

Report to:	COUNCIL BUSINESS MANAGEMENT COMMITTEE
Report of:	Cabinet Member for Finance and Resources
Date of Meeting:	21 October 2019
Subject:	Family Friendly Policies
Wards affected:	None

1. Purpose of report:

- 1.1 The purpose of the report is to provide an update to CBM on the work undertaken with regard to a motion in 2018 (reference 2c), which states:
- ‘Motion for Debate: a working group to review, identify and address issues they face and help make Birmingham City Council an exemplar parent friendly employer, including reviewing staff parental leave policy.*
- This review should explore bringing maternity pay (including shared parental leave) at least into line with the 6 months full pay now offered to non-SRA councillors and be completed in time for the 2018/19 budget process.’*

2. Decision(s) recommended:

- 2.1 To note the contents of the report, work undertaken to date and the intention to bring together and update the current leave policies into one family friendly policy, along with the Council’s commitment to Thrive at Work and Workplace Wellbeing.

Contact Officers: Tim Normanton, HR BP, 07864 930613
Timothy.normanton@birmingham.gov.uk
 Dawn Hewins, HR Director, 0121 303 2120
Dawn.hewins@birmingham.gov.uk

3. Relevant Background/ Chronology of key events

- 3.1 As requested, a working group was formed to benchmark and undertake research to compare BCC policies, with other exemplar organisations, this took place during 2018/19.
- 3.2 The HR team also undertook conversations with West Midlands Employers in terms of known best practice of shared parental leave and other policies (details provided at appendix 1).
- 3.3 After further direction at the CBM committee on 24 June 2019, additional research was completed as Elected Members advised that officers should seek to compare BCC policy regarding family friendly leave with leading employers, including from the private sector.
- 3.3 Officers researched leading employer’s family friendly policies, and analysed current BCC policy and expenditure on maternity and paternity.

- 3.4 The overview of leading employers policies can be found at appendix 2. It is important to recognize that the majority of these employers operate in sectors where there is significant global competition for talent (financial services/ICT) and policies have been driven by the market.
- 3.5 Details of uptake of current BCC parent friendly leave/payments are provided at appendix 3.
- 3.6 Details of length of leave/retention of staff are provided at appendix 4.
- 3.7 Analysis of the data presented in the appendices to this report indicates that 280 staff took leave via family friendly policies in 18/19. Staff were absent from work for 36,546 calendar days. 90% of staff took over 8 months maternity, with less than 10% choosing to leave at the end of maternity.
- 3.8 In terms of costs, increasing maternity to full pay for 6 months would mean an indicative 68% increase in cost (circa £500k additional) based on extrapolations of maternity payments in 2018/19. Increasing Paternity to full pay for 12 weeks would mean an indicative 1400% increase in cost, (circa £250k additional) based on extrapolations of paternity payments in 2018/19.

4. Next Steps

- 4.1 As a result of the HR redesign and our Workforce Strategy 2018-2022, we have commenced a review of our policies and we are looking into having one policy that brings together all family friendly policies, rather than separate information for each area. We would be able to incorporate into that any changes to entitlement, either as legislation changes or as policy decisions are approved.
- 4.2 In terms of support provided to staff to improve wellbeing and retention, the City Council is committed to achieving the WMCA Thrive at Work Award and is currently going through the application process, along with refreshing our work on workplace wellbeing.
- 4.3 Thrive at Work will demonstrate our workplace commitment to creating a workplace that promotes employee health and wellbeing, focusing on key organisational enablers such as health and safety, manager training etc. in addition to health areas such as mental, musculoskeletal and physical health and promoting healthy lifestyles.
- 4.4 BCC is also supporting a number of employees to be Mental Health First Aiders to support other employees across the organization as they experience change in their work and personal life.
- 4.5 The HR Team work closely with colleagues in Public Health and the Occupational Health Unit to share common understandings and learning regarding particular health issues.

Signature: *D. Hewins*

Chief Officer: D. Hewins, HR Director

Comparison Table – midlands region public sector employers
Appendix 1

Organisation	Occupational Maternity Leave	Statutory Maternity Leave	Paternity Leave	Shared Parental Leave	Maternity Support Leave
BCC	6 weeks – 90% contractual pay 12 weeks – half pay + SMP 21 weeks – SMP	6 weeks – 90% average weeks pay 33 weeks – SMP	1 or 2 weeks paid at SMP	6 weeks – 90% contractual pay 33 weeks – SMP	1 week at full pay
Manchester Council	11 weeks – 90% average weeks pay 13 weeks – half pay + SMP 15 weeks – SMP	6 weeks – 90% average weeks pay 33 weeks – SMP	1 or 2 weeks paid at SMP	6 weeks – 90% average weeks pay 33 weeks – SMP	1 week at full pay
Walsall Council	6 weeks – 90% average weeks pay 12 weeks – half pay +SMP 21 weeks – SMP	6 weeks – 90% average weeks pay 33 weeks SMP	1 or 2 weeks paid at SMP	6 weeks – 90% average weeks pay 33 weeks SMP	1 week at full pay
Staffordshire County Council	6 weeks 90% of a weeks pay (for teaching staff - first 4 weeks is paid at full pay) 12 weeks – half pay +SMP 21 weeks – SMP	6 weeks – 90% average weeks pay 33 weeks SMP	1 week at full pay (green book) 1 week at SMP	6 weeks – 90% average weeks pay 33 weeks SMP	Included in paternity leave
Coventry Council	6 weeks – 90% of a weeks pay (average where pay varies) 12 weeks – half pay +SMP 21 weeks - SMP	6 weeks – 90% average weeks pay 33 weeks SMP	1 week at full pay (green book) 1 week at SMP if taken	6 weeks – 90% average weeks pay 33 weeks SMP	Included in the paternity payment
Stoke on Trent City Council	6 weeks – 90% of normal pay 12 weeks – half pay + SMP 21 weeks – SMP	6 weeks – 90% average weeks pay 33 weeks SMP	1 or 2 weeks paid at SMP	6 weeks – 90% average weeks pay 33 weeks SMP	1 week at full pay

University of Manchester	26 weeks – full pay 13 weeks - SMP	6 weeks – 90% average weeks pay 33 weeks SMP	2 weeks full pay	6 weeks – 90% average weeks pay 33 weeks SMP	
University of Birmingham	18 weeks – full pay 21 weeks – SMP	6 weeks – 90% average weeks pay 33 weeks SMP	2 weeks full pay	6 weeks – 90% average weeks pay 33 weeks SMP	
University Hospitals Birmingham	Information not available	Information not available	2 weeks full pay for employees with 12 months continuous service. SMP for 1 or 2 weeks where service is less than 12 months	Information not available	
University Hospitals of North Midlands	8 weeks – full pay 18 weeks – half pay +SMP 13 weeks - SMP	6 weeks – 90% average weeks pay 33 weeks SMP	2 weeks full pay for employees with 12 months continuous service. SMP for 1 or 2 weeks where service is less than 12 months	6 weeks – 90% average weeks pay 33 weeks SMP	
Keele University	18 weeks – normal pay 21 weeks - SMP	6 weeks – 90% average weeks pay 33 weeks SMP	2 weeks full pay for employees with 12 months continuous service. SMP for 1 or 2 weeks where service is less than 12 months	6 weeks – 90% average weeks pay 33 weeks SMP	

Maternity –

Accenture – 36 weeks maternity leave on full pay.

Transport for London - 26 weeks fully paid maternity leave, 13 weeks statutory maternity pay and a possible additional 13 weeks unpaid leave. This is open to all employees regardless of length of service.

Etsy - 26 weeks of fully paid leave to be taken within the first two years

Aviva - 26 weeks leave with full basic pay regardless of gender, sexual orientation or whether they had given birth, adopted or conceived through surrogacy.

UKFast - 16 weeks paid maternity leave, on-site creche and baby hampers for new mums and dads.

Vodafone - 16 weeks of full paid maternity leave and a further six months of four-day weeks on full pay.

Netflix - Parents are allowed to take off as much time as they want in the first year, while being paid their full salary. They can choose to return full or part-time and this is inclusive of birth and adoption.

Microsoft - 20 weeks paid leave, 8 weeks fully paid after the birth and 12 weeks parental leave for both mothers and fathers which can be taken at once or multiple blocks. They also offer mothers two weeks leave before their due date and phased return.

Civil Service - 26 weeks fully paid leave and shared parental leave which can be taken in one go or in blocks throughout the first year.

Paternity –

American Express - 20 weeks paid parental leave with an ongoing promotion to take the time.

Lenovo - 8 weeks paid paternity leave and ongoing flexible leave for any sort of family emergency.

Spotify - 6 months of parental leave, child care subsidy and support in case of emergency.

Etsy - 26 weeks fully paid parental leave, assistance programmes for parents of children with special needs and unlimited sick leave which employees are encouraged to use for caring for their children.

Twitter - 20 weeks paid parental leave. An organisation called Twitter Parents offers discounts on goods and services.

IBM - 14 to 20 weeks parental leave, which can be taken anytime throughout the child's first year.

Netflix - Leave is worked out on an individual basis with no official cap.

Deloitte - 16 weeks parental leave and emergency back-up care for all parents and those with elderly relatives.

Lyft - 18 weeks paid paternity leave to be taken in the child's first year. There is also an internal group for parents offering additional support.

Pinterest - 16 weeks fully paid parental leave, staged return and support for parents, those going through IVF and adoption.

Source: <https://www.moneyguru.com/insights/the-best-workplaces-to-start-a-family>

BCC Family Friendly policy uptake/expenditure 18/19

Appendix 3

▪ Family friendly policies (incl. number of people taking this type absence in 2018/19)

- Maternity (206)
- Adoption (4)
- Maternity Support (14)
- Paternity (43)
- Fostering (13)
- Shared Parental (0)

▪ Expenditure In 2018/19

- BCC* Employee Expenditure £1,382,000 (17/18** £1,985,000)
- Individuals / Contracts absent 326 / 339 (17/18** 425 / 460)
- Calendar days in year absent 36,546 (17/18** 55,725)

Note:

- Individuals may span both years

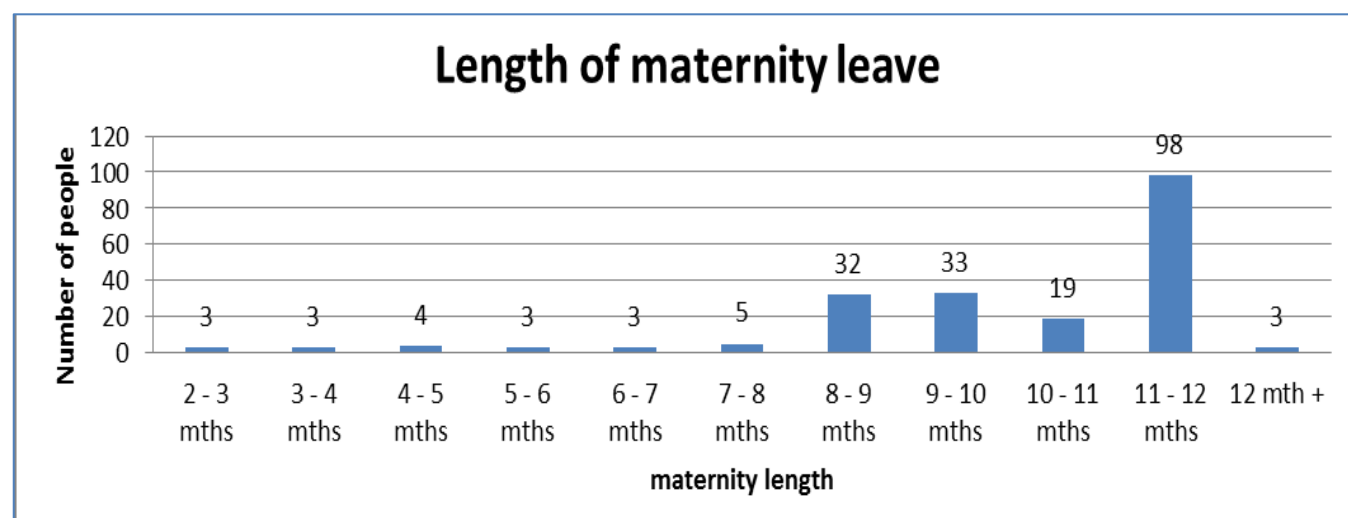
*Core BCC only – excludes Schools, BCT, Acivico

**Excludes BCC employees who subsequently moved to BCT in April 2019.

BCC Length of leave/Retention of staff accessing family friendly policies 18/19

Appendix 4

Maternity:



Retention of staff after maternity leave:

Reason	Number of people		%
Still in BCC	182		88.3%
Resignation	15		7.3%
End of Contract	2		1.0%
Voluntary redundancy	3		1.5%
TUPE out	4		1.9%
Grand Total	206		100.0%

All staff who took paternity in 18/19 were retained by BCC.

Actual and projected costs for 18/19 scheme and/6 months paid maternity/paternity Appendix 5

BCC costs – Maternity/Paternity 18/19

	Number of individuals	Non recoverable Statutory pay	Occupational pay	Total pay paid during 2018/19	Recoverable	Cost to Council
Maternity paid to employees during 2018/19	206*	£48,851	£219,240	£829,872	£561,781	£268,091
Paternity paid to employees during 2018/29	43	£650	£13,151	£21,277	£7,476	£13,801

*includes some staff on multiple contracts

Cost modelling – increasing Maternity –

Model Type	Scheme Payable	Recoverable	Cost to BCC	Increase on Current Scheme Model
Current Scheme	£2,196,408	£1,446,576	£749,832	0%
6 month full Pay	£2,704,185	£1,446,576	£1,257,609	68%
12 month full Pay	£5,408,369	£1,446,576	£3,961,793	428%

Modelled on 206 full time employees, in grades groups similar to 2018/19 & based on 2019/20 SMP flat rate (£148.68) & 2019/20 BCC salary grade midpoints

NOTE: Figures exclude OnCosts

Cost modelling – increasing Paternity –

Model Type	Scheme Payable	Recoverable	Cost to BCC	Increase on Current Scheme Model
Current Scheme	£28,111	£11,764	£16,348	0.0%
6 week full Pay	£130,309	£11,764	£118,545	625.1%
12 week full Pay	£260,618	£11,764	£248,854	1422.2%

Modelled on 43 full time employees, in grades groups similar to 2018/19 & based on 2019/20 SMP flat rate (£148.68) & 2019/20 BCC salary grade midpoints