

## 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 21<sup>st</sup> 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 25<sup>th</sup> February 2016.

The Meeting ended at 7.20 pm

Chairman