

Integrated Impact Assessment – Summary Report

Each of the numbered sections below must be completed
Please state if the IIA is interim or final

1. Title of proposal
Review of Pay Policy

2. What will change as a result of this proposal?

- Standard Repayment Plan will be changed to recover over the period of the accrued overpayment rather than percentage based.
- Providing more information / transparency for colleagues on payroll processes, checks and protocols.
- Expanding on responsibilities for managers, staff and HR to raise more awareness.
- Simplifying language.
- Removal of directorate surcharge.
- Refreshing supporting documentation such as letters to provide clarity on over / underpayment, be more trauma informed and supportive.

3. Briefly describe public involvement in this proposal to date and planned

This policy is used to support Council employees or former employees only, and therefore there has been no public involvement in the proposal. External benchmarking has been undertaken, and colleagues have been engaged in the development.

4. Is the proposal considered strategic under the Fairer Scotland Duty?

While this proposal does not directly tackle socioeconomic disadvantage at a strategic level, it does look to support our colleagues who may find themselves in and over or underpayment position and ensures that they will continue to receive as a minimum that National Living Wage.

5. Date of IIA
16 September 2024

6. Who was present at the IIA? Identify facilitator, lead officer, report writer and any employee representative present and main stakeholder (e.g. Council, NHS)

Name	Job Title	Date of IIA training
Emma Kilpatrick	Lead HR Consultant – ER & Policy (Facilitator)	18/05/2022
Kate Morton	Senior HR Consultant – ER & Policy	Not applicable
Olivia Reed	HR Consultant – ER & Policy	October 2023
Evie Douglas	HR Consultant – OD	17/04/2024
Andrew Burgess	Senior HR Consultant – OD	15/11/2018
Erin Smith	Senior HR Consultant – OD	18/04/2024
Richard Thrall	Governance Officer	7/11/2019
Angus Murdoch	Technical Coordinator	May 2018
Cheryl Hynd	Customer Manager – Transactions, Revenue and Applications	19/12/2017
Amy Hood	Senior Solicitor - Employment	22/03/2023
Laura Manson	Lead HR Consultant – Pay, Pensions and Employee Benefits	Not applicable

7. Evidence available at the time of the IIA

Evidence	Available – detail source	Comments: what does the evidence tell you with regard to different groups who may be affected and to the environmental impacts of your proposal
Data on populations in need	iTrent	A supplementary report was provided to attendees of the IIA covering demographic data for overpayments for the period August 2023 to July 2024.
Data on service uptake/access	iTrent	A supplementary report was provided to attendees of the IIA covering demographic data for overpayments for the period August 2023 to July 2024.
Data on socio-economic disadvantage e.g. low income, low wealth, material deprivation, area deprivation.		Not applicable
Data on equality outcomes	City of Edinburgh Council's Equality & Diversity Framework 2021-2025	<p>Theme 5 of the Framework is to create a diverse and inclusive workplace within the organisation. Within this, the Council is committed to achieving the following outcome:</p> <p><i>“a more inclusive working environment is experienced by colleagues who share protected characteristics and colleagues are supported by an inclusive workplace culture and feel confident to challenge prejudice-based behaviours”</i></p> <p>This scheme will apply to all Council employees.</p>
Research/literature evidence	ACAS – Handling Overpayments	<ul style="list-style-type: none"> In most circumstances an employer has the right to claim back money if they've overpaid someone. They should contact the employee as soon as they're aware of the mistake.

Evidence	Available – detail source	Comments: what does the evidence tell you with regard to different groups who may be affected and to the environmental impacts of your proposal
	<p>ACAS – Making and Checking Deductions</p>	<ul style="list-style-type: none"> • If an employee notices an overpayment in their payslip, they should talk to their employer as soon as possible. • An employer should not deduct money from their employee's wages without letting them know. • If the employer recently made a simple overpayment, they could let the employee know that they'll deduct it from the next pay. They could also agree to pay the money back a different way, for example by bank transfer. • If the overpayment was a large amount or over a long period of time, an employer should: <ul style="list-style-type: none"> • be flexible and fair claiming the money back. • agree a repayment plan – this can help the employee manage their finances. • If an employee owes money but no longer works for the organisation, the employer should contact them. They should explain why they think they owe them the money and how much. If the former employee refuses to pay back the money, the employer might be able to make a court claim to get the money back from them. • By law (Employment Rights Act 1996), an employer can only make a deduction from someone's wages if:

Evidence	Available – detail source	Comments: what does the evidence tell you with regard to different groups who may be affected and to the environmental impacts of your proposal
		<ul style="list-style-type: none"> • it's required by law – for example tax • the employment contract specifically allows the deduction • they overpaid the employee by mistake • it's something the employee agreed to in writing beforehand – for example paying a trade union subscription • the employee missed work because they were on strike or taking industrial action • it's a result of a court order – the employee must have agreed in writing with the employer that they can make the deduction • Deductions must not take someone's pay below the National Minimum Wage, unless the deduction is for: <ul style="list-style-type: none"> • tax or National Insurance • something an employee's done which their contract says they're liable for, such as damage to a vehicle through reckless driving • repayment of a wage advance or loan • an overpayment made by mistake • buying shares, other securities or share options in the business

Evidence	Available – detail source	Comments: what does the evidence tell you with regard to different groups who may be affected and to the environmental impacts of your proposal
Carbon emissions generated/reduced data		Not applicable
Environmental data		Not applicable
Risk from cumulative impacts		Not applicable
Other (please specify)		Not applicable
Additional evidence required		Not applicable

8. In summary, what impacts were identified and which groups will they affect?

Equality, Health and Wellbeing and Human Rights	Affected populations
<p>Positive</p> <p>Clarity within Pay Policy on payroll processes, deadlines and responsibilities should help raise awareness of colleague and manager responsibilities and therefore reduce the likelihood of over or underpayments occurring.</p> <p>Change in approach to repayment plans will mean clarity from the outset for colleagues.</p> <p>Offering flexibility within standard repayment plans will support colleagues to agree a plan that works to their specific circumstances – such as ensuring means tested benefits are not or least impacted.</p> <p>Refreshing the wording of the letters and supporting documents will provide clarity to colleagues in a trauma informed, constructive and supportive way and should not be a surprise. For example information on how the under/overpayment came about and details of the amounts due.</p>	<p>All colleague groups</p> <p>All colleague groups</p> <p>All colleague groups in particular those with a disability.</p> <p>All colleagues, especially those who have experienced or are experiencing trauma e.g. long term sick leave, bereavement, etc.</p>

Equality, Health and Wellbeing and Human Rights	Affected populations
<p>All colleagues will be treated with parity in terms of process to follow for agreeing a repayment plan, however individual circumstances will be considered.</p> <p>More detailed dashboard information is now available to HR to allow for regular analysis of over / under payment dashboard to identify trends / areas of concern for further education of managers / colleagues which should hopefully reduce future overpayments.</p> <p>New Oracle system will allow all colleagues access to their payslip online as well as other employment related information as it's a cloud based system, which should allow for early identification of errors and reduce overpayments.</p>	<p>All colleagues</p> <p>All colleagues</p> <p>All colleagues.</p>
<p>Negative</p> <p>Where overpayments have occurred within the last year, the cases have been women in part time roles within our lower grades, meaning a bigger impact on their take home pay when recovering overpayments. It is hoped that the changes being introduced to the Pay Policy will reduce the number of pay errors that are made and mitigate the impact on those most likely to be overpaid to some extent.</p> <p>Where colleagues have a disability that impacts their cognitive function, they may not be able to identify anomalies within their pay / payslip.</p> <p>Those experiencing domestic abuse may be subject to further abuse / violence / blame for any over / underpayment.</p> <p>Colleagues on statutory maternity, adoption, shared parental or sick pay may be more financially disadvantaged as they are already in a reduced pay situation.</p> <p>Colleagues working part time or in service facing areas may not have capacity / ability to check their payslips for errors.</p>	<p>Women</p> <p>People with a disability</p> <p>Victims of domestic abuse.</p> <p>All colleagues</p> <p>All colleagues</p>

Environment and Sustainability including climate change emissions and impacts	Affected populations
Positive Not applicable	
Negative Not applicable	

Economic	Affected populations
<p>Positive</p> <p>Offering flexibility within standard repayment plans will support colleagues agree a plan that works to their specific circumstances – such as ensuring means tested benefits are not or least impacted.</p> <p>By ensuring underpayments are remedied and back pay implemented as soon as identified should mitigate further financial detriment for colleagues.</p> <p>Colleagues are guaranteed to receive the National Minimum Wage, and this will be built into any repayment plan.</p>	<p>All colleagues in particular those in receipt of means tested benefits.</p> <p>All colleagues in particular those on lower incomes.</p> <p>All colleagues</p>
<p>Negative</p> <p>Fixed repayment plans may cause further issues for colleagues as may impact on other payroll deductions such as savings schemes, student loans, charity donations, earnings arrestments or where dependents are financially responsible on the individuals.</p> <p>Over and under payments may have an impact on a colleague's tax.</p>	<p>All colleagues.</p> <p>All colleagues who pay tax / NI contributions on their pay.</p>

9. **Is any part of this policy/ service to be carried out wholly or partly by contractors and if so how will equality, human rights including children's rights, environmental and sustainability issues be addressed?**

No, all elements involving this policy will be carried out by employees, managers or HR.

10. **Consider how you will communicate information about this policy/ service change to children and young people and those affected by sensory impairment, speech impairment, low level literacy or numeracy, learning difficulties or English as a second language? Please provide a summary of the communications plan.**

We will undertake normal communication activities to raise awareness of this colleague policy, including articles in Newsbeat and Managers News; updating of the HR Orb pages; and providing updates at service management meetings.

Our HR team also provide regular training sessions for managers on the Employee Lifecycle Team and their responsibilities within the pay cycle and ensuring accurate payments.

11. **Is the plan, programme, strategy or policy likely to result in significant environmental effects, either positive or negative? If yes, it is likely that a Strategic Environmental Assessment (SEA) will be required and the impacts identified in the IIA should be included in this. See section 2.10 in the Guidance for further information.**

Not applicable.

12. **Additional Information and Evidence Required**

If further evidence is required, please note how it will be gathered. If appropriate, mark this report as interim and submit updated final report once further evidence has been gathered.

13. **Specific to this IIA only, what recommended actions have been, or will be, undertaken and by when? (these should be drawn from 7 – 11 above) Please complete:**

Specific actions (as a result of the IIA which may include financial implications, mitigating actions and risks of cumulative impacts)	Who will take them forward (name and job title)	Deadline for progressing	Review date
Promote regularly the importance of checking and reviewing your payslip	HR / Comms	Ongoing	
Provide clarity on how to read / understand what is on a payslip and what colleagues should be looking out for, and where to contact for queries.	HR	Oracle launch	
Link to other related policies which may impact pay such as Special Leave or Flexible Working so colleagues are aware of impacts	ER Team		
Build into HR processes – where situations of domestic abuse are known about, ensure correct protocols are in place for communicating any over/underpayment and ensure colleague has to appropriate support in place	HR	Ongoing	
Provide flexibility within repayment plans, in line with good legal compliance, where colleagues may experience financial detriment as a result of standard plan.	ER Team for Policy inclusion Payroll for implementation	Ongoing	
Continue to undertake regular analysis of over / under payment dashboard to identify trends / areas of concern for further education of managers / colleagues	HR	Ongoing	
Update contract letters for new Sessional colleagues to explain leaver calculation	HR	Ongoing	

14. Are there any negative impacts in section 8 for which there are no identified mitigating actions?

No

15. How will you monitor how this proposal affects different groups, including people with protected characteristics?

HR will regularly analysis the overpayments dashboard to identify impacted areas.

16. Sign off by Head of Service

Name *Nareen Turnbull*

Date *25/01/2025*

17. Publication

Completed and signed IIAs should be sent to:
integratedimpactassessments@edinburgh.gov.uk to be published on the Council website www.edinburgh.gov.uk/impactassessments
Edinburgh Integration Joint Board/Health and Social Care
sarah.bryson@edinburgh.gov.uk to be published at
www.edinburghhsc.scot/the-ijb/integrated-impact-assessments/