awareness
  - Collation of information on work done with vulnerable Syrian families
  - Development of ward and borough profiles
  - Identifying good practice by Brighton & Hove in relation to Equality Impact Assessments documentation
- 13.6 The Inclusion & Diversity Faith Awareness event was a huge success with around 60 employees attending to hear two speakers talk about Islam and Hinduism while afternoon tea was served. The event was very well attended and very informative creating an inclusive environment.
- 13.7 The Group are in the process of finalising 2019/20 priorities and have provisionally agreed the following:
- Publishing ward information which is accessible
  - Review of workforce profile
  - Arrange a visit to the Stoneleigh Hindu Temple
  - Investigate best practice for individuals who identify as non-binary
  - Host an event to celebrate Inclusion & Diversity
  - Engage with the following community groups:
    - Disability Confident
    - Access to Work
    - Outline Surrey Support Group

- Review our Equality Impact Assessment forms (EIAs) and work with service heads to ensure EIAs forms are completed where there are proposed significant service changes

#### **14 Financial and Manpower Implications**

- 14.1 All HR and Organisational Development activities take place within agreed budgets.
- 14.2 Savings will continue to be made where possible ensuring the Council can provide a quality HR service in a cost-effective way.
- 14.3 As an example addressing high levels of sickness can directly impact on the efficiency of the Council improving overall productivity and reducing sickness related costs such as covering front line services.
- 14.4 Chief Finance Officer's comments:** The next Medium Term Financial Strategy for 2020-2024 will be developed to take into account the Employee Pay & Reward Policy, once approved.

#### **15 Legal Implications (including implications for matters relating to equality)**

- 15.1 There are no legal implications arising from the contents of this report
- 15.2 **Monitoring Officer's comments:** None arising from the contents of this report.

#### **16 Sustainability Policy and Community Safety Implications**

- 16.1 None

#### **17 Partnerships**

- 17.1 None

#### **18 Risk Assessment**

- 18.1 It is imperative that the Council follows fair and consistent HR procedures because the potential costs against the Council should it fail to implement a fair and robust process and procedure could be substantial should an Employment Tribunal claim be successful. As well as the financial costs, the reputational damage to the Council, as a public sector employer, could be considerable.
- 18.2 It is worth noting that there is no limit on compensation payable in successful claims of discrimination on the grounds of one of the protected characteristics defined in the Equality Act 2010.

**19 Conclusion and Recommendations**

- 19.1 The Panel is asked to receive and note the contents of the report and annexes and identify any areas for development.

**Ward(s) affected:** (All Wards);



DRAFT

## Employee Pay & Reward Policy

Version number: 1  
Date: January 2019

**Tracking**

<b>Policy Title</b>	Employee Pay & Reward Policy		
<b>LT sign off</b>	XX		
<b>Committee</b>	Strategy & Resources	<b>Date approved</b>	
<b>Review due date</b>	4 years	<b>Review completed</b>	
<b>Service</b>	HR		

**Revision History**

Revision Date	Revisor	Previous Version	Description of Revision

**Document Approvals**

Each revision requires the following approvals:

Sponsor Approval		Name	Date

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## 1. Purpose

- 1.1 It is the Council's intention to design and maintain a legal, fair, equitable and affordable Pay and Reward Framework for its diverse and talented workforce.

## 2. Scope

- 2.2 This Policy applies to all Epsom & Ewell Borough Council employees appointed under the Council's terms and conditions of employment.

## 3. Principals

- 3.1 The aim of this Policy is to provide a framework that enables pay structures and procedures to:-
- Support the delivery of the Corporate Plan by encouraging flexibility, improving productivity and by building future capacity across the entire workforce
  - Support the Organisational Development Strategy through workforce planning so that the Council can recruit, develop and retain employees with appropriate knowledge and relevant skills required to deliver and adapt its services
  - Attract, retain and motivate suitably skilled employees so that the Council can perform at its best
  - Pay the Council's employees at a level that allows services to remain sustainable in a difficult and unpredictable economic climate whilst also taking into account specific strategic requirements and key market rate factors where relevant and appropriate to recruitment requirements
  - Reward full competence in the current job role through the Council's Performance scheme (using the Behaviour Framework) and identify and encourage potential for career development
  - Set pay for all employees in an open and accountable way and communicate the Council's Policy and Pay and Grading Framework to all employees
  - Ensure a fair and consistent approach to remuneration of employees, both in terms of basic pay and other payments
  - Provide a fair, transparent and equality impacted pay structure accessible to all employees

## 4. Equalities

- 4.1 It is unlawful for the Council to discriminate against employees because of any of the following protected characteristics: Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion or Belief, Sex (Gender), Sexual Orientation.

- 4.2 All employees, irrespective of their employment status, are protected by law against discrimination in the course of their employment with the Council. It is unlawful for Managers to discriminate against an individual on the grounds that he or she is “associated with” someone with a particular protected characteristic. The Council will not victimise an employee because he or she has raised a genuine complaint of discrimination, or assisted another employee with a complaint. Please refer to the Whistle Blowing Policy and Grievance Procedure.
- 4.3 Employees are protected against all unlawful forms of discrimination in every aspect of their employment. This will include the terms and conditions of their contract, including information that is contained in the Employee Handbook and HR Policies.
- 4.4 The Council will comply with all relevant employment legislation, including the Equality Act 2010, Part Time Employment (Prevention of Less favourable Treatment) Regulations 2000 and others. With regard to the Equal Pay requirements contained within the Equality Act, the Council makes every effort to ensure there is no pay discrimination within its pay structures and that pay differentials can be objectively justified through the use of equality proofed job evaluation mechanisms, which directly relate to the requirements, demands and responsibilities of the role.
- 4.5 The Council will undertake to meet its obligations to comply with equal pay regulations and to comply with its own equality schemes and policies ensuring that decisions regarding pay are consistently applied and that, where any discretion is allowed within this Policy, it is properly evidenced and monitored to ensure that it is being applied in a gender neutral manner.

## 5. Pay & Reward Strategy

- 5.1 Organisational structures and role profiles will be developed to enable the Council to achieve the outcomes outlined in the Corporate Plan and in accordance with its Behaviour Framework. Grading structures will continue to be developed to ensure its employees are paid fairly for undertaking their duties in accordance with their role profiles. Pay progression will be awarded for fully meeting the expectations of the role to the required standards. There will be careful and sustained equality monitoring of the grading structure and performance process by Heads of Department and Officers in order to maintain the integrity of the Pay Structure.
- 5.2 The Council will ensure that fair and non-discriminatory grading structures are developed locally. The Council’s pay structure seeks to pay evaluated rates to attract and retain employees with the skills and experience essential to deliver a diverse and complex range of services. What is reasonable will be defined by the economic circumstances of the Council at the time of the pay review and the requirements of equal pay law in order that the pay structure is equitable.

## 6. Pay Policy Statement

- 6.1 The Local Government Act 1972 (Section 112) sets out the Council’s “power to appoint officers on such reasonable terms and conditions as the Council thinks fit”. The Council’s Pay Policy Statement (the ‘Statement’) sets out the Council’s approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011. Nothing within the provisions of the Localism Act 2011 detracts from the Council’s autonomy in making decisions on pay that are appropriate to local circumstances and which deliver value for local tax payers.
- 6.2 The purpose of the Pay Policy Statement is to provide transparency with regard to the Council’s approach to setting the pay of its employees. Annually, the Council will renew and publish a Pay Policy Statement in accordance with the requirements of the Localism Act.
- 6.3 The Pay Policy Statement will be approved by Council and be published on the Councils’ internet site by 1st April each year. The Local Authorities (Standing Orders) (England) Regulations 2001 will be adhered to with regard to the remuneration of Chief Officer posts (as defined by these Regulations). Please refer to the Pay Policy Statement.

## 7. Cost of Living Award

- 7.1 This Pay Policy is for a period of four years from 2020 – 2024 in line with the Council’s Corporate Plan.
- 7.2 The cost of living pay award in any given year will be in line with CPI and will not normally be expected to exceed the rate of CPI. For the purposes of this policy the CPI rate will be taken in the month of September prior to the April when any pay award is implemented.
- 7.3 The table below summarises the review timetable:

Year	Pay Policy
2020 - 2021	Across the board pay award based on CPI taken in Sept 2019
2021 - 2022	Across the board pay award based on CPI taken in Sept 2020
2022 - 2023	Across the board pay award based on CPI taken in Sept 2021
2023 - 2024	Across the board pay award based on CPI taken in Sept 2022

7.4 Where CPI is negative there will be no pay award.

7.5 Where CPI exceeds 3% there will be a cap on the pay award of 3%.

- 7.6 All CPI based awards will be implemented with effect from 1 April each year.
- 7.7 When appropriate and affordable the results of any pay benchmarking surveys and/or reviews will be implemented with effect from 1 April each year.

## 8. Pay Structure

- 8.1 The pay structure will consist of a series of incremental levels known as spinal column points within each pay grade. The basic pay of each employee will consist of a spinal column point on the grading structure.

## 9. Job Evaluation

- 9.1 As an employer, Epsom & Ewell Borough Council has a responsibility to ensure compliance with obligations placed upon us by equal pay legislation.
- 9.2 Job Evaluation is the mechanism which allows the Council to objectively establish the relative value of each role in the organisation compared to others across the organisation. This determines the grade of each role within the Councils pay structure to support equality in pay across the organisation.
- 9.3 All roles in the Council will be evaluated in line with the National Joint Council (NJC) scheme which is based on 13 factors.
- 9.5 Further details are provided in the Council's Job Evaluation Policy & Procedure

## 10. Pay on Appointment

- 10.1 Employees who apply and are appointed, whether through internal or external recruitment, will normally be placed on the minimum of the grade that was allocated to the job through Job Evaluation.
- 10.2 Under exceptional circumstances, and where there are compelling and evidenced reasons to support the decision, a new employee may be appointed to a higher increment, subject to the maximum of the grade.
- 10.3 In order to maintain fairness and consistency, this must be agreed by the Head of Department who is making the appointment and in consultation with the Head of HR and Organisational Development. A documented audit trail must be produced by the Manager detailing the reasons behind any decisions to offer a higher starting salary. The approval and the reason for it will be recorded on the employee's personal file, and provided to Human Resources with the request to appoint on a higher point.

- 10.4 If an internal employee is appointed to a higher graded post or a post that has been re-graded through job evaluation, and where the new grade overlaps with the old, their pay will be mapped to the nearest spinal column point within the new grade and they will receive two incremental increases.
- 10.5 Under exceptional circumstances and where there are compelling and evidenced reasons to support the decision, they may be appointed to a higher increment, subject to the maximum of the grade. The principles outlined in paragraph 10.4 above should be followed.

## 11. Annual Pay Progression

- 11.1 Annual pay progression will apply to all employees.
- 11.2 Annual pay progression will be awarded to employees who are in post at the end of the financial year, i.e. 31 March and on or before 1st October of the previous year, based on a recommendation by their manager in line with the Council's Performance scheme.
- 11.3 If an employee has not already reached the maximum spinal column point of the grade they will be moved up to the next available point. The same process will apply each year until the employee reaches the final spinal column point within their grade.
- 11.4 Arrangements for annual progression for the Chief Executive will be determined by the Appraisal Panel.
- 11.5 An ongoing programme of training will be provided to Managers to ensure that they are following the agreed procedures for managing annual progression fairly.
- 11.6 Monitoring of annual progression will be carried out by Human Resources to ensure protection of the robustness of the Council's objectives on equal pay.

## 12. Honoraria Payments

- 12.1 The Council uses the word 'honoraria' to define a payment attributed to a temporary change in duties (full or part/shared) at a higher level. Honoraria is sometimes referred to as 'acting up' but, for pay purposes, is always referred to as honoraria.
- 12.2 Honoraria arrangements will only be agreed in exceptional circumstances and will be subject to service needs. Duties will be of a short-term temporary nature and be required at a higher level. Honoraria are not to be used to cover short-term absence such as annual leave or short-term sickness.
- 12.3 A payment will be made to an employee where it is formally agreed that they undertake a job (or part of) of a higher grade on a temporary basis.

The payment will be commensurate with the level of work being undertaken and for the duration of those duties or job. In addition to regular local monthly management review, Senior Managers will review annually all payments in place at the 31st March.

12.4 A Head of Service may award honoraria payments to those employees:

- Who have agreed to a formal request to temporarily undertake full duties and responsibilities of a higher graded post for more than 4 weeks. Once the period of 4 weeks has been satisfied and suitability confirmed the pay at a higher grade will be backdated
- Who have agreed to a formal request to perform duties outside the scope of their substantive post over an extended period or where the additional duties and responsibilities are exceptionally onerous. This could be interpreted as an officer undertaking part or shared responsibility for a higher graded post. It may also apply to when an employee is assigned to a one-off and specific project which is additional to the scope of his/her normal post.

12.5 An honoraria payment will not be granted in the following circumstances:

- An increase in workload rather than higher level responsibility;
- An employee awaiting the outcome of Job Evaluation;
- An employee is undertaking different tasks associated with development/PRCD or a qualification;
- An employee asks for a development opportunity to benefit future career progression;
- An employee is undertaking additional duties and responsibilities voluntarily without prior management agreement that he/she qualifies to receive a payment under this Policy;
- To provide cover for annual leave or short-term sickness absence.

12.6 An 'Honoraria Payment Authorisation Form' (Appendix X) must be fully completed, signed by the Head of Service and submitted to the Human Resources/Finance.

12.7 The employee must have been undertaking the duties of the higher graded post for 4 weeks before the payment will be processed. Payment will be backdated to the first date of the arrangement. Before submitting an Honoraria Form to the Human Resources, the Manager should review the suitability and effectiveness of the arrangement before the end of the initial 4 week period. The Honoraria Request Form should then include the start date and the end date which may be 4 weeks or up to a maximum of 6 months.

### 13. Withdrawal of Honoria Payments

13.1 As an honoraria is for specific duties undertaken, when an employee is not able to undertake these duties, the payment will be withdrawn.

- 13.2 When in receipt of honoraria, if an employee takes sickness absence leave or annual leave, the honoraria will be suspended or be apportioned/reduced to reflect the number of day's absence/leave. The arrangement will expire if the employee is absent/on leave for a period of more than one month.
- 13.3 The Head of Service should notify HR immediately should an employee in receipt of an honoraria payment take sickness absence/annual leave.
- 13.4 If during the agreed period, service needs/departmental structures result in the higher graded role or the activities of the employee receiving the honoraria no longer being needed, the arrangement may be terminated early.

#### 14. Honoraria - Monitor and Review

- 14.1 Honoraria payments should only be used for temporary arrangements. If the end date of an event which is resulting in the honoraria is known, the detail of this and the end date should be provided on the form (Appendix X).
- 14.2 If the end date is unknown, then the initial honoraria should be granted for no longer than 6 months. The payment will be reviewed monthly by the Manager in consultation with the employee to determine the progress of the additional responsibilities being undertaken to merit the payment. The Head of Service has a responsibility to review the honoraria 1 month prior to the expiry of the date indicated on the form and to discuss the situation with the employee.

#### 15. Honoraria - Extension

- 15.1 An extension to the honoraria payment should only be agreed in exceptional circumstances. If an extension is to be granted the appropriate section of the form should be completed and approval gained from the Chief Operating Officer of Chief Executive. The Leadership Team (LT) will review honoraria payments twice a year. If an honoraria is extended beyond a 12 month period, LT approval will be required.

#### 16. Pay Protection

- 16.1 Epsom & Ewell Borough Council recognises that from time to time, where situations arise due to circumstances relating to restructures, an employee may be redeployed to a lower graded post as a suitable alternative to redundancy or their grade is reduced following a job evaluation result or their work location changes due to the relocation of a service.
- 16.2 In all cases, the Council will seek to reduce the financial effect by applying pay protection as stated in these policies.– Please refer to the Workforce Change Policy and Job Evaluation Policy.

## 17. Payment of Salaries to all Employees

- 17.1 Employees will be paid an annual salary with any related allowances in 12 equal instalments. A monthly salary will be paid on the 20th day of each month or the previous Friday if the 20th falls at a weekend.
- 17.2 The amount that an employee is paid per month includes payment for the whole month up to and including the last day of the calendar month. The payment will be made by automatic bank transfer directly into a bank or building society account.
- 17.3 When an employee's salary starts or ends part way through a month, the first or last proportionate payment due is calculated by dividing the monthly rate of pay by the number of days in the month and then multiplying by the number of days' service in the month (which includes weekends, bank and public holidays).
- 17.4 Please note that casual workers with no mutual obligation of work are paid retrospectively on receipt of a time sheet.
- 17.5 Payment is subject in all cases to pension (if applicable), statutory deductions of income tax and employee national insurance contributions and any other deductions which the Council may be obliged to make. Employees will have access to a monthly pay slip detailing gross pay and deductions via an online payslip or through self-service.

## 18. Commencement of employment prior to the 7th day of the month

- 18.1 If an employee commences their employment and is due to start part way through a month, the day of start will normally be a Monday. If the start date is prior to the 7th day of the month, the pay due to them will be calculated as follows:-
- Normal annual salary divided into 12 equal instalments to give monthly salary.
  - Monthly salary divided by the number of days in the current month divided by the number of days due.

*Example: Start date 6th July. Number of days due = 26/31sts.*

NB. The 7th day can fall on a weekend and the cut-off date may be earlier or later depending on when the weekend falls.

## 19. Commencement of employment after the 7th day of the month

- 19.1 If employment commences after the 7th working day of the month, a full month's salary will be paid the following month plus the pay due in respect of the previous month.

- Normal annual salary divided into 12 equal instalments to give monthly salary.
- Monthly salary plus the number of days in the previous month divided by the number of days due.

*Example: Start date 18th July. Number of days due = 13/31sts.*

NB. The 7th day can fall on a weekend and the cut-off date may be earlier or later depending on when the weekend falls.

## 20. Termination of Employment

20.1 If an employee terminates their employment and is due to leave on a Friday part way through a month, unless by reason of redundancy, the leaving date for pay purposes will be the Sunday after their leaving date.

20.2 The pay due to them will be calculated as follows:

- Normal annual salary divided into 12 equal instalments to give monthly salary.
- Monthly salary divided by the number of days in the current month divided by the number of days due.

*Example: Leaving date 6th July. Number of days due = 6/31sts*

## 21. Tax and National Insurance on Benefits made to all Employees

21.1 At the start of each financial year and by no later than 31st May in that year, the Council will issue each employee with a P60 Certificate, which confirms their total earnings and statutory deductions in the previous financial year.

21.2 If an employee has any queries on statutory deductions they should contact the HMRC. The contact details for HMRC are:-

**HM Revenue and Customs, XXX**

**Epsom & Ewell Borough Council's Tax Reference: XXX**

21.3 Before telephoning HMRC, an employee should have their National Insurance number to hand and quote their individual tax reference code. This should also be included on any correspondence sent to them.

## 22. Underpayments of all Employees

22.1 There may be an occasion, whether through error or omission, an employee receives less than their contractual pay and/or allowances.

Should such an unfortunate circumstance arise, the Council will rectify the situation and any contractual pay and/or allowances due, will be paid on the first opportune pay-day following notification or identification of the omission or error. In exceptional circumstances, an advance of pay may be agreed by the Head of HR & Organisational Development.

### **23. Overpayments of all Employees**

- 23.1 If any error or omission results in any overpayment of pay and/or allowances being made, the Council reserves the right to deduct any such overpayment(s) from the employee's salary on the first opportune pay-day following identification or notification. The Council has the right to seek repayment over the same period that the overpayment was made. The Council will take into account individual circumstances and try to achieve a jointly agreed repayment schedule. It is in the interest of every employee to check their payslips regularly to identify issues at the earliest opportunity. If an employee suspects that they have been overpaid then they must contact Payroll at the earliest opportunity to discuss the matter.
- 23.2 In the event that the overpayment is made in respect of an employee's final salary payment (or other payment due on termination of employment), or if the employee is under a repayment schedule and employment terminates, the monies will be deducted from the employee's final salary and if this is not sufficient, the balance must be repaid by personal means. HR will raise a sundry debtor account with Finance for the monies to be repaid.

### **24. Consultation Process**

- 24.1 The Council will endeavour to maintain the partnership approach that it has demonstrated throughout the development and subsequent implementation of its core HR policies and work closely with the Staff Consultative Group to actively consult on matters of pay. There has been consultation with representatives of the Staff Consultative Group during the development of this Policy.

### **25. Reviewing Effectiveness of the Pay Structure**

- 25.1 A full review of the Policy will take place every 4 years.
- 25.2 The Head of HR & Organisational Development will have the authority to review the Policy within the 4 year period, to make any amendment(s) necessary to reflect any changing legal requirements or make minor alteration(s).
- 25.3 There will be a regular review of the grading structures and allowances. The regularity of review will be defined by the Council. The review will take account of benchmark data, legislation, best practice and any national guidance provided by the Government/Local Government Association.

## 26. Standard Working Week and Pay Definitions

- 26.1 The arrangement of the working week shall be determined by the service and by the terms and conditions on which the employee is contracted. The period for averaging working hours, according to the Working Time Regulations, will be a 17 week reference period. The working week of the individual employees may vary over the standard of 36 hours provided that the individuals' average over the same period does not exceed the standard working week.
- 26.2 Employees' basic pay is the spinal column point reached on the grade and is the basis of any pay calculations.
- 26.3 The annual pay is the basic pay plus any other contractual payments. For the purposes of calculation this is also known as 'normal pay'. A full year's salary calculation is based on 52.14 weeks.
- 26.4 Term time only employees will be paid a proportion of the appropriate full-time rate based on actual days worked. The salary will be paid in 12 equal instalments over the agreed year, at 1/12th of the proportional annual salary.
- 26.5 Part time employees will be paid on the basis of the annual salary divided by the standard full time hours and multiplied by the contracted number of hours per week.
- 26.6 Hourly pay is calculated on the basis of:
- Full time equivalent annual salary divided by 52.14 weeks, divided by 36 hours = hourly rate
- 26.7 Normal pay is paid for periods of sickness, holiday and all forms of approved paid leave of absence, maternity leave and redundancy payments (subject to the appropriate Council Policy). Excluded from the calculation for normal pay are irregular non-standard payments such as overtime.

## 27. Associated Policies and Documents

- 27.1 The following policies and documents are related to this Employee Pay and Reward Policy and will be reviewed and updated as required.
- Relocation Allowance Policy
  - Recruitment & Retention Allowance Policy
  - Pay Protection Policy – Job Evaluation Policy & Workforce Change Policy
  - Pay Policy Statement
  - Job Evaluation Procedure & Guidance
  - Epsom & Ewell Borough Council Constitution

**Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017  
Gender pay data requirements**

Produced by HR & OD

**Background**

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 introduced a requirement for employers with 250 or more employees to publish details of their gender pay and bonus gap every year from 2017 onwards.

Epsom and Ewell Borough Council is required to publish the following data.

- Gender pay gap (mean and median)
- Gender bonus gap (mean and median)
- Gender bonus gap (mean and median)
- Proportion of men and women receiving a bonus payment
- Proportion of men and women in each quartile of the organisation's pay structure

The data is based upon the snapshot date of 31 March 2018 with the requirement being for the data to be published on the Council's website and the GOV.UK website by 30 March 2019 and annually thereafter.

The information for Epsom and Ewell Borough Council for 2017/18 is shown below:

<b>Mean gender pay gap</b>		
<b>Gender</b>	<b>Mean hourly pay</b>	<b>Percentage</b>
Male	£13.91	
Female	£16.04	
Total		-15.3%

<b>Median gender pay gap</b>		
<b>Gender</b>	<b>Median hourly pay</b>	<b>Percentage</b>
Male	£11.46	
Female	£14.13	
Total		-23.3%

<b>Mean gender bonus pay gap</b>		
<b>Gender</b>	<b>Mean</b>	<b>Percentage</b>
Male	£301.42	
Female	£268.84	
Total		10.8%

<b>Median gender bonus pay gap</b>		
<b>Gender</b>	<b>Median</b>	<b>Percentage</b>
Male	£241.00	
Female	£273.50	
Total		-13.5%

Percentage of staff who received bonus pay	
Gender	Percentage
Male	15.9%
Female	18.7%

**Proportion of males and females in each quartile**

Lower quartile		
Gender	Total employees	Percentage
Male	55	82%
Female	12	18%
Total	67	

Lower middle quartile		
Gender	Total employees	Percentage
Male	41	53%
Female	36	47%
Total	77	

Upper middle quartile		
Gender	Total employees	Percentage
Male	33	44%
Female	42	56%
Total	75	

Upper quartile		
Gender	Total employees	Percentage
Male	29	40%
Female	44	60%
Total	73	

The figures set out above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

**What is the difference between equal pay and gender pay?**

Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman.

Gender pay illustrates the differences in the average pay between men and women. An organisation may have a gender pay gap if a majority of men are in top jobs, despite paying male and female employees the same rates of pay for similar roles.

**What are the underlying causes of Epsom & Ewell Borough Council's gender pay gap?**

Epsom & Ewell Borough Council is committed to the principle of equal opportunities and equal treatment for all employees, regardless of gender, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability. It has a clear policy of paying employees equally for the same or equivalent work, regardless of their gender (or any other characteristic set out above). As such, it:

- carries out pay and benefits audits at regular intervals
- evaluates job roles and pay grades as necessary to ensure a fair structure

Epsom & Ewell Borough Council is therefore confident that its gender pay gap does not stem from paying men and women differently for the same or equivalent work. Its gender pay gap is the result of the roles in which men and women work within the organisation and the salaries that these roles attract.

According to the Government Equalities Office, the causes of the gender pay gap across the UK economy as a whole include:

- A higher proportion of women choosing occupations that offer less financial reward (e.g. administration).
- Many high paying sectors being disproportionately made up of male workers (e.g. information and communications technology).
- A much higher proportion of women working part-time, and part-time workers earning less than their full-time counterparts on average.
- Women being more likely to have had breaks from work which have affected their career progression, meaning that they are less likely to have progressed up the career ladder into higher paying senior roles.

However, this pattern from the UK economy as a whole is not reflected in the make-up of Epsom & Ewell Borough Council's workforce, where the majority of front-line Operatives are men, and where line management and senior management roles are held by a significant proportion of women.

**How does Epsom & Ewell Borough Council's gender pay gap compare with that of other organisations?**

The vast majority of organisations have a gender pay gap. Epsom & Ewell Borough Council's gap compares favourably with that of other organisations, including those within our sector.

**What is Epsom & Ewell Borough Council doing to address its gender pay gap?**

Gender pay is not a subject about which Epsom & Ewell Borough Council is complacent, and it is committed to doing everything that it can to reduce the gap. However, Epsom & Ewell Borough Council also recognises that its scope to act is limited in some areas. It has, for example, no direct control over the subjects that individuals choose to study or the career choices that they make.

Epsom & Ewell Borough Council has taken steps to promote gender diversity in all areas of its workforce and undertakes gender monitoring on an annual basis to understand:

## Agenda Item 2 Annex 2

- the proportions of men and women applying for jobs and being recruited
- the proportions of men and women applying for and obtaining internal promotions
- the proportions of men and women leaving the organisation and their reasons for leaving
- the numbers of men and women in each role and pay band

The findings of this report will be published on an annual basis.

## **POLICY REVIEW – TIMETABLE**

### **Key dates:**

SCG – 3 July 2019

HR Panel – 17 December 2019

Strategy & Resources – 30 January 2020

### **Phase 1**

- Absence management
- Grievance
- Disciplinary
- Capability
- Dignity at Work
- Performance Management
- Induction
- Settling In

Proposed consultation 1 July 2019 to 31 August 2019

### **Phase 2**

- Recruitment
- Management of Change
- Inclusion and Diversity
- Overtime
- Leave
- Work and Families – Maternity, Paternity, Adoption, Parental Leave, Shared Parental Leave

Proposed consultation 1 September 2019 to 31 October 2019

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### Sickness Absence 2018-2019

The HR team supports managers to manage sickness absence in line with the Council's Attendance Management policy. The policy was revised in 2017/18 and introduced a more robust approach to managing sickness, including interventions such as mandatory return to work discussions and the requirement for employees to attend formal meetings where their absence meets a trigger point.

The Attendance Management policy defines the following triggers where employees are invited to a formal meeting:

- 3 occasions within 6 months
- 5 occasions within 12 months
- 10 consecutive days

Over the last 3 years, sickness absence has increased as detailed in the table below:

<b>Year</b>	<b>FTE Days Lost per Employee</b>
2016 - 17	8.2
2017 - 18	10.6
2018 - 19	10.3

The table below details the total number of full-time equivalent (FTE) days lost by the Council due to sickness absence over the past 3 years:

<b>Year</b>	<b>Total Number of FTE Days Lost</b>	<b>Long-Term Sickness</b>	<b>Short-Term Sickness</b>
2016 - 17	2377	1721	656
2017 - 18	2868	2062	806
2018 - 19	2853	2229	624

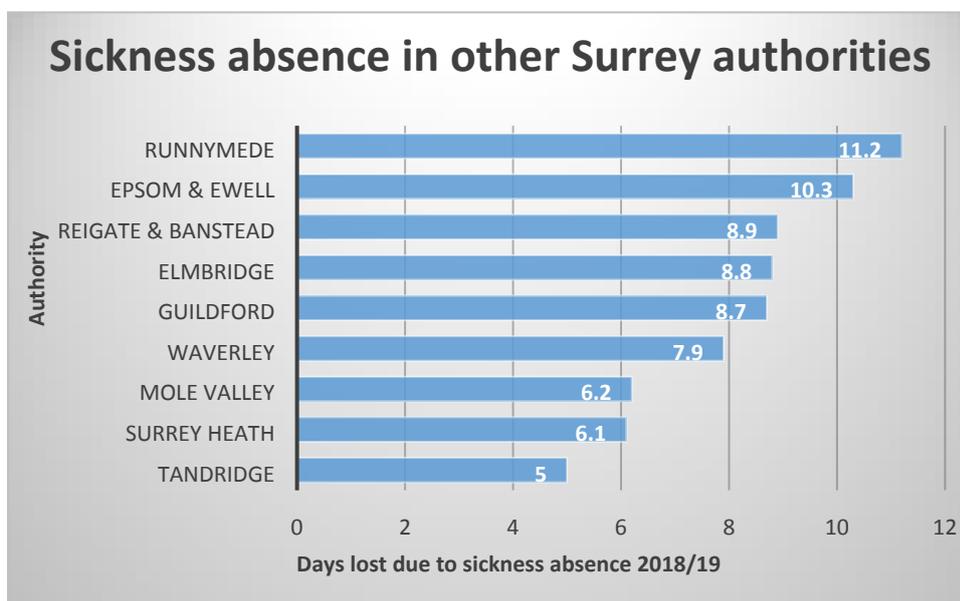
The increase in sickness absence is mainly attributable to long-term absence.

The level of absence recorded by EEBC in 2018/19 exceeds the CIPD's national average for public sector organisations, which is currently 8.4 days and is broadly in line with the trends identified by the CIPD Health & Wellbeing at Work Report 2019, which reports that "there has been little change in public sector absence over the last few years"

### Sickness Absence by Division

Division (FTE employees)	% of Total FTE Employees	% of Total Sickness Absence
Chief Executive (4.0)	1.5%	0.1%
Corporate Governance (6.9)	2.5%	0.9%
Digital & Service Transformation (54.6)	19.9%	25.0%
Financial Services (11.9)	4.3%	0.8%
Housing & Community (27.2)	9.9%	12.8%
HR&OD (8.6)	3.2%	0.5%
Legal & Democratic Services (14.1)	5.2%	4.7%
Operational Services (106.8)	39.0%	49.1%
Planning (16.1)	5.9%	1.5%
Property & Regeneration (23.7)	8.7%	4.6%

It should be noted that, although the Council's sickness absence for 2018/19 is above the CIPD rate, it is not the highest recorded across the Surrey Authorities.



Over the past few months the HR team has worked with managers to implement the revised and more robust Attendance Management policy and to proactively manage a number of long term sickness cases to conclusion. These have included 3 ill health retirements, 1 dismissal on the grounds of ill health capability and a number of resignations.

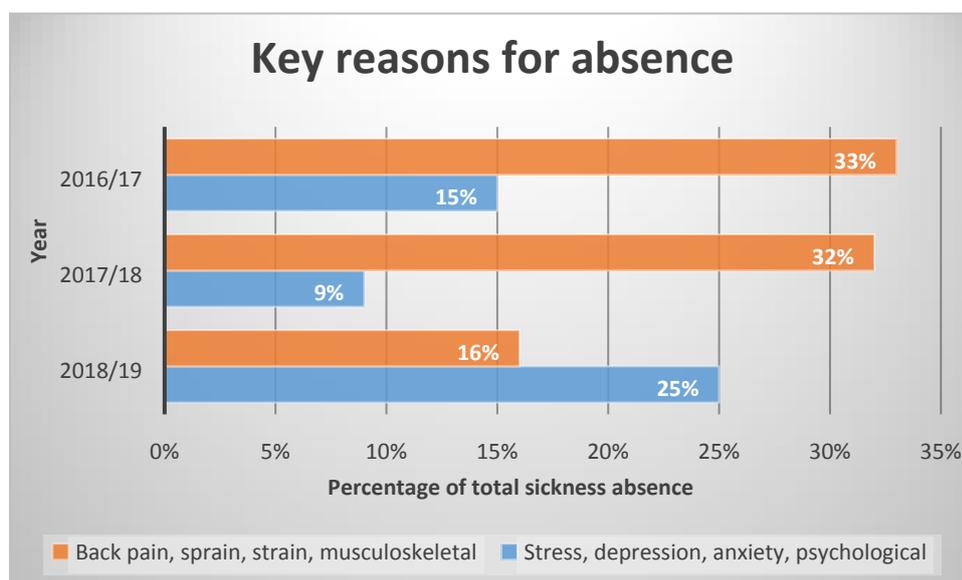
EEBC continues to work with the Occupational Health provider Medwyn, who provide advice relating to the management of employees' medical conditions in a work context. 24 sickness cases were referred to Occupational Health during the year.

It is worth noting that there has been a 42.9% reduction in days lost due to sickness absence in March 2019 compared with April 2018; this is primarily due to the proactive management of our long-term sickness cases.

	Long Term Sickness Absence (FTE days)	Short term Sickness Absence (FTE days)	Total Sickness Absence (FTE days)
April 2018	279	55	334
March 2019	80	63.3	143.3

Of the 2853 days lost during 2018/19, 1387 days are attributable to employees who have now left the organisation.

For the past three years, sickness absence has remained consistently high in two key categories, these being Back Pain/Sprain/Strain/Musculoskeletal and Stress/Depression/Anxiety/Psychological. The graph below shows the percentage of absence attributable to these categories as a percentage of overall absence.



The level of absence relating to musculoskeletal issues is primarily attributable to the Council's manual workforce.

The context in which Local Government operates is one of increasing financial constraints, with ongoing pressures placed on services. With a buoyant employment market and increasing turnover rates, the pressure to deliver stable services may impact on staff wellbeing.

According to the CIPD Health and Wellbeing Report 2019 nearly three quarters of organisations in the public sector (72%) have experienced an increase in reported common mental health conditions over the past year, with social and financial challenges contributing to the wellbeing of employees.

Budgetary constraints continue to have an influence over the Council's ability to provide wellbeing benefits and initiatives. However, the Council is taking a proactive approach to employee wellbeing and managing sickness absence effectively. Managers play a key role in this and, to ensure that they are equipped and skilled in dealing with areas of wellbeing and sickness the HR team are working on a number of initiatives as follows:

- Clarifications and amendments to the Attendance Management policy and review of Capability and Disciplinary processes as part of the HR policy review.
- Management development interventions, including coaching managers to improve the quality of return to work discussions and the effectiveness of rehabilitation and return to work programmes.
- Revisions to the categories used to record sickness absence in line with Institute of Medicine/HSE guidelines to facilitate a better understanding of underlying trends and to enable more meaningful reporting of sickness absence.
- Quarterly reporting of sickness absence to Leadership Team to ensure effective monitoring, early identification of trends and Leadership Team support for interventions.
- Focus on stress awareness, including Stress Management Workshops and the promotion of stress risk assessments as an early intervention.
- Increased openness about mental health, including mental health awareness training, training of 4 mental health first aiders across the Council (further 6 to be trained).
- Investigating the provision of building resilience workshops for staff and incorporating measures such as Thomas International DISC profiling within our recruitment processes.
- Continuing to facilitate holistic therapy sessions (Reiki, Crystal Therapy, Indian Head Massage and Neck and Shoulder Massage) as well as Pilates sessions for staff.
- Working with a new Employee Assistance Programme provider to promote the support available to staff.