

CABINET

Fair Work Charter 17th January 2023

Report of the Chief Executive

| PURPOSE OF REPORT | | | |
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| To update cabinet on progress on the Fair Work Charter and seek approval for the draft charter to progress to external consultation and implementation via a partnership model. | | | |
| Key Decision | <input type="checkbox"/> | Non-Key Decision | <input checked="" type="checkbox"/> Referral from Cabinet Member |
| Date of notice of forthcoming key decision | 12 December 2022 | | |
| This report is public | | | |

RECOMMENDATIONS OF COUNCILLOR JASON WOOD, CABINET MEMBER FOR CORPORATE SERVICES

- (1) Cabinet notes the progress made on the development of a Lancaster District Fair Work Charter to reduce social inequality and drive improvements to pay and working conditions of local residents.
- (2) Cabinet approves the current draft and authorises further external consultation with a focus on local businesses.
- (3) Cabinet approves the Fair Work Charter engagement and implementation plan.
- (4) Cabinet recommends that Personnel Committee agrees that the Council, as an employer, will commit to the Fair Work Charter journey.

1.0 Introduction

- 1.1 The concept of the introduction of a Fair Work Charter was agreed as part of the council's commitment to Plan 2030 in December 2021. Fair Work sits as one of the pillars of Community Wealth Building and within the overall ambition to have an inclusive and prosperous economy within the district.
- 1.2 The rationale of the introduction of Fair Work Charters is built on the business case that to offer decent terms and conditions of employment is equally good for business, employees and local society. The proven benefits are that good terms of employment attract high calibre staff, enhance productivity and customer experience which, in turn, all support profitability or organisational

success as well as quality of life for employees. This creates increased wealth and demand for products and services within the local community.

- 1.3 The Fair Work Charter supports the council's priority to tackle the issues associated with low pay including health inequality, productivity, dignity and equality of opportunity. By focusing on these issues, the Charter is designed to reduce labour market inequalities in the Lancaster District helping to allow our local economy to prosper.
- 1.4 The proposed Lancaster Charter comprises the following five elements of Fair Work to be supported by local businesses in their employment practices to create a Fair Work District for all: Fair Pay and Job Security; Employee Voice and Good Employee Relations; Healthy, Safe Workplaces; Flexibility, Diversity and Equality; Development and Fulfilment.
- 1.5 Similar charters are operating in Manchester, Liverpool and West Yorkshire.

2.0 Proposal Details

- 2.1 It is proposed to finalise the current draft of the charter and to utilise this as the version for external consultation.
- 2.2 The council will use a partnership approach to develop and launch the draft charter with key local businesses (anchor institutes), trade union representatives and employment specialists.
- 2.3 Local businesses will be engaged with as part of ongoing events and communications. Business Support Staff will engage with the newly formed Responsible Business Network to consult on the draft charter and an external survey on the content of the draft charter via our 'keep connected' website survey platform will be made accessible to all residents (employees) businesses and key partners and anchor institutes.
- 2.4 The council will benchmark itself and its own employment practices and will follow its own journey to become a fair work employer which we will promote as best practice examples. The elements of the charter will be considered and integrated within the wider HR People plan by Human Resources and the work associated where applicable reported into personnel committee and JCC. This will enable us to showcase our commitment to fair employment to our staff, which, with the current economic climate, is important in maintaining employee morale.
- 2.5 A detailed communications plan will be developed to support the activities above for both the external engagement and development of the charter and the final delivery phase including the launch, application process and support offered to businesses.

3.0 Details of Consultation

- 3.1 Internal consultation and engagement has taken place as well as feedback sought from two community conversation sessions. These consultations and external research on the charter have informed the current draft. Project interdependencies with other workstreams in the council were assessed as part of this engagement and have been integrated where applicable.
- 3.2 Consultees included trade unions, senior directorate management teams, staff ambassadors, the climate change hub officer working group, human resources, employee staff networks and key officers, such as the Community Wealth Building officer, Executive Support Manager, Head of HR and OD and Head of Economic Development. A Member Development Group has also been established for the charter and members of this group have been consulted throughout its development on the drafts.
- 3.3 The process of consultation involved a presentation of the elements of the charter and interactive polls to assist in gauging feedback on their importance to staff. Generic feedback was also sought on the elements and what staff consider key initiatives to embody our approach as an authority to fair work - what we do well and what we need to improve on.
- 3.4 Responses from the consultation were used in finalising the draft charter. Further external consultation on its development is now proposed to take place.

4.0 Options and Options Analysis (including risk assessment)

| | Option 1: Approve draft charter and proposals to implement and further engage with the business community. | Option 2: Reject the draft charter and proposals to implement and further engage with the business community |
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| Advantages | <ul style="list-style-type: none"> • Further progress can be made on a key element of plan 2030. • The council can play a part in reducing labour market inequalities taking a leading role and modelling best practice. | <ul style="list-style-type: none"> • Resources are stretched within our teams, this would free resource for other key projects • Avoidance of any potential cost of implementation. |
| Disadvantages | <ul style="list-style-type: none"> • Potential sign ups (members) could be low given our small business community is our largest sector. Internal resource required to implement would need to be considered against other key projects and initiatives. | <ul style="list-style-type: none"> • Without the charter to progress the council wouldn't have a vessel by which to have a conversation with businesses regarding labour market inequality. • Given the cost of living crisis that we are also facing, our corporate ambitions to improve the prosperity of our local economy not progressing the charter would be a negative. Other initiatives would need to be considered to meet our ambitions. |
| Risks | <ul style="list-style-type: none"> • The implementation of the charter could have some potential costs around marketing which will need to be referred into this committee following the external engagement | <ul style="list-style-type: none"> • Labour market inequalities continue without intervention and our district struggles to build back better from the pandemic and survive the current economic |

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| | process. It is hoped that by developing the charter with partners these costs will be minimised. | crisis. |
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5.0 Officer Preferred Option (and comments)

5.1 The officer preferred option is for the draft charter and implementation and engagement proposals to be approved.

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| <p>RELATIONSHIP TO POLICY FRAMEWORK</p> <p>This report is presented in support of the delivery of key priorities and outcomes as set out and agreed within Plan 2030.</p> |
| <p>CONCLUSION OF IMPACT ASSESSMENT (including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)</p> <p>None directly arising from this report. The charter aims to reduce labour market inequality a key linked component of which is climate justice as an integral part of social justice and economic prosperity.</p> |
| <p>LEGAL IMPLICATIONS</p> <p>The Council has a duty under s149 of the Equality Act 2010 in the exercise of its functions to have regard to the need to:</p> <ul style="list-style-type: none"> (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. <p>In working with local businesses on the charter, the Council will want to have regard to its public sector duties under s149 of the Equality Act 2010.</p> |
| <p>FINANCIAL IMPLICATIONS</p> <p>It is proposed that the charter will be developed and implemented within existing budgets utilising existing resource. Should any significant funding or costs arise when implementation details are clearer the decision relating to these will be referred again to cabinet.</p> |
| <p>OTHER RESOURCE IMPLICATIONS</p> <p>Human Resources:</p> <p>Internal staffing resource will be required from Economic development in progressing the charter, engaging partners and supporting businesses upon roll out.</p> <p>Information Services:</p> <p>None</p> <p>Property:</p> |

None

Open Spaces:

None

SECTION 151 OFFICER'S COMMENTS

The Section 151 officer has been consulted and has no comments to add.

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no further comments to add.

BACKGROUND PAPERS

Draft Fair Work Charter

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