Appendix 5

CRL Sickness Absence Policy

Scope of Agreement

This agreement is effective from October 2007.

This agreement covers all employees employed on the following terms and conditions:

Warehouse & Clerical Supervisory Agreement Team Leader Agreement

Principles of Agreement

Any employee incapable of working due to sickness or accident must ensure they comply with all of the procedures defined within the Co-operative Retail Logistics Absence Management Procedure. Unless there are exceptional circumstances failure to do so may lead to the non-receipt of pay for that day.

Payment of sick pay and/or statutory sick pay will be made only where such procedures have been followed:

A copy of employees responsibilities are contained in the Absence Management document, as at Appendix 15.

The Society may require an employee claiming sick pay to undergo medical examinations by a doctor nominated by the Society, but in this event the fee for such examination will be paid by the Society.

Employees unable to work because of any incapacity covered by this scheme shall receive from the Society by way of sick pay their Contractual Pay.

The Society shall be entitled to deduct from sickness payments any employee contributions to the Co-operative Group Employees Pension and Death Benefit Scheme. They will also be entitled to deduct any contributions payable by employees to any fund or object authorised by them to be deducted from their wages and to pay such contributions to such funds on their behalf.

Employees who are in receipt of sick pay shall not take any other employment or do anything that would prejudice their recovery.

A case of any employee abusing the scheme shall be dealt with as a disciplinary matter.

Entitlement

Where an employee has completed 12 month or more continuous service, subject to the Society's absolute discretion, which shall not be unreasonably withheld and the employee's compliance with all procedures they may receive Society Sick Pay up to a maximum as outlined below. This entitlement relates to any rolling 12-month period. It is intended to complement Statutory Sick Pay (SSP). For employees who qualify for SSP, Co-operative Sick Pay is paid in addition to SSP up to the normal contractual basic wage.

The length of sickness absence permissible for any employee covered by this agreement is dependent upon their service. You should refer to your own specific Agreement for details of your entitlement.

All entitlements are non-accumulating i.e. they are fixed maximum annual entitlements.

Individual entitlement is uprated on the anniversary of the employee's start date. If, however, an employee is absent due to sickness on the anniversary the new entitlement will not apply until the first day of the return to work.

In all cases where the entitlement has been exhausted a minimum of 13 weeks' active employment must elapse before any further claim can be made.

Where there is a marked and sustained increase in absenteeism by any individual employee then the Society, in consultation with the trade union, may take the following action;

Introduce three waiting days (regardless of hours) where payment will not be made Request the production of a medical certificate before any payment is made regardless of the length of absence.

Withdraw that individual employee from cover by the scheme.

Should there be any major changes in the present legislation in respect of statutory sickness and accident benefits then the scheme may be reviewed.

4. Termination of the Agreement

Membership of the scheme will automatically terminate as follows: -

Upon the termination of the scheme,

Upon an employee leaving the Society's employment

If an employee makes willful or fraudulent misrepresentations in order to claim sick pay.

Amount of Co-operative Sick Pay

Employees will receive the equivalent to their normal basic daily/weekly rate of pay plus any contractual shift allowance payable for any period of sickness absence, taking into consideration their own individual entitlement.

Sick Pay and Public Holidays

When a public holiday falls within a period of approved sickness absence the employee will receive a lieu-day for the public holiday. The public holiday will be classified as sickness absence for the purposes of Co-operative Sick Pay and as one continuous sickness period.

Compulsory Absence

Where an employee is compelled by a medical authority to be absent from work following contact with a notifiable disease, such absence shall be classed as special leave with contractual basic pay, rather than sickness absence. If any benefits are paid under any statutory or local authority regulations, the Society shall pay the amount necessary to make up the normal contractual wage.

8. Repayment of Co-operative Sick Pay

All non-statutory payments paid to the employee during absence due to sickness or injury will be treated as a loan by the Society if compensation is subsequently recovered by the employee from a third party (including private insurance). It is a condition of the Society's contractual sick pay scheme that any payments made under the scheme are repaid to the Society in full if compensation is recovered from a third party. The Society reserves the right to deduct the amount from a third party from the employee's ongoing salary payments. The amount of any repayment to the Society required in those circumstances will be determined by the Society but will not exceed the actual damages recovered or the part thereof identified as loss of earnings.