

<b>Meeting:</b>	<b>Cabinet member finance and corporate services</b>
<b>Meeting date:</b>	<b>Monday, 17 June 2019</b>
<b>Title of report:</b>	<b>Benefits Scheme Provider</b>
<b>Report by:</b>	<b>Head of HR and organisational development</b>

## **Classification**

Open

## **Decision type**

Non-key

## **Wards affected**

(All Wards);

## **Purpose and summary**

To approve the introduction of a scheme which will provide access to wellbeing benefits and high street discounts for staff and other groups such as foster carers and care leavers. The purpose of introducing a benefits scheme is to help the council have a more competitive recruitment offer to attract new recruits and to recognise and reward the valuable work our current staff do. The scheme will be provided by Reward Gateway and after initial set up costs of £5,000 will cost £13,500 a year to operate.

## **Recommendation(s)**

**That:**

- (a) The introduction of a benefits scheme provided by Reward Gateway is approved and made available to staff from 24 June 2019.**
- (b) The scheme is rolled out to other groups, such as care leavers and foster carers on a phased basis.**

## **Alternative options**

1. A benefits scheme is not approved. This is not recommended because the council needs to be competitive in challenging recruitment markets. Our neighbouring councils and NHS

organisations have similar schemes to the one being proposed and by not providing a scheme to our own staff our recruitment offer remains less attractive. By not providing the scheme the council will also miss a cost effective opportunity to recognise and value the work done by council staff.

2. Approve the launch of a benefits scheme but with an alternative provider. This is not recommended because the contract has been let for Reward Gateway after a comprehensive procurement exercise which found Reward Gateway to offer the best combination of value for the council and range of benefits for staff.

## Key considerations

3. In July 2018, employment panel received a report which recommended a range of measures to help the council address difficulties in recruiting and retaining staff in hard to fill roles. Employment panel were supportive of the measures which included recruitment and retention payments such as welcome payments, additional annual leave and improved relocation packages.
4. The report to employment panel also set out the council's intention to partner with an organisation to provide benefits for staff and other groups such as care leavers and foster carers.
5. Hoople Ltd have had a partner benefit provider in place for the past 6 years and the scheme is well used and highly regarded by staff. Neighbouring councils and NHS organisations have also procured similar schemes. These factors underline the importance for the council to remain competitive in its offer to current and prospective staff. It is understood where organisations have introduced a similar scheme they are well used. Hoople Ltd has a take up rate of over 80% of staff using the scheme. Redditch Borough and Bromsgrove District Council has a take up rate of over 66% and Ashford Borough Council is over 80%. Since introducing a benefits scheme Hertfordshire County Council has reported staff satisfaction with their reward package has increased from 29% to 41%. In February 2019 procurement for a benefits provider was initiated and after a competitive procurement process was undertaken in line with contract procedure rules, the contract for a benefits scheme was awarded to Reward Gateway. This contract award is supported by an officer's decision <http://hc-modgov:9070/ieDecisionDetails.aspx?ID=6043>
6. Reward Gateway gives staff access to a range of high street discounts for shops, restaurants and leisure activities. To obtain benefits staff need to register with Reward Gateway using an approved email address. In return they will have access to a web portal giving discounts of varying levels which typically are 5%-15%. In addition the portal has a strong wellbeing emphasis and gives staff access to wellbeing information and an employee assistance programme which gives 24/7 access to unlimited telephone counselling support. If and when deemed clinically appropriate by the telephone counselling professional, onward referral to the council's face to face counselling provision, occupational health services or GP will be made.
7. This report seeks cabinet member approval to launch the benefits scheme to all council employees from 24 June and to roll out the scheme to other groups such as care leavers and foster carers subject to any user volume limitations as specified in the contract with Reward Gateway. For the avoidance of doubt the scheme is not available to agency workers.
8. The effectiveness of the scheme will be measured in terms of sign up rates, usage rates and the perceived value of the scheme will be tested through the Council's staff survey.

9. The employee code of conduct has a gifts and hospitality policy appended to it. This sets out how staff should deal with offers of gifts, hospitality and discounts. In most cases the expectation is that gifts or hospitality offers must be declined and declared. If they are accepted they should meet the criteria set out in the policy. The policy lists exceptions and these exceptions will need to be updated through the appropriate governance route so that the council's procured benefits scheme is added to the list of exceptions to the policy. This is because the discounts staff can potentially receive from the scheme may exceed the limited specified in the current exceptions.

## **Community impact**

10. The council needs to recruit and retain foster carers who play an important role in keeping children and young people safe. By giving foster carers access to this scheme the council will be proving an additional reward and acknowledgement for the important work this group does.
11. By giving care leavers access to the scheme the council is demonstrating its commitment to the care leaver's covenant and is supporting the council's agenda to help care leavers transition from care to independent living.

## **Equality duty**

12. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:  
  
A public authority must, in the exercise of its functions, have due regard to the need to -
  - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
13. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. Our providers will be made aware of their contractual requirements in regards to equality and GDPR legislation.

## **Resource implications**

14. The annual cost for a reward gateway contract is £13,500 and the initial contract is for 2 years with an option to extend by a further year.
15. The set up costs of the contract are £5,000.
16. There are no other costs.
17. All costs are covered within the HR and OD revenue budget.

## **Legal implications**

18. Officers hold office on such reasonable terms and conditions, including terms of remuneration, as the council appointing them thinks fit. In deciding what those terms must be, the council must act reasonably this also applies to benefit schemes.

## Risk management

Risk / opportunity	Mitigation
The level of service provided by Reward Gateway falls below expected standards or Reward Gateway is not able to fulfil the contract.	Regular contract meetings will take place with Reward Gateway to ensure the service procured is provided. The procurement process assessed the financial stability and reputation of reward gateway through examination of audited accounts and references from satisfied customers in comparable organisations.
The scheme may attract negative public attention	Management board have considered this risk and concluded that the value of the scheme in terms of recognising and rewarding our staff far outweighs any potential risk of negative perceptions. Management board will also make sure it is known that such schemes are very widely used in the public sector and by introducing such a scheme, Herefordshire Council would be catching up with peer organisations.
Staff will be tempted to over-spend	We trust our staff to make their own personal decisions. The wellbeing side of the benefits portal addresses financial wellbeing and provides significant resources to help staff make sound personal financial decisions.
Data shared with the scheme provider is not held or managed in accordance with the council's requirements and statutory requirements.	<p>The ability to comply with GDPR and the council's other information governance requirements were specifically tested and scored through the procurement process.</p> <p>The scheme provider demonstrated that they were able to comply with the council's requirements and these have been incorporated in to the contract.</p> <p>To further mitigate this risk a data protection impact assessment has been done and a data sharing agreement will be in place.</p>
The cabinet member does not support the launch of this scheme and the council will not be able to make use of the contract let with Reward Gateway	In future the need for a cabinet member decision must be flagged earlier in the process and before any contractual commitments are made.

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19. All of the above risks will be managed at service level except the risk of negative perceptions which will be managed at organisation level.

## **Consultees**

20. Between 2017 and 2018 considerable work was undertaken to understand what staff in 'hard to recruit to' services value about working in Herefordshire and what would encourage them to stay with the council. A series of focus groups with staff identified a number of factors such as salary, holiday allowance and working conditions. The recurring theme emerged that a staff benefits package was missing from the council's offer and having a scheme in place would be highly valued.

## **Appendices**

None

## **Background papers**

None identified