

POLICE FINANCE ADMINISTRATION COMMITTEE

25 SEPTEMBER 2012

REPORT OF HEAD OF COMMUNICATIONS

HR POLICIES

1.0 PURPOSE OF REPORT

1.1	The purpose of this report is to seek approval for the implementation of a rewards and benefits package for staff and to approve a revised Mobile Phone Policy.
2.0	RECOMMENDATIONS It is recommended that:-
2.1	The rewards and benefits package be approved for implementation with P&MM.
2.2	The Mobile Phone Policy is approved.
2.3	The Head of Communications to have delegated authority to update and / or revise the policies in line with current legislation and good practice in consultation with the recognised trade unions and Management Team.
3.0	KEY ISSUES
	Reward and Benefit Package
3.1	The Government currently approves salary sacrifice schemes allowing for the purchase of childcare vouchers, cycles and parking tickets through the payroll which provide benefits to the employer and employee in terms of savings in tax and National Insurance contributions. MBC currently only offer child care vouchers through an agent, Compuserve for which an administration fee is paid. Several employees have requested the ability to purchase a cycles and parking tickets through the salary sacrifice scheme which is currently unsupported by payroll.
3.2	Following the recent Investors in People inspection, a recommendation of the report was that an Employee Assistance Programme be considered. It was identified during the inspection that, due to the changing nature in some of the roles at the authority, there were occasions when employees felt they would like the ability to call and discuss emotional and difficult situations they may have been dealing with in the day with an independent person. This can be delivered by a telephone service but also a face to face service for more complex issues which also stretch to personal concerns in addition to work matters. Providing this service for employees support the employer in meeting their duty of care for employees and can help reduce stress related absences and therefore maintain motivation and productively in the workplace.
3.3	Another form of reward commonly available for employees in other organisations is the option to purchase additional leave. The current policy at MBC is that employees are able to request unpaid leave however this becomes unattractive when the employee faces an equivalent reduction in salary for the month in question. A more attractive option would be to offer employees the option to buy additional leave and to recalculate the salary over the financial year so deductions are spread out and support employees in managing personal finances. A well managed scheme has the potential to offer savings to the total cost of the payroll.
3.4	P&MM is an organisation who can provide an online system for administrating the salary sacrifice scheme, purchase of annual leave and employee assistance programme. This is done through an external website maintained and supported by themselves. Employees

	receive a log in to enable them to apply for the schemes above. The site would be personalised to Melton Borough Council and can be adapted to meet the Councils requirements. Other sites have been considered however none offered the complete bundle of schemes in one site and remained financially viable. Using the managed online site reduces in house administration and offers great flexibility to employees accessing the rewards.
3.5	In addition to the schemes above, the P&MM site offers additional benefits to employees through a discounts portal. The portal offers savings on travel, high street shops and supermarkets, entertainment, home and motoring and health and leisure activities. The site can be adapted to include local offers any shops or business may wish to offer MBC employees.
	Mobile Phone Policy
3.6	The current Mobile Phone Policy has been in place since 2007. The policy states that employees must pay for personal calls made using the work phone. The phone contract changed in 2011 from Vodaphone to Orange who have implemented an electronic billing system. This system requires employees to log in and tag personal calls to calculate the amount due. This is currently proving time consuming for employees as well as inaccurate as there is the opportunity for personal calls to be missed.
3.7	Following consultation with recognised Trade Unions and Mobile Phone users, the policy has been revised to include the choice of four different tariffs. Employees who are identified as requiring a mobile phone for their role will be required to choose a tariff that suits their personal as well as work requirements. The different tariffs allow for either no personal calls to be made, a low number of calls, a medium number of calls or a high number call amounting to 1000 minutes a year. Any employee requiring a phone for more calls than the highest tariff would be advised to acquire their own personal phone. The appropriate payment will be deducted from the employees salary and negate the need to tag and recharge personal calls. This provides better administration of the scheme and reduces time spent checking individual phone bills.
3.8	The policy includes a process for auditing use of the policy and how to respond to employees suspected of making calls in excess of their chosen tariff.
4.0	POLICY AND CORPORATE IMPLICATIONS
4.1	Implementation of the rewards and benefit package through P&MM will result in the termination of the agreement currently in place with Compuserve. P&MM would manage the transition to their scheme including signing up and liaising with local child care providers.
4.2	The purchase of additional leave would be subject to management approval taking into consideration service and business needs. Employees will have two opportunities a year to apply for additional leave. A policy providing guidance for managers on how additional leave is approved will need to be developed in consultation with the trade unions to ensure equality in the administration of the scheme and an appeal process put in place for employees who have applications rejected and wish for it to be reconsidered.
4.3	The additional leave scheme will result in an amendment to the current leave of absence policy where the process for requesting unpaid leave is outlined.
4.4	The new Mobile phone policy will replace the current policy from 2007 and require the current "User Guide" to be updated. The user guide provides health and safety information, advice on use in vehicles and how to report lost and stolen phones.

5.0	FINANCIAL AND OTHER RESOURCE IMPLICATIONS																																																																											
5.1	The costs for these policies will be met from existing budgets. The total annual cost of the reward and benefits package is £17 per employee. This includes access to a web portal giving employee access to application of the salary sacrifice schemes (childcare vouchers, car parking, leave and cycles) the employee assistance programme including face to face counselling for employees as required and access to the discounts portal. Based on 196 employees the total annual cost would be £3,332																																																																											
5.2	It is anticipated that some savings will be made to services employee salaries budgets though the purchase of leave and reduction in counselling costs. These will be monitored and reported to JSWG.																																																																											
5.3	Financial implications of the Mobile Phone Policy have been mainly addressed in section 3.																																																																											
6.0	LEGAL IMPLICATIONS																																																																											
6.1	The appropriate notice will be given to the current provider of childcare vouchers. All schemes are government approved schemes and as a result there are no other legal implications arising from this report.																																																																											
7.0	COMMUNITY SAFETY																																																																											
7.1	There are no direct links to community safety arising from this report																																																																											
8.0	EQUALITIES																																																																											
8.1	An equalities impact assessment has been completed for both the reward and benefit package and Mobile Phone Policy and no adverse effects have been identified.																																																																											
9.0	RISKS																																																																											
	<table border="1"> <tr> <td colspan="5">Probability</td> <td rowspan="2">Risk No.</td> <td rowspan="2">Description</td> </tr> <tr> <td colspan="5" style="text-align: center;">↓</td> </tr> <tr> <td>Very High A</td> <td style="background-color: #cccccc;"></td> <td></td> <td></td> <td></td> <td>1</td> <td>Lack of take up of the reward and benefit scheme</td> </tr> <tr> <td>High B</td> <td style="background-color: #cccccc;"></td> <td></td> <td></td> <td></td> <td>2</td> <td>EAP service not used by employees</td> </tr> <tr> <td>Significant C</td> <td style="background-color: #cccccc;"></td> <td></td> <td></td> <td></td> <td>3</td> <td>P&MM fail to negotiate good and relevant discounts for employees</td> </tr> <tr> <td>Low D</td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;">1,2</td> <td></td> <td></td> <td>4</td> <td>Employees choose the incorrect tariff for their personal calls</td> </tr> <tr> <td>Very Low E</td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;">3,4,6</td> <td style="background-color: #cccccc;">5</td> <td></td> <td>5</td> <td>Government end the support to salary sacrifice schemes</td> </tr> <tr> <td>Almost Impossible F</td> <td style="background-color: #cccccc;"></td> <td></td> <td></td> <td></td> <td>6</td> <td>Large take up of purchase of leave resulting in refusals and appeals</td> </tr> <tr> <td></td> <td></td> <td>IV Neg- ligible</td> <td>III Marg- inal</td> <td>II Critical</td> <td>I Catast- rophic</td> <td></td> </tr> <tr> <td></td> <td></td> <td colspan="3" style="text-align: center;">→</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td colspan="3" style="text-align: center;">Impact</td> <td></td> <td></td> </tr> </table>	Probability					Risk No.	Description	↓					Very High A					1	Lack of take up of the reward and benefit scheme	High B					2	EAP service not used by employees	Significant C					3	P&MM fail to negotiate good and relevant discounts for employees	Low D		1,2			4	Employees choose the incorrect tariff for their personal calls	Very Low E		3,4,6	5		5	Government end the support to salary sacrifice schemes	Almost Impossible F					6	Large take up of purchase of leave resulting in refusals and appeals			IV Neg- ligible	III Marg- inal	II Critical	I Catast- rophic				→							Impact				
Probability					Risk No.	Description																																																																						
↓																																																																												
Very High A					1	Lack of take up of the reward and benefit scheme																																																																						
High B					2	EAP service not used by employees																																																																						
Significant C					3	P&MM fail to negotiate good and relevant discounts for employees																																																																						
Low D		1,2			4	Employees choose the incorrect tariff for their personal calls																																																																						
Very Low E		3,4,6	5		5	Government end the support to salary sacrifice schemes																																																																						
Almost Impossible F					6	Large take up of purchase of leave resulting in refusals and appeals																																																																						
		IV Neg- ligible	III Marg- inal	II Critical	I Catast- rophic																																																																							
		→																																																																										
		Impact																																																																										

10.0	CLIMATE CHANGE
10.1	The cycle scheme has a positive impact on our Green Travel Scheme and supports the reduction in CO2 emissions by encourage alternative, sustainable travel to work.
11.0	CONSULTATIONS
11.1	Trade Unions and Joint Staff Working Group have been fully consulted on all of the matters in the report.
12.0	WARDS AFFECTED
12.1	ALL

Contact Officer A Tebbutt
Date: 05 September 2012

Appendices :

Background Papers:

Reference :