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| Committee(s): Establishment Committee – For information | Dated: 19/01/2022 |
| Subject: Costs of maternity, paternity, shared parental and adoption leave | Public |
| Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly? | 5,6,7,8 |
| Does this proposal require extra revenue and/or capital spending? | N |
| If so, how much? | £ |
| What is the source of Funding? | |
| Has this Funding Source been agreed with the Chamberlain’s Department? | N |
| Report of: Chief Operating Officer | For Information |
| Report author: Chief Operating Officer | |

Summary

During discussion at the previous Establishment Committee, Members queried whether in fact the change to holding costs of covering maternity/paternity/shared parental/adoption leave had already been decided as a central risk item in July 2018. After review, it was found that this motion was defeated by a vote and hence this has continued to be a local risk item. The paper from the December committee is repeated below for Members to re-consider should they wish.

Members queried the current practice of individual department or service areas covering costs of covering maternity/paternity/shared parental/adoption leave, where specific interim resource is required. This report recommends that this approach be continued as existing arrangements are already in place to address specific challenges, and to ensure that there is consistency between costs of different leave types.

Recommendation(s)

Members are asked to:

- Note that for the last few years individual budget holders have been able to approach Chamberlains for additional support to cover interim resourcing needed when the post holder is absent for extended periods.
- Note that numbers of people who are on maternity/paternity/shared parental/adoption leave are relatively evenly spread across the Corporation and of course different year to year in each team.
- Note the numbers of people who are on long term (i.e. over 1 month) sick leave as a comparison.

- Note that no change is proposed to current arrangements or funding, but that workforce plans are an important tool to account for this type of resourcing challenge, and this is an area the Corporation should seek to develop in.
- Note that when the question of central vs. local risk provision for associated costs for this leave type was considered, Members chose to keep the local risk budget approach.

Main Report

Discussion

1. Members raised a query about the financial impact of covering maternity/shared parental/paternity/adoption leave where there is a need to use fixed term resource to cover the individual on leave, vis-à-vis the current approach of this cost being managed through local risk budgets. This was noted as having a particular impact in some smaller teams.
2. The agreed financial approach in place is that for fixed term cover of a role in the core team establishment, costs are covered by the standard budget. There is provision to request through Chamberlains additional funding to cover exceptional costs or where there is pressing need not manageable within approved resource budgets.
3. Not all instances of maternity/paternity/shared parental/adoption leave require specific cover, i.e. the absence is able to be managed by the wider team without having dedicated backfill or other arrangement. Furthermore, the length of time taken by an individual for maternity/shared parental/adoption leave is not standard, and therefore the feasibility or need for dedicated cover arrangements varies.
4. As of 26/11/2021, 42 people across the Corporation (including the Institutions) are on maternity leave. There will be a further handful on shared parental or adoption leave, in addition to individuals taking the two weeks provided for as paternity leave. The department with the highest number currently is Environmental Services at 8 people, which represents <1%-1% of the workforce. This approximate percentage is the average across the Corporation.
5. As a comparator, the number of individuals on long term sickness absence (defined as over 4 weeks) is 19. Environmental Services and City of London Police have the largest numbers at 6 each. Therefore, the rate would also be <1% on average across the Corporation. The average duration of absence from long term sickness absence also varies, but can go above 12 months.
6. These rates should be used as assumptions when departments are workforce planning, along with rates of attrition and time to hire etc., because they are expected costs of having a team. However, workforce planning is not considered to be well-developed or understood within many areas of the Corporation and this will need to be a key capability to be developed to enable better planning and smarter approaches to staffing need.

7. The Chamberlains have confirmed there is no central contingency or available budget for the costs resulting from some longer term staff leave to be held at Central Risk level. To create one would therefore require either a top-slice on all employee budgets or alternate prioritisation decisions.
8. Given the existing provision for individual departments or Institutions to request specific funding, and the relatively low numbers involved, it is not proposed that any changes are made to the current approach.

Corporate & Strategic Implications

Strategic implications - None

Financial implications – None

Resource implications – None

Legal implications – None

Risk implications – None

Equalities implications – None. However, it should be noted that maternity, paternity, shared parental and adoption leave are all statutory leave types which the Corporation chooses to provide additional remuneration on top of to support staff in balancing their work and home life and family situation. Absence in relation to long term sickness is also covered by clear policies and, in some instances, the reason for absence may fall under Disability Act provisions. It is therefore important that all parts of the Corporation consciously and clearly follow the relevant policies in place.

Climate implications - None

Security implications - None

Conclusion

9. Establishment Committee are asked to note this update.

Appendices

- None

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