

Appendix B - Summary of findings and recommendations for additional payments

Honoraria

Overview of Honoraria Payments

Honoraria is a payment that is paid when an employee undertakes additional duties that is valued at a higher grade to that of their substantive post.

All Honoraria requests must be approved by the Pay Panel. For all honoraria requests for more than 1 grade, a Job Evaluation Analyst must review the request to determine an appropriate grade within our JE Scheme.

Occasionally Honoraria payments may be backdated if there is clear evidence the additional duties have been carried out for a period prior to the request. Honoraria should be reviewed routinely and should, ordinarily, last for no more than 6 months.

Honoraria could be used across all occupation areas.

Findings/Recommendations from the Audit

Honoraria payments are usually paid according to criteria detailed in an honoraria policy.

The Council is advised to review the high honoraria values to ensure that they met the agreed criteria.

Sometimes organisations use honoraria as a form of market supplement or acting up payment. Again, the Council is advised to review honoraria payments to ensure they meet agreed criteria.

As some of the payments are large and they are disproportionate to the gender profile of the council this is considered high risk.

Initial Observations/Feedback

The high payments described are because of back payments on honoraria payments. This gave the audit the view of inflated payments. We continue to review the appropriate application of honoraria's across the organisation including the analysis of occupational types to determine the disproportionate gender split of payments in relation to our profile.

TLR Payments

Overview of TLR Payments

TLR Payments are payments that reward additional leadership and management responsibilities undertaken by classroom teachers.

The administration and determination of TLR payments is governed by the school leadership and does not fall under the LA's responsibility. It is up to each school to evidence the appropriate application of TLR payments.

This is a payment that is paid in Schools only and like the authority has an over representation of woman when comparing to the city profile.

Findings/Recommendations from the Audit

Five employees received this payment, which was paid disproportionately more to women than men compared to the gender profile. The payment was made to Lecturers and Teaching Assistants.

It is unclear why these employees would be eligible for the payment. For this reason, these payments have been highlighted as high risk.

It is recommended that the Council further investigates the reasons why these employees received this allowance and to review the policy.

Initial Observations/Feedback

We have no control over schools deciding to award this payment. We have written to Schools of those making the payment to ensure they have a clear audit trail of the payments being made and the justification, highlighting the potential risk as identified in this audit.

Overtime

Overview of Overtime Payments

Overtime is a pay mechanism that can be applied when an employee needs to work additional hours over and above their contracted hours. Overtime is paid at Plain Time and then Time and a Third for hours claimed at the weekend of between 00:00 and 06:00.

Overtime authorisation is paid at the discretion of the line manager and hours should be approved ahead of them being worked. For those over Grade 7, overtime should not be claimed, and TOIL taken instead (unless there is an approved business case).

Findings/Recommendations from the Audit

There are 63 employees who received, on average, 11 hours or more per week (based on time and half) and 14 of these had total weekly hours that exceeded 48.

It is recommended that overtime payments are investigated further to determine the reason for the high values. As the number of very large payments is small by comparison to the total and the payments are made proportionately between men and women the risk is considered medium.

Initial Observations/Feedback

We are aware of significant reliance on overtime in certain areas, especially front facing services where on-call and shift work are the norm. We have implemented new procedures (including reinforcing the banning of overtime for Grade 7+ without a business case) and are working collaboratively with services that have a high reliance on overtime in identifying ways of reducing this.

Market Supplements

Overview of Market Pay Supplements

The payment of market pay supplements is awarded when we can clearly evidence that the external market conditions create a level of pay that is higher than what is awarded through our JE scheme.

We have a Market Pay panel that consists of HR, Legal and Finance Officers who scrutinise and challenge each business case. An award is made for a period of 12 months and subsequently reviewed at this point.

Market Pay is not restricted to a particular occupational area but is more likely to be awarded within occupation's that are highlight sought after across both the private and public sectors.

Findings/Recommendations from the Audit

The number of market supplements has significantly reduced since the previous equal pay audit from 125 people to 42. The mix of employees has also changed. The values have also reduced in range. This

demonstrates that the Council is actively reviewing market supplements. Market supplements should be reviewed regularly and changed and/or removed as circumstances in the external market change.

There are no concerns with this payment and therefore no recommendations

Initial Observations/Feedback

This is an area of pay that we scrutinise highly and is difficult to be awarded. It is pleasing that this level of scrutiny is reflected in the findings from the audit that observe the reducing number of awards and identifying no areas of concern.

Standby Payments

Overview of Standby Payments

Standby Payments are paid to staff required to be on call outs outside of their normal working hours. The standby payment is a fixed amount as described in our terms and conditions.

Standby payments occur most frequently in Housing which are largely male dominated and less frequently in some of our Children Homes which are female dominated.

Findings/Recommendations from the Audit

Minimum and average values are similar but there is a significant difference in the maximum values with male maximum being around double the female value. Particularly high values have been highlighted.

It may be concluded that men have greater opportunity to have access to standby due to the type and nature of jobs (occupational segregation).

As long as the Council applies the criteria for standby payments consistently and fairly, the level of risk for this payment is considered to be low.

It is recommended that the Council reviews standby payments to ensure that opportunities to carry out standby are equally available to both men and women.

Initial Observations/Feedback

As the audit has concluded the largest payments are received by men because of the frequency of overtime in the occupations that are male dominated. We are confident that our standby payments are consistently and fairly applied.

Enhancements

Overview of Enhancements

Enhancements are paid at a 1/3 of the hourly rate for rota's work conducted on Saturday, Sunday, Bank Holidays and night working between midnight and 06:00am.

Findings/Recommendations from the Audit

The table shows that minimum and average values are similar but there is a significant difference in the maximum values with male maximum being around four times the female value. Particularly high values have been highlighted.

There are 42 employees who received more than £4,000. There are six employees who received more than £10,000, with one employee receiving over £40,000.

Generally, the risk level with enhancements will be low as there are criteria for payment. However, this has been considered medium risk because of the very high payments.

It is recommended that the Council reviews the high enhancement values to determine why these employees have been paid so much under this heading.

Initial Observations/Feedback

The payments of enhancements is a contractual right tied into terms and conditions. Services that are required to work weekends and nights must pay the enhancement. This work is on a rota basis so should be applied equally across all staff in scope. This report has highlighted significant payments to certain staff which are being explored with the service area.

Sleeping in Payments

Overview of Sleeping in Payments

Sleeping in Payments are paid to staff required to sleep in whilst not working and be able to respond to call outs when required.

The amount if the payment is defined in our terms and conditions and the profile is impacted by the occupational profile. Within LCC this is used mostly with Social Care and Education within Children's homes.

Findings/Recommendations from the Audit

78 employees received this payment, which was paid disproportionately more to men than women compared to the gender profile. The lowest payment was a few pounds and the highest was just over £4,000.

63 employees were based in Social Care and Education, 14 in City Development & Neighbourhood and one in Public Health & Sport Services.

**Sleeping in payments are based on criteria and are set amount for specific period of time.
The level of risk for this payment is considered to be low.**

Initial Observations/Feedback

We are content that this practice presented little risk and has adequate governance.

Extra Duty Payment

34 employees received this payment, which was paid disproportionately to more men than women. The payment was mainly made to employees from City Development & Neighbourhoods but there were some from schools, Social Care & Education and Public Health. The lowest payment was £15 and the highest payment was £2,850. The payment was made to employees within grades Grade 02 to 11.

As the payment is made based on applied criteria there are no concerns with this payment and it has been assessed as low risk.

First Aider

Overview of First Aider Payments

First aid payments are paid to employees that volunteer to be a registered first aid for the purpose of ensuring staff across our sites have a trained first aider in the occasion they would be needed. They are volunteers and receive the payment for the time they are on the list of first aid trained staff.

Findings/Recommendations from the Audit

155 employees received this payment, which was paid disproportionately to more men than women compared to the gender profile. Employees in a wide range of jobs across the Council received this payment.

Overall, the risk of this payment is low as employees volunteer to become first aiders. However, the Council is advised to undertake further investigation to determine why some employees receive more than the standard allowance.

Initial Observations/Feedback

We are content that this practice presented little risk. We are currently reviewing the practice around First Aiders in light of agile working.

Protected Earnings

Overview of Protected Earning Payments

Protected earnings are paid to staff that because of an organisational review find themselves in a job of a lower grade than their substantive post. It is paid for a period of 2 years and protects for a reduction in up to 2 grades.

Findings/Recommendations from the Audit

47 employees received this payment (greater than £0 – some records were 'minus' figures), which was paid disproportionately to more men than women compared to the gender profile. Employees in a limited range of jobs received this payment. Notably, Leisure Centre Supervisors, Personal Advisors – Connexions and Quality Assurance Officer made up most of those on protection.

The lowest grade to receive the payment was Grade 02, the highest was Grade 11 and the grade with the most jobs in receipt of the payment was Grade 06.

There is no concern with this payment and therefore there are no recommendations. The level of risk for this payment is considered to be low.

Initial Observations/Feedback

We are content that this practice presented little risk and has good governance around it.