

Annex 1 - Employment Contract Types

Type of Employment	Legal Entitlement	Nature of Employment	Current Use	Cost	Benefits
Direct Employee	<p>Pay</p> <p>Annual Leave (statutory and occupational)</p> <p>Maternity, Paternity, Adoption, Parental Leave (statutory and occupational)</p> <p>Sick Pay (statutory and occupational)</p> <p>Pension - TPS or LGPS</p> <p>Right to receive the national minimum wage</p> <p>Right not to work more than 48 hours a week unless employee opts out of this</p> <p>Protection against unlawful deduction of wages</p> <p>Protection against less favourable treatment due to part-time or fixed term status</p> <p>Protection against discrimination</p>	<p>SCC employer - permanent, long term ongoing work or work which is required for a fixed period of time</p> <p>Employees can be part time or full time and permanent or fixed term</p> <p>The approval process for hiring a directly employed member of staff is through the hiring manager</p>	<p>8831 permanent members of staff out of 11834 (75%)</p> <p>428 fixed term contract staff out of 11834 staff (4%)</p> <p>(excludes fire fighters or teachers and support staff employed in schools)</p>	<p>For the average salary of a SCC employee of £24,000, the add on costs are 23.9% which is made up of:</p> <p>Employers NI: 0% up to £8,400 pa then 13.8% on the balance over this amount. Therefore depending on the salary level the overall percentage for Employers NI will vary slightly. On a salary of around £24k it will work out to be approx. 9.2%</p> <p>Pension: LGPS: 14.8% TPS: 16.48%</p>	<p>Training</p> <p>Performance Related Pay</p> <p>SCC benefits scheme (including childcare vouchers, discount options etc.)</p>

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Bank Employee	<p>Pay</p> <p>Maternity, Paternity, Adoption, Parental Leave (statutory and occupational)</p> <p>Sick Pay (statutory and occupational)</p> <p>Pension - TPS or LGPS</p> <p>Right to receive the national minimum wage</p> <p>Right not to work more than 48 hours a week unless employee opts out of this</p> <p>Protection against unlawful deduction of wages</p> <p>Protection against less favourable treatment due to part-time or fixed term status</p> <p>Protection against discrimination</p>	<p>SCC employer - zero hours</p> <p>The employee has a long-term ongoing contract but there is no need for the employer to provide a guaranteed amount of work to them</p> <p>If a bank employee works regular hours they should be on a part time contract</p> <p>The approval process for hiring a bank member of staff is through the hiring manager</p>	2238 bank staff out of 11834 (19%)	<p>The add on costs for bank staff includes annual leave pay which is 14% for less than 5 years' service, 16% for over 5 years' service</p> <p>NI as above</p> <p>Pension as above</p>	<p>Training</p> <p>Performance Related Pay</p> <p>SCC benefits scheme (including childcare vouchers, discount options etc)</p>

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<p>Agency / Locum</p>	<p>The agency acts as the employer and provides the employees with their legal rights of employment</p> <p>After a 12 week qualifying period, an agency worker will be entitled to the same basic conditions of employment as if they had been directly employed by the hirer on day one of the assignment, specifically:</p> <ul style="list-style-type: none"> - Pay: for example any holiday pay relating to the assignment. (It does not include redundancy pay, contractual sick pay, and maternity, paternity or adoption pay) - Working time rights: for example, any annual leave above what is required by law. 	<p>Agency workers are primarily used as a short term solution to provide cover for unplanned or emergency staffing shortages, e.g. sickness absences, unexpected increases in workload, or covering a vacancy during a recruitment process</p> <p>Agency workers submit their timesheets to their agency and are paid directly by them</p> <p>If a worker is assessed in scope of IR35, they are required to pay tax and NI contributions in the same way as an employee (PAYE) and via the agency.</p> <p>The approval process for hiring through an agency who is in scope of IR35 is through the team manager</p>	<p>An average over a 12 month period: 292</p>	<p>The add on costs to employ staff via an agency are as follows:</p> <p>28.04% which is made up of:</p> <ul style="list-style-type: none"> - apprentice levy 0.5% - Working time regs rate (annual leave) 13.75% - Employers NI costs 13.8% <p>SCC pays a mark up which varies depending on the role being recruited to, as an example it can consist of:</p> <p>For Social Workers per hour: £3.00 agency fees £0.15 Supplier Mark Up £0.01 ESPO</p> <p>For Admin staff per hour: £0.42 agency fees £0.01 ESPO</p> <p>(ESPO are the procurement services for the public sector which helps achieve efficiencies through frameworks, services and procurement advice)</p>	<p>Depends on the length of the assignment</p> <p>It is the agency's responsibility to ensure their employees' rights are protected.</p> <p>SCC may choose to provide training but it is not a requirement to do so</p>

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Locums - directly engaged and in scope of IR35	Workers who are paid directly by SCC (as the agency or supplier are unable to provide them)	<p>Individuals who are not working via an agency and are required for specific projects or pieces of work.</p> <p>Such workers in scope of IR35 are required to pay tax and NI contributions which within SCC are set up via a special payroll system so that the deductions can be made at source.</p> <p>The hiring process depends on the proposed spend.</p> <p>For proposed spend between £15K and £100K, a tender process is required to be followed which includes obtaining 3 quotations and the submission of a business case.</p> <p>For any proposed spend over £50K, leader approval is required.</p> <p>For spend proposed to be over £100K, an EU compliant tender process is required.</p>	We currently have 19 such workers within SCC with 1 worker with a value over £50K	The workers submit their timesheets directly to SCC but they are not employees of SCC	<p>Flexibility</p> <p>Manage own schedule</p> <p>Can negotiate terms</p>

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Workers (Gig Economy)	<p>Paid holiday (statutory)</p> <p>Sick pay (statutory)</p> <p>Maternity, paternity, adoption, parental pay (statutory)</p> <p>Right to receive the national minimum wage</p> <p>Right not to work more than 48 hours a week unless employees opts out of this</p> <p>Protection against unlawful deduction of wages</p> <p>Protection against less favourable treatment due to part-time status</p> <p>Protection against discrimination</p>	<p>Short term assignments or “gigs”</p> <p>Workers are made available to the organisation and get paid for each assignment rather than having a regular wage.</p> <p>The worker is engaged by an organisation and has a choice of which assignments they accept.</p>	N/A	Under current HMRC roles, workers who provide services to the public sector are classed as employees for tax purposes. Therefore deductions for income tax and NI are made	<p>Flexibility</p> <p>Manage own schedule</p>
Volunteers	No contract of employment	<p>Variable – can be short or long term work depending on service needs and an individual’s availability</p> <p>The approval process for hiring volunteers is through the team manager</p>	Current information not held centrally	N/A	<p>Training specific to the role</p> <p>Expenses</p>

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<p>Contracts for services – where the company provides a specific service</p>	<p>The service provider acts as the employer of staff and provides the employees with their legal rights of employment</p> <p>This is often a specialist service which the organisation doesn't have the knowledge or capacity to run</p> <p>These types of employment can also be individual workers / consultants through a Ltd company and who are out of scope of IR35</p>	<p>The length of the contract depends on the nature of the work</p> <p>The workers are employed by the service provider which submits invoices to SCC.</p> <p>There is a process which is required to be followed when procuring contracts for services which depends on the value of the contract</p> <p>For proposed spend between £15K and £100K, a tender process is required to be followed which includes obtaining 3 quotations and the submission of a business case.</p> <p>For any proposed spend over £50K, leader approval is required.</p> <p>For spend proposed to be over £100K, an EU compliant tender process is required.</p>	<p>SCC has a variety of contracts for services in place an example includes catering</p> <p>SCC currently has 13 consultants in place with a value up to and over £50K</p>	<p>The cost varies depending on the nature and length of the contract. Payment is made via a purchase order</p>	<p>It is the service provider's responsibility to provide the employees benefits to them</p>