

Chesterfield Borough Council

Equality Impact Assessment - Full Assessment Form

Service Area: HR

Section: HR

Lead Officer: Sandy Gillham-Hardy

Title of the policy, project, service, function or strategy the preliminary EIA is being produced for: Weekly to monthly payroll

Is the policy, project, service, function or strategy:

Existing

Changed

New/Proposed

STEP 1 – MAKE SURE YOU HAVE CLEAR AIMS AND OBJECTIVES

What is the aim of the policy, project, service, function or strategy?

This EIA covers moving all staff from weekly pay to monthly pay on a phased basis. The majority of Council's ceased operating a weekly payroll many years ago.

During a Pay and Reward project meeting in October 2016 the trade unions challenged why, after an agreement in 2009, staff were not all on the monthly payroll. In addition, the contract with Arvato in 2010 stated that moves were underway to pay everyone monthly.

The Council would like to make the transition from weekly to monthly pay as stress-free as possible and proposals to assist employees include:

- A phased approach with employees;
- Plenty of notice to enable employees to prepare for the change;
- Offer of an advance of salary to cover any potential shortfall during the transition period.

The move from a weekly to monthly payroll is a contractual change to the employee's contract of employment and would need a collective agreement (from the Pay and Reward Project Group) and a formal audit trail of the decision making process (report to WBR).

Who is the policy, project, service, function or strategy going to benefit and how?

An agreement was made with the unions in 2009 to move all staff to a monthly payroll. Some staff have gradually moved over to monthly payroll when organisational changes have occurred, however 277 staff remain on the weekly payroll. A monthly payroll will reduce the administrative time spent on processing weekly claims and payments on BACS processing. A monthly payroll will enable phase 2 of COINS to be implemented more effectively. A formal audit trail and a revision to the collective agreement will be agreed to confirm the contractual change for employees.

What outcomes do you want to achieve?

The current process for paying staff weekly is time consuming and was removed by Councils many years ago. Any changes will be scheduled and staff will be advised months in advance of the proposed changes. A 2 week advance payment will be made available to staff who request it to bridge the gap between the final weekly pay and the first monthly pay. The change to monthly pay should have been actioned in 2009 and has not been completed to date.

What barriers exist for both the Council and the groups/people with protected characteristics to enable these outcomes to be achieved?

These proposals are part of a wider review into staff pay and reward. Local collective agreement with the trade unions will be sought through the pay and reward working group.

These changes are being sought in order to remove the existing agreement which staff find unfair and unequal.

There are a number of areas associated with the change from a weekly to monthly payroll:

- Employee discontentment due to removal of weekly pay
- Employees may encounter issues with the change in frequency of pay eg changing direct debits
- Employees may encounter issues with gap between final weekly pay and first monthly pay.

STEP 2 – COLLECTING YOUR INFORMATION

What existing data sources do you have to assess the impact of the policy, project, service, function or strategy?

- Equality data of staff currently on the weekly payroll
- Approaches taken by other local authorities

STEP 3 – FURTHER ENGAGEMENT ACTIVITIES

Please list any additional engagement activities undertaken to complete this EIA e.g. met with the Equalities Advisory Group, local BME groups, Employee representatives etc. Could you also please summarise the main findings.

Date	Engagement Activity	Main findings
20/10/16	Pay and reward Project Group	Initial meetings have taken place with HR, Payroll, Finance, Audit and Support Services to scope the project, a trade union representative has also joined the group. Additional members will be invited to attend to discuss the impact on their area in more detail when appropriate.
22/09/16	Pay and reward Project Group	The trade unions challenged why, after an agreement in 2009, staff were not all on the monthly payroll. In addition, the contract with Arvato in 2010 stated that moves were underway to pay everyone monthly.
19/08/16 to 09/09/16	Pay and Reward survey staff – comments from staff	'Need to get all staff on monthly pay to reduce payroll costs and simplify budgeting.'

STEP 4 – WHAT’S THE IMPACT?

Is there an impact (positive or negative) on some groups/people with protected characteristics in the community? (think about race, disability, age, gender, religion or belief, sexual orientation and other socially excluded communities or groups). You may also need to think about sub groups within each equalities group or protected characteristics e.g. older women, younger men, disabled women etc.

Please describe the potential impacts both positive and negative and any action we are able to take to reduce negative impacts or enhance the positive impacts.

Group or Protected Characteristic	Positive impacts	Negative impacts	Action
Overall impact	<p>The changes will be cost neutral to staff, there will be minimal savings on the staff payroll (less than £400 per annum) and some reduction in administration time.</p> <p>One of the benefits of the new system will be that timesheets will only be processed once per month as opposed to 5 times.</p> <p>The main impact for staff will be the gap between the final weekly payment and the first monthly payment.</p> <p>The change will remove the need for staff to submit timesheets for basic contracted hours.</p> <p>The overall impact is therefore neutral.</p>		<p>An advance payment, if requested, would be made based on 2 weeks basic contracted hours net pay and paid on the final weekly payment. The full amount of the advance would be recovered on the first monthly payment.</p> <p>Staff will be provided with sufficient notice to enable them to change their current weekly finances to monthly eg direct debits.</p> <p>Staff will be signposted to organisations for further support if required eg CAB.</p>
Age – including	There is not considered to be any disproportional impact based on		

older people and younger people.	age.		
Disabled people – physical, mental and sensory including learning disabled people and people living with HIV/Aids and cancer.	There is not considered to be any disproportional impact on disability.		
Gender – men, women and transgender.		Of the 257 employees currently on weekly payroll, 80% are male and 20% are female. The main reason for this disparity is that the bulk of weekly paid are craft workers on a bonus scheme which has only been processed on a weekly payroll to date.	<p>Staff will be provided with sufficient notice to enable them to change their current weekly finances to monthly eg direct debits.</p> <p>Staff can request an advance payment, which would be made based on 2 weeks basic contracted hours net pay and paid on the final weekly payment.</p> <p>Affected staff will be advised at an early stage by their line manager and will have the opportunity to ask for advice.</p> <p>Staff will be signposted for additional support or guidance</p>
Marital status including civil	No impact		

APPENDIX A

partnership.		
Pregnant women and people on maternity/paternity. Also consider breastfeeding mothers.	No impact.	Employees who are on paternity or maternity / on sickness absence will be notified and kept informed in line with existing procedures.
Sexual Orientation – Heterosexual, Lesbian, gay men and bi-sexual people.	No impact	
Ethnic Groups	No impact	
Religions and Beliefs including those with no religion and/or beliefs.	There is not considered to be any disproportional impact on religion and belief.	
Other groups e.g. those experiencing deprivation and/or health inequalities.	Staff facing household budgetary pressures or hardship may be more affected by these changes.	Staff will be provided with sufficient notice to enable them to change their current weekly finances to monthly eg direct debits. Staff can request an advance payment, which would be made based on 2 weeks basic contracted hours net pay and paid on the final weekly payment. The full amount of the advance would be

		<p>recovered on the first monthly payment.</p> <p>Staff will be signposted for additional support or guidance.</p> <p>The Council now pays a “Living Wage” to its staff, which will not be affected by these changes.</p>
--	--	---

Advice to staff

Affected staff will be advised at an early stage by their line manager, followed by formal notification which will include Frequently Asked Questions, a clear plan of the proposed changes, clarity on the dates and what happens when and the opportunity to ask for an advance.

Staff will be signposted for additional support or guidance to the following organisations:

- Own bank/ building society
- Citizens Advice Bureau, Tel: 01246 209164.
- Chesterfield & North East Derbyshire Credit Union, Tel : 01246 278833.
- Derbyshire Unemployed Workers Centre, Tel: 01246 231441

Details will also be available on aspire, however it is recognised that the majority of staff on weekly pay do also not access the IT systems on a regular basis.

From the information gathered above does the policy, project, service, function or strategy directly or indirectly discriminate against any particular group or protected characteristic?

Yes

No

If yes what action can be taken to stop the discrimination?

STEP 5 – RECOMMENDATIONS AND DECISION MAKING

How has the EIA helped to shape the policy, project, service, function or strategy or affected the recommendation or decision?

It has helped identify areas of potential indirect discrimination, and has identified ways to minimise or eliminate these.

How are you going to monitor the policy, project, service, function or strategy, how often and who will be responsible?

HR will be responsible for reviewing and monitoring these changes through the pay and reward project group and through feedback from officers, employees and trade unions.

STEP 6 – KNOWLEDGE MANAGEMENT AND PUBLICATION

Please note the draft EIA should be reviewed by the appropriate Head of Service/Service Manager and the Policy Service before WBR, Lead Member, Cabinet, Council reports are produced.

Reviewed by Head of Service/Service Manager

Name:

Date:

Reviewed by Policy Service

Name: Richard Gadsby

Date: 10/11/2016

Final version of the EIA sent to the Policy Service

Decision information sent to the Policy Service

DRAFT