

Employment Committee

Held on Monday 20th March 2023

At 6:00 pm in the Council Chamber, The Cube, George Street, Corby.

Present: -

Members

Councillor Barbara Jenney (Chair)
Councillor Matt Binley
Councillor William Colquhoun
Councillor Matt Keane
Councillor Russell Roberts
Councillor Helen Howell
Councillor Ian Jelley
Councillor Steven North
Councillor Jim Hakewill

Officers

Adele Wylie (Executive Director of Customer & Governance)
Marie Devlin-Hogg (Assistant Director Human Resources)
Paul Goult (Democratic Services)
Callum Galluzzo (Democratic Services)

32. Apologies for Absence

Apologies were received from Councillors J-P Carr, T Partridge-Underwood, J O'Hara, L Lawman, E Fedorowycz.

33. Members' Declarations of Interest

No Declarations of Interest were made.

34. Minutes of the meeting held on 27th October 2022

The minutes of the meeting held on the 27th October 2022 had been circulated. Under Minute 29 Pay Award 2022/23, in the third last paragraph it was noted there was a typographical error which read "...achieved in early 2013..." This should have read "...achieved in early 2023..." This was noted and agreed.

RESOLVED that: -

The minutes (as amended) of the meeting held on the 27th October 2023 were agreed as a correct record.

35. Salary Increments 2023

The report before Committee sought agreement to apply salary increments to eligible employees on locally determined terms and conditions which were protected at the point of transfer to North Northamptonshire Council.

The Council had a range of pay and terms and conditions for its employees as a result of local government reorganisation. Staff transferring to North Northamptonshire Council on 1st April 2021 transferred on the terms and conditions they were subject to at their predecessor authorities.

Whilst those employees who transferred on nationally agreed pay and terms and conditions, and those who have been appointed to NNC since 1 April 2021 would contractually receive an annual salary increment (subject to being in post for 6 months prior to 1st April 2023 and not being at the top of the corresponding grading structure), those on local terms and conditions or 'other' TUPE terms would not automatically receive a salary increment.

To support the Council's ambition to become an employer of choice and ensure fairness across the organisation, it was being proposed that all eligible employees receive a salary increment as outlined in the recommendations within the report.

All predecessor authorities recognised national pay, terms and conditions, with the exception of Northamptonshire County Council, whereby pay and terms and conditions were determined locally.

Where local authorities recognised national agreements, pay was determined by a negotiating body; the National Joint Council (NJC) for local government services. The NJC was made up of representatives from trade unions and the employers. Under the agreed terms of NJC, employees were entitled to an annual salary increment each year.

In addition, the Council was currently in the process of developing its own pay and grading structure and had already made the commitment to recognise national pay, terms and conditions.

This meant that employees who transferred from the district and boroughs had already received their increment for this financial year as it was a contractual right. It also meant that those employees who had started with the Council and have at least 6 months in role and headroom within their grade, would also receive a salary increment.

Whilst this accounted for the majority of our workforce, it did mean that ex-NCC and employees on other TUPE terms had not received an increment.

The Committee noted that due to the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE), North Northamptonshire Council had a complex workforce, with employees working on different pay, terms and conditions, depending on which authority they transferred from.

New employees appointed from 1 April 2021, and those who had moved into new roles following a restructure, had been given new NNC contracts, which included a contractual entitlement to annual increments. The second phase of this work to establish the new pay and grading structure and a full set of terms of conditions for NNC was currently underway and consultation and negotiation with our recognised Trade Unions was ongoing. Full Council will consider the finalised pay structure and terms and conditions later in 2023.

Whilst this would provide the Council with agreed terms and conditions for North Northamptonshire, it would not automatically follow that all employees would move immediately onto these new pay, terms and conditions (harmonisation) and it was likely therefore that the Council will have employees who will be subject to different terms and conditions for some time. Contractual increments would be paid for all eligible employees who TUPE transferred under National "Green Book" in April 2023 as per contractual entitlements.

The Council did not yet have its pay and grading structure in place, however, new starters since 1 April 2021, employed directly by North Northamptonshire were contractually entitled to an increment, subject to eligibility. These would be paid in the April 2023 pay-run.

Recruitment and retention of talent was becoming increasingly challenging for the public sector and therefore the actions the Council was taking to become an employer of choice was key to ensuring that the Council had the right talent to deliver excellent services for North Northamptonshire. Whilst there were a number of reasons why employees would choose to work for the Council, pay and reward will be an important element as will the delivery of the Council's commitment to treat all staff equitably.

The Council had committed to becoming an employer of choice and recognised the importance of ensuring fairness across the organisation. It was therefore proposed that those employees who were subject to local terms and conditions received the salary increment (subject to eligibility) as their colleagues who benefit from national pay agreements. This would ensure that the Council did not have a two-tier workforce and that all employees were treated in an equal way.

Whilst the alternative option was to only pay increments to employees who were contractually entitled to receive them, the impact on the organisation and the Council's ability to recruit and retain talent would likely be hampered by this decision.

In June 2022, the Council took the decision to award increments for the year 2022 to all eligible staff, regardless of their contractual entitlement. This was extremely well received by staff. Steps such as incremental progression would assure staff that the Council was committed to making sure that there was pay equality and fairness throughout the organisation and that the Council was an organisation that they want to stay and work for. This decision was therefore key to the retention of staff within North Northamptonshire Council. A decision not to pay increments would not align with the Council Corporate Plan, which was agreed by Full Council.

The financial impact of awarding salary increments to eligible employees who do not have a contractual entitlement was £350,000. The cost of the proposed pay changes would be met from within Council resources, using funding set aside within the corporate contingency as part of the budget setting.

The Committee welcomed the report. Councillor North queried how long it would take to achieve "harmonisation", was there a deadline? Officers confirmed that there was no timescale set down and it may take years for a fully "harmonised" situation to be achieved. Transformation and restructuring would allow for the process to continue, with more employees being on NNC terms & conditions but it would be a lengthy process to achieve 100%.

Councillor Roberts welcomed the report. It was important that NNC became an “employer of choice” and recognised the progress made to date, and that there was a significant amount more to do.

Councillor Hakewill queried whether there was allowance made in the 2023/24 Budget process and whether there was any impact on employees of the Children’s Trust. Officers confirmed that allowance had been made in the MTFP as a contingency amount, the financial impact was £350k. It was noted that the Children’s Trust make their own employee pay decisions, but they do liaise with both NNC & WNC.

Officers confirmed that the decision of Committee would impact on all those staff eligible under contract.

Councillor Binley welcomed the report but recognised that there were a number of issues to be addressed before NNC could have a fully “harmonised” set of terms & conditions applicable to all of its staff.

In response to a query from the Committee, the Executive Director confirmed that there would be an All Member Briefing on the subject of Pay & Grading once negotiations with the trade unions had been completed.

Councillor Hakewill MOVED the recommendations; these were SECONDED by Councillor Jelley.

RESOLVED that: -

- (i) The payment of salary increments for the 2023 financial year to eligible North Northamptonshire Council employees (not currently at the top of their pay grade), whose protected TUPE terms and conditions of employment have no contractual entitlement to incremental progression, be approved.

36. Close of Meeting

Meeting closed at 6:23 pm.