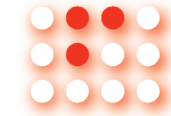


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## Majority ignored on public sector exit pay

The government has published its response to the consultation about reforms to public sector exit payments, which will see the lowest paid hit hardest.

The reforms will apply to most of the five million public sector workforce, including civil servants, teachers, NHS workers, local government workers, armed forces personnel, police officers and firefighters.

The Treasury admits that the majority of responses were opposed to the proposals.

But the majority are to be ignored. The Treasury said: "Nevertheless, it is right to take forward the proposed reforms to cut the cost of redundancies."

The exit payment framework includes:

- a maximum tariff for calculating exit payments of three weeks' pay per year of service;
- a ceiling of 15 months on the maximum number of months' salary that can be paid as a redundancy payment;
- a maximum salary of £80,000 on which an exit payment can be based;
- a taper on the amount of lump sum compensation an individual is entitled to receive as they get

closer to their normal pension retirement age; and

- action to limit or end employer-funded early access to pension as an exit term.

The government has already committed to introducing two other measures on public sector compensation: a cap on all public sector exit payments at £95,000; and a "clawback" of redundancy compensation when a highly-paid individual takes up another job in the public sector shortly after receiving an exit payment.

The lowest-paid and longest-serving public servants will be hit hardest by proposed Treasury changes, the specialists' union Prospect warned.

Prospect deputy general secretary Garry Graham said: "Announcing the consultation outcome in the week before the Conservative party conference is no coincidence.

"The government is throwing some red meat to those on the right of the party to distract them from wider challenges."

And there have been warnings that the cap may be counterproductive. Russell Hobby, general secretary of school leaders' union NAHT, said: "This cap will see more people resort to employment tribunals, increasing costs. And at a time when we need to keep school leaders in the profession, is it right to put in place a cap than penalises those who remain in the profession for many years?"

**LABOUR RESEARCH DEPARTMENT**

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Dave Prentis, general secretary of the public services union UNISON, said: "The government might claim its cap on redundancy payouts will only affect those at the top of the public sector, but the reality is that many middle-income earners – like nurses and librarians – will be hit hard. Soon, staff who've given their working lives over to public service, and who are unfortunate enough to see their jobs go, will find themselves severely short-changed."

[www.gov.uk/government/consultations/further-consultation-on-limiting-public-sector-exit-payments](http://www.gov.uk/government/consultations/further-consultation-on-limiting-public-sector-exit-payments)

[www.gov.uk/government/news/government-reforms-to-public-sector-exit-payments-confirmed](http://www.gov.uk/government/news/government-reforms-to-public-sector-exit-payments-confirmed)

[www.prospect.org.uk/news/id/2016/September/26/Treasury-plays-political-football-with-public-servants-exit-payments](http://www.prospect.org.uk/news/id/2016/September/26/Treasury-plays-political-football-with-public-servants-exit-payments)

[www.naht.org.uk/welcome/news-and-media/key-topics/pay-and-conditions/long-serving-school-leaders-penalised-by-exit-payment-plans/](http://www.naht.org.uk/welcome/news-and-media/key-topics/pay-and-conditions/long-serving-school-leaders-penalised-by-exit-payment-plans/)

[www.unison.org.uk/news/press-release/2016/09/exit-payment-cap-will-hit-middle-earners-warns-unison/](http://www.unison.org.uk/news/press-release/2016/09/exit-payment-cap-will-hit-middle-earners-warns-unison/)

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## Long wait for gender pay gap to close

The gender pay gap in the UK will not close until 2069 based on current salary progression, research suggests.

Accountancy firm Deloitte said the hourly pay gap between men and women of 9.4%, or about £1.30, was narrowing by just two-and-a-half pence a year.

It also found men were paid more than women at the start of their careers.

It said more women should be encouraged into science and technology jobs, where salaries are more balanced, but where women make up just 14.4% of the workforce.

The Deloitte analysis, based on data from the Office for National Statistics, found women earn an average of 8% less in graduate starting salaries than their male counterparts across all science, technology, engineering and mathematics (STEM) subjects combined. This compares with 9% less across all other industries.

Among those professions with the most pronounced difference was health care, where women earned £24,000 on average in graduate starting salaries, compared with £28,000 for men— a difference of 14%, the report said.

But the Deloitte report showed there was no pay gap in starting salaries across medicine, dentistry, engineering and technology.

It added it was "too simplistic to explain the gender pay gap in terms of pay inequality", and that it was partly due to differences in career paths, which are affected by academic choices and the subjects that each gender studies.

In August, an Institute for Fiscal Studies report followed a different line. It found that the wage gap is smaller when comparing young women – before they become mothers – with their male counterparts. But the gap widens consistently for 12 years after the first child is born, by which point women receive 33% less pay per hour than men.

Robert Joyce, associate director at IFS and an author of the report, said: "The gap between the hourly pay of higher-educated men and women has not closed at all in the last 20 years. The reduction in the overall gender wage gap has been the result of more women becoming highly educated, and a decline in the wage gap among the lowest-educated."

[www.bbc.co.uk/news/uk-37460778](http://www.bbc.co.uk/news/uk-37460778)

<http://www2.deloitte.com/content/dam/Deloitte/uk/Documents/Growth/deloitte-uk-women-in-stem-gender-pay-gap-report-2016.pdf>

[www.ifs.org.uk/uploads/publications/bns/bn186.pdf](http://www.ifs.org.uk/uploads/publications/bns/bn186.pdf)

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## Sick leave benefits across Europe

The United Kingdom and Ireland offer far worse sickness benefits than most other European nations.

Research from vouchercloud has revealed the amount of mandatory sick pay available to workers for both a week and a month off sick across Europe, with Switzerland and Liechtenstein out in front, with Ireland, Finland and the United Kingdom lagging way behind.

Norway, Luxembourg, Germany, Austria and Belgium pay out 100% of a worker's wage during a week and month of sick leave, pushing them towards the top of the table when it comes to providing sick leave payments; Malta and Croatia also pay out 100%, despite their far lower average national wage.

Due to a combination of long "waiting periods" and lower national wages, Ireland, Finland, the UK, Estonia and Slovakia are holding up the table, paying £51 and below for a week of sick leave. Finland and Ireland, in fact, pay out nothing for a week of sick leave, due to extended "waiting periods".

With the average payout for a week of sick leave across Europe sitting at £245, the UK's £35.96 payout is one of the lowest by a long way – and with a slightly healthier £305.71 monthly payment still far below the £1,034 average, a strong average salary across the UK means nothing in terms of sick pay.

In fact, the average worker across Europe receives 65% of their salary as pay during a week of sick leave – in the UK, a worker is paid less than 9% of a typical week's salary.

That increases to a slightly healthier 18% when a month of sick leave is considered, but the proportion is still far below the European average (70% of your typical wage across a month of sick leave).

"Waiting periods" or "waiting days" are employed in many of the countries featured, ranging from one day to nine days and typically three days, representing a period where no money is paid out by the employer or the state.

Vouchercloud points out that many countries and employers will pay out more than the minimum mandatory payments, and sick leave can be uniquely agreed with a specific employer and specific job – there is a chance that in a contract – even in the UK – a worker will be entitled to more sick leave than the minimum.

[www.vouchercloud.com/resources/sick-leave-across-europe](http://www.vouchercloud.com/resources/sick-leave-across-europe)

## How to shrink the great divide in UK

The great divide between the haves and have-nots in the UK is set out in a media briefing by Oxfam.

Continued increases in wealth inequalities in recent years and the failure to properly tackle the large increase in income inequalities that occurred in the 1980s have left the UK with an unequal economy that is not working for everyone.

The UK may be one of the richest countries in the world, says the charity, but one in five people live below the poverty line, struggling to pay for essential bills and put food on the table.

Oxfam cites data from the Credit Suisse that shows the richest 10% of the UK population owns over half of the country's total wealth (54%), and the richest 1% owns nearly a quarter (23%). At the other end of the scale, the share of the poorest 20% of the population – nearly 13 million people – is just 0.8%.

The Office for National Statistics puts the richest one percent's share at a lower figure of 13%, says Oxfam, while other data from its *Wealth in Great Britain* report, which looks at aggregate total wealth, shows that the wealthiest 20% of UK households have well over 100 times more wealth than the poorest 20% of UK households.

No matter which figures are considered, the picture is clear – there is great inequality in Britain.

Research carried out for Oxfam by the London School of Economics, to be published later this year, shows clear evidence that poverty rates tend to be higher when inequality is higher and increases in income inequality are associated with increases in income poverty rates.

There is also a growing body of evidence that high and rising inequality is harmful to growth.

Rachel Orr, head of Oxfam's UK programme, said: "Inequality is a massive barrier to tackling poverty and has created an economy that clearly isn't working for everyone. The UK is one of the richest countries in the world, but it's a nation divided into the 'haves' and have-nots'. While executive pay soars, one in five people live below the poverty line and struggle to pay their bills and put food on the table."

The media briefing says that many companies have driven up inequality by working for the benefit of their senior executives and shareholders to the exclusion of their staff and broader society. More often than not, profits are accrued at the expense of workers and society at large. For example, dividends paid by UK companies have rocketed from 10% of profits in the 1970s to 70% today.

Oxfam says addressing the practices of big business – from closing wage gaps to incentivising investment in their staff to making sure they pay their fair share of taxes – should be a central part of the government's plans to even up the economy.

The charity sets out four action points to achieve this. It calls for a greater voice for employees through representation on company boards – a long-held demand of the TUC.

To address pay disparities, it calls for the adoption of pay ratios, to help curb excessive pay at the top while addressing pay levels at the bottom.

Thirdly, the government needs to support employers, in particular those in low paying sectors that employ large numbers of women such as retail,

childcare and social care, to provide opportunities for flexible employment and progression to staff to boost living standards and tackle in-work poverty.

And finally, the government needs to put an end to the era of UK-linked tax havens, which allow rich individuals and companies to avoid paying their fair share to society.

<http://policy-practice.oxfam.org.uk/publications/how-to-close-great-britains-great-divide-the-business-of-tackling-inequality-620059>

## Women's mental health needs ignored

Mental health services across England are not adequately considering the needs of female mental health patients, according to the charity Agenda, which has just launched their mental health campaign, Women in Mind.

The charity reports that only one NHS Mental Health Trust, out of 35 who responded to its survey, had a women's mental health strategy. In every other trust, there was no strategy explicitly recognising women's mental health needs.

In addition, just over half of responding trusts (18) had no policy on "routine enquiry" (the practice of routinely asking female patients about experience of abuse), which is contrary to National Institute for Health and Care Excellence guidelines.

The vast majority of trusts had no policies on offering proactive support to patients who disclose abuse beyond meeting their safeguarding responsibilities.

And only five services reported having a policy on actively offering female patients a choice of female care worker.

Agenda has highlighted the risks to female patients from a lack of gender-awareness in mental health trusts. Previous research has revealed that men and women face different mental health problems, expressed in different ways and rooted in different gendered experiences.

Women's greater experiences of abuse, for example, are linked to higher rates of mental ill-health.

Women often need a female care worker or a female-only care settings to feel safe enough to open up in therapy. Women need counselling and

expert staff who understand sexual and physical abuse and trauma.

Best practice guidelines and previous national strategies have also highlighted the need for a gender-specific approach to mental health care for men and women.

Katharine Sacks-Jones, director of Agenda, said: "Too many women facing poor mental health bounce from crisis to crisis unable to get the help they need. The majority have experienced violence and abuse, and many report needing women-specific spaces to feel safe."

Agenda is calling for:

- the government's new Mental Health Equalities Champion to have a focus on women's mental health and champion a gender-focused approach across the treatment spectrum;
- a clinical lead for women's mental health and a strategy in every local area, to take account of women's needs. This includes the implementation of guidance on routine enquiry, the provision of gender-specific services, and including female patients in service design; and
- every female mental health patient to be asked about her experiences of abuse and violence as standard. This "routine enquiry" should be accompanied by proper support for any abuse she has experienced.

<http://weareagenda.org/mental-health-services-not-considering-women-needs/>

## How to claim benefits for industrial injuries

The TUC has produced a useful short guide to the Industrial Injuries Disablement Benefit (IIDB) Scheme.

A worker who has been injured or contracted a disease that is caused by work may be entitled to make a claim for IIDB. This is separate from claiming compensation through the courts.

The guide covers questions such as Who can claim?, What diseases are covered? and How do I claim?

The guide also covers how much is paid out in IIDB along with other routes available to claim compensation.

[www.tuc.org.uk/sites/default/files/Industrial\\_Injuries\\_Disablement\\_Benefit\\_2016\\_Guide\\_Digital\\_0.pdf](http://www.tuc.org.uk/sites/default/files/Industrial_Injuries_Disablement_Benefit_2016_Guide_Digital_0.pdf)