



Haringey Council

[No.]

Agenda item:

**General Purposes Committee**

**On: 11 March 2008**

Report Title: **Introduction of a Staff Benefits Scheme**

Forward Plan reference number (if applicable):

Report of: **Assistant Chief Executive (People & OD)**

Wards(s) affected:

Report for:

**1. Purpose**

1.1 To outline the range of staff benefit options available and to make a recommendation on the next stage required in order to implement a scheme by the beginning of the next Financial year.

**2. Introduction by Cabinet Member (if necessary)**

2.1 As a public sector employer which values its staff, I agree that these staff benefits should be adopted at no costs to the employer which bears no liability for any costs to either the staff or supplier of service.

**3. Recommendations**

3.1 That the recommendation outlined in the report is adopted and the implementation of the scheme be delegated to the Interim Head of Human Resources

Report Authorised by: Stuart Young, Assistant Chief Executive (People & OD)

Contact Officer: Carole Engwell, HR Employment Consultant, 020 8489 3377

#### **4. Chief Financial Officer Comments**

The Chief Financial Officer has been consulted over the contents of the report and notes that the recommendations do not create any direct financial cost to the Council and indeed may, if successful in retaining staff, reduce recruitment costs in the longer term.

#### **5. Head of Legal Services Comments**

5.1 The Head of Legal Services has been consulted on the content of this report. Section 112 of the Local Government Act 1972 allows a local authority to employ staff on such reasonable terms and conditions as the authority thinks fit. The recommendation set out in the report is a reasonable one in the current climate within local government and is supported by reasoning setting out relevant considerations for the adoption of the recommendations as outlined in the report.

#### **6. Local Government (Access to Information) Act 1985**

6.1 No documents that require to be listed were used in the preparation of this report.

## **7. Strategic Implications**

- 7.1 Although Haringey already provides a range of benefits to staff, the communication of them has been ad hoc and piecemeal. Due to the diversity and range of benefits already on offer, many staff do not easily identify them as “benefits” in the accepted sense of the term. There is a need to bring the existing benefits and any new ones together under one umbrella and to ensure that the whole package is communicated to and understood by all staff.
- 7.2 Many large organisations, including many local authorities, have introduced an identifiable staff benefits package as part of their overall retention & reward strategy. There are two main aims of any benefits package, the first is to aid staff retention and the second is to make the organisation more attractive to potential recruits. Being seen as an employer of choice and communicating the benefits we offer, is crucial in the current climate when the Council is in competition for skilled and experienced staff. Similarly, retention of staff is also crucial especially when the direct and indirect costs of recruiting staff are increasing and budgets are reducing. Staff who feel valued by the organisation are more likely to stay and a benefits scheme is a clear way of employers being able to demonstrate their commitment to staff.
- 7.3 The range of benefits available from external companies fall predominantly into the categories of Finance, Leisure or Health. The finance options mainly offer free seminars to give advice on savings, pre-retirement finances and mortgages. The Leisure options can include discounts on high street and internet shopping, discounts on days out, reductions on the cost of AA or RAC membership and other motoring discounts, reduced gym membership etc. The Health options offered by the general providers cover the opportunity for employees to pay for a comprehensive health screening while the H.S.A. offers the opportunity to pay into a health plan giving money back on dental or hospital charges.
- 7.4 The main providers which have been considered can attach a dedicated website to the Haringey website which allows individual password access. In addition, a range of printed literature is also made available to be sent to staff from a central point. All staff will therefore be able to access the information and the benefits available through either a PC or a ‘phone.

## **8. Financial Implications**

- 8.1 All of the providers looked at can provide benefits at no cost to the Council. The only limited costs which may be involved will be borne by the individual if the option is chosen.

## **9. Legal Implications**

- 9.1 These are set out in paragraph 5.1 above.

## **10. Equalities Implications**

- 10.1 The scheme adopted will ensure that all staff, regardless of level or location or hours of work, will be able to access relevant information regarding their benefit choice. Communication of the scheme will be key to its success and communication for existing staff will include information in Smart Talk, Team Brief, on Harinet and posters in relevant locations.

10.2 For potential staff, summary details will be included in the recruitment pack sent to applicants and on the recruitment pages of the website. New staff will have full information about the scheme given to them at their HR induction.

10.3 Seminars or roadshows will be arranged at different locations around the borough in order to ensure that all staff are able to travel easily to one or more locations to find out more information.

## **11. Consultation**

11.1 Several companies have been seen and HR staff in other local authorities contacted for details about the schemes run elsewhere.

## **12. Background**

12.1 One of the projects undertaken by a group currently on the Leadership Programme involved looking at staff well being with both physical activity and healthy eating being part of the programme. The group undertook a benchmarking exercise with other local authorities and private companies and also ran a Staff Well Being event at 40 Cumberland Road. One of the conclusions was that staff welcomed initiatives which can make them feel valued. Staff who feel that they are making a worthwhile contribution which is recognised by their employer, are more likely to be more productive and to stay longer with the organisation.

12.2 Part of the recommended Staff Benefits scheme includes the option of a comprehensive health MOT to be available to staff at a reduced cost as well as reduction in the cost of a range of leisure services and days out.

12.3 A total of four providers have been considered. Full details of the options provided by each are attached at Appendix 1. Two of the providers were able to offer limited options in terms of finance seminars (covering pre-retirement planning and financial information) and also offered the option of individual health screening (at a small cost to the individual) and a limited shopping/leisure discount scheme. The third supplier, H.S.A., is one of the largest providers of health plans in the UK while the fourth provider specialises in offering a wide range of leisure discount options.

12.4 Only HSA is able to offer any form of management information and this can be provided on a twice yearly basis. The other providers are unable to provide details about the take up by Haringey staff. In order to estimate the popularity of the scheme and to make improvements and changes in the light of feedback received, a feedback form will be provided on the Harinet page and a snapshot survey conducted regularly.

## **13. Conclusion**

13.1 The recommended option is to use one company (Lifestyle Values) to provide us with free financial seminars and to arrange health care screening, a second company (Kaarp Benefits) to provide a range of leisure discounts and with HSA to provide a health plan which can be administered through payroll.

13.2 The reason for this recommendation is to allow us to take the best of each in order to provide that each company has strengths in different areas and by adopting this "mix & match" approach we can utilise the best of all of them.

## **14. Use of Appendices / Tables / Photographs**

14.1 Details of the companies seen and the benefits they offer is attached at appendix 1.

## Appendix 1.

### Companies Providing Staff Benefits

The companies looked at were:

- **Lifestyle Values** - offering predominantly financial discounts including free advice and guidance on financial pre-retirement planning, saving plans, mortgages etc. A limited range of other discount options are available. A MOT type health screening option is available to staff at a limited cost and is provided by an external provider.
- **Kaarp Benefits** - offering only shopping & leisure discounts including days out, shopping and motoring.
- **Publicsector.Org** - offer a limited range of both discount and finance options. Their main focus is on salary sacrifice schemes including bikes for work, home computing and childcare vouchers. A MOT type health screening option is available to staff at a limited cost and is provided by an external provider
- **HSA** - offer health plans only. The council had offered their basic plan until this was closed to new members. The newly revamped scheme is similar but includes dental and optical benefits not previously available.
- **Asperity** – whilst the offer provided was impressive, this was not a nil cost option (it could only be provided at at cost of approximately £7.00 per employee) and was therefore not considered for this reason.