

SECTION 1: CIA SUMMARY
Community Impact Assessment: Summary
1. Name of service, policy, function or criteria being assessed:

Human Resources are assessing if there are any equality implications for implementing new arrangements for the calculation of holiday pay.

2. What are the main objectives or aims of the service/policy/function/criteria?

To comply with recent changes in case law which require when overtime, additional hours, other pay allowances are worked on a “regular and systematic” basis then holiday pay should include these elements of pay.

3. Name and Job Title of person completing assessment:

Judith Bennett - Performance & Reward Manager

Janet Neeve - Senior HR Business Partner

4. Have any impacts been Identified? (Yes/No)

Community of Identity affected:
All

Summary of impact:

The recommended option is to introduce to all employees so these new arrangements will ensure all employees receive the appropriate rate of pay during periods of holiday.

5. Date CIA completed: 17/6/15
6. Signed off by: P Stuchfield

7. I am satisfied that this service/policy/function has been successfully impact assessed.

Name: Pauline Stuchfield

Position: Assistant Director Customers & Employees

Date: XXX

8. Decision-making body:

Members at Executive meeting

Date:

30th July

Decision Details:

XXX

Send the completed signed off document to ciasubmission@york.gov.uk It will be published on the intranet, as well as on the council website.

Actions arising from the Assessments will be logged on Verto and progress updates will be required

Community Impact Assessment (CIA)

Community Impact Assessment Title:

Calculation of holiday pay

What evidence is available **to suggest that the proposed service, policy, function or criteria could have a negative (N), positive (P) or no (None) effect** on quality of life outcomes? (Refer to guidance for further details)

Can negative impacts be justified? **For example: improving community cohesion; complying with other legislation or enforcement duties; taking positive action to address imbalances or under-representation; needing to target a particular community or group e.g. older people.** NB. Lack of financial resources alone is NOT justification!

Evidence

All employees currently received holiday pay in line with their contractual annual leave entitlement.

For 90% of employees overtime, additional hours or other working arrangements that attract allowances are worked on a voluntary basis, in these circumstances the voluntary pay elements are currently excluded from the calculation of holiday pay and the employee received their basic pay when they take a holiday.

For 10% of employees whose overtime, standby, shift working etc is part of an employees contractual working arrangements the additional allowance payments made for these elements of work are automatically calculated with monthly pay and paid during any period the employee is on holiday.

Recent case law has determined:

- Workers on annual leave should receive their normal remuneration and this normal remuneration should include any payment which is intrinsically linked to the performance of their role, under their contract of employment. For example overtime, standby and other associated allowances.
- In order for workers not to be deterred from taking annual leave, they must not suffer any financial “detriment”, disadvantage for taking leave; and restated the principle that holiday pay must correspond to normal remuneration.
- The ruling applies to leave under the Working Time Directive (WTD) 20 days/4 weeks and not the additional leave which stems from the Working Time Regulations (WTR) additional 8 days/1.6 weeks or contractual leave.
- Non-guaranteed overtime (overtime which the employer does not have to offer, but the employee must work if requested) is part of normal remuneration and must be included in holiday pay, as must any other payments.

Revised Holiday Pay Proposal

- When considering all factors realistically there are only two options open to the Council to ensure future mitigation against holiday pay claims; to either apply the calculation for holiday pay across all CYC employees or to limit the calculation of holiday pay to those groups of staff who claim voluntary overtime, additional hours, etc, on a “regular and systematic” basis. The practicalities of the latter option is that the transactions would be too numerous and resource intensive to administer. The former mechanism is the most pragmatic option for services and payroll to implement. It is a simple process which would enable an automated calculation of holiday pay to be implemented and maintained going forward within the payroll system. No employee would suffer any financial detriment for

taking leave as holiday pay would reflect the normal pay that the worker receives and as it will be applied fairly and consistently to all employees it would positively impact on all groups of staff.

| Community of Identity: Age | | | | | |
|--|---|---|---------------------|---------------------------------------|------------------------------------|
| Evidence | | Quality of Life Indicators | | Customer Impact (N/P/None) | Staff Impact (N/P/None) |
| Proposed holiday pay calculation applied to all employees. | | <p>Standard Of living (receipt of a normal pay whilst an employee is on annual leave will mean they can maintain their regular income to cover regular costs)</p> <p>Health, including wellbeing (not being deterred from taking annual leave due to financial detriment will ensure they take regular leave from work which will aid general health & wellbeing)</p> | | None | Positive |
| Details of Impact | <i>Can negative impacts be justified?</i> | Reason/Action | Lead Officer | Completion Date | |
| Employee would suffer no financial detriment for taking leave as holiday pay would reflect the normal pay that worker receive. | | | | | |

Community of Identity: Carers of Older or Disabled People

| Evidence | | Quality of Life Indicators | Customer Impact (N/P/None) | Staff Impact (N/P/None) |
|--|---|----------------------------|-------------------------------|----------------------------|
| Proposed holiday pay calculation applied to all employees. | | As above | None | Positive |
| Details of Impact | <i>Can negative impacts be justified?</i> | Reason/Action | Lead Officer | Completion Date |
| Employee would suffer no financial detriment for taking leave as holiday pay would reflect the normal pay that worker receive. | | | | |

Community of Identity: Disability

| Evidence | | Quality of Life Indicators | Customer Impact (N/P/None) | Staff Impact (N/P/None) |
|--|---|----------------------------|-------------------------------|----------------------------|
| Proposed holiday pay calculation applied to all employees. | | As above | None | Positive |
| Details of Impact | <i>Can negative impacts be justified?</i> | Reason/Action | Lead Officer | Completion Date |
| Employee would suffer no financial detriment for taking leave as holiday pay would reflect | | | | |

| | | | | |
|-------------------------------------|--|--|--|--|
| the normal pay that worker receive. | | | | |
|-------------------------------------|--|--|--|--|

Community of Identity: Gender

| Evidence | | Quality of Life Indicators | Customer Impact (N/P/None) | Staff Impact (N/P/None) |
|---|---|----------------------------|-------------------------------|----------------------------|
| 31% of the workforce claimed pay allowances which will now be included in holiday pay – of which 33% were male & 67% were female. | | As above | None | Positive |
| Details of Impact | <i>Can negative impacts be justified?</i> | Reason/Action | Lead Officer | Completion Date |
| Employee would suffer no financial detriment for taking leave as holiday pay would reflect the normal pay that worker receive. | | | | |

Community of Identity: Gender Reassignment

| Evidence | Quality of Life Indicators | Customer Impact (N/P/None) | Staff Impact (N/P/None) |
|--|----------------------------|-------------------------------|----------------------------|
| Proposed holiday pay calculation applied to all employees. | As above | N | Positive |

| Details of Impact | <i>Can negative impacts be justified?</i> | Reason/Action | Lead Officer | Completion Date |
|--|--|----------------------|---------------------|------------------------|
| Employee would suffer no financial detriment for taking leave as holiday pay would reflect the normal pay that worker receive. | | | | |

Community of Identity: Marriage & Civil Partnership

| Evidence | Quality of Life Indicators | Customer Impact (N/P/None) | Staff Impact (N/P/None) |
|--|-----------------------------------|-----------------------------------|--------------------------------|
| Proposed holiday pay calculation applied to all employees. | As above | None | Positive |

| Details of Impact | <i>Can negative impacts be justified?</i> | Reason/Action | Lead Officer | Completion Date |
|--|--|----------------------|---------------------|------------------------|
| Employee would suffer no financial detriment for taking leave as holiday pay would reflect the normal pay that worker receive. | | | | |

Community of Identity: Pregnancy / Maternity

| Evidence | Quality of Life Indicators | Customer Impact (N/P/None) | Staff Impact (N/P/None) |
|--|-----------------------------------|-----------------------------------|--------------------------------|
| Proposed holiday pay calculation applied to all employees. | As above | None | Positive |

| Details of Impact | <i>Can negative impacts be justified?</i> | Reason/Action | Lead Officer | Completion Date |
|--|--|----------------------|---------------------|------------------------|
| Employee would suffer no financial detriment for taking leave as holiday pay would reflect the normal pay that worker receive. | | | | |

Community of Identity: Race

| Evidence | Quality of Life Indicators | Customer Impact (N/P/None) | Staff Impact (N/P/None) |
|--|-----------------------------------|-----------------------------------|--------------------------------|
| Proposed holiday pay calculation applied to all employees. | As above | None | Positive |

| Details of Impact | <i>Can negative impacts be justified?</i> | Reason/Action | Lead Officer | Completion Date |
|--|--|----------------------|---------------------|------------------------|
| Employee would suffer no financial detriment for taking leave as holiday pay would reflect the normal pay that worker receive. | | | | |

Community of Identity: Religion / Spirituality / Belief

| Evidence | Quality of Life Indicators | Customer Impact (N/P/None) | Staff Impact (N/P/None) |
|--|-----------------------------------|-----------------------------------|--------------------------------|
| Proposed holiday pay calculation applied to all employees. | | None | Positive |

| Details of Impact | <i>Can negative impacts be justified?</i> | Reason/Action | Lead Officer | Completion Date |
|--|--|----------------------|---------------------|------------------------|
| Employee would suffer no financial detriment for taking leave as holiday pay would reflect the normal pay that worker receive. | | | | |

Community of Identity: Sexual Orientation

| Evidence | Quality of Life Indicators | Customer Impact (N/P/None) | Staff Impact (N/P/None) |
|--|-----------------------------------|---------------------------------------|------------------------------------|
| Proposed holiday pay calculation applied to all employees. | | None | Positive |

| Details of Impact | <i>Can negative impacts be justified?</i> | Reason/Action | Lead Officer | Completion Date |
|--|--|----------------------|---------------------|------------------------|
| Employee would suffer no financial detriment for taking leave as holiday pay would reflect the normal pay that worker receive. | | | | |