

<b>Committee:</b> Ordinary Council	<b>Date:</b> 7 December 2022
<b>Subject:</b> Harmonisation of pay, terms and conditions for the #One Team Partnership	<b>Wards Affected:</b> All
<b>Report of:</b> Jonathan Stephenson – Chief Executive of Brentwood Borough Council & Rochford District Council	<b>Public</b>
<b>Report Author/s:</b> Name: Nichola Mann – Human Resources Manager Telephone: 01277 312500 E-mail: <a href="mailto:Nichola.mann@brentwood.gov.uk">Nichola.mann@brentwood.gov.uk</a>	<b>For Decision</b>

### Summary

This report sets out the harmonisation of pay, terms and conditions as part of the #One Team Partnership with Rochford District Council and the implications and risks if the Council was to continue with the Partnership without harmonising.

### Recommendation(s)

**Members are asked to:**

- R1.** Approve the proposed #One Team Pay Scales, as set out in Appendix A of this report, subject to the final negotiations with Unison.
- R2.** Approve the proposed #One Team Terms and Conditions, as set out in Appendix B of this report, subject to the final negotiations with Unison.

### Main Report

#### **Introduction and Background**

1. At an Extraordinary meeting on 26 January 2022 (the “January Meeting”) the Council resolved to agree the Strategic Partnership between the Council and Rochford District Council (RDC) and appointed Jonathan Stephenson as the Joint Chief Executive for both Councils and the Council’s Head of Paid Service with effect from 1 February 2022. This included the decision to work on and complete a Section 113 agreement, which is now in place.
2. In order to support the partnership, the creation of a single unified Senior Leadership Team pay structure, as well as terms and conditions for Tier 1 to Tier 3, were agreed and a new Pay Policy Statement was adopted by this Council on the 22 June 2022.

3. It was further agreed that further harmonisation from tier 4 and below would be required to ensure the success of the partnership.

### **Issue, Options and Analysis of Options**

4. Brentwood Borough Council is not part of the NJC or the JNC, pay is set locally. Rochford District Council is part of the NJC and the JNC, pay is set nationally up to PO20 and locally above this. This therefore creates disparity of pay, as well as terms and conditions across the partnership.
5. Work has been undertaken to identify these differences and to model a single unified pay structure, as well as terms and conditions so these can be aligned, in order to continue the #One Team Transformation project from Tier 4 and below.
6. It is proposed that phase one of the service reviews are to commence towards the end of 2022 and in order for any reviews to be undertaken, we need to have agreed a pay structure, as well as terms and conditions.

### **Pay Structure**

7. A proposed #One Team pay structure can be found at Appendix A.
8. The pay structure is based on the NJC pay scales that were agreed on the 1 November 2022. It should be noted that this report does not seek agreement for Brentwood Borough Council to move to NJC pay scales but rather to make a commitment to align the pay scales at a local level, so as not to create disparity across the partnership.
9. #One Team pay scales, have been modelled to take into account both Brentwood Borough Council and Rochford District Council current pay scales.
10. It is proposed that for the purposes of evaluating job roles within the partnership this would be undertaken using the NJC job evaluation scheme for Bands 1 to 10. For ELT1 and above the LGA Senior Manager job evaluation scheme has been or would be used (T1-3 have already been evaluated in line with this scheme).
11. It will be hard to predict where roles will sit within the new grades until the job evaluation process commences, however it is not anticipated that this will have a negative impact on employees.
12. Equally, it will also be hard to undertake financial modelling to ascertain the impact on the budget, for the same reasons.

13. However, to support the transformation programme in meeting its objectives, all directorates will conduct shared services reviews using a set of design principles, one of them being, different for less.
14. With this in mind, with an agreed single unified pay structure, the reviews will be accurate in terms of the financial implications when it comes to costings of the proposed structure.
15. This approach has already been applied to the Tier 1 to Tier 3 reviews, with a set of unified pay scales, as well as terms and conditions. Please see below a breakdown to demonstrate how the partnership is delivering savings for the council in respect of the Corporate Leadership Team.

2023/24 CLT Original Base Budget	£1,079,150
2023/24 CLT Revised Budget	£ 887,040
Saving 2023/24	£ 192,110
Strategic Director	£ 105,970
Total Saving 2024/25	£ 298,080

### **Terms and Conditions**

16. A table setting out the terms and conditions, both contractual and non-contractual for both Brentwood Borough Council and Rochford District Council, as well as the proposed #One Team terms and conditions can be found at Appendix B.
17. It is proposed to align contractual terms and conditions, with the main changes being annual leave and reviewing a number of key policies so that they align across the partnership. Any changes would be subject to formal consultation with Unison and/or employees.
18. It is proposed to review non contractual terms and conditions, looking at how we can align employee reward and recognition. Any changes would be subject to formal consultation with Unison and/or employees.

### **Analysis of Options**

19. The Council could continue with its current pay structure as well as terms and conditions for roles that sit at tier 4 and below, however it is expected there will be multiple negative impacts:
  - a) Disparity between the Council employees and Rochford District Council employees, in terms of pay, as well as terms and conditions.

- b) Potential Equal Pay claims.
  - c) National Living Wage inconsistencies at the lower end of the pay structure.
  - d) Staff retention and recruitment.
  - e) Staff morale.
20. By creating a single unified pay structure, as well as terms and conditions will create parity and equality for employees, for the strategic partnership between Brentwood and Rochford. It is also hoped that the single unified pay structure can provide us with the opportunity to assess hard to fill roles against current market rates within the sector.
21. Brentwood wants to create parity as well as ensure we continue to recruit and retain employees and maintain staff morale across the organisation.

### **Reasons for Recommendation**

22. To ensure there is a single unified pay structure, as well as terms and conditions to create parity across both this Council and Rochford District Council. This will also ensure we remain competitive within the Local government sector, minimising recruitment and retention challenges we are facing within the sector.

### **Consultation**

23. Staff have been advised that a unified pay structure as well as terms and conditions are being explored. If the decisions were to be approved consultation would need to be undertaken with Unison and/or employees, this is likely to be predominantly per service review, rather than organisationally, unless it is more prudent to consult more widely on certain changes that may impact all employees, for example, policy changes.

### **References to Corporate Strategy**

24. To develop an empowered culture within the organisation and motivated workforce.

### **Implications**

#### **Financial Implications**

**Name/Title: Jacqueline Van Mellaerts, Corporate Director (Finance & Resources) and Section 151 Officer**

**Tel/Email: 01277 312500/jacqueline.vanmellaerts@brentwood.gov.uk**

25. There will be financial implications if the recommendations in the report are approved. However, at the time of writing this report, it is not possible to quantify exactly what these will be, as it is hard to predict where roles will sit within the new grades until the job evaluation process commences.

26. It is anticipated that once consultations have been completed with Unison and/or employees, the pay scales will not come into effect until each service review has been undertaken in line with the Rochford and Brentwood partnership governance processes. Each business case will be analysed alongside the new joint pay scales and financial implications will be determined and reported accordingly.

### **Legal Implications**

**Name & Title: Steve Summers, Strategic Director and Monitoring Officer**

**Tel & Email: 01277 312500/steve.summers@brentwood.gov.uk**

27. Any changes to pay and Terms of Conditions will require statutory consultation in line with relevant legislation.

### **Economic Implications**

**Name/Title: Phil Drane, Director of Place**

**Tel/Email: 01277 312500/philip.drane@brentwood.gov.uk**

28. There are no direct economic implications arising from this report.

### **Equality and Diversity Implications**

**Name/Title: Kim Anderson, Corporate Manager (Communities, Leisure & Health)**

**Tel/Email: 01277 312500/kim.anderson@brentwood.gov.uk**

29. The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:

- a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
- b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
- c) Foster good relations between people who share a protected characteristic and those who do not include tackling prejudice and promoting understanding.

30. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil

partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

31. The proposals in this report will not have a disproportionate adverse impact on any people with a particular characteristic.

### **Background Papers**

- None

### **Appendices to this report**

- Appendix A: #One Team Pay Scales
- Appendix B: #One Team Terms and Conditions