

Employment Committee 26 March 2024

Report Title	Salary Increments 2024
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Are there public sector equality duty implications?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information (whether in appendices or not)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972	Not applicable
Which Corporate Plan priority does the report most closely align with? Our priorities for the future North Northamptonshire Council (northnorthants.gov.uk)	Active, fulfilled lives

List of Appendices

None

1. Purpose of Report

- 1.1. This report seeks agreement by the Committee 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.

2. Executive Summary

- 2.1 The Council continues to have a range of pay and terms and conditions for its employees as a result of Local Government Reorganisation and the implementation of NNC's new pay and grading arrangements.
- 2.2 Staff transferring to North Northamptonshire Council on 1st April 2021 transferred on the terms and conditions they were subject to at their predecessor authorities. These terms are protected by TUPE legislation.
- 2.3 Whilst some of the TUPE employees transferred on nationally agreed pay terms and conditions and have a contractual entitlement to receive a salary increment if they have headroom within their grade; employees who transferred from the County or from non-District or Borough organisations, have no such entitlement.

- 2.4 To support the Councils ambition to become an employer of choice and ensure fairness across the organisation, it is proposed that all eligible employees receive a salary increment as outlined in the recommendations.

3. Recommendations

- 3.1 It is recommended that the Employment Committee:

approves the payment of salary increments for the 2024/25 financial year (effective from 1 April 2024) to eligible 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.

Reasons for the Recommendations

- 3.2 These recommendations have been made to:

- a) support a fair and transparent approach to pay and reward;*
- b) enable the council to attract and retain its employees and recognise their ongoing hard work and contribution in supporting the delivery of the organisation's priorities and services;*
- c) support the council's ambition to be an employer of choice.*

Alternative Options Considered

- 3.3 The council could decide to award salary increments only to employees who are contractually entitled to them; however the impact on employee morale and the council's ability to retain talent would likely be adversely impacted by this decision.

4 Report Background

- 4.1 As a result of Local Government Reorganisation, North Northamptonshire Council came into being on 1st April 2021.
- 4.2. 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.
- 4.3. Where local authorities recognise national agreements, employees are entitled to an annual salary increment each year, until they reach the top of their grade range.
- 4.4. In February 2024, NNC implemented its own pay and grading arrangements for employees who had to be appointed on interim / temporary pay arrangements. The new NNC pay terms also recognise national agreements and an entitlement to automatic salary increments where there is headroom.

- 4.5. This means that only employees who transferred from the district and boroughs, and those employees who have been appointed to NNC pay terms and conditions, have been in post for at least 6 months and have headroom, will be eligible to receive an automatic increment effective from 1 April 2024.
- 4.6. Whilst this accounts for the majority of our workforce, it does mean that the remaining workforce (former county employees and employees on other TUPE terms) will not receive an automatic increment as they have no contractual right to.

5 Issues and Choices

- 5.1 Due to the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE), North Northamptonshire Council has a complex workforce, with employees working on different pay, terms and conditions, depending on which authority they transferred from.
- 5.2. Added to the inherited mix of TUPE terms, new employees appointed from 1 April 2021, and those who have moved into new roles following a restructure, have been given new NNC contracts, which also include a contractual entitlement to annual increments.
- 5.3. Whilst the new pay and grading arrangements provide the Council with its own set of pay terms and conditions, it will not automatically follow that all employees will move immediately onto these new pay, terms and conditions. This means that the Council will have employees who will be subject to different terms and conditions for some time.
- 5.4. Contractual increments will be paid for all eligible employees who TUPE transferred under National "Green Book" or are in scope of the NNC pay and grading project.
- 5.5. The attraction and retention of talent is becoming increasingly challenging for the public sector and therefore the actions the Council takes to become an employer of choice is key to ensuring it has the right employees in the right services to deliver excellent services for North Northamptonshire. Whilst there are a number of reasons why employees will choose to work for the Council, pay and reward will be an important consideration; as will the Council's commitment to treating all staff fairly.
- 5.6. It is therefore proposed that those employees who are subject to local terms and conditions receive the salary increment (subject to eligibility). This will ensure that all employees are treated in an equal way.
- 5.7. In March 2023, the council took the decision to award increments for the year 2023/24 to all eligible staff, regardless of their contractual entitlement. This was extremely well received by employees.
- 5.9. Steps such as incremental progression will reassure employees that the Council is committed to making sure that there is pay equality and fairness throughout the organisation and that NNC is an organisation that they want to

stay and work for. This decision is therefore key to the retention of staff within North Northamptonshire Council.

6 Next Steps

- 6.1 Subject to approval by the Employment Committee, Human Resources will liaise with Payroll to ensure increments are paid to qualifying employees in April 2024 payroll.

7 Implications (including financial implications)

7.1 Resources and Financial and Transformation

- 7.1.1 The financial impact of awarding salary increments to eligible employees who do not have a contractual entitlement is £261,000.
- 7.1.2 The Council's corporate pay contingency for 2024/25 included provision for increments for staff on legacy Terms and Conditions, therefore the cost of this can be accommodated within the 2024/25 budget.

7.2 Legal and Governance

- 7.2.1 Full Council has delegated authority to the Employment Committee via the Constitution to agree to implement any salary increments for those employees on local terms and conditions.

7.3 Relevant Policies and Plans

- 7.3.1 The Council is committed, within its Corporate Plan 2021-2025, approved by full Council on 1 December 2021, to invest in and value its staff to become an employer of choice.

7.4 Risk

- 7.4.1 There are no significant risks arising from the proposed recommendations in this report.

7.5 Consultation

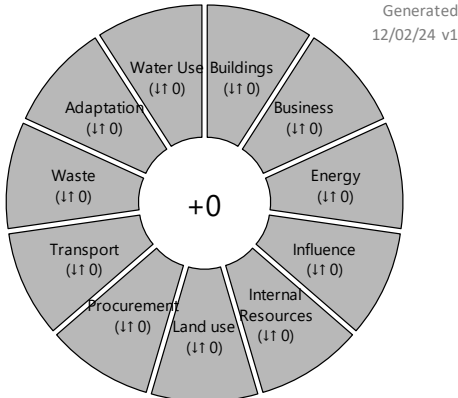
- 7.5.1 The Council continues to hold regular meetings with recognised Trade Unions.

7.6 Equality Implications

- 7.6.1 By ensuring those employees who are subject to local terms and conditions receive the same entitlement to salary increments as their colleagues who benefit from national pay agreements, this will ensure that the Council does not have a two-tier workforce and that all employees are treated in an equal way.

7.7 Climate Impact

7.7.1 There are no specific climate impacts arising from this report.



North Northamptonshire Council has committed to being a carbon neutral organisation by 2030, 5 yrs & 10 mos away.

7.8 Community Impact

7.8.1 There are no specific community impacts arising from this report.

7.9 Crime and Disorder Impact

7.9.1 There are no specific crime and disorder implications arising from this report.

8 Background Papers

8.1 Constitution of North Northamptonshire Council ([link to website](#))