



FULL COUNCIL REPORT

Date Written	16 th September 2021
Report Author	Beverley Taylor
Service Area	Human Resources & Development
Exempt/Non Exempt	Non-Exempt
Committee Date	6 th October 2021

To: Mayor, Ladies and Gentlemen

Tech Scheme (Merthyr Tydfil Rewards)

1.0 SUMMARY OF THE REPORT

1.1 The purpose of this report is to seek Council's approval for the introduction of the Tech Scheme. This will form part of our existing employee benefit scheme which is administered by ICOM Rewards.

2.0 RECOMMENDATION that

2.1 The introduction of the Tech Scheme administered by ICOM Rewards be approved.

3.0 INTRODUCTION AND BACKGROUND

3.1 In September 2018 a new Employee Benefits Scheme provided by ICOM Rewards was approved. Although we already have several partner organisations (such as Tusker, Cycle Solutions) offering salary sacrifice schemes via ICOM, the Council is continually looking at ways of improving its employee benefits scheme as it attracts and retains talent within its workforce.

3.2 Officers of the HR Department received a presentation from ICOM in July 2021 detailing a home and electronic benefit scheme, namely the Tech Scheme.

- 3.3 The Tech Scheme gives employees (subject to meeting eligibility criteria) the chance to buy the latest home and electronic products in a more affordable way. It will be offered as a salary sacrifice scheme with a spending limit being initially set at £1,000 with a repayment period of 24 months. Furthermore, it is proposed that the purchase window will remain open all year round so that if employees require to make distress purchases (eg. household appliances breakdown unexpectedly, theft or loss of electronic items such as mobile telephones) they are not prevented from doing so.

Retailers who are currently participating in the Tech Scheme are Currys, PC World, Carphone Warehouse and John Lewis.

4.0 FINANCIAL IMPLICATIONS

- 4.1 As this will be operated as a salary sacrifice scheme, National Insurance (NI) and tax savings are created for the employee, however the employee will need to pay the tax savings back at the end of the financial year via a P11D so the Scheme becomes tax neutral. The Council saves on pension contribution costs.
- 4.2 The Council will self-finance the cost of the purchases. If an employee leaves the organisation with a remaining balance, the liability sits with the Council. However, an eligibility criteria will be applied to all employees before an application is approved which will mitigate risk and liability.
- 4.3 It is also proposed that an income generation fee of 5% be added to the cost of purchases to cover any debts from a 'bad leaver' and any additional admin costs.
- 4.4 We have been advised by ICOM that there is generally a 10% take up with an average purchase value being £450.00.

Therefore, predicted savings for the Council could be as follows:

Staff Headcount 1800

Average Take Up	Average orders	Average order value	Total spend	LGPS pension savings @19%	Income generation fee @ 5%
10%	180	£450	£81,000	£15,390	£4,050

5. INTEGRATED IMPACT ASSESSMENT

5.1		Positive Impacts	Negative Impacts	Neutral/Not Applicable	
1. Merthyr Tydfil Well-being Objectives		1 of 4	0 of 4	3 of 4	
2. Sustainable Development Principles - How have you considered the five ways of working?		2 of 5	0 of 5	3 of 5	
<ul style="list-style-type: none"> • Long term • Prevention • Integration • Collaboration • Involvement 					
3. Protected Characteristics (including Welsh Language)		0 of 10	0 of 10	10 of 10	
4. Socio-economic Disadvantage		2 of 6	0 of 6	4 of 6	
5. Consultation and Engagement		Undertaken	Due to be Undertaken	Not Required	
		0 of 1	0 of 1	1 of 1	
6. Data and Evidence to inform the proposal		Yes		No	
		0 of 1		1 of 1	
7. Biodiversity and the resilience of Ecosystems		Maintained	Enhanced	Reduced	Neutral/Not Applicable
		0 of 1	0 of 1	0 of 1	1 of 1
Summary					
The main positive impacts are:	Promotes health and wellbeing across the workforce, supports financial wellbeing to employees, attracts and retains talent, grows a positive workplace culture.				
The main negative impacts are:	Potential risk of recovering higher outstanding balances if employee were to leave the Council unexpectedly.				

**ELLIS COOPER
CHIEF EXECUTIVE**

**COUNCILLOR ANDREW BARRY
CABINET MEMBER FOR GOVERNANCE
AND CORPORATE SERVICES**

BACKGROUND PAPERS		
Title of Document(s)	Document(s) Date	Document Location
Does the report contain any issue that may impact the Council's Constitution?		No

Consultation has been undertaken with the Corporate Management Team in respect of each proposal(s) and recommendation(s) set out in this report.