



BROMLEY CIVIC CENTRE, STOCKWELL CLOSE, BROMLEY BRI 3UH

TELEPHONE: 020 8464 3333

CONTACT: Graham Walton
graham.walton@bromley.gov.uk

DIRECT LINE: 0208 461 7743

FAX: 020 8290 0608

DATE: 2 February 2016

To: Members of the

GENERAL PURPOSES AND LICENSING COMMITTEE

Councillor Tim Stevens J.P. (Chairman)
Councillor Diane Smith (Vice-Chairman)
Councillors Teresa Ball, Kathy Bance MBE, Nicholas Bennett J.P., Alan Collins,
Mary Cooke, Ellie Harmer, David Livett, Russell Mellor, Keith Onslow,
Charles Rideout QPM CVO, Pauline Tunnicliffe, Michael Turner and Stephen Wells

A meeting of the General Purposes and Licensing Committee will be held at Bromley Civic Centre on **WEDNESDAY 10 FEBRUARY 2016 AT 6.00 PM**

MARK BOWEN
Director of Corporate Services

Copies of the documents referred to below can be obtained from
<http://cds.bromley.gov.uk/>

A G E N D A

1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

2 DECLARATIONS OF INTEREST

3 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING

In accordance with the Council's Constitution, questions to the Chairman of this Committee must be received in writing 4 working days before the date of the meeting. Therefore please ensure questions are received by the Democratic Services Team by 5pm on Thursday 4th February 2016.

4 CONFIRMATION OF MINUTES OF THE MEETING HELD ON 9TH DECEMBER 2015 (Pages 3 - 6)

5 2016/17 PAY AWARD (Pages 7 - 14)

6 PAY POLICY STATEMENT 2016/17 (Pages 15 - 32)

7 MEMBERS' ALLOWANCES SCHEME 2014/15 (Pages 33 - 40)

8 EXECUTIVE ASSISTANTS: ANNUAL REPORT 2015/16 (Pages 41 - 42)

- 9 APPOINTMENTS TO OUTSIDE BODIES (Pages 43 - 46)
- 10 PENSIONS INVESTMENT SUB-COMMITTEE: MINUTES - 18TH NOVEMBER 2015, EXCLUDING EXEMPT INFORMATION (Pages 47 - 50)
- 11 AUDIT SUB-COMMITTEE: MINUTES - 1ST DECEMBER 2015, EXCLUDING EXEMPT INFORMATION (Pages 51 - 58)
- 12 LOCAL JOINT CONSULTATIVE COMMITTEE: MINUTES - 8TH DECEMBER 2015 (Pages 59 - 64)
- 13 APPEALS SUB-COMMITTEE: MINUTES - 29TH SEPTEMBER (ADJOURNED TO 4TH DECEMBER), 14TH DECEMBER AND 18TH DECEMBER 2015, EXCLUDING EXEMPT INFORMATION (Pages 65 - 70)
- 14 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000

The Chairman to move that the Press and public be excluded during consideration of the items of business listed below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

Items of Business

Schedule 12A Description

- | | |
|--|---|
| <ul style="list-style-type: none"> 15 PENSIONS INVESTMENT SUB-COMMITTEE: EXEMPT MINUTES 18TH NOVEMBER 2015 (Pages 71 - 72) 16 AUDIT SUB-COMMITTEE: EXEMPT MINUTES - 1ST DECEMBER 2015 (Pages 73 - 78) 17 APPEALS SUB-COMMITTEE: EXEMPT MINUTES - 29TH SEPTEMBER (ADJOURNED TO 4TH DECEMBER), 14TH DECEMBER AND 18TH DECEMBER 2015 (Pages 79 - 108) | <p>Information relating to the financial or business affairs of any particular person (including the authority holding that information)</p> <p>Any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.</p> <p>Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under the authority.</p> |
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GENERAL PURPOSES AND LICENSING COMMITTEE

Minutes of the meeting held at 7.00 pm on 9 December 2015

Present:

Councillor Tim Stevens J.P. (Chairman)
Councillor Diane Smith (Vice-Chairman)
Councillors Teresa Ball, Kathy Bance MBE,
Nicholas Bennett J.P., Alan Collins, Ellie Harmer,
Russell Mellor, Keith Onslow, Charles Rideout QPM CVO,
Pauline Tunnicliffe, Michael Turner and Stephen Wells

118 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were received from Councillors Mary Cooke and David Livett.

119 DECLARATIONS OF INTEREST

There were no declarations of interest.

120 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING

No questions had been received.

121 CONFIRMATION OF MINUTES OF THE MEETING HELD ON 17th SEPTEMBER 2015

RESOLVED that the minutes of the meeting held on 17th September 2015 be confirmed.

122 MODEL PAY POLICY FOR CENTRALLY BASED TEACHERS

From 1 September 2015 revised arrangements came into force in relation to Teachers' Pay and Conditions through the publication of the statutory 2015 School Teachers' Pay and Conditions Document. The report set out the main changes and proposed a model pay policy (at Appendix 1) for all centrally based teachers.

It was confirmed that no responses had been received during the consultation period, although the Joint Teachers' Committee had advised that their position remained that they were in dispute with the Secretary of State regarding this matter. The number of teachers affected was reducing year by year as more schools transferred to academy status; currently 51 teachers in units and special services and 397 in community and voluntary controlled schools were affected.

RESOLVED that the report be noted and the attached model pay policy in respect of centrally based teaching staff employed by the Local Authority be agreed.

123 FINANCIAL REGULATIONS AND CONTRACT PROCEDURE RULES
Report CEO15013

The last update to the council's Financial Regulations and Contract Procedure Rules had been over three years ago. Both documents had now been updated as a result of changes in legislation, government requirements, organisational change and technology.

RESOLVED that Council be recommended to approve the updated Financial Regulations and Contract Procedure Rules.

124 APPOINTMENTS TO OUTSIDE BODIES
Report CSD15133

The Council has received a request from Liveability, a national charity which runs Nash College, an independent specialist college providing specialised high quality care and education for students aged 18 – 25 in Croydon Road, Hayes, for a local authority representative to sit on the College's newly reformed governing body. As no candidates had been nominated the matter was deferred.

RESOLVED that the matter be deferred.

125 OUTCOME OF LICENSING SUB-COMMITTEE HEARINGS APRIL TO OCTOBER 2015
Report ES15089

The Chairman had requested that regular reports be made to the Committee summarising the outcome of Licensing Sub-Committee hearings. The first report, covering hearings between 1st April and 31st October 2015, was received. During this period 15 hearing had been held, and it was expected that the number of hearings per annum would reduce from about forty five to about thirty.

The Committee noted in particular that following the decision to suspend the license at Vu Vu, East Street, Bromley, an appeal had been made and the case was due to be heard at Bromley Magistrate's Court on 8th March 2016. Members were concerned at the length of time taken for this hearing to be listed, but this was in the hands of the Court. It was proposed that the Chairman write to the Court to convey the Committee's concern. Members also asked officers to establish whether any benchmarking information could be obtained.

It was noted that a new Police Licensing Officer was due to start and it was suggested that PC O'Donnell be invited to attend the Committee's meeting on

9th March 2016. The Committee also noted the staffing situation in the Environment and Community Services Department.

The Committee recorded its thanks to David Candeland, who had retired from the Council after twenty five years' service as a Licensing Officer.

RESOLVED that the report be noted, and a further report be presented to the Committee's meeting on 9th March 2016.

126 PENSIONS INVESTMENT SUB-COMMITTEE: MINUTES OF THE MEETING HELD ON 23RD SEPTEMBER 2015, EXCLUDING EXEMPT INFORMATION

The minutes of the Pensions Investment Sub-Committee meeting held on 23rd September 2015 (excluding exempt information) were received.

127 LOCAL JOINT CONSULTATIVE COMMITTEE: MINUTES OF THE MEETING HELD ON 21ST OCTOBER 2015

The minutes of the Local Joint Consultative Committee meeting held on 21st October 2015 were received.

128 LOCAL PENSION BOARD: MINUTES OF THE MEETING HELD ON 26TH OCTOBER 2015

The minutes of the Local Pension Board meeting held on 26th October 2015 were received.

129 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000

RESOLVED that the Press and public be excluded during consideration of the items of business referred to below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

**The following summary
refers to matters
involving exempt information**

130 PENSIONS INVESTMENT SUB-COMMITTEE: EXEMPT MINUTES - 23RD SEPTEMBER 2015

The exempt minutes of the Pensions Investment Sub-Committee meeting held on 23rd September 2015 were received.

The Meeting ended at 7.20 pm

Chairman

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London Borough of Bromley

Report No.HR14003

PART I – PUBLIC

Agenda Item No.:

Decision Maker: General Purposes & Licensing

Date: 10th February 2016

Decision Type: Non-Urgent Non-Executive Non-Key

TITLE: 2016/17 PAY AWARD

Contact Officer: Charles Obazuaye, Director of Human Resources
Tel: (020) 8313 4355 email: charles.obazuaye@bromley.gov.uk

Chief Officer: Director of Human Resources

Ward: N/A

1. REASON FOR REPORT

- 1.1 Under the local terms and conditions of employment framework, the General Purposes & Licensing Committee (GP&L) is required to make a recommendation on pay awards to full Council.
 - 1.2 Pursuant to the local framework, the annual pay award review is now part of the Council's budget planning process. This requirement is a key driver for coming out of the national/regional pay negotiating frameworks.
-

2. RECOMMENDATION(S)

- 2.1 **Members are asked to recommend that full Council approve a flat 1.2% pay increase for all staff (excluding teachers who are covered by a separate statutory pay negotiating process).**
- 2.2 **Pursuant to 2.1 above, Members note that the pay increase is again higher than the proposed average pay settlement for local government staff negotiated at the national/regional levels between the Unions and Local Government employers.**
- 2.3 **Members also note that, as in the last three years since coming out of the nationally/regionally negotiated frameworks, Bromley staff will receive the 2016/17 pay increase in time for the April pay.**
- 2.4 **Members reject the Unions' pay claims for:**
 - i) **Deletion of all local pay points which fall below the London Living Wage (Currently £9.40ph)**

- ii) **A flat rate increase of £1 an hour on all other pay points**
- iii) **Guarantee no negative changes to terms and conditions**
- iv) **Members agree to participate in a national joint review of term time working of school staff for those schools where the Local Authority has statutory employment responsibilities**

Corporate Policy

- 1. Policy Status: Existing Policy
 - 2. BBB Priority: Excellent Council
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Financial

- 1. Cost of proposal: Estimated Cost – Approximately £840K
 - 2. On-going costs: Within existing budget
 - 3. Budget Head/Performance Centre:
 - 4. Total current budget for this Head:
 - 5. Source of Funding:
-

Staff

- 1. Number of staff (current and additional): All Council staff, except teachers.
 - 2. If from existing staff resources, number of staff hours:
-

Legal

- 1) Legal Requirement: Non-Statutory Requirement
 - 2) Call In: Call in is not applicable
-

Customer Impact

- 1. Estimated number of users/beneficiaries (current and projected)
-

Ward Councillor Views

- 1) Have Ward Councillors been asked for comments: N/A
- 2) Summary of Ward Councillors comments:

3. COMMENTARY

3.1 The Council formally adopted a local terms and conditions of employment framework for its staff, except teachers, on 12th November 2012. The key elements of the localised arrangements are as follows:

- Locally determined annual pay award for all staff, except teachers, aligned with the annual budget setting process;
- Merited reward (non-consolidated/non-pensionable) for exceptional performers;
- Any pay increases, including increments and pay awards linked to satisfactory performance for all staff, not automatic.

3.2 The Council faces a continuing significant budget gap over the next four years. The Council's approach to this pressure and the challenges and opportunities it faces to balance the book is comprehensively addressed in the report on the "draft 2016/17 budget and up-date on Council's financial strategy 2017/18 to 2019/20" presented to the Executive on 13th January 2016 (<http://cds.bromley.gov.uk/documents/s50035624/Exec%20130116%20Draft%20Budget%20Report.pdf>)

3.3 Against this background, the Council proposed a flat 1.2% pay award increase for all staff, except teachers, for staff and Trade Union consultations. The proposal was communicated by the Chief Executive to all staff on 13th January 2016 and the Unions, including Unison, GMB and Unite branch and regional officers were also advised on the same day.

3.4 On their part, the three Unions, namely Unison, GMB and Unite, submitted a joint pay claim on 17 November 2015. The Unions' claim stated, *inter alia*, as follows:

i) Deletion of all local pay points which fall below the London Living Wage (Currently £9.40ph)

ii) A flat rate increase of £1 an hour on all other pay points

iii) Guarantee no negative changes to terms and conditions

iv) Fair treatment of school staff through a joint review of term time working

3.5 Feedback has still to be received from the Unions on the proposed pay increase and it is hopeful that this will be received in time for a verbal update to be provided at the meeting. Given the deep cost cutting exercises affecting every service, including frontline and community based services in the borough; staff would understand the challenging financial climate in which the Council is operating. To date there has been no negative feedback from staff.

3.6 Hence, management side, led by the Director of Human Resources, has rejected the Unions' pay claim as unrealistic and completely divorced from the unprecedented financial challenges facing the Council between now and the next few years.

3.7 The Unions' claim will cost the Council circa £4m compared to circa £840K for the Council's 1.2% pay award increase. Whilst there are no immediate plans to change terms and conditions this cannot be guaranteed given the current financial context within which the Council operates. With regards to the element of the pay claim relating to the proposed deletion of all local pay points which fall below the London Living wage (Currently £9.40ph) the Council has already made clear previously that it does not intend to implement the London Living Wage. The Council will monitor the outcome of any national review but will not be bound by it pursuant to the local terms and conditions of employment framework agreed by Full Council in 2012.

3.8 How does the Council's 2016/17 pay award increase offer compare?

i) as before, the offer if agreed by full Council represents a higher settlement for Bromley staff, compared to the proposed 2 year pay settlement for local government of a 1% pay increase for 1 April 2016 and a 1% pay increase for 1 April 2017. (It should be noted that this is the final offer made by the Employer side which has been rejected by two of the Trade Unions Unison and Unite and is currently subject to a ballot which could give rise to industrial action).

It also means that, for the fourth consecutive year, the Bromley settlement is both higher and paid in time in April, unlike the lower and protracted settlements at the national/regional levels. Last year Bromley staff, received a 1.2% pay award across the board.

ii) inflation rate is at a record low at 0.2% as per December 2015. Public sector pay 2015/16 shows that the government has maintained tight control over pay, with pay settlements ranging from 1% to 2% with 1.5% being the median (based on 92 public sector organisations) and slightly higher compared with 1.2% over 2014 but lower than the 2% recorded for the private sector over both 2014 and 2015 (Source: Xpert HR). Xpert HR has collected the details of 67 pay awards effective during the month of January 2016, the majority (64) of which are across-the-board deals. Of these basic settlements, the median pay award is 2%. The range of pay awards is wide, with the lower quartile at 1.1% and the upper quartile at 2.8%. There are 11 pay freezes in the sample, around one in six of all January deals collected. This is a higher proportion than has been seen in the recent pattern of pay awards, although it can be the case that pay freezes are decided more quickly than pay increases so may shrink to a lower proportion of awards as more deals are added. The survey also reveals that there are pay freezes in the private sector affecting a number of skilled/professional staff

3.9 In light of the above information, Bromley pay award offer 2016/17 is fair and reasonable. It compares favourably with pay settlements, both in the public and

private sectors and the former in particular. It also takes into account the key factor regarding the Council's affordability. Bromley has the lowest settlement funding per head of population in the whole of London. Following the Chancellor's 2015 Spending Review and Statement it is clear that the continuation of the period of austerity up to 2020 remains and cuts in direct funding to local government are set to continue over the four year spending review period. The most significant issue that will impact on local government funding from central government are the plans relating to DCLG Resource Departmental Expenditure Limits (RDEL). This translates to a reduction in the Council's Settlement of 48.5% by 19/20. In real terms the reduction equates to 52.2%. Any pay award has to be considered therefore in line with the overall financial strategy of the Council which is set in the context of the national state of public finances and the high expectation from Government that services should be reformed and redesigned with devolution contributing to the transformation of local government.

The Council is therefore operating in an economic climate of national financial uncertainty whilst having to face enormous pressures to deliver services where demand for growth is high particularly in relation to care services to vulnerable children and adults. This is also set against the backdrop of global financial uncertainty.

The Council will continue to respond positively and flexibly to the labour markets regarding critical skills and hard to recruit and retain posts, in particular by offering enhanced packages if appropriate.

4. POLICY IMPLICATIONS

- 4.1 As stated in paragraph 3.1 above, the annual pay award review is one of the key drivers for adopting the localised terms and conditions of employment framework for staff, except teachers. It enables the Council to set its own pay award free from nationally/regionally negotiated arrangements, usually divorced from local pressures and circumstances.
- 4.2 Aligning the pay review process with the budget setting process means that the cost of the pay increase is not viewed in isolation from the other significant cost pressures impacting on the Council's overall budget

5. FINANCIAL IMPLICATIONS

- 5.1 The proposal from the Unions to pay a flat rate increase of £1 per hour, will cost the Council around £4m p.a. including overheads. This is at a time when the Council is facing a continuing period of unprecedented reduction in public funding and over the next few years significant savings are still required.

6. LEGAL IMPLICATIONS

- 6.1 As set out in the report, there are no specific implications, including equal pay arising from adopting a flat 1.2% pay for all.

7. PERSONNEL IMPLICATIONS

7.1 As set out in the report.

Non-Applicable Sections:	
Background Documents: (Access via Contact Officer)	

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Agenda Item 6

London Borough of Bromley

Report No. HR

PART I – PUBLIC

Agenda Item No.:

Decision Maker: General Purposes & Licensing Committee

Date: 10th February 2016

Decision Type: Non-Urgent Non-Executive Non-Key

TITLE: PAY POLICY STATEMENT 2016/17

Contact Officer: Charles Obazuaye
Tel: (020) 8313 4355 email: charles.obazuaye@bromley.gov.uk

Chief Officer: Director of Human Resources

Ward: N/A

1. REASON FOR REPORT

- 1.1 Under the Localism Act 2011 the Council is required to publish a Pay Policy Statement which must be approved by Full Council every year. The 2016/17 Pay Policy Statement is attached for Members consideration and approval.
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2. RECOMMENDATION(S)

2.1 Members are asked to:

(i) recommend that Full Council approve the 2016/17 Pay Policy Statement attached to this report.

(ii) agree an increase to the Bicycle Allowance rate to 20p per mile.

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Excellent Council
-

Financial

1. Cost of proposal: Within existing budget
 2. On-going costs: Within existing budget
 3. Budget Head/Performance Centre:
 4. Total current budget for this Head:
 5. Source of Funding:
-

Staff

1. Number of staff (current and additional): Chief Officers and Deputy Chief Officers as defined in the Local Government & Housing Act.
 2. If from existing staff resources, number of staff hours:
-

Legal

- 1) Legal Requirement: Statutory Requirement
 - 2) Call In: Call in is not applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected) N/A
-

Ward Councillor Views

- 1) Have Ward Councillors been asked for comments: N/A
- 2) Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 The Localism Act requires the Council to prepare and publish a Pay Policy Statement every year. The statement must set out the Council's policies towards a range of issues relating to the pay of its workforce, particularly its senior staff and its lowest paid employees.
- 3.2 The objective of this aspect of the Act is to require authorities to be more open and transparent about local policies and how local decisions are made.

The first Pay Policy Statement which was approved by Full Council on 26th March 2012 has been up-dated every year to reflect Member decisions to adopt a localised terms and conditions of employment framework for all staff, except teachers. The attached Pay Policy statement for 2016/17 is not materially different to the last years statement with the exception of the proposed change to the Bicycle Allowance rate the details of which are set out in 3.4.2. below. A key aspect of the localised pay framework is the local determination of the annual pay award as part of the financial budget planning process. If the 2016/17 pay award proposal of 1.2% is agreed by Full Council on 22nd February 2016 it means, for the fourth year running, Bromley pay award is higher than the proposed national pay settlement for local government staff. As before, Bromley pay award will also be paid on time in April.

- 3.3 Another key aspect of the localised pay framework is the emphasis on individual pay and performance. There is no automatic pay uplift or increment or pay award without satisfactory individual performance. To further localise its terms and conditions of employment, the Council has with effect from 1st April 2015 appointed new staff (including internal promotions) on spot salaries. It offers greater flexibility and managerial empowerment not always possible under the traditional incremental pay progression system.
- 3.4.1 The Council has made changes to reimbursing staff who undertake business mileage in their own vehicles consistent with the practice in both public and private sectors reimbursement rate. There are two car user allowances namely essential car user allowance and casual car user allowance. As agreed by this Committee, the previous 2- tier reimbursement rate has been replaced by a single rate in a graduated/phased arrangement. Hence, from 1 April 2016 the annual lump sum for essential car users will be halved from its current rate of £963 per year. From 1 April 2017 the lump sum will be removed in its entirety. As with the spot salary arrangements, new staff are already appointed on a single payment rate only of 45p per mile with no lump sum payment. The current causal car mileage payment arrangement is 45p per mile for all users (except lease car users) consistent with the HMRC recommended rate. The rate for lease car users is considerably lower, currently 14.6p per mile.
- 3.4.2 Following staff representation the bicycle allowance rate, subject to Member approval will increase from 10p to 20p per mile from 1 April 2016. Currently there are 4 staff in receipt of bicycle allowance. The minimal cost of the proposed

increase of £226 per year will be met from existing departmental budgets. The proposed increase is consistent with the HMRC recommended rate for bicycle users.

- 3.5 As stated above, Bromley employees are clear on how performance is linked to pay. This is supported by the Council's annual Performance Appraisal and Development process (PAD) enabling each employee's contributions to Building a Better Bromley strategic objectives to be individually assessed and, where appropriate, recognised through the award of the discretionary merited reward payment. Last year HR implemented an on-line PAD process to improve the quality of appraisals and ease the burden on managers and staff associated with the paperwork. To date a total of 356 merited reward vouchers have been issued to staff for exceptional performances.
- 3.6 The PAD process for Chief Officers, including the Chief Executive, normally includes a 360-degree feedback from peers, direct reports, partner organisations and key Members. The Chief Executive is responsible for appraising his Chief Officers. The Chief Executive's appraisal is managed by a Member Panel comprising the Leader, Deputy Leader, Portfolio Holder for Resources and any other Members, including the Leaders of the minority parties or their representatives. The Panel is supported by the Director of Human Resources. The attached proposed Pay Policy Statement 2016/17 also sets out the pay review and performance appraisal arrangements for the Chief Executive. The Member Panel will undertake the appraisal of the Chief Executive. Following the appraisal and any feedback to the Chief Executive the panel will reconvene as a formally constituted committee of Council to determine the Chief Executive's pay to conclude his annual performance appraisal.
- 3.7 The use of "Structured Conversation" as an alternative to the traditional/annual performance process is being considered, with a view to improving employee engagement and empowerment. The impact of Structured Conversation on individual and organisational performances is the subject of academic researches as well as practiced by a number of private and public sector organisations. The Director of Human Resources is proposing to organise a Leadership seminar in the new financial year to explore and discuss the merit of "Structured Conversation" vis-à-vis the current traditional performance appraisal process. Also, following the successful Leadership taster session for key managers in the organisation which was "sponsored " by the Chief Executive and introduced by the Leader, a Leadership development module is also being commissioned aimed at addressing the skills/competencies relevant to the Council's Commissioning journey. The core elements of the programme include Collaborative Leadership, Coaching and Mentoring, Leadership Resilience, Commissioning and Contract Management, Leadership Alignment and Action Learning Sets.

4. POLICY IMPLICATIONS

4.1 The Pay Policy Statement is legally required pursuant to the Localism Act 2011. It requires the Council to annually prepare and publish its statement on pay and remuneration, mainly for Chief Officers, as defined in the Local Government and Housing Act.

4.2 Since coming out of the national/regional collective bargaining frameworks, the Council's Pay Policy Statements have reflected the key drivers for localised terms and conditions of employment, namely:

- A single local annual pay review mechanism aligned with the budget setting process;
- A scheme of discretionary non-consolidated/non-pensionable rewards for individual exceptional performance;
- Annual pay increases linked to satisfactory performance for all staff; no automatic pay increases.

5. FINANCIAL IMPLICATIONS

5.1 All decisions taken in accordance with this policy statement will be contained within existing budgets.

6. LEGAL IMPLICATIONS

6.1 The requirement to adopt and publish a Pay Policy Statement arises under the Localism Act 2011. The Policy Statement is consistent with the statutory guidance published by the Secretary of State for Communities and Local Government to which all relevant authorities must have regard. The guidance does not limit the general statutory provisions on delegation under Section 101 of the Local Government Act 1972.

7. PERSONNEL IMPLICATIONS

7.1 As set out in the report and the accompanying Policy Statement.

Non-Applicable Sections:	
Background Documents: (Access via Contact Officer)	

London Borough of Bromley

1. Introduction

- 1.1 The Localism Act 2011 introduces a requirement for public authorities to publish annual pay policy statements. It states, in the main, that a relevant authority must prepare a pay policy statement for the Financial Year 2012/13 and each subsequent year.
- 1.2 Pursuant to the Act and the associated guidance and other supplementary documents, this pay policy statement sufficiently summarises Bromley Council's approach to the pay of its workforce and, in particular, its "Chief Officers". In summation, the statement covers the Council's policies for the 2016/17 Financial Year, relating to:
- i) remuneration of its Chief Officers;
 - ii) remuneration of its lowest paid employees;
 - iii) the relationship between (i) and (ii) above.
- 1.3 In relation to "Chief Officers" the pay policy statement must describe the Council's policies relating to the following:
- i) the level and elements of remuneration for each Chief Officer;
 - ii) remuneration of Chief Officers in recruitment;
 - iii) increases and additions to remuneration for each Chief Officer;
 - iv) the use of performance related pay for Chief Officers;
 - v) the use of bonuses for Chief Officers;
 - vi) the approach to the payment of Chief Officers on their ceasing to hold office under, or to be employed by, the authority; and
 - vii) the publication of access to information relating to remuneration of Chief Officers.
- 1.4 As required by the Act and the supporting statutory guidance which, in turn, reflects the Local Government and Housing Act 1989, the definition of Chief Officer for the purpose of the pay policy statement covers the following roles:
- i) the Chief Executive/Head of Paid Service;
 - ii) the Monitoring Officer;
 - iii) a statutory Chief Officer and non-statutory Chief Officer under Section 2 of the Local Government and Housing Act 1989;
 - iv) a Deputy Chief Officer responsible and accountable to the Chief Officer. However, it does not include those employees who report to the Chief Executive or to a statutory or non-statutory Chief Officer but whose duties are solely secretarial or administrative or not within the operational definition or the meaning of the Deputy Chief Officer title.

2. Exclusion

- 2.1 The Act does not apply to schools staff, including teaching and non-teaching staff.

3. Context: Key Issues and Principles

- 3.1 General Context – clearly there are a number of internal and external variables to consider in formulating and taking forward a pay policy. Reward and recognition is a key plank of the Council’s agreed HR Strategy. This includes establishing strong links between performance and reward and celebrating individual and organisational achievements.

The HR Strategy is based on an assumption that all staff come to work to do a good job and make a difference. The Council expects high standards of performance from staff at all levels and seeks, in return, to maintain a simple, fair, flexible, transparent and affordable pay and reward structure that attracts and keeps a skilled and flexible workforce.

3.2 Local Terms and Conditions of Employment

Local terms and conditions of employment for all staff including “Chief Officers” as defined in paragraph 1.4 above were introduced with effect from 1 April 2013. Teachers employed by the local authority in Community Schools and Voluntary Controlled schools are excluded because their terms and conditions are set in statute and do not afford the Council the discretion to include them in the localised arrangements.

- 3.2.1 The main features of the localised terms and conditions framework are as follows, namely:

- (a) A single local annual pay review mechanism aligned with the budget setting process.
- (b) A scheme of discretionary non-consolidated/non-pensionable rewards for individual exceptional performance.
- (c) Annual pay increases including annual increments (if appropriate) linked to satisfactory performance for all staff; not automatic.

3.3 Recruitment and Retention

The Council aims to enhance its ability to recruit and retain high quality staff by being competitive in the labour markets. This is still the case even in the current financial straitened times. We will keep our pay policy updated and align it to reflect the “Bromley Council employee of the future” characterised by innovation, flexibility, empowerment, leadership and individualised rewards for exceptional performers. The size of the Council’s workforce is likely to reduce but reasonably remunerated to recruit and retain quality staff to deliver

Member priorities. The Council is well placed to respond to changes in the labour markets, especially in relation to hard to fill and retain roles, e.g. Children Social Workers. A comprehensive Recruitment and Retention Strategy/package for Children Social Workers is in place to deal with the regional and national shortage of qualified/experienced staff. A similar plan is being developed to address the recent recruitment and retention challenges in the adult social care workforce, partly exacerbated by the uncertainty from the commissioning activities. There are also problems recruiting experienced/qualified Planners and Surveyors.

3.4 Accountability

3.4.1 The Act requires that pay policy statements and any amendments to them are considered by a meeting of Full Council and cannot be delegated to any Sub-Committee.

3.4.2 Such meetings should be open to the public and should not exclude observers.

3.4.3 All decisions on pay and reward for “Chief Officers” must comply with the agreed pay policy statements.

3.4.4 As stated above, the Council must have regard to any guidance issued/approved by the Secretary of State. The first guidance issued by the Department of Communities and Local Government (DCLG) states in inter alia “that full Council should be offered the opportunity to vote before large salary packages are offered in respect of a new appointment.” The Secretary of State considered that £100,000, including salary, bonus, fees or allowances or any benefit in kind, is the right level to trigger Member approval.

3.4.5 The most recent guidance issued in February 2013 states that Authorities should offer full Council the opportunity to vote before large severance packages beyond a particular threshold are approved for staff leaving the organisation. As with salaries on appointment, the secretary of State considers that £100,000 is the right level for that threshold to be set. The components may include salary paid in lieu, redundancy compensation, pension entitlements, holiday pay and any bonus, fees or allowances paid. The Council’s position on this is still as set out in the 2014/15 pay policy statement. Chief Officer severance packages are generally included in the annual statement of accounts. Also, Executive approval is sought for severance packages for chief officers. There is also an overarching scrutiny of settlement/compromise agreement packages from the Audit Sub-Committee. These arrangements ensure Member engagement. The impact of any legislative changes/developments such as the proposed Capping of exit packages and the proposed claw-back arrangement for people returning to the public sector within 12 months of leaving, etc. is not covered in this Pay Policy.

4. Transparency

- 4.1 In line with the guidance, the pay policy statement will be published on the Council's website and accessible for residents to take an informed view on whether local decisions on all aspects of remuneration are fair and reasonable.
- 4.2 The Council is also required to set out its approach to the publication of and access to information relating to the remuneration of "Chief Officers".

The Council also discloses the remuneration paid to its senior employees in the Annual Report and Statement of Accounts and is accessible on the Council's website at:

http://www.bromley.gov.uk/downloads/file/2440/lb_bromley_statement_of_accounts_201415_-_22k

For the purposes of the Code, senior employee salaries are defined as all salaries which are above £50,000. The information, including the posts which fall into this category, will be regularly updated and published.

5. Fairness

- 5.1 The Council must ensure that decisions about senior pay are taken in the context of similar decisions on lower paid staff. In addition, the Act requires the Council to explain the relationship between the remuneration of its Chief Officers and its employees who are not Chief Officers, and may illustrate this by reference to the ratio between the highest paid officer and lowest paid employee and/or the median earnings figure for all employees in the organisation.
- 5.2 The Council's pay arrangement is equality compliant. The Council achieved Single Status/Equal Pay Deal via a collective agreement with the Unions in 2009.
- 5.3 Additionally, the Act specifically requires the Council to set out its policies on bonuses, performance related pay, severance payments, additional fees/benefits (including fees for Chief Officers for election duties), re-employment or re-engagement of individuals who were already in receipt of a pension, severance or redundancy payment, etc.

6. Position Statement

- 6.1 The Council's position on the requirement of the Act and the information that it is required to include its Pay Policy Statements is as summarised above and as set out in the attached table (Appendix B).

- 6.2 This Statement is for the Financial year 2016/17
- 6.3 The Statement must be approved by Full Council. Once approved it will be published on the Council's website. Any amendments during the Financial Year must also be approved by a meeting of Full Council.
- 6.4 This Statement (including the Appended table) meets the requirement of the Localism Act 2011 and the Department for Communities and Local Government (DCLG) guidance.

London Borough of Bromley

PAY POLICY STATEMENT FOR FINANCIAL YEAR 2016/17	
POLICY AREA UNDER THE ACT	POLICY STATEMENT
	<p><i>For the purposes of this policy statement the term “Chief Officer” includes the Chief Executive, Statutory and non-statutory Chief Officers and Deputy Chief Officers within the meaning of the Local Government and Housing Act 1989.</i></p>
<p>Level and elements of remuneration of Chief Officers and relationship with the remuneration of employees who are not Chief Officers</p>	<p>The authority implemented a localised pay and conditions of service framework for all staff except teachers, with effect from 1 April 2013. Under the local framework the Council:</p> <ol style="list-style-type: none"> a) Introduced an annual local pay review mechanism aligned with the budget setting process for all staff except teachers to replace the national and regional collective bargaining arrangements and the existing local arrangements for Lecturers in Adult Education; b) Introduced a scheme of discretionary non-consolidated non-pensionable rewards for exceptional performance applicable to all staff except teachers; c) Will reinforce the link between individual performance and pay by making any annual pay increase and increments (where appropriate) subject to satisfactory performance for all staff; not automatic. d) Agreed to make no change to existing terms and conditions of service before April 2015. <p>The move to fully localised terms and conditions is on the back of the Bromley Single Status agreement reached with the relevant recognised trade unions in 2009 affecting the BR grade staff. Under the localised terms and conditions of service framework the Council retains its existing terms and conditions including the grading and job evaluation schemes for BR staff and MG staff, except for the annual pay review and PRP process. Under the localised terms and conditions framework the Council will not be bound by the national or/and regional pay settlements. Instead, by means of the process of the localised annual pay review the Council aims to:</p> <ul style="list-style-type: none"> • ensure that staff are appropriately rewarded for the job that they do • enhance the Council’s ability to compete by maintaining a simple, fair, transparent and affordable pay and

- reward structure that attracts and keeps a skilled and flexible workforce;
- improve the links between organisational efficiency, individual performance and reward
 - ensure that decisions on reward and recognition are better aligned with the considerations and timetable of the annual budget setting process

The current rates for Management Grade Staff, BR staff and Lecturers and sessional staff at Bromley Adult Education College can be found at [MG, PT and MB salary scales](#), [BR salary scales](#) and [BAEC salary scales](#);

The Council has agreed the process of job evaluation as a way of ensuring a fair system of remuneration relative to job weight thereby managing any risk of equal pay claims. MG and PT jobs are graded using the James job evaluation system, and BR jobs are graded using the Greater London Provincial Council (GLPC) Job Evaluation Scheme. The BR grades are based around “anchor” salary points and consist of incremental scales. However, with effect from 1st April 2015 new BR staff (including internal promotions) are appointed on spot salaries with no increments. Individual spot salaries will be renewed annually, minimally, subject to satisfactory performance.

Individuals employed on the MG grades are appointed to a spot salary within the relevant salary bands having regard to the Council’s ability to recruit and retain suitably qualified, skilled and experienced officers to deliver excellent front line services and achieve Council priorities. Exceptionally staff may be paid outside of the relevant band for their grade because of market forces. The same principles apply to anyone who is engaged on a self-employed basis and paid under a contract for services. Under the [Special Recruitment measures](#) agreed by Chief Officers, every recruitment request including permanent, temporary, casual, agency staff or self-employed is scrutinised and formally approved first by the Director and then the Director of Human Resources on behalf of the Chief Executive.

The Council offers a lease car arrangement as a recruitment and retention incentive to certain staff occupying key posts including some front-line posts on the BR grades. Employees with a lease car are expected to make a 30% contribution to the cost and for Chief and Deputy Chief Officers the value range of this benefit is between £3,517 and £2,895 per annum subject to this not exceeding 70% of the car’s current benchmark value plus

insurance.

Any employee who does not have a lease car is eligible to receive a car user allowance if they use their own vehicle for business purposes capped locally at the rate for cars not exceeding 1199cc, other than in exceptional circumstances where the Director of HR agrees that a car with a larger engine size is necessary for the efficient performance of the job. There are two car user allowances namely essential car user allowance and casual car user allowance. The former includes an annual lump sum which from 1 April 16 is halved from its previous amount of £963 (1199cc rate) as part of a graduated transition arrangement. From 1/4/2017 the lump sum will be removed in its entirety. The current casual car mileage payment arrangement is 45p per mile for all users (except lease car users) consistent with the HMRC recommended rate. The rate for lease car users is considerably lower, currently 14.6p per mile.

The Council's Bicycle Allowance is 20p per mile.

The Council normally engages a mix of external and internal personnel for election duties. The fees generally reflect the varying degree of roles undertaken by individuals. Fees paid to both the Returning Officer and the Deputy Returning Officer are in accordance with the appropriate Statutory fees and Charges Order and they reflect their personal statutory responsibilities.

The Council is required to have measures in place to respond to any major emergency incidents in the Borough or on a pan London basis which includes a small group of Senior Officers on standby for the LA GOLD rota. The Chief Executive and Director of Environmental Services undertake the lead role and do not receive any additional remuneration for this. Other officers who undertake this role receive a payment commensurate with other call out allowances for the relevant period of the standby.

All employees including Chief Officers are entitled to apply for an interest free season ticket loan and reimbursement of any expenses necessarily incurred in the performance of their role including but not limited to travelling, and subsistence.

	Also, the Council operates a Salary Sacrifice scheme for all staff. This covers childcare vouchers, parking plus, and the cycle to work scheme.
Use of PRP for Chief Officers	The annual review of salaries includes an assessment of work performance in the preceding twelve months for all staff. Under the localised terms and conditions of employment framework for all staff, including Chief Officers (with the exception of teachers), pay increases, including pay awards, increments, etc., are linked to satisfactory performance. Pay increases will be withheld from poor performers. The performance of the Chief Executive is appraised by a Member Panel comprising the Leader, Deputy Leader, Portfolio Holder for Resources and other elected Members, including the Leaders of the Minority Parties, or their representatives. The Panel is supported by the Director of Human Resources in a technical advisory capacity. These Members will sit as a panel to undertake the appraisal but will sit as a committee of council to make a final decision. The Panel will assess and determine the Chief Executive's performance and pay within his grade band and will then sit as the Chief Executive Appraisal Committee to make the final determination. The Chief Executive and Directors are subject to a 360 degree appraisal process involving a range of feedback sources. Chief Officers and senior staff do not currently have an element of their basic pay "at risk" to be earned back each year. All staff apart from teachers will be eligible to be considered on merit for the one off non-consolidated non pensionable reward payment for exceptional performances.
Use of bonuses for Chief Officers	Not applicable.
Remuneration of lowest-paid employees	The Council's grading structure for BR staff starts at point 4 on the London Borough of Bromley spine. The value of this spine point as at 31 March 2016 is £15,387 per annum and the Council therefore defines its lowest paid employee as anyone earning £15,387 (pro rata for part-time staff). Currently the Council's pay multiple – the ratio between the Chief Executive as the highest paid employee and the lowest paid employee is 1:12, and between the Chief Executive and the median salary is £30,463 (ratio of 1:6).
Increases and	Where it is in the interests of the Council to do so the Chief Executive may review the salaries of Chief Officers

additions to remuneration of Chief Officers	and Senior Staff from time to time within the (MG and MB salary scales). Such circumstances include for example but are not limited to the impact of market forces and staff undertaking significant additional responsibilities on a time-limited or permanent basis. This is also the case for any other officer of the Council, including BR staff. Being outside of the nationally/regionally negotiated terms and conditions allows greater flexibility and discretionary payments in support of business priorities and recruitment and retention challenges. The Council has agreed a separate recruitment and retention package for children social workers.
Remuneration of Chief Officers on recruitment	Where the post of Chief Executive falls vacant the salary package and the appointment will be agreed by Full Council. Full Council or a Member panel appointed by full Council or the Urgency Sub Committee will also agree any salary package in excess of £100K to be offered for any new appointment in 2016/17 to an existing or new post. All Chief Officer and Senior staff appointments will be made in accordance with the Council's agreed Constitution and Scheme of Delegation which can be found at www.bromley.gov.uk/councilconstitution
Any discretionary increase in or enhancement of a Chief Officer's pension entitlement	<p>Chief Officers are eligible to join the Local Government Pension Scheme. The Council will not normally agree to any discretionary increase in or enhancement of a Chief Officer's pension entitlement. However each case will be considered on its merits and the Council recognises that exceptionally it may be in the Council's interests to consider this to achieve the desired business objective. Members' agreement will be required in all cases taking into account legal, financial and HR advice appropriate to the facts and circumstances.</p> <p>A Chief Officers' Panel is authorised to consider applications from staff aged 55 and over for early retirement without enhancement. The Panel may exercise discretion to waive any actuarial reduction of pension benefits in individual cases based on the demonstrable benefits of the business case including the cost, impact on the service, officer's contribution to the service and any compassionate grounds.</p> <p>The Council has adopted a Flexible Retirement Policy under which a Chief Officers' Panel may agree to release an employee's pension benefits whilst allowing them to continue working for the Council on the basis of a reduced salary resulting from a reduction in their hours and/or grade. The policy requires that the employee is aged 55 or over and that there is a sound business case for any such decision and can be found at Flexible retirement policy</p>

<p>Approach to severance payments - any non-statutory payment to Chief Officers who cease to hold office/be employed</p>	<p>Where demonstrable benefit exists it is the Council's policy to calculate redundancy payments on the basis of the statutory number of weeks' entitlement using the employee's actual salary.</p> <p>Under the Council's agreed Scheme of Delegation the Director of Corporate Services has delegated authority to settle legal proceedings and/or to enter into a Settlement Agreement in relation to potential or actual claims against the Council. Settlement may include compensation of an amount which is considered to be appropriate based on an assessment of the risks and all the circumstances of the individual case.</p> <p>In exceptional cases where it is in the interests of the service to do so a payment in lieu of notice or untaken leave may be made on the termination of an employee's employment. Payment for untaken leave may also be due under the terms of the Working Time Regulations.</p> <p>We already see approval for funding for severance packages for chief officers from the Executive. There is also overarching scrutiny from the Audit Sub – Committee. These arrangements give transparency and ensure Member sight of chief officers' severance packages.</p> <p>The Council will not normally re-engage anyone as an employee or consultant who has received enhanced severance/redundancy pay or benefited from a discretionary increase in their pension benefits. However exceptionally it may be that business objectives will not be achieved by other means in which case a time-limited arrangement may be agreed by the Director of HR and Director of Resources having regard to the Council's financial rules and regulations.</p> <p>Any application for employment from ex-employees who have retired at no cost to the Council, or who have retired or been made redundant from elsewhere will be considered in accordance with the Council's normal recruitment policy. However the Council operates an abatement policy which means that the pension benefits in payment to anyone who is re-employed in Bromley could be reduced in line with that policy.</p>
<p>Publication of and access to</p>	<p>Once agreed the Council will publish this Pay Policy on its website. Full Council may by resolution amend and re-publish this statement at any time during the year to which it relates.</p>

information relating to this Policy and to the remuneration of Chief Officers	The Council also discloses the remuneration paid to its senior employees in the annual report and statement of accounts as part of its published accounts. The Council has no seconded Trade Union officers. Reasonable time off will be provided to Trade Union officials, including Stewards, in the course of their normal contractual job with the Council.
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Report No.
CSD16012

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: GENERAL PURPOSES AND LICENSING COMMITTEE

Date: 10th February 2016

Decision Type: Non-Urgent Non-Executive Non-Key

Title: MEMBERS' ALLOWANCES SCHEME 2016/17

Contact Officer: Graham Walton, Democratic Services Manager
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: N/A

1. Reason for report

- 1.1 The regulations governing Members' Allowances require that, before the beginning of each financial year, the Council shall make a scheme of allowances for that year and this report details the proposed allowances for 2016/17. The allowances have remained frozen since 2009 due to the economic circumstances and the pressure on the Council's budgets, but Members have the option to increase the allowances – for example this could be in line with the 1.2% increase recommended for Council staff. The Mayoral and Deputy Mayoral Allowances are not part of the scheme, but are usually considered in conjunction with it.

2. **RECOMMENDATION(S)**

General Purposes and Licensing Committee are recommended to agree that the Members' Allowances Scheme 2016/17 and the Mayoral and Deputy Mayoral allowances for 2016/17 be submitted to Council for approval, and to consider whether to retain allowances at the current level or authorise an increase.

Corporate Policy

1. Policy Status: Existing Policy: The proposed scheme for 2016/17 is based on the existing scheme for 2015/16.
 2. BBB Priority: Excellent Council:
-

Financial

1. Cost of proposal: Estimated Cost:
 2. Ongoing costs: Recurring Cost:
 3. Budget head/performance centre: Democratic Representation – Members' Allowances
Mayoral & Civic Hospitality – Mayoral Allowance
 4. Total current budget for this head: Members Allowances - £1,038,420
Mayoral Allowance - £22,690 (includes on-costs)
 5. Source of funding: 2016/17 Draft Revenue Budget
-

Staff

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours: N/A
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Legal

1. Legal Requirement: Statutory Requirement: Sections 18 and 19 of the Local Government and Housing Act 1989, Section 100, Local Government Act 2000, The Local Authorities (Members' Allowances) (England) Regulations 2003
 2. Call-in: Not Applicable: Making and varying the Members' Allowances Scheme is reserved to full Council and is not an executive decision.
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All 60 members of the Council
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: N/A

3. COMMENTARY

- 3.1 Every local authority is required to have a basic, flat rate allowance payable to all Members. This basic allowance recognises the time commitment of Councillors, including meetings with Council managers and constituents and attendance at political group meetings. It is also intended to cover incidental costs and general expenses such as the use of Councillors' homes and equipment. It must be the same for each Councillor and may be paid either as a lump sum or in instalments through the year. Bromley has always paid allowances by monthly instalment.
- 3.2 The regulations governing Members' allowances require that, before the beginning of each financial year, the Council shall make a scheme of allowances for that year. Following a detailed review in 2008 Members' allowances were scrutinised by a specially formed Member working party which reported through to the Council. As a result certain allowances were upgraded to reflect current Member duties. The scheme has remained largely unchanged since then.
- 3.3 The regulations also provide that before the Council makes or amends a scheme it shall have regard to the recommendations made by an independent remuneration panel report. This requirement does not apply if the only change is the application of an annual indexation increase. London Councils set up an Independent Panel chaired by Sir Rodney Brooke which meets every four years and last reported in June 2014, and this should be taken into account in determining the level of allowances each year. The Panel recommends an amount for the basic allowance for Councillors in London, and suggests amounts in five bands for positions of additional responsibility. Although Bromley's basic allowance is currently very slightly above the level suggested by the Independent Panel in 2014 (which was £10,703pa), Bromley's special responsibility allowances are in general substantially below the levels recommended by the Panel. A summary of the Panel's recommendations is set out in **Appendix 1**.
- 3.4 **Appendix 2** shows the scheme and the proposed allowances for 2016/17 in schedule 1, based on the allowances remaining at the same levels. The Mayoral and Deputy Mayoral allowance is not part of the Member's Allowances scheme, but it can also be approved by Council and this is included in the budget for 2016/17. If approved by Council, the Mayoral Allowance would remain at £15,698 and the Deputy Mayoral Allowance at £2,093.

4 FINANCIAL IMPLICATIONS

- 4.1 Provision has been made for the allowances in the draft revenue budget for 2016/17 to be approved by Council of £1,038,420 (including inflation of £5,160) for the Members' Allowances Scheme and £22,690 (including £110 inflation) for the Mayoral and Deputy Mayoral allowances.

5 LEGAL IMPLICATIONS

- 5.1 The statutory provisions relating to Members' allowances are contained in The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 2003/1021).

Non-Applicable Sections:	Policy/Personnel
Background Documents: (Access via Contact Officer)	Report from the Independent Panel on Remuneration of Councillors in London (2014) - http://www.londoncouncils.gov.uk/London%20Councils/Remunerationreport2014.pdf Report to General Purposes and Licensing Committee, 10 th February 2015 – Members' Allowances Scheme 2015/16

London Councils Remuneration Panel Report - Summary

London Councils Band	Example posts	London Councils Panel Recommendation	LBB Equivalent (2015/16)
Basic Allowance	All Members	£10,703	£10,872
Band 1	Executive Assistant Sub-Cttee Chairman Leader of 2 nd Minority Group Members of Sub-Committees meeting frequently – EG Plans/Licensing/Adoption	£2,392 - £8,941	£3,573 £1,971/£2,772 £3,673 £335/£669
Band 2	Civic Mayor Chairman of Regulatory Cttee Chairman of Scrutiny Panel Leader of principal Opposition Group	£15,876 - £28,581	£15,698 £9,179 £7,140 £7,577
Band 3	Portfolio Holder Chairman of Health & Wellbeing Board Chairman of main Overview and Scrutiny Committee	£35,128 - £41,675	£20,400 £9,176 £7,140
Band 4	Leader	£54,769	£30,600
Band 5	Directly elected Mayor	£81,839	-

London Borough of Bromley

Members' Allowances Scheme

From 1st April 2016, in exercise of the powers conferred by the Local Authorities (Members Allowances) (England) Regulations 2003 (2003 No. 1021) [as amended by SI 2003 No. 1692], the London Borough of Bromley will operate the following Members' Allowances Scheme.

1. This Scheme is known as the London Borough of Bromley Members' Allowances Scheme and will operate from 1st April 2016 until amended.
2. In this Scheme:
 - “Councillor” means a member of the London Borough of Bromley who is an elected Member;
 - “Member” for the purposes of this Scheme shall mean elected Councillors;
 - “year” means the 12 months ending 31st March.
3. The Council in agreeing this Scheme has considered the recommendations of the Independent Panel commissioned by the Association of London Government on the remuneration of Councillors in London entitled “The Remuneration of Councillors in London 2014” published June 2014.

Basic Allowance

4. A basic annual allowance of £10,872.02 shall be paid to each Councillor.

Special Responsibility Allowances

5. (1) An annual Special Responsibility Allowance will be paid to those Members who hold special responsibilities. The special responsibilities are specified in Schedule 1 (attached).
- (2) During periods after an election when any position of special responsibility is unfilled, the relevant Special Responsibility Allowance shall be payable to the new holder of the position from the day after the previous holder ceases to be responsible.
- (3) The amount of each Special Responsibility Allowance is specified against that special responsibility in Schedule 1. The conditions set out in paragraphs 5(2), 5(4) and 14 apply.
- (4) Where a Member holds more than one position of special responsibility then only one Special Responsibility Allowance will be paid. Subject to sub-paragraph (5), Members may be paid quasi-judicial allowances in addition to a Special Responsibility Allowance.
- (5) All Members of the Plans Sub-Committees, Adoption Panel and Licensing Sub-Committee will be paid a quasi-judicial allowance at an annual rate £669.99 per annum. Where a Member has membership of only one Plans Sub-Committee, the allowance will be set at half that amount, £335.

Childcare and Dependent Carers Allowance

6. The Council has agreed that no allowance will be paid for childcare or dependent carers.

Co-optees Allowance

7. The Council has agreed that no allowance will be paid for co-optees.

Travel and Subsistence Allowance

8. The Basic Allowance covers all intra-Borough travel costs and subsistence. All other necessarily incurred travel and subsistence expenses for approved duties as set out in the Regulations (Regulation 8(a) to (h)) will be reimbursed under the same rules and entitlement as applies to staff. Travel by bicycle will also be paid at the same rates as applies to staff. Claims for reimbursement are to be made within one month of when the costs were incurred.

Ability to Decline an Allowance

9. A Member may, by writing to the Director of Corporate Services, decide not to accept any part of his entitlement to an allowance under this Scheme.

Withholding of Allowances

10. The Standards Committee may withhold all or part of any allowances due to a Member who has been suspended or partially suspended from his/her responsibilities or duties as a Member of the Authority. Any travelling or subsistence allowance payable to him/her for responsibilities or duties from which they are suspended or partially suspended may also be withheld.
11. Where the payment of an allowance has already been made in respect of a period in which a Member has been suspended or partially suspended, the Council may require the allowance that relates to that period of suspension to be repaid.

Members of more than one Authority

12. Where a Member is also a member of another authority, that Member may not receive allowances from more than one authority for the same duties.

Part-year Entitlements

13. If during the course of a year:
 - (a) there are any changes in the Basic and/or Special Responsibility Allowances,
 - (b) a new Member is elected,
 - (c) any Member ceases to be a Member,
 - (d) any Member accepts or relinquishes a post in respect of which a Special Responsibility Allowance is payable, or
 - (e) the Standards Committee resolves to withhold any allowances during the suspension of a Member,

the allowance payable in respect of the relevant periods shall be adjusted pro rata to the number of days.

Payments

14. Payments shall so far as is reasonably practicable normally be made for Basic and Special Responsibility Allowances in instalments of one-twelfth of the amount specified in this Scheme.

Inflation Increase

15. The allowances set out in this Scheme may be increased annually by the same percentage increase as the market movement change for management grade officers under the Council's scheme, such increase to take effect from the start of the financial year. This inflation index will apply until further notice unless the Scheme is revised after consideration of any new Independent Panel report. Where the only change to the Scheme in any year is that affected by such an annual adjustment in accordance with this index, the new uprated allowance rates will apply without further consideration by an Independent Panel.

Notification Fee to Information Commissioner

16. The Council shall reimburse, or pay on their behalf, the annual fee payable by all Councillors to the Information Commissioner.

Schedule 1

Allowances for the year ending 31st March 2017

	£
Basic Allowance	10,872.02
Posts of Special Responsibility Allowance	
Leader of the Council	30,600.00
Portfolio Holders (x6)	20,400.00
Executive Members without Portfolio	3,573.22
Executive Assistants (x5)	3,573.22
Chairman of Health and Wellbeing Board	9,179.61
Chairman of Portfolio PDS Committees (x6)	7,140.00
Chairman of Development Control Committee	9,179.61
Vice-Chairman of Development Control Committee	1,971.47
Chairman of Plans Sub-Committees (x4)	2,772.35
Chairman of General Purposes and Licensing Committee	9,179.61
Vice-Chairman of General Purposes and Licensing Committee	1,971.47
Chairman of Audit Sub-Committee	1,971.47
Chairman of Pensions Investment Sub-Committee	1,971.47
Leader of largest Opposition Party	7,577.78
Leader of second largest Opposition Party	3,673.53
Quasi-Judicial Allowances	
Members of one Plans Sub-Committee	335.00
Members of two Plans Sub-Committees	669.99
Members of Adoption Panel	669.99
Members of Fostering Panel	669.99
Members of Licensing Sub-Committee	669.99

Report No.
CSD16014

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: GENERAL PURPOSES AND LICENSING COMMITTEE

Date: 10th February 2016

Decision Type: Non-Urgent Non-Executive Non-Key

Title: EXECUTIVE ASSISTANTS: ANNUAL REPORT 2015/16

Contact Officer: Graham Walton, Democratic Services Manager
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward:

1. Reason for report

- 1.1 As part of this Committee's decisions in relation to the Members' Allowances Scheme 2008/09, it was agreed that this Committee should receive an annual report from each of the Executive Assistants outlining the work they have undertaken over the past year in justification of the receipt of their allowance (currently £3,573.22pa). This decision was reaffirmed by the Committee at subsequent meetings. The Members Allowances Scheme 2015/16 allows for up to five Executive Assistants, but only four were appointed for 2015/16 – Councillors Lydia Buttinger (Environment), Will Harmer (assistant to the Leader), Tom Philpott (Education) and Diane Smith (Care Services).
- 1.2 Reports from current Executive Assistants in 2015/16 will be circulated as soon as they are available.
-

2. **RECOMMENDATION**

The Committee is requested to consider and, if appropriate, comment on the submissions received from the Executive Assistants relating to the work they have undertaken during 2015/16.

Non-Applicable Sections:	Policy/Financial/Legal/Personnel
Background Documents: (Access via Contact Officer)	Previous reports to General Purposes and Licensing Committee

Corporate Policy

1. Policy Status: Existing Policy: Payments to Executive assistants are made under the London Borough of Bromley Members' Allowances Scheme, which is reviewed annually.
 2. BBB Priority: Excellent Council:
-

Financial

1. Cost of proposal: Estimated Cost: In May 2015, four Executive Assistants were appointed, resulting in total allowances of £14,292.88.
 2. Ongoing costs: Recurring Cost:
 3. Budget head/performance centre: Democratic Representation
 4. Total current budget for this head: £1,033,260
 5. Source of funding: 2015/16 Revenue Budget
-

Staff

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours: N/A
-

Legal

1. Legal Requirement: None relating to annual reports from Executive Assistants, but requirements relating to the Members Allowances' Scheme are found in Sections 18 and 19 of Local Government and Housing Act 1989, Section 100 of Local Government Act 2000 and The Local Authorities (Members' Allowances) (England) Regulations 2003.
 2. Call-in: Not Applicable: This report does not involve an executive decision
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Currently 4 Councillors
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A
2. Summary of Ward Councillors comments: N/A

Report No.
CSD16013

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: GENERAL PURPOSES AND LICENSING COMMITTEE

Date: Wednesday 10 February 2016

Decision Type: Non-Urgent Non-Executive Non-Key

Title: APPOINTMENTS TO OUTSIDE BODIES

Contact Officer: Graham Walton, Democratic Services Manager
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: (All Wards);

1. Reason for report

- 1.1 At its first meeting of the Council year on 27th May 2015 the Committee made appointments to various outside bodies. At its last meeting the Committee deferred consideration of an appointment to the governing body of Nash College. This report deals with a request for a four year appointment regarding the Hayes (Kent) Trust.

2. **RECOMMENDATION**

That Mrs C. Truelove be re-appointed as a Council representative on the Hayes (Kent) Trust for a four year period until May 2020.

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Excellent Council:
-

Financial

1. Cost of proposal: No Cost:
 2. Ongoing costs: Non-Recurring Cost:
 3. Budget head/performance centre: Not Applicable
 4. Total current budget for this head: Not Applicable
 5. Source of funding: Not Applicable
-

Staff

1. Number of staff (current and additional): Not Applicable
 2. If from existing staff resources, number of staff hours: Not applicable
-

Legal

1. Legal Requirement: None:
 2. Call-in: Not Applicable: This report does not involve an executive decision.
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Not Applicable
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Yes
2. Summary of Ward Councillors comments: Any comments will be reported at the meeting

3. COMMENTARY

- 3.1 The Hayes (Kent) Trust is a local charity whose main function is to make small grants for the benefit of the residents of Hayes. It was formed in 1992 by the amalgamation of a number of small charities in the parish of Hayes. There are six trustees, two of whom are appointed by the Council. The term of office is four years.
- 3.2 The term of office of one of the Council's appointees, Mrs C. Truelove, is due to end shortly in May 2016. The Trust's Secretary has written to the Council requesting that Mrs Truelove be re-appointed for a further four-year term (May 2016 to May 2020.)

Non-Applicable Sections:	Policy/Financial/Legal/Personnel
Background Documents: (Access via Contact Officer)	None

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PENSIONS INVESTMENT SUB-COMMITTEE

Minutes of the meeting held at 7.30 pm on 18 November 2015

Present

Councillor Teresa Ball (Chairman)

Councillors Eric Bosshard, Simon Fawthrop, David Livett,
Russell Mellor and Richard Williams

Also Present

Jane Harding, Employer Representative - Local Pension
Board
Alick Stevenson
Brian Toms, Employer Representative - Local Pension
Board

12 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies were received from Councillor Onslow and from Cllr Mellor for late attendance.

Apologies were also received from Lesley Rickards as a Local Pension Board representative.

13 DECLARATIONS OF INTEREST

There were no declarations.

14 CONFIRMATION OF MINUTES OF THE SUB-COMMITTEE'S MEETING HELD ON 23RD SEPTEMBER 2015 EXCLUDING THOSE CONTAINING EXEMPT INFORMATION

The minutes were agreed.

15 MINUTES OF THE LOCAL PENSION BOARD MEETING HELD ON 26TH OCTOBER 2015 (FOR INFORMATION)

Although minutes of the Local Pension Board meeting had been drafted it had not been possible to clear the minutes with officers or Chairman of the Board. The minutes would be circulated to Sub-Committee Members as soon as they had been cleared by officers and agreed with the Board's Chairman.

In view of workload pressures for Democratic Services, Members of the Sub-Committee agreed that they would be content to receive more concise minutes which primarily focused on recording action points and decisions.

16 QUESTIONS BY MEMBERS OF THE PUBLIC ATTENDING THE MEETING

There were no questions.

17 GENERAL UPDATE

The Director of Finance provided a brief update on a number of matters:

- apart from L B Bromley all the other London Boroughs are expected to have joined the London-wide Collective Investment Vehicle;
- further multi-asset pools were being developed through other local authorities which could be of benefit for L B Bromley;
- there was now no need of a combined Pension Board arrangement;
- Public Sector exit cap was expected to be implemented next summer;
- an investigation by KPMG, commissioned by the Local Government Pension Scheme Advisory Board, into the viability of separating a local pension fund from its host authority appears to have resulted in no further action to take the idea forward; and
- the Pensions Seminar originally scheduled for 11th November would now be held at the Civic Centre on Monday 11th January 2016 at 7.30pm;
- an explanation of a new EU Directive affecting local authority Pension Funds would be covered at the seminar.

18 PENSION FUND PERFORMANCE Q2 2015/16

Report FSD15068

Summary details were provided of the investment performance of Bromley's Pension Fund for the second quarter 2015/16 along with information on general financial and membership trends of the Fund and summarised information on early retirements.

AllenbridgeEpic provided further detail on investment performance and Baillie Gifford provided commentary on second quarter performance, future economic outlook, and recent developments in financial markets.

The market value of the Fund ended the September quarter at £684.4m (£710.9m as at 30th June 2015) but by the end of October 2015 it had

recovered to £718.3m. The Fund's medium and long-term returns remained particularly strong.

The total fund returned -3.8% (net of fees) in the latest quarter, compared to the benchmark return of -3.6% and the local authority average of -3.5%. In regard to the local authority average, the fund's performance in the September quarter was in the 66th percentile (the lowest rank being 100%).

Report FSD 15068 also provided an update on admission agreements for outsourced services and related questions at the meeting were clarified. A rise in membership numbers was also noted which could be attributed primarily to the effect of auto-enrolment.

A Member suggested that Diversified Growth Funds had not been performing well for the Pension Fund. There appeared to be significant investment in high risk which was not earning a particularly good yield. The Member suggested that investment in high rate Corporate Bonds could have earned a similar return and suggested the Sub-Committee now review the Diversified Growth investments and their returns. Although such investments were long term he questioned how much longer they should continue given the level of returns being earned; if the Council was not prepared to take risks with its Treasury investments he felt it should not be prepared to take risks with its Pension Fund investments. Mr Stevenson offered to arrange for Baillie Gifford and Standard Life to indicate why they had made the particular DGF investments, the response being reported at the Sub-Committee's next meeting. If there were a further two quarters of poor performance, Mr Stevenson suggested that the Fund Managers be asked to account for their investments and perhaps a further strategy would be necessary for consideration. The Director suggested that Mr Stevenson look at income aspects for the Fund; the Director also outlined background to the Fund's investment strategy. How often asset allocation should be changed was a consideration but it was necessary to think long term for the Fund over 5/10/15 years.

RESOLVED that:

(1) Report FSD15068 be noted; and

(2) the position regarding admission arrangements for outsourced services as set out at paragraphs 3.11 to 3.14 of Report FSD15068 be noted.

19 PENSION FUND - INVESTMENT REPORT

Members received a presentation from MFS representatives, an electronic version of which had been provided in advance of the meeting.

In reviewing performance results, the last quarter was referred to by MFS as a difficult period where markets were negative. On the other hand, the MFS portfolio had outperformed the MSCI World Index (net div) for the past year to

30th September 2015. The portfolio had also outperformed the index since inception in December 2013.

**20 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE
LOCAL GOVERNMENT (ACCESS TO INFORMATION)
(VARIATION) ORDER 2006 AND FREEDOM OF INFORMATION
ACT 2000**

RESOLVED that the Press and public be excluded during consideration of the items of business referred to below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

**The following summaries
refer to matters
involving exempt information**

**21 CONFIRMATION OF EXEMPT MINUTES - 23RD SEPTEMBER
2015**

The exempt minutes were agreed.

22 INVESTMENT PROPOSAL

Report FSD15070

Members considered a potential gifting of a significant asset to the Council's Pension Fund.

The Meeting ended at 9.39 pm

Chairman

AUDIT SUB-COMMITTEE

Minutes of the meeting held at 7.00 pm on 1 December 2015

Present:

Councillor Neil Reddin FCCA (Chairman)

Councillors Ian Dunn, Simon Fawthrop and Keith Onslow

Also Present:

Sara Bowrey, Deepali Choudhary, Nigel Davies, Dan Jones, James Newell, Doug Patterson, Linda Pilkington, Luis Remedios and Dave Starling, Barrie Cull

13 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies were received from Cllr Peter Fortune, and from Cllr William Huntington Thresher. Cllr Simon Fawthrop attended as alternate for Cllr Huntington Thresher.

14 DECLARATIONS OF INTEREST

Councillor Fawthrop declared an interest as his wife was employed by Bromley Adult Education College, and as the parent of a child attending a Bromley School.

Cllr Reddin declared an interest as a Governor of St Olave's School, and as the parent of a child at Warren Road Primary School.

Councillor Onslow declared an interest as an agency worker, and that he worked part time for the Zurich Insurance Company.

15 CONFIRMATION OF THE MINUTES OF THE MEETING HELD ON 25th JUNE 2015 EXCLUDING THOSE CONTAINING EXEMPT INFORMATION

The public minutes of the meeting held on 25th June 2015 were agreed.

16 QUESTIONS FROM MEMBERS OF THE PUBLIC OR COUNCILLORS ATTENDING THE MEETING

No questions had been received.

17 MATTERS OUTSTANDING--PART 1

Report CSD16003

It was noted that concerning the issue of the scrutiny of contracts by Members, this matter had now been referred to the E&R PDS Committee, and that a Contracts Working Party had now been set up and was meeting regularly.

The other matters were either completed or were being updated in the various progress reports on the agenda.

RESOLVED that the Matters Arising report be noted.

18 QUESTIONS ON THE AUDIT SUB COMMITTEE REDACTED REPORTS PUBLISHED ON THE WEB

Two questions had been received from Cllr Ian Dunn:

Housing Benefit.

How do we obtain assurance from the contractor that their staffing and processes are adequate to deal with the forecast volume of work, particularly given that the length of time for the processing of Discretionary Housing Payments can be long and most appeals appear to take longer than the SLA? Do we have agreed forecasts of workload for these and other items?

Answer:

Work has been carried out recently to reduce the time to process applications. The current performance for application processing is now within targets. For DHP, Bromley has to approve payments and there tends to be a build-up of claims around year end. Appeals also come to Bromley now.

Liberata Final Report.

Is it possible for LBB staff to be given the ability to run reports now, rather than wait till after March 2018 when the existing contract ends?

Answer:

Currently LBB officers do not have the facility to run reports. This would require training and variation to the contract which could be considered on expiry of the current contract.

RESOLVED that the redacted reports published on the web be noted.

19 INTERNAL AUDIT PROGRESS REPORT

Report CEO 15011

The audit of Family Placements was undertaken as part of the 2014/15 audit plan, at the request of the Assistant Director for Safeguarding and Social Care. This had resulted in 8 P1 recommendations and a nil assurance. The Head of Internal Audit explained that progress was being made, although it was a bit slow. There were still problems with training that required resolution; only 1 out of 9 staff identified to undertake training concerning financial regulations and contract procedure rules had completed and passed the training. There were still outstanding DBS checks that required chasing. Of the 8 P1 recommendations tested to confirm implementation, 3 were still outstanding, and 5 were found to be partially implemented.

Good progress had been made concerning the Leaving Care (Payments to Clients) audit review. The findings of the review were that of the 6 partially implemented recommendations, 4 had been implemented, and the 2 relating to pathway plans and purchase cards remained as partially implemented.

The audit review of Looked after Children found that care plans and placement plans had been completed and authorised in a timely manner, and the recommendation was therefore considered implemented. The second P1 recommendation on recovery of an overpayment was currently being pursued to the satisfaction of Internal Audit and therefore was considered implemented.

The P1 recommendation pertaining to rent arrears for emergency accommodation was the longest outstanding. The process of the reconciliation of accounts with Orchard and Shipman was underway, and this may reduce the level of rent arrears. However, there was currently still a high level of uncollected rent, and so this recommendation remained outstanding. The Head of Internal Audit reminded the Committee of the recommendations concerning the Essential Car User scheme which was being phased out. Management were implementing the recommendations and therefore all three priority one recommendations had been implemented.

The audit review of Domiciliary Care revealed that there were still problems with agreements closed on incorrect dates, and agreements not being closed after a person was deceased. Therefore the two P1 recommendations remained open.

The audit follow up on the priority one recommendation made in the Transition Team audit, regarding under and overpayments in direct payment cases showed that this was still outstanding.

There had previously been an audit of a primary school that revealed problems with poor cash control. The school had since converted to an Academy, and the recommendations would be followed up by the responsible

officer. The School Finance Team were now involved in improving financial controls.

The Head of Internal Audit reminded the Committee that from April 2002 to September 2015, LBB had worked with RB Greenwich Fraud Team in successfully prosecuting Housing Benefit Fraud; during this period, 420 claimants had been successfully prosecuted. Since 1st July 2015 all new cases of suspected benefit fraud were now referred to the DWP's Single Integrated Fraud Service. Internal Audit had received some feedback from SFIS, including the fact that 6 referrals had been lost. There were 29 cases under criminal investigation, but no successful prosecutions to date. The Head of Audit stated that this would be the last time for reporting on housing benefit statistics given the completed transfer of the service to the DWP.

The Head of Internal Audit briefed the Committee concerning section 3.44 of the report, which outlined the new anti-fraud and corruption strategy. Appendix F followed the report which outlined the new strategy. The Anti-Fraud and Corruption Strategy document required approval and subsequent uploading onto the system by Finance.

Cllr Ian Dunn referred the Committee to section 19 of the Raising Concerns Policy that dealt with Monitoring and Oversight. He commented that he had not seen this process in action. The Head of Internal Audit confirmed that the process was in place and was active.

Members noted the Bromley fraud activity statistics for 2014/15 that is now required in compliance with the Transparency Code was to be published on the web.

Members turned their attention to the issue of objections to the accounts, and noted that there were three objections that were ongoing. At this point the Chief Executive joined, and participated in the discussions concerning the objections. Cllr Fawthrop commented that it was good to receive objections, and that perhaps LBB needed to be more open concerning their accounts. The Chief Executive concurred with the need for transparency, but felt that as this matter had been ongoing for some time, it was necessary that it now be concluded. The person that had objected to the LBB accounts had undertaken the same course of action with other boroughs.

Cllr Keith Onslow asked if the objections were valid, and if there was a formal process to draw the matter to a conclusion, he also wondered if the matter could be referred to the Ombudsman. Cllr Fawthrop suggested that the matter be referred to the local MP to be raised in the House of Commons. The Head of Internal Audit informed the Committee that LBB had met with the Objector, and had presented evidential information as required. The Chief Executive stated that LBB should be more robust with the External Auditors. Cllr Fawthrop suggested that the Objector be asked if he would like to raise questions concerning the accounts in a public forum at the GP&L Committee.

It was agreed that there needed to be a summary of information provided by LBB to the objector to date, in compliance with guidelines. Once done, Members would offer their support with regard to raising the matter with External Audit. The Head of Internal Audit commented that the Director of Finance had raised this issue with other London treasurers and with Public Sector Audit Appointments Ltd (the body that had taken over from the Audit Commission to oversee the external audit contracts). There was no outcome, objections were seen as being an independent process between the objectors and the external auditors.

The Committee discussed the update on Risk Management and heard that a new risk matrix had been approved by the Corporate Risk Management Group, and was going to Directors for approval. The Committee were informed that LBB's main corporate risks were being updated and included fraud, budget savings and commission/contract monitoring. There was a debate on the number of high and significant risks and the criteria behind this. There were also queries on the new control matrix in terms of impact and likelihood. The Head of Internal Audit pointed out that the submissions on risk classification had not been fully completed and details appearing in the report could change after management/DMT scrutiny of their risks. It was agreed that the complete details of high and significant risks be submitted to the next meeting of this Committee together with the revised corporate risks.

RESOLVED:

- (1) that the Internal Audit Progress report be noted**
- (2) that the list of Internal Audit reports published on the web be noted**
- (3) that the list of waivers sought since March 2015 be noted**
- (4) that the benefits of the counter fraud partnership (and impending changes) with RB Greenwich be noted**
- (5) that the revised Anti-Fraud and Corruption Policy be approved**
- (6) that the new arrangements around risk management be noted**
- (7) that the Letter of Representation be noted**
- (8) that the new training arrangements around Audit Controls be noted**
- (9) that concerning objections to the accounts--there needed to be a breakdown/summary of work done by officers and information provided to date, with a timeline to evidence that LBB had complied with guidelines. Once completed, Members would offer their support with regard to raising this matter with External Audit.**
- (10) that the details for high and significant risks be submitted to this Committee together with the revised Corporate Risks.**

20 FINANCIAL REGULATIONS & CONTRACT PROCEDURE RULES

Report CEO 15013

The Committee looked at the comprehensive report written by the Head of Audit concerning Financial Regulations and Contract Procedure Rules.

The report was required as it had been three years since Members had approved previous updates. Both documents now required updating due to changes in legislation, government requirements, organisational change and technology.

The Committee were referred to section 3 of the report where the main changes were summarised. The Committee heard that the regulations and rules had been working well, and that the current proposals were basic amendments to current procedures. Of particular significance were proposals to use electronic signatures to cut down on bureaucracy, and clarification on the rules concerning paying for services in advance. Similarly, there was also a proposal to increase the individual debt write off limits which would also reduce bureaucracy and align LBB with other local authorities. The Committee were informed that a new Transparency Code had been drafted in line with new requirements that had been set out in the Local Government Transparency Code.

The Committee were informed that the limit for righting off low level debts had been increased from £5k to £15k. This was one of the changes recommended for approval by the Audit Sub Committee. Cllr Fawthrop questioned why LBB were seeking to implement the limit increase. He felt that it was not good enough just to be aligning with other boroughs, perhaps the other boroughs were adopting a policy that was too lax. The Head of Internal Audit explained that the reasons for the increase was to reduce bureaucracy at a time when there were reductions in staffing resources. It was also the case that all recovery methods for large debts were explored by management before debts were written off and that write offs including large debts were audited annually to ensure compliance with procedure.

Cllr Fawthrop asked if spot checks would be undertaken on some of the debts that had been written off, and the answer to this was yes. Cllr Fawthrop was relieved to hear this, and reminded the Committee that there was a previous problem with a staff member writing off personal debt. The Head of Internal Audit commented that these debts were under £10.00. Cllr Fawthrop suggested that perhaps there should be a "split" applied to the way debts were written off. He suggested that the write off of cash debts should be limited to £5k. The Chairman stated that he was happy to support the revised limit of £15k.

Cllr Fawthrop asked the Head of Internal Audit for more information about how many debts there had been in the last financial year between £5k and £15k. The Head of Internal Audit responded that he would look into this and email the information to Sub Committee Members.

Cllr Keith Onslow directed the attention of the committee to Section 5, (sub section 22) of the report which dealt with “Risk Assessment and Contingency Planning”. He was concerned about project risk, and asked if there was a formal risk assessment process in place. Mr Dave Starling (Head of Procurement) responded that in all projects involving corporate and high level risks, a Risk Manager would be allocated to oversee any potential risks to the project.

The Committee noted that the report stated that for all contracts with a value over £50k, the Contract Manager was required to:

- Maintain a risk register during the contract period
- Undertake appropriate risk assessments
- Ensure contingency measures were in place

Cllr Onslow asked if a Risk Matrix was used, and Mr Starling responded that it was. Cllr Onslow asked about the recent decisions made by the Executive concerning Biggin Hill, and commented that he did not see any reference to risk assessment on the documentation. He wondered if a risk assessment had been undertaken. Mr Starling asked what specific contracts Cllr Onslow was referring to. If it was to do with the airport lease, then the query would have to be referred to the appropriate section.

Cllr Onslow was of the opinion that a risk assessment should have been carried out concerning the lease agreement with Biggin Hill Airport. He stated that if one was not undertaken, then he would like to see one carried out. He asked if this was possible. Cllr Simon Fawthrop commented that if a risk assessment had not been undertaken, then the decision may have to be called back in.

The Chairman referred the Committee to page 272 of the agenda, and section 5 which dealt with Contract Management. Cllr Fawthrop asked if this information had gone to Members of the Contracts Working Party, and particularly to Cllr Stephen Wells. The Chairman expressed the view that Cllr Wells would have this information available. The Committee noted that the proposed changes to Financial Regulations and Contract Procedure Rules would be presented to the GP&L Committee at their next meeting.

RESOLVED

(1) that the changes proposed for Financial Regulations be approved

(2) that the changes proposed for Contract Procedure Rules be approved

21 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND THE FREEDOM OF INFORMATION ACT 2000

RESOLVED that the press and public be excluded during consideration of the items of business listed below as it was likely in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the press and public were present, there would be disclosure to them of exempt information.

22 MATTERS ARISING FROM THE MEETING ON 25th JUNE 2015- PART 2

Report CSD 16004

The part two (private) Matters Arising report was noted.

23 INTERNAL AUDIT FRAUD & INVESTIGATION REPORT

CEO 15012

Members noted the report and commented upon matters arising from the Internal Audit Fraud and Investigation Report.

Members approved the four audit reports where LBB were seeking exemption from publication for the reasons stated.

The full minutes of this item are detailed in the part two minutes.

24 EXEMPT MINUTES OF THE MEETING HELD ON 25th JUNE 2015

RESOLVED that the Exempt Minutes of the meeting held on 25th June 2015 be agreed.

The Meeting ended at 9.30 pm

Chairman

LOCAL JOINT CONSULTATIVE COMMITTEE

Minutes of the meeting held at 6.30 pm on 8 December 2015

Present:

Employer's Side

Councillor Russell Mellor (Chairman)
Councillor Nicholas Bennett J.P.
Councillor Simon Fawthrop
Councillor Tom Philpott
Councillor Diane Smith
Councillor Tim Stevens J.P.
Councillor Angela Wilkins

Staff Side and Departmental Representatives

Glenn Kelly, Unison
Gill Slater, Regeneration & Transformation
Service
Max Winters, Education & Care Services

14 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies were received from Cllr Stephen Carr and Cllr Colin Smith acted as Substitute.

Apologies were also received from Cllr Michael Turner.

From the Staff Side, apologies were received from Kathy Smith, and Mary Odoi.

15 DECLARATIONS OF INTEREST

There were no declarations of interest.

16 MINUTES FROM THE PREVIOUS MEETING OF LOCAL JOINT CONSULTATIVE COMMITTEE HELD ON 21st OCTOBER 2015

The minutes of the meeting held on 21st October 2015 were agreed.

17 JOINT UNION PAY CLAIM AND PROGRESS ON PAY NEGOTIATIONS

Mr Glenn Kelly stated that when the Chief Executive previously discussed the issue of staff being transferred out from the local authority, he promised that although there would be fewer staff working directly for the Council, they would be better paid. Mr Kelly stated that the LBB workforce had dropped by 15% over the last 4 years, and that this equated to £7m. He expressed concern that although staff numbers had decreased, the Council still had to maintain its statutory obligations and consequently work pressures on staff had increased. There was no indication of staff pay increasing to compensate the workforce.

Mr Kelly stated that since 2010, wages had lagged behind the RPI by 20%, and that this had meant that lower paid workers had in effect lost £1400.00 each, and that middle band workers had lost approximately £3k each. He continued by referencing the removal of the Essential Car User Allowance which he claimed had resulted in staff losing £1k per annum in real terms. This was ongoing, whilst private sector wages were increasing.

Mr Kelly stated that the Staff Side were asking for a flat rate increase in wages of £1 per hour, and the adoption of the "London Living Wage " of £9.40 per hour. Mr Kelly declared that 60 LBB workers were being paid below the London Living Wage, and also 461 school workers. Mr Kelly asked the Employer's side why they did not support the LLW when Boris Johnson did. Mr Kelly stated that he was seeking a guarantee that there would be no further negative changes to pay and conditions. He also asked for a final and fair settlement for schools staff, and support for staff that were paid term time only. He commented that some school workers were unable to claim out of work benefits during school holidays.

The Chairman addressed the issue concerning the claim for £1.00 per hour, and stated that the cost of this would be £4m which was too expensive. It was the case that LBB paid £8.20 as an hourly rate, which was well above the national minimum wage. Cllr Tim Stevens JP remarked that it was absurd to be making a pay claim of this nature, when the money was not available. He further stated that if LBB wanted to adopt the Statutory Living Wage of £9.00, they had until 2020 to do so. There would be confirmation of the staff pay award in due course.

Cllr Angela Wilkins asked if there could be a dialogue concerning these matters, rather than just a blanket response. She asked if the Employer's Side was going to comment on the matters raised concerning the terms and conditions of teaching staff.

The Director of Human Resources confirmed that the Employer's Side were aware of the details of the joint union pay claim, and progress on pay negotiations. He asked why the matter was being raised at the LJCC when all parties were already aware. The Director advised that matters were not straightforward, as schools needed to be consulted, and so Members should not comment at this time. He stated that the Unions' pay claim was going to be looked at by the GP&L Committee. Members would comment subsequent to this. The Director stated that the award was better than the national agreement.

Mr Kelly responded by stating that the agreements were not better if you were an "essential car user", and that LBB had outsourced many low paid jobs. It was also the case that Bromley was a London Borough with a high cost of living.

Cllr Wilkins commented that she was not aware of the pay claim.

The Chairman commented that the LBB pay award was likely to be fractionally more than the national pay award. Cllr Fawthrop stated that LBB did review issues, and that this would include the whole budget making process and pay and conditions. It was the case that LBB was required to be transparent, and that as well as having a duty to staff, LBB also had a duty to those who paid rates and taxes.

Cllr Colin Smith stated that no promises could be made at this stage; the budget would be assessed in February 2016, and decisions would be made subsequently. He declared that if the Unions pushed for unfundable wage increases, then staff were in danger of being priced out of work.

The Chairman concluded this agenda item by stating that the Employer's Side was aware of the pay claim, and had answered the questions raised.

18 FAIR DEAL FOR PUBLIC SERVICES PROCUREMENT STRATEGY

Mr Dave Starling (LBB Head of Corporate Procurement) attended to answer questions pertaining to the Procurement Strategy. The case for the Staff Side was presented by Gill Slater (LBB Regeneration and Transformation Service).

Ms Slater outlined issues that had been identified previously concerning particular contracts and asked if Members would be prepared to review the Procurement Strategy at the Contracts Working Party meetings. The Chairman responded to this by commenting that the Staff Side had previously been asked to produce a business case but had failed to do so.

Mr Starling outlined LBB's Procurement Strategy and statutory obligations. He explained that LBB contracts would normally have a minimum 40% quality content and would comply with all statutory requirements.

Cllr Angela Wilkins referred to the information that had been submitted on the agenda concerning the "Fair Deal for Public Services Procurement Strategy". She stated that the question raised was what aspects of the Strategy LBB would be prepared to accept. She requested that a blanket response be avoided, and that Members constructively consider what aspects may be reasonable to adopt.

The Director of Human Resources felt that some of the issues raised were red herrings, and noted that every contractor had to comply with agency worker legislation. It was the case that new legislation was in place to deal with the issue of Zero Hours contracts. He expressed the view that LBB could not instruct a contractor how to behave.

Cllr Wilkins responded that the Director was not serious in his response, and was not answering comprehensively. The Chairman commented that the Employer's side were taking the concerns seriously, but that the LJCC was not empowered to make decisions—the LJCC could only make recommendations to take forward. He expressed the view that the LJCC were simply hearing the reiteration of old issues.

Mr Glen Kelly responded that it was true that the issues were not new, but the problem was that the issues had not been addressed. He stated that the Staff Side had drafted a joint consultation document, but this had been rejected. He declared that the Contracts Working Party were aware of the issues. Mr Kelly asked the Employer's Side to refrain from saying that they could not do anything, and stated that they should use their influence to bring about change.

Cllr Simon Fawthrop suggested that "one size does not fit all" and that LBB had to be flexible and pragmatic. He pointed out that a £500,000 contract with Bromley College had been called back, in which illustrated LBB's flexibility and business sense. Mr Kelly responded that he found it strange that other contracts had been given to Bromley College when it was obvious that they lacked the expertise to fulfil the contractual obligations, and that one of the Bromley College contracts had incurred a £300k deficit.

Ms Lesley Moore (LBB Assistant Director for Corporate Projects and Transformation) highlighted that the contract outsourced to Liberata was working well, had maintained service level agreements, and that only one staff member had been made redundant.

Councillor Colin Smith expressed the view that much of the information being disseminated concerning the Parks and Greenspace contract was not correct. He stated that everything that had taken place during the outsourcing of this contract was above board and transparent; it was the case that good staff find work and that the majority of staff that had originally lost their jobs were now back in work. He also expressed the view that previous information detailed to the LJCC by the Vice Chairman concerning fireworks was factually incorrect.

The Director of Human Resources suggested that a possible way forward was to request that the Chief Executive give a formal response, which would then finalise the issue. It would also mean that an "Oversight Committee" was not required.

RECOMMENDED that the Director of Human Resources seek a final and formal response on Procurement Strategy from the Chief Executive.

19 USE OF COUNCIL RESERVES TO PROTECT LOCAL SERVICES

Cllr Nicholas Bennett JP noted that the comment quoted from the Chancellor referred to "assets and resources", but it had been transmuted by the Staff Side to "reserves" instead, and that these were not the same.

The Chairman stated that it was the case that LBB were exploring how it could use its assets and resources to protect local services.

Mr Glenn Kelly expressed the view that central government had embarked on a funding attack on local authorities, and in the light of this, he wondered what LBB were planning to do going forward. He asked if LBB was going to carry on regardless and just cut more services. He stated that there was not much left to cut as most services had been cut back to statutory minimums.

The Chairman stated that LBB did have a long term strategy, and were waiting for the budget settlement before developing future plans. Cllr Fawthrop commented that LBB did use reserves to invest in properties and then used these returns to protect council services.

Cllr Colin Smith stated that it was bizarre to seek the use of Council Reserves in the current financial climate. It was the case that since 2010/11, £67m in savings had been required, with another £53m required by 2020. He declared that it would be foolish to plug revenue gaps with capital reserves, and cited the example of the Greek economy. He stated that LBB should continue with its current prudent course of action which was to liquidate non performing assets, and transfer the funds into better yielding investments. By adopting this policy, LBB had been able to allocate £6m into vital services. He stated that this was the correct policy, and was pleased with the way it had worked.

Mr Kelly responded that LBB had been playing monopoly and had not been protecting services. He continued that LBB would not be able to fund a £53m funding gap, and that George Osborne was foolish.

20 DATE OF NEXT MEETING

The date of the next meeting was confirmed as 25th February 2016.

The Meeting ended at 7.20 pm

Chairman

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APPEALS SUB-COMMITTEE

Minutes of the adjourned meeting held at 2.00 pm on 29 September 2015,
re-convened at 2pm on 4 December 2015

Present

Councillor Michael Turner (Chairman)
Councillors Councillor Ellie Harmer and Councillor Charles
Rideout CVO, QPM

1 APPOINTMENT OF CHAIRMAN

Councillor Michael Turner was appointed Chairman.

2 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

There were no apologies.

3 DECLARATIONS OF INTEREST

There were no declarations.

4 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND FREEDOM OF INFORMATION ACT 2000

5 ILL-HEALTH DISMISSAL APPEAL: MS S

In accordance with the Council's established procedure for managing employee ill-health, the Sub-Committee determined an appeal from a former member of staff against dismissal from Council employment on grounds of capability.

The hearing was adjourned at 5.30pm on 29th September 2015 and re-convened at 2pm on 4th December 2015.

The Meeting ended at 5.15 pm on 4th December 2015.

Chairman

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APPEALS SUB-COMMITTEE

Minutes of the meeting held at 2.00 pm on 14 December 2015

Present:

Councillor Nicholas Bennett J.P. (Chairman)
Councillors Councillor Charles Rideout CVO, QPM and
Councillor Melanie Stevens

Also Present:

Sylvia Aghboola (Interim Team Manager, Learning
Disability Care Manager)
Claudine Douglas-Brown (Exchequer Manager),
Philippa Gibbs (Democratic Services Officer) and
Jim Kilgallen (Solicitor)

1 APPOINTMENT OF CHAIRMAN

Councillor Nicholas Bennett was appointed Chairman.

2 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

There were no apologies for absence.

3 DECLARATIONS OF INTEREST

There were no additional declarations of interest.

4 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND FREEDOM OF INFORMATION ACT 2000

RESOLVED that the press and public be excluded during consideration of the item of business referred to below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

**The following summary
refers to matters
involving exempt information**

Appeals Sub-Committee
14 December 2015

**5 THIRD STAGE APPEAL AGAINST A DOMICILIARY CARE
 ASSESSED CHARGE- MR M.O.**

Part 2 Report: FSD15074

The Appeals Sub Committee met to consider a Third Stage Appeal against a Domiciliary Care Assessed Charge.

The Meeting ended at 3.43 pm

Chairman

APPEALS SUB-COMMITTEE

Minutes of the meeting held at 2.00 pm on 18 December 2015

Present:

Councillor Michael Turner (Chairman)
Councillors Councillor Kathy Bance MBE and Councillor
Mary Cooke

Also Present:

Claudine Douglas-Brown, Philippa Gibbs and Jim Kilgallen

1 APPOINTMENT OF CHAIRMAN

Councillor Michael Turner was appointed as Chairman.

2 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

There were no apologies for absence.

3 DECLARATIONS OF INTEREST

There were no additional declarations of interest.

4 LOCAL GOVERNMENT ACT 1972 AS AMENDED BY THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 AND FREEDOM OF INFORMATION ACT 2000

RESOLVED that the press and public be excluded during consideration of the item of business referred to below as it is likely in view of the nature of the business to be transacted or the nature of the proceedings that if members of the Press and public were present there would be disclosure to them of exempt information.

**The following summary
refers to matters
involving exempt information**

Appeals Sub-Committee
18 December 2015

**5 THIRD STAGE APPEAL AGAINST A DOMICILIARY CARE
 ASSESSED CHARGE - MR S.M.**

Part 2 Report: FSD15075

The Sub-Committee met to consider a third stage appeal against a domiciliary care assessed charge.

The Meeting ended at 3.34 pm

Chairman

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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