

7 December 2016		ITEM: 6
General Services Committee		
Variation of Notice Periods for Employees		
Wards and communities affected: All	Key Decision: No	
Report of: Janet Cox, Strategic Lead HR & OD		
Accountable Director: Jackie Hinchliffe, Director of HR, OD and Transformation		
This report is Public		

Executive Summary

The report sets out the background and information relating to notice periods given by employees of the council; it includes pertinent information on the arrangements applied by other local authorities and follows a period of review across the Council.

Although the change is not considered to be a substantial it does represent a contractual variation for the employees affected. Authorisation is sought from General Services Committee, in its role under the Constitution to deal with functions in relation to the employment of staff, to agree to implement the recommended changes to notice periods.

1. Recommendation(s)

1.1 To agree revised contractual notice periods for employees of the council as set out in 5.2:

- **With immediate effect for new employees**
- **With effect from 1st April 2017 for all current employees**

2. Introduction and Background

2.1 The current notice periods that employees have to give the Council were established at the time of the Single Status Agreement. A standard four weeks' notice applies to all staff employed under the single status Bands 1 – 10.

2.2 The Council's policy states: 'Under Section 24 of the Council's terms and conditions of employment employees are required to give four weeks' notice if they wish to resign. Heads of Service and above must give 12 weeks' notice.

- 2.3 The statutory notice period that the Council has to give is set out in the Employment Rights Act 1996 and involves a sliding scale, according to the number of years employed with the Council. This is illustrated in the extract below:

The Council as an employer is required to give you notice in accordance with the table below.

<u>Period of Continuous Employment</u>	<u>Minimum Notice</u>
One month or more, but less than two years	Not less than one week
Two years or more, but less than twelve years continuous employment	1 week for each year of
Twelve years or more	12 weeks

- 2.4 Working with a much shorter notice period than other local authorities has caused a number of issues with Directorates which have the potential to disrupt service provision. These include not being able to recruit a replacement within four weeks; incurring additional expenditure by engaging agency workers to cover and having to wait up to three months for a successful applicant who is tied into a longer notice in their current local authority.

3. Drivers behind the review

- 3.1 Managers and employees holding specialist roles are critical to the smooth running of the Council, they hold vital knowledge and skills that are essential. If they decide to leave the Council then it may take several months to find and train someone up to the same standard.
- 3.2 Most senior and specialist roles in other councils and in the private sector will hold a notice period of up to three months; when recruiting the Council will have to wait this time for new employees, this is a risk for the Council and could result in service levels being affected.

Thurrock are currently at a disadvantage as our employees are going to other employers and giving us just four weeks' notice; impacting on our ability to maintain continuity in service delivery.

4. Other local authorities

- 4.1 As part of the review we compared the employee notice period arrangements applied in other local councils:

Council	Notice Period
London Borough of Barking & Dagenham	SO2 or less, 4 weeks (TC PB 1 and 2) PO1 TO PO6 8 weeks (TC PB 3 TO 8) PO7 & above 12 weeks (TC PB 9 and above)
Basildon council	Notice periods based on Bands vary from 4 weeks through to 12 weeks
Chelmsford	Notice periods based on Bands range from 1 to 3 months
Southend-on-Sea Council	Salary Levels 1 – 7 (£14,514 - £29,033): 1 month Salary Levels 8 – 10 (£29,033-£47,085): 2 months Salary Levels 11 –12 (£47,805-57,387): 3 months
London Borough of Havering	SO2 grades or less, 4 weeks PO grade - 8 weeks' notice Heads of Service and up – 12 weeks

4.2 This analysis demonstrates the notice periods applied by the council are outside of the local government norm.

5. Proposed Notice Periods

5.1 Longer notice periods are a form of insurance policy for any employer; they also enhance the status of a role for the individuals.

5.2 The issues and concerns arising from the short employee notice period have been discussed at People Board and Directors Board; longer notice periods were universally supported. In addition to extending notice periods by seniority, longer notice for 'hard to recruit roles' was incorporated into the proposals. The following table sets out the recommended approach:

The notice period that you are required to give as an employee is set out in the following table, according to the Band of your role and type of role you hold

Bands 1-4Four weeks' notice period

Bands 5-7.... Eight weeks' notice:

Bands 8-10... twelve weeks' notice:

Hard to recruit roles: Twelve weeks' notice

- Social Workers
- Occupational Therapist.
- Senior Practitioner
- Senior Maintenance Engineer

- Qualified Surveyors
- Emergency Duty Team workers
- Lawyers
- Town Planners

This list is not exhaustive and if you hold a recognised 'hard to recruit role' your contract of employment will confirm this

The Council as your employer will give the same notice period to you as set out above when terminating your employment contract, and in addition the following applies:

- Where there is a statutory notice period requirement e.g. a redundancy situation, the following will apply
- 1 week for each year of continuous, up to a maximum of 12 weeks

- 5.3 In order to ensure flexibility and adapt to market pressures with the list of 'hard to recruit roles' this list will be kept under review and amended in line with any recruitment challenges identified.
- 5.4 Consultations on the proposal with our Trade Unions concluded on 31st October; their feedback comprised:
- They agreed that this change can take effect immediately for all new starters
 - They want to be clear how staff will be affected and would like to see an Equality Impact Analysis
 - They want to be clear on our obligations with schools staff who follow our terms and conditions
- 5.5 The council conducted an Equality Impact Analysis. Analysing employees within bands 5 to 7 and 8 to 10 and segregating those by gender and ethnicity did not identify any particular equality implications. This is due to the uniform application of the proposal across all pay bands regardless of demographic and protective characteristic. It should be noted that employees leaving due to having caring responsibilities may have a reason to give shorter notice period, however, there is no direct evidence or data to support this and any request will be decided on a case-by-case basis. (Extract from EIA November 2016)
- 5.6 Legal have confirmed our obligations are to advise schools of the changes we are making; should schools wish to adopt the change they can consult and implement with staff in schools.

6. Next steps

6.1 Following agreement at General Services Committee:

- new starters will be issued a contract incorporating the revised notice periods
- existing employees will be issued notification of a Variation to Contract with effect from 1st April 2017
- HR will amend the Council's Term & Conditions of employment and review all appropriate policies and procedures.

7. Reasons for Recommendation

7.1 The reason for this recommendation is to bring the Council in line with other local authorities and to support timely recruitment.

8. Consultation (including Overview and Scrutiny, if applicable)

8.1 In preparing this report, consultation has been undertaken with the Council's recognised Trade Unions. Consultation closed on 31st October 2016.

9. Impact on corporate policies, priorities, performance and community impact

9.1 Extending notice periods provides the council with increased protection of service continuity, supports effective recruitment and handover and reduces the requirement for agency staff in critical roles.

10. Implications

10.1 Financial

Implications verified by: Laura Last

**Senior Finance Officer – Management
Accounts**

Any costs associated with employees having longer notice periods will be managed within existing budgets.

10.2 Legal

**Implications verified by: Chris Pickering
Principal Lawyer**

Employees would be issued with a Variation to Contract with effect from 1st April 2017 as identified in 'next steps'. It is expected that Trade Unions will receive regular updates at the fortnightly Trade Union Board meetings.

10.3 Diversity and Equality

**Implications verified by: Becky Price
Community Development Officer**

A Community Equality Impact Assessment has been completed to provide an understanding of the impact on staff that will be affected by the proposal to increase notice periods. The assessment did not identify any specific implications that would disproportionately affect a protected group. Concessions are expected to be granted on a case by case basis for those that may have a requirement to provide a shorter period of notice (e.g. due to having caring responsibilities).

10.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

None

11. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- None

12. Appendices to the report

- None

Report Author:

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HR, OD & Transformation