

## BARNSELY METROPOLITAN BOROUGH COUNCIL

This matter is a Key Decision within the Council's definition and has been included in the relevant Forward Plan

Report of the Director of  
Human Resources,  
Performance &  
Communications

### Protection Policy (Protection of Earnings)

#### 1. Purpose of report

- 1.1.1 The purpose of the report is to seek Members approval for the implementation of the revised Protection Policy.

#### 2. Recommendations

- 2.1 To approve the implementation of the Protection Policy with effect from 1 April 2017.

#### 3. Introduction

- 3.1 The Council has a Protection Policy that compensates employees who have a reduction in their remuneration. Protection is currently for the full amount of the reduction in contractual pay and is for a 2 year period.
- 3.2 Protection is a significant cost to the Council. The cost was £1,021,378.35 for the period 1 April 2013 to 31 March 2015. For the period 1 April 2015 to 29 February 2016 it had increased to £1,132,549.29.
- 3.3 There is no legal requirement to protect employees' earnings.
- 3.4 Currently there is no explicit cap to the amount of protection afforded to affected employees.
- 3.5 The Council continues to review ways to make financial savings and the amended Protection Policy would assist the reduction in costs.

#### 4. Proposal and justification

- 4.1 The proposal is to implement the revised Protection Policy with effect from 1 April 2017.
- 4.2 There is a requirement to reduce the costs of pay protection and cap the costs in a consistent way.
- 4.3 Existing employees in receipt of protection will continue to receive protection for their 2 year protection period.

## **5. Consideration of alternative approaches**

- 5.1 An alternative approach would be to remove Pay Protection. BMBC would not be the first Council to remove protection. This change would realise greater savings than the proposal but would have a greater negative impact on employees.
- 5.2 Another approach would be to continue with the existing policy. This would not reduce the Council's protection costs.

## **6. Financial implications**

- 6.1 A significant reduction in pay protection costs.

## **7. Employee implications**

- 7.1 Employees will receive pay protection for a shorter period of time thus reducing the support afforded to them.

## **8. Consultations**

- 8.1 Consultations have taken place with the relevant Trade Unions, legal services and the Council's senior management team.
- 8.2 ***The relevant unions (GMB, Unite and Unison) have accepted the amended policy and a Collective Agreement has been signed by all parties. Please see Appendix B.***

## **9. Risk management issues**

- 9.1 This will ensure a consistent approach to determining the protection amount for employees.

## **10. Compatibility with the European Convention on Human Rights**

- 10.1 None directly arising from this report.

## **11. Promoting equality, diversity, and social inclusion**

- 11.1 ***An Equality Impact Assessment was undertaken on 12 July 2016. The Unions were involved. All employees will be managed equally in line with this policy.***

## **12. Glossary**

- 12.1 None.

## **13. List of appendices**

Appendix A – Protection Policy  
Appendix B – Collective Agreement

**14. Background papers**

14.1 Background papers are contained within working files in Human Resources and are available for inspection.

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Financial Implications /  
Consultation .....  
*(To be signed by senior Financial Services officer  
where no financial implications)*