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DATE: 4<sup>th</sup> February 2019

To: Members of the

## **GENERAL PURPOSES AND LICENSING COMMITTEE**

Councillor Pauline Tunnicliffe (Chairman)

Councillor Michael Turner (Vice-Chairman)

Councillors Marina Ahmad, Gareth Allatt, Vanessa Allen, Nicholas Bennett J.P.,  
Mary Cooke, Robert Evans, Russell Mellor, Alexa Michael, Tony Owen,  
Neil Reddin FCCA, Melanie Stevens, Harry Stranger and Stephen Wells

A meeting of the General Purposes and Licensing Committee will be held at Bromley Civic Centre on **TUESDAY 12 FEBRUARY 2019 AT 7.00 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 Wednesday 6<sup>th</sup> February 2019.

**4 CONFIRMATION OF MINUTES OF THE MEETING HELD ON 27 NOVEMBER 2018**  
(Pages 5 - 12)

**5 STAFF PAY AWARD 2019**  
(Pages 13 - 58)

**6 PAY POLICY STATEMENT 2019/20**  
(Pages 59 - 76)

- 7 **MEMBERS ALLOWANCES SCHEME 2019/20**  
(Pages 77 - 86)
  
- 8 **EXECUTIVE ASSISTANTS - ANNUAL REPORT 2018/19**  
(Pages 87 - 94)
  
- 9 **PROGRAMME OF MEETINGS 2019/20**  
(Pages 95 - 100)
  
- 10 **WORK PROGRAMME**  
(Pages 101 - 104)
  
- 11 **LOCAL PENSION BOARD: MINUTES OF THE MEETING HELD ON 6TH NOVEMBER 2018**  
(Pages 105 - 108)
  
- 12 **PENSIONS INVESTMENT SUB-COMMITTEE: MINUTES OF THE MEETINGS HELD ON 7TH NOVEMBER 2018 AND 14TH JANUARY 2019, EXCLUDING EXEMPT INFORMATION**  
(Pages 109 - 118)
  
- 13 **AUDIT SUB-COMMITTEE: MINUTES OF THE MEETING HELD ON 14TH NOVEMBER 2018, EXCLUDING EXEMPT INFORMATION**  
(Pages 119 - 134)
  
- 14 **APPEALS SUB-COMMITTEE: MINUTES OF THE MEETING HELD ON 14TH JANUARY 2019, EXCLUDING EXEMPT INFORMATION**  
(Pages 135 - 136)
  
- 15 **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"> <li>16 <b>CESSATION OF ADMISSION BODY - DEFICIT REPAYMENT PLAN</b><br/>(Pages 137 - 150)</li> </ul> | <p>Information relating to the financial or business affairs of any particular person (including the authority holding that information)</p> |
|--|--|

- |           |   |  |
|-----------|---|--|
| <b>17</b> | <b>PENSIONS INVESTMENT SUB-COMMITTEE: EXEMPT MINUTES 7TH NOVEMBER 2018 AND 14TH JANUARY 2019</b><br>(Pages 151 - 158) | Information relating to the financial or business affairs of any particular person (including the authority holding that information)  |
| <b>18</b> | <b>AUDIT SUB-COMMITTEE: EXEMPT MINUTES - 14TH NOVEMBER 2018</b><br>(Pages 159 - 162)                                  | Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.  |
| <b>19</b> | <b>APPEALS SUB-COMMITTEE: EXEMPT MINUTES - 14TH JANUARY 2019</b><br>(Pages 163 - 164)                                 | 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. |

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## GENERAL PURPOSES AND LICENSING COMMITTEE

Minutes of the meeting held at 7.00 pm on 27 November 2018

### Present:

Councillor Pauline Tunnicliffe (Chairman)

Councillors Gareth Allatt, Vanessa Allen, Robert Evans, Kira Gabbert, Russell Mellor, Alexa Michael, Keith Onslow, Tony Owen, Neil Reddin FCCA, Kieran Terry, Stephen Wells and Angela Wilkins

### 55 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were received from Councillors Marina Ahmad, Nicholas Bennett, Mary Cooke, Melanie Stevens and Michael Turner. Councillors Angela Wilkins, Kieran Terry, Kira Gabbert and Keith Onslow substituted for Councillors Ahmad, Bennett, Cooke and Turner respectively. Councillor Julian Benington had been due to substitute for Councillor Melanie Stevens, but he had sent apologies.

### 56 DECLARATIONS OF INTEREST

There were no declarations of interest.

### 57 CONFIRMATION OF MINUTES OF THE MEETING HELD ON 26 SEPTEMBER 2018 AND THE SPECIAL MEETING HELD ON 5TH NOVEMBER 2018

Councillor Angela Wilkins referred to minute 41 (Feedback on the 2018 Local Elections and Voter ID Pilot Scheme) and asked whether the detailed feedback sent by the Council to the Cabinet Office could now be made available to Members.

**RESOLVED** that the minutes of the ordinary meeting held on 26<sup>th</sup> September 2018 and the special meeting held on 5<sup>th</sup> November 2018 be confirmed.

### 58 QUESTIONS FROM MEMBERS OF THE PUBLIC ATTENDING THE MEETING

No questions had been received.

### 59 UPDATES FROM SUB-COMMITTEE CHAIRMEN

In accordance with previous discussions, the Chairman invited Sub-Committee Chairmen to brief the Committee on the work of their Sub-Committees.

**(A) Pensions Investment Sub-Committee**

Councillor Keith Onslow described the work of the Pensions Investment Sub-Committee. The Sub-Committee's role was to monitor the Council's Pension Fund on behalf of the Council's employees, pensioners and deferred pensioners. The Local Pension Board had a different role, but its members were invited to attend all Pensions Investment Sub-Committee meetings. Councillor Onslow described the seven members of the Sub-Committee as active and fully engaged with the Sub-Committee's work; while many local authority pension funds were in deficit, Bromley had successfully achieved a fully-funded scheme.

The Sub-Committee reviewed asset allocation every three years - there was now an 80:20 split between equities and fixed income.

Councils were now encouraged to pool their pension funds into a small number of collective investment vehicles (CIVs), with the aim of improving investment performance and reducing the fees paid to fund managers. However, he was concerned that the London CIV was not performing effectively, and until it did Bromley would not be investing. He was liaising closely with colleagues in other boroughs to improve the performance of the CIV.

**(B) Local Joint Consultative Committee**

Councillor Russell Mellor explained that the Local Joint Consultative Committee (LJCC) was a forum for discussion between Councillors and staff. It had no decision-making powers, but useful discussions could be held on matters of concern to the staff. The staff side included the staff-side secretary, trade union representatives and departmental representatives (Dep Reps). Discussions were currently taking place about the quorum for LJCC meetings, as there had sometimes been problems with low attendance on the staff side.

Since the Council had come out of the national pay bargaining arrangements, it had consistently offered its officers higher pay increases than the national settlement, as well as offering additional merit awards.

**(C) Audit Sub-Committee**

Councillor Neil Reddin described the work of the Audit Sub-committee as overseeing audit, risk management and counter-fraud work. The Internal Audit Team was a small, dedicated team that, with some additional resources bought in from outside the Council, performed a vital role. All members of the team usually attended the Audit Sub-Committee's meetings. With expert assistance from Zurich municipal, the Council's risk management had been brought up to speed, and now PDS committees were scrutinising risks in their portfolios. Counter-fraud work, in partnership with the Royal Borough of Greenwich, was focussed on benefits and Council tax fraud, but there had

also been initiatives on Freedom Pass fraud and Blue Badge fraud. Successful prosecutions were always publicised.

Issues were referred to PDS Committees where appropriate to follow up concerns raised in internal audit reports. Members considered that it was important that PDS Committees followed up these issues.

The Chairman thanked the three Sub-Committee chairmen for their presentations.

## **60 TEACHER PAY POLICY - CENTRALLY BASED STAFF**

At its special meeting on 5<sup>th</sup> November 2018, the Committee had received a report on pay policy for centrally based teaching staff. This covered 50 posts (39.02 fte's.) The Committee had deferred its decision to obtain further information on the services affected and the financial implications of each of the three options that had been presented for the implementation of the 2018 Teacher's Pay and Conditions document.

The Committee considered a further report with additional information. There were still three options, A, B and C, and most authorities had chosen option B. This allowed for slightly higher increases on the main pay range and for unqualified teachers, with lower increases for senior staff. It was confirmed that all staff received an annual review - most staff progressed to the top of their pay scales, but not automatically. The maximum cost of implementing option B would be £44k.

### **RESOLVED that**

**(1) The report be noted and Option B be implemented (apply the minimum and maximum statutory uplifts to the whole of the respective scales and allowances and allow managers to determine any additional pay and progression increase based on performance.)**

**(2) Officers be authorised to uplift the Pay Scales within the current Pay Policy accordingly and implement the new policy with effect from the 1<sup>st</sup> September 2018; there are no other required changes to the Policy this year.**

## **61 ANNUAL COMPLAINTS REPORT AND LOCAL GOVERNMENT AND SOCIAL CARE OMBUDSMAN LETTER 2017/18**

The Committee received the Council's Annual Complaints Report for 2017/18 and a summary of the Local Government and Social Care Ombudsman's (LG&SCO) annual review letter for 2017/18. During the year, 510 complaints had been received, a slight (3%) reduction from the previous year. The Council had recently moved to a one stage complaints process from a three stage process; the 2017/18 summary showed that there had been no adverse impacts in terms of more complaints being referred to the LG&SCO. 58% of complaints received a full reply within the 20 working day target. This was

slightly better than the previous year but still needed improvement, and additional training for managers was planned.

During 2017/18, 165 complaints had been referred to the LG&SCO, a slight increase on the 2016/17 figure of 158. Of these, 54 had been the subject of detailed investigation, and 30 (56%) had been upheld. This was a decrease on the previous year, when 60% of cases had been upheld, and was below the averages for the country and for London. It was difficult to measure performance against other local authorities in respect of stage one formal complaints, as no comparative data was published.

A Member stated that it would be useful to flag up where a complaint involved a contractor; another Member suggested introducing some indication of whether each complaint was relatively minor in nature or was a serious failure. A Member argued that statistics over a longer time period were needed (five years or more) to be able to analyse trends. Officers acknowledged this and explained that this comparable data would be built up year on year. It was noted that complaints on planning matters were not covered in the report below LG&SCO level - Members proposed that this should be addressed. No formal complaints had been received regarding the pilot voter ID scheme. Complaints against Councillors were dealt with under a separate process monitored by the Standards Committee.

**RESOLVED that the contents of the report be noted.**

**62 GOVERNANCE AND ADMINISTRATION OF PUBLIC SERVICE PENSION SCHEMES**  
Report FSD18096

The Committee received a summary of the Pension Regulator's Code of Practice on governance and administration of public service pension schemes. This covered four core areas - governing the scheme, managing risks, administration and resolving issues. Officers tabled a completed self-assessment for the Council's pension arrangements - the RAG rating contained no reds. Plans were being put in place to ensure full compliance, primarily focussing on those areas not already rated green.

**RESOLVED that**

**(1) It is noted that the Pensions Regulator has released a code of practice "Governance and administration of public service pension schemes" as a guide to good governance.**

**(2) The requirements on the Local Pension Board and the Scheme Manager as shown in the code of practice RAG checklist be noted.**



**63 LOCAL GOVERNMENT PENSION SCHEME (AMENDMENT)  
REGULATIONS 2018**  
Report FSD18095

The Committee received a report providing them with details of required amendments to the Council's published discretionary policies arising from the Local Government Pension Scheme (Amendment) Regulations 2018 and of a new requirement for exit credits to be paid to an employer leaving the scheme.

**RESOLVED that**

**(1) The changes to the Local Government Pension Scheme Regulations and how they impact on employer discretions relating to early payment of retirement benefits be noted (section 3.2 of the report).**

**(2) The consultation from MHCLG regarding the intention of Regulations to pay early retirement benefits from age 55 rather than at age 55 be noted (paragraph 3.2.3.6 of the report).**

**(3) The updated discretionary policies arising from these changes be agreed as detailed in Appendix 2 to the report.**

**(4) The change in regulation that requires payment of exit credits to employers that exit the fund be noted (section 3.3 of the report).**

**64 LOCAL PENSION BOARD - ANNUAL REPORT**  
Report FSD18081

The Local Pension Board Terms of Reference required that an Annual Report was produced and provided to the Pensions Manager each year. In a report to the Pensions Investment Sub Committee, General Purposes and Licensing Committee and Council in February 2015, it was also confirmed that the Local Pension Board's Annual Report, would be provided to Council via the Pensions Investment Sub-Committee and this Committee.

**RESOLVED that the contents of the Local Pension Board Annual Report October 2018 be noted and referred to full Council.**

**65 APPOINTMENTS TO OUTSIDE BODIES - BECKENHAM  
PAROCHIAL CHARITIES**  
Report CSD18169

The terms of office of three of the Council's six representatives on the Beckenham Parochial Charities were due to expire on 24<sup>th</sup> January 2019. The views of the charity had been sought on whether it wished these representatives to continue to serve, and the Charity had requested that Cllr Russell Mellor and Mr Robin Mitchell should be re-appointed. The third representative, Mrs Maureen Jessiman, had indicated that she wished to step down, and the charity had proposed Mrs Peggy Duffin, a long-standing co-opted trustee, to fill the vacancy.

Councillor Angela Wilkins suggested that as the charity's work also covered the Penge area, a Penge and Cator ward councillor should be invited to attend.

**RESOLVED that**

**(1) Councillor Russell Mellor, Mr Robert Mitchell and Mrs Peggy Duffin be appointed to the Beckenham Parochial Charities for the four year term starting on 24<sup>th</sup> January 2019.**

**(2) The Committee's thanks to Mrs Maureen Jessiman for her work in support of the Beckenham Parochial Charities be recorded.**

(Councillors Vanessa Allen and Angela Wilkins requested that their abstentions be recorded.)

**66 WORK PROGRAMME**  
Report CSD18160

The Committee considered its work programme for 2018/19.

**67 LOCAL JOINT CONSULTATIVE PANEL: MINUTES OF THE MEETING HELD ON 18TH JULY 2018**

The draft minutes of the meeting of the Local Joint Consultative Committee meeting held on 18th July 2018 were received.

**68 PENSIONS INVESTMENT SUB-COMMITTEE: MINUTES OF THE MEETING HELD ON 13TH SEPTEMBER 2018, EXCLUDING EXEMPT INFORMATION**

The draft minutes of the meeting of the Pensions Investment Sub-Committee meeting held on 13th September 2018, excluding exempt information, were received.

**69 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**

**70 PENSIONS INVESTMENT SUB-COMMITTEE: EXEMPT  
MINUTES - 13TH SEPTEMBER 2018**

The draft exempt minutes of the meeting of the Pensions Investment Sub-Committee meeting held on 13th September 2018 were received.

The Meeting ended at 9.14 pm

Chairman

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## London Borough of Bromley

Report No.HR

PART I – PUBLIC

Agenda Item No.:

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**Decision Maker:** General Purposes & Licensing

**Date:** 12<sup>th</sup> February 2019

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

**TITLE:** 2019/20 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

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### 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.

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### 2. RECOMMENDATION(S)

#### 2.1 Members are asked to recommend that Full Council approve the following:

(i) A flat 2.25% pay increase for all staff (excluding teachers who are covered by a separate statutory pay negotiating process)

(ii) A further increase for lower paid staff as follows inclusive of the flat rate 2.25% increase.

Spinal Points	Proposed increase inclusive of the flat rate pay award of 2.25%
4-17	6%
18	5%
19-22	4%
23-30	3%

(ii) That the Trade Union's pay claim for staff be rejected (see para 3.7 below and attached Appendices)

#### 2.2 Members also note that, as in the previous years since coming out of the nationally/regionally negotiated frameworks, Bromley staff will receive the 2019/20 pay increase in time for the April pay.

### Corporate Policy

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

### Financial

1. Cost of proposal: £1,731k p.a
  2. On-going costs: £1,731k p.a
  3. Budget Head/Performance Centre: Staffing budgets across the council
  4. Total current budget for this Head:
  5. Source of Funding: Central contingency
- 

### 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: N/A

### 3. COMMENTARY

3.1 The Council formally adopted a local terms and conditions of employment framework for its staff, except teachers, on 12<sup>th</sup> 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 continues to face financial challenges going forward with a significant budget gap in 20/21 and beyond. The Council's approach to this pressure and the challenges and opportunities it faces to balance the budget is comprehensively addressed in the report "Draft 2019/20 Budget and Update on Council's Financial Strategy 2020/21 to 2022/23" to Executive on 16<sup>th</sup> January 2019. A copy of the report can be found at the following link:

<https://cde.bromley.gov.uk/documents/s50065719/Executive%20160119%20Draft%202019-20%20Budget%20report%20Jan%20Exec%2016-1-19%20Final%20080119.pdf>

3.3 Delivering sustainable finances is increasingly important during a period of national and international economic issues which creates uncertainty over the longer term.

3.4 In order to continue to provide services in the longer term the Council will need to continue to provide priority services, radically transform existing service provision, release the necessary revenues, increase council tax income, continue to explore investment opportunities and mitigate against the cost pressures currently being forecast. The interim Chief Executive's Transformation Agenda seeks to address these issues. Staff perspectives are key to the transformation agenda. The Interim Chief Executive has already set out his vision in an email to all staff following his appointment. Staff and their representatives will be engaged on these programmes at the right time.

3.5 Against this background, the Council proposed for staff and Trade Union consultation purposes a flat 2.25% pay award increase for all staff, except teachers who are covered by a separate statutory pay negotiating process. Further increases were proposed for lower paid staff ranging between 3% and 6% inclusive of the flat rate proposed pay award of 2.25%

3.6 The proposal was communicated by the Director of Human Resources and Customer Services to all staff on 18 January 2018 and the Unions, including Unison, GMB and Unite branch and regional officers were also advised. Feedback received from Staff has in the main been positive. One response was received requesting further information regarding the comparison of pay for managers in Children's Social Care in relation to other Borough's but this has already been previously addressed by the Recruitment and Retention Board and Bromley's salaries are competitive when considered like for like in terms of responsibilities and job role.

A further response was received regarding the award of higher percentage salaries to lower graded staff.

- 3.7 On their part, the three Unions, namely Unison, GMB and Unite, submitted a joint pay claim. The Unions' claim stated, *inter alia*, as follows (Management's response is indicated in italics) A full copy of the Union's claim and supporting documentation can be found at Appendix A. In addition the Unions also submitted a separate letter regarding the settlement process for citizens requesting that the Council consider funding the cost of the settlement fee for employees. A copy of the letter from the Trade Unions can be found at Appendix B.

### SUMMARY OF CLAIM

- An increase on all salary points and allowances sufficient to equal, or better, their equivalents on the GLPC/NJC Framework Arrangements. (See attached information regarding the 2 year agreed Pay Award for the period April 2018 to March 2020 and how to assimilate onto them). ***(The Bromley proposed award of 2.25% is better than that agreed nationally for this year as a flat rate award and Bromley proposes to recognise and pay additional awards to those on lower graded salaries.)***
- A review of the pay and grades structures to create a clearer and more equitable distribution across all grades following realignment of the lowest bandings to achieve headroom above the Living Wage (National Minimum Wage) and the Foundation Living Wage (London Living Wage). ***(As stated one of the key principles of adopting a local pay framework allows democratically elected Members/Councillors to determine staff pay and terms and conditions based on a number of factors including affordability and local benchmarks)***
- An additional increase in rates for staff at the bottom of the pay scale to bring their pay up to the level of the Foundation Living Wage (London Living Wage) which is currently set at £10.55 per hour for 2019 (£10.20 for 2018). ***(Bromley is proposing to offer increases of between 3% and 6% (inclusive of the flat rate 2.25%) to those on lower graded salaries).***
- A review of payments and consideration of improvements to conditions in relation to additional components such as unsocial hours, gender pay, terms for working parents, and adjustments to hours. ***(Bromley will be meeting its statutory obligation to publish its gender pay information and continues to seek to address the gap. At present there are a number of women employed in senior management positions within the Council. Bromley also has a range of flexible working and benefits for working parents. Bromley's pay arrangement is equality compliant).***
- Special London Allowance for Residential Staff (should this apply) in accordance with the GLPC agreement as follows;



The agreed rate from 1 April 2018 to be £1,144 and from 1 April 2019 £1,167 (increased from the 31 March 2018 rate of £1,122).

- Planned overtime rates in line with the GLPC recommendations as follows;

	1 April 2017	1 April 2018	1 April 2019
Rate a)	£20.20	£20.60	£21.02
Rate b)	£21.63	£22.06	£22.50
Rate c)	£23.47	£23.94	£24.42

These rates are relevant from spinal column point 29 and above. See paragraph 2.4 of the Gold Book for guidance on the application of these rates.

- An agreement with the joint unions on behalf of staff in relation to the management of workloads across the Council. ***(The Council recognises the need to ensure an adequate work life balance for its staff and empowers its managers and staff to ensure that this happens. Monitoring by Senior Management helps to reinforce this best practice. An example of this would be the “Case Load Promise” that exists for Qualified Social Workers in Children’s Social Care. The introduction of a formal workload agreement between the Council and the Trade Unions is not therefore required).***
- The Council has also considered the request of the Trade Unions to fund the settlement fee for EU citizens however it has since been announced by the Government that the Fee is no longer being introduced.***

### 3.8 How does the Council’s 2019/20 pay award increase offer compare?

3.9 The National Joint Council (NJC) agreed a pay award last year based on a 2 year period. This comprised a 2% pay award from April 2018 and a 2% pay award for 2019. The pay award also addressed staff on lower graded spinal points by awarding additional increases.

3.10 Nationally many Council’s have committed to paying the London Living Wage. This is different to the statutory minimum wage. The former is not a statutory requirement.

3.11 Bromley Council staff received a pay award of 2% last year and the proposed award of 2.25% therefore compares favourably with the flat rate 2% award agreed nationally for 2019/20.

3.12 Whilst acknowledging the difference in the lower graded salary points compared with National, the Council has committed to a tailored increased award to those Bromley Pay points between 4 and 30 to help address this. In real terms these increases are between 3 and 6% inclusive of the flat rate pay award of 2.25%. The Council will continue to monitor staff recruitment and retention and where appropriate additional pay including the use of market supplements and any other proportionate responses will be adopted e.g. hard to fill and retain posts in children/adult services.

#### **4. Public Sector pay forecast 2019/20**

4.1 The 1% cap on Public Sector pay was lifted in September 2017 and in July 2018 the Government announced that around one million public sector workers would benefit from the biggest pay rise in almost 10 years.

4.2 Based on recommendations by independent pay review bodies:

- In 2018 Police Officers received a pay rise of 2% and Prison Officers received 2.75% 1.7%.
  - The Teacher main pay range rose by 3.5% from 1 September 2018 with separate increases of 2% to the upper pay range and 1.5% to Leadership. The Council agreed its own central pay policy for Teacher's in 2018 following the STRB's recommendation.
  - In March 2018 a 6.5% pay rise over three years was announced for more than a million nurses, midwives and agenda for change staff in return for modernisation of terms and conditions.
- (i) The Bromley offer if agreed by Full Council represents an increased flat rate percentage increase for Bromley staff, compared to the London pay settlement.
- (ii) It is acknowledged that the London pay award previously agreed represents a higher percentage for lower graded staff however the Council has sought to address this by proposing an increased tailored percentage increase to those staff on lower graded salaries.
- (iii) Whilst pay awards for 19/20 are in the process of being negotiated elsewhere in both other Public and Private Sector, other pay data gathered from Council's outside of London show increases in 18/19 between 1.2% and 2.5% with the majority of increases around 2%.

4.3 The Council continues to operate 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 as the United Kingdom leaves the European Union.

4.4 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. Staff employed by the Council are also able to access the “Real Benefits” Scheme. Through the scheme the Council has negotiated favourable discounts with a range of retailers in Bromley. Accessing these benefits maximises the opportunity for employees to save on everyday living costs and staff feedback in this respect has been very positive.

4.5 Additionally, the Leader, the Portfolio Holder for Resources and their Cabinet colleagues and the Chairman of General Purposes and Licensing Committee are still committed to the Merited Pay Reward scheme for exceptional performers

- A separate amount of £200k for Merited Award vouchers for exceptional performers has been set aside. In 2018/19 a total of 193 awards ranging from circa £200 to £1,000 were awarded to staff. Also, a total of 180 mini rewards circa £50 (average) were awarded to staff. This brings to more than a million pounds having been set aside since the Scheme’s inception.
- Members have also reiterated their commitment to Staff Training and Development including the Graduate Internship Scheme and the Apprenticeship Levy. Since the Levy was introduced with additional funding by the Council a total of 22 apprentices have been recruited.
- Every year the Council recruits up to 6 graduate interns and many of them have been promoted into permanent senior positions in the organisation. In terms of the Apprenticeship Levy, HR is developing a plan to use the levy to upskill existing staff in the organisation partly to address areas of recruitment and retention difficulty.
- In addition key Members and Departmental Representatives remain committed to and continue to work on the ‘Dream Organisation’ agenda to ensure that the Council remains an employer of choice. The Departmental Representatives are a conduit between the Members and Chief Officers and our workforce. They are taking forward matters as diverse as the Transformation Agenda and reduction of plastic consumption and their role is appreciated by all Members.

## **5. POLICY IMPLICATIONS**

5.1 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.

5.2 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

**6. FINANCIAL IMPLICATIONS**

- 6.1 A 2.25% increase to all staff as well as the additional increase for lower graded staff as detailed in recommendation 2.1 (ii), will cost the Council £1,731k p.a.
- 6.2 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.
- 6.3 The increase to pay as set out in para 2.1 therefore represents a reasonable pay award in the current financial climate.

**7. LEGAL IMPLICATIONS**

- 7.1 As set out in the report, there are no specific implications, including equal pay arising from the proposed pay award recommendations as detailed in para 2.1 above.

**8. PERSONNEL IMPLICATIONS**

- 8.1 As set out in the report.

<b>Non-Applicable Sections:</b>	
Background Documents: (Access via Contact Officer)	



**DRAFT PAY CLAIM FOR 2019 - 2020  
SUBMITTED BY JOINT UNIONS TO THE LONDON BOROUGH OF BROMLEY**

**1. INTRODUCTION**

This pay claim is submitted by UNISON, GMB and UNITE on behalf of staff working for Bromley Council.

The claim is set at a level that we believe recognises the following key points:

- Major increases in the cost of living over recent years have significantly reduced the value of staff wages;
- Appropriate reward is needed to sustain the morale and productivity of staff in their crucial role of delivering high quality services;
- Appropriate reward is needed for the increased workload and stress placed on staff against a background of major budget cuts;
- Average pay settlements across the economy have been running ahead of those received by Bromley Council staff over recent years, increasing the likelihood of recruitment and retention problems in the long term;
- Increased vacancy rates across the economy make a competitive wage rate ever more crucial;
- Nobody should be paid less than the nationally recognised Foundation Living Wage (London Living Wage) rate, which has become a benchmark for the minimum level of decent pay across the UK and is now paid by large sections of the public services and many major private companies.

**2. SUMMARY OF CLAIM**

We are seeking:

- An increase on all salary points and allowances sufficient to equal, or better, their equivalents on the GLPC/NJC Framework Arrangements. (See attached information regarding the 2 year agreed Pay Award for the period April 2018 to March 2020 and how to assimilate onto them).
- A review of the pay and grades structures to create a clearer and more equitable distribution across all grades following realignment of the lowest bandings to achieve headroom above the Living Wage (National Minimum Wage) and the Foundation Living Wage (London Living Wage).

- An additional increase in rates for staff at the bottom of the pay scale to bring their pay up to the level of the Foundation Living Wage (London Living Wage) which is currently set at £10.55 per hour for 2019 (£10.20 for 2018).
- A review of payments and consideration of improvements to conditions in relation to additional components such as unsocial hours, gender pay, terms for working parents, and adjustments to hours.
- Special London Allowance for Residential Staff (should this apply) in accordance with the GLPC agreement as follows;  
The agreed rate from 1 April 2018 to be £1144 and from 1 April 2019 £1167 (increased from the 31 March 2018 rate of £1122).
- Planned overtime rates in line with the GLPC recommendations as follows;

	1 April 2017	1 April 2018	1 April 2019
Rate a)	£20.20	£20.60	£21.02
Rate b)	£21.63	£22.06	£22.50
Rate c)	£23.47	£23.94	£24.42

These rates are relevant from spinal column point 29 and above. See paragraph 2.4 of the Gold Book for guidance on the application of these rates.

- An agreement with the joint unions on behalf of staff in relation to the management of workloads across the Council.

### **The NJC Two Year Award - Implications for Employers with Locally Determined pay spines**

Unions are asking the Council, as a non-NJC employer, to look again at their arrangements in the light of the new national pay structures. The advantages of the NJC pay spine are;

- The NJC pay spine is transparent
- Using the NJC pay spines aids comparability with other NJC employers
- It becomes easier to apply future NJC pay awards
- Using the NJC pay spine future proofs the employer against National Living Wage increases and so provides stability
- The NJC pay spine provides a sound basis for future pay and grading exercises.

### 3. FALLING VALUE OF PAY

The table below demonstrates the major fall in living standards suffered by staff over recent years.

	London Borough of Bromley pay increases – note, this does not apply to <i>all</i> staff – see **	Rise in cost of living <sup>1</sup> (as measured by Retail Prices Index)
2010	<b>0%</b>	4.6%
2011	<b>0%</b>	5.2%
2012	<b>0%</b>	3.2%
2013	<b>1.2%</b>	3.0%
2014	<b>1.2%</b>	2.4%
2015	<b>1.2%</b>	1.0%
2016	<b>1.2%</b>	1.8%
2017	<b>1.2%</b>	3.6%
2018	<b>2.0%</b>	3.4% <i>est</i>

This means that, while the cost of living has risen by and estimated 31.0 % over the last nine years, for many LBB staff pay has risen by just 8.0%, which means that thousands of pounds have been cut out of the value of staff wages.

Latest inflation figures have now hit 3.4% and Treasury forecasts indicate that the cost of living is set to average 3.4% throughout 2018, followed by four further years of inflation running at 3% or above, in line with the graph overleaf.

\*\* The table above does not reflect the tiered pay award for staff on lower pay, however it is recognised that;

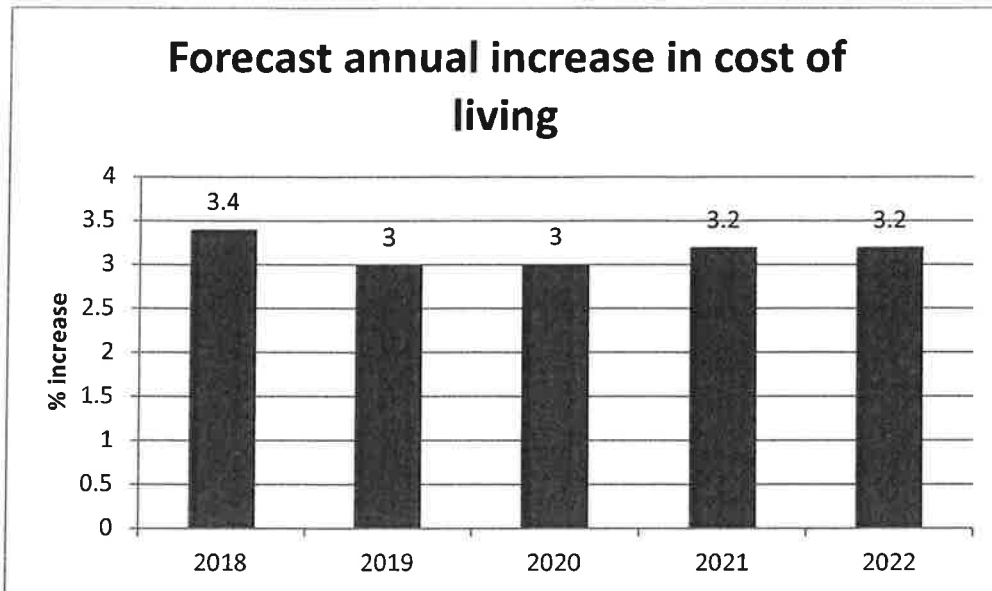
In 2013/14 and 2014/15 the LBB pay award was between 1.2-1.7%,

In the 2017/18 pay award the LBB gave a one off consolidated £300 payment to staff earning below £18,000 PA, and

The 2018/19 pay award applied the following for staff earning between

£17,000 - £19,000 FTE PA	-	£600 uplift
£16,000 - £17,000 FTE PA	-	£800 uplift
Less than £16,000 FTE PA	-	£1,000 uplift

<sup>1</sup> Office for National Statistics, Consumer Price Inflation Reference Tables, December 2014



Source: HM Treasury, Forecasts for the UK Economy, May 2018

#### 4. FALLING BEHIND AVERAGE PAY RATES

The ability of Bromley Council to attract and retain support staff in the long term will be damaged if the pay of its staff falls behind the going rate in the labour market.

The table below shows that pay settlements over the last year across the economy have been running at 2.6%, which stands in contrast to the most recent Council settlement of 2% for the majority of staff.

A sample of economic sectors that can provide alternative career options for Bromley Council staff shows that pay settlements are running at the rates shown below.

Sector	Average pay settlements
Across economy	2.6%
Private sector	2.7%
Public sector	2.0%
Not for profit	2.4%
Energy & gas	3.0%
Water & waste management	2.5%
Retail & wholesale	2.4%
Transport & storage	3.3%
Information & communication	2.5%
Admin & support services	2.5%

*Source: Labour Research Department, settlements year to May 2018*



In order to remain competitive with wages across the economy during 2018, Bromley Council will need to keep up with average pay settlements that are expected to average 3.1% over the year, according to the Bank of England<sup>2</sup>.

## **5. LIVING WAGE BECOMING STANDARD MINIMUM PAY BENCHMARK**

The Foundation Living Wage has become a standard benchmark for the minimum needed for low-paid staff to have a “basic but acceptable” standard of living.

Bromley Council is now competing in a labour market where the Foundation Living Wage of £9.00 an hour outside London and £10.55 an hour in London (London Living Wage) is becoming an increasingly common minimum point in the pay scale.

Studies supported by Barclays Bank have shown that Foundation Living Wage employers report an increase in productivity, a reduction in staff turnover / absenteeism rates and improvements in their public reputation.

Consequently, there are now over 4,300 employers accredited as Living Wage employers by the Living Wage Foundation, including some of the largest private companies in the UK, such as Barclays, HSBC, IKEA and Lidl.

Across the public sector, the Scotland government has established the Living Wage within all its public sector organisations and the most recent pay deal has taken minimum rates above the Living Wage across the NHS in England. This development adds to existing agreements for Living Wage minimums throughout the NHS and Further Education College staff in Wales, as well as all universities across the UK (for staff on a 35-hour week). Support staff in more than 12,000 schools across the UK are also set to be paid the Living Wage as a result of national agreements.

Furthermore, even where national agreements have not achieved a Living Wage settlement, a major proportion of individual councils, NHS trusts, schools and academies have taken up the Living Wage on their own initiative. A UNISON Freedom of Information survey covering local government, the NHS, universities, further education colleges and police authorities that drew over 900 responses found that 51% of employers across these sectors already pay at least the Living Wage to their lowest paid staff.

### **Greater London Local Government Living Wage Employers**

The following 17 London Councils, along with the GLA, have voluntarily entered into agreements to pay the FLW/LLW as a minimum;

Brent

Camden

City of London

Croydon

Ealing

Enfield

Greenwich

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<sup>2</sup> Bank Of England, Agents' Summary Of Business Conditions, February 2018

Hackney  
Hammersmith & Fulham  
Haringey  
Hounslow  
Islington  
Lewisham  
Redbridge  
Southwark  
Tower Hamlets  
Waltham Forest

Unions are calling on Bromley Council to do the same for their staff.

## 6. RECRUITMENT AND RETENTION PRESSURES BUILDING

With the unemployment rate at its lowest level in 43 years and vacancies escalating across the economy, competitive wage rates are becoming ever more crucial.

The general unemployment rate has been in decline from a peak of 8.5% in 2011 to 4.2% over the three months to March 2018, while the number of unemployed people per vacancy has fallen from 5.8 to 1.7 over the same period.

Unemployment rates are forecast to remain around current levels over the next two years, averaging 4.2% in 2018<sup>3</sup> and 4.3% in 2019.

## 7. MORALE UNDER THREAT

Working against a background of budget cuts, staff have been facing greater workload pressures. The resulting increased stress puts the morale of the workforce at risk and poses a long term threat to the Council's ability to provide a consistent quality of service.

Analysis by the Social Market Foundation has shown workers in the public sector and the energy sector are experiencing some of the highest levels of stress across the economy.

Since 2008 government spending cuts have led to over half a million job losses across the entire public sector. As a result of these funding cuts and job losses there is a higher prevalence of job insecurity amongst the workforce along with an increase in turnover of staff. Many organisations now have a smaller workforce to do the same, or an increased, amount of work.

Unions are therefore asking the LB of Bromley to use this pay review process as the starting point in entering into a **Workload Agreement** in support of their staff.

See Appendix 1 for further information in this regard.

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<sup>3</sup> HM Treasury, Forecasts for the UK Economy, May 2018

## 8. AFFORDABILITY

The affordability of this claim is clear from the latest LB of Bromley accounts, which show a surplus for 2017/18 – see Appendix 2.

Bromley Council is reporting reserves in excess of £20 million pounds. See also Appendix 2.

Against this figure, the accounts suggest that a pay rise in accordance with this claim would cost [£\_]. TBC

On the basis of the above, unions are asking Bromley Council to make pay awards in accordance with this claim as a minimum.

## 9. GENDER AND PAY

The joint unions request that all information in this regard is shared with the trade unions in order to facilitate an equal pay audit and action plan being agreed, if necessary, and to open discussions on how the organisation will work to close any pay gap and create a transparent pay system.

**Publication of other data** – As well as the gender pay gap data, unions are asking Bromley Council to publish other data in order to provide a fuller picture of the gender pay gap breakdown within the organisation, as follows:

- Number of full time male and female employees;
- Number of part time female and full time male employees;
- The distribution of men and women by grade and job role and age;
- The gap in basic pay and additional earnings – bonus payments, honoraria, overtime, expenses and other supplements which can hard the true figure;
- Hidden earnings – for example additional annual leave based on seniority or continuous service.
- Pay information by ethnicity and disability.

If any pay gaps are, or have been, identified the unions want to be working with the employer to establishing the reasons for them. This might mean that the pay structure, pay progression within the organisation, performance related pay procedures, premium pay and allowances subsequently require a jointly conducted review in this respect.

## 10. CONCLUSION

There can be no doubt that all Bromley Council staff have seen the value of their earnings fall considerably over recent years and evidence suggests that they are also falling behind pay settlements for comparable jobs in other London Boroughs.

Combined with these developments, the last year has seen intensified pressures placed on staff at the same time as greater job choices are opening up for staff in an improving labour market.

Therefore, this pay claim represents a very reasonable estimate of the reward staff deserve for their dedication, skill and hard work and the minimum improvement in pay needed to maintain workforce morale for delivering consistently high quality services.

## APPENDIX 1

### Workload Agreements - Background

It is well documented that work intensification can have a detrimental impact on the health and wellbeing of staff. UNISON surveys across public sector service groups have consistently highlighted the fact that excessive workloads have resulted in workforces with high levels of stress, increased sickness absence rates, poor staff morale and work/life balance, and ultimately increased staff turnover:

□ A 2015 UNISON survey of School Business managers found that over 87% usually work more than their contracted hours with nearly one in four doing more than ten extra hours per week.

□ In a survey of over 15,000 school support staff UNISON found that over 40% of staff work more than two additional hours per week with more than 10% working more than 7 extra hours per week (the same as working an extra per week). Nearly 80% of these staff said it was because their workload demands it.

A local workload agreement would help to protect employees against excessive workloads. The agreement would be designed to support workplace health and safety by regulating excessive working hours. It should seek to establish a framework to assist managers in supporting employees, and give practical guidance on reducing excessive workloads.

□ A national agreement 'raising standards and tackling workload' was established in 2003 for school staff in England to support reform in the sector; the agreement also explicitly covered support staff roles. The principles in the agreement recognise the contribution support staff make in raising school standards and states that all staff have a right to a reasonable work/life balance. The agreement puts in place a time-line with actions to reduce staff working excessive hours.

The University of Bristol has worked with joint staff-side unions and agreed a local workload policy. The central purpose of this agreement is to 'maintain and enhance the quality of work delivered at the University by its staff'. Although the policy only covers academic staff, in essence the policy covers some key principles which are the bedrock of any workload policy.

The policy states that staff have the right to

- reasonable workloads,
- a fair distribution of work,
- socially acceptable working hours,
- regular daily, weekly and annual breaks from work,
- the ability to challenge excessive workloads.

Within the policy there are procedures to review the overall allocation of work of staff.

## **Establishing an agreement**

Many organisations will already recognise the health and safety implications posed by staff working excessive hours with unmanageable workloads and will want to discuss with unions how to alleviate stress on staff by managing workloads. Other reasons to establish a local workload agreement include:

### **I. Health and Safety**

Workload agreements are part of safe working practice. Regulation 3 and 4 of The Management of Health and Safety at Work Regulations require employers to risk assess any hazards posed staff and that it is the responsibility of the employer to put measures in place to eliminate any risks to staff and their health. Employers also have a responsibility to ensure safe working practices under The Working Time Regulations 1998.

### **II. Improved morale and retention**

Benefits include improved health and congenial working conditions for all staff, a reduction in sickness absence rates and improved staff morale and retention of staff. Better moral leads to greater productivity – so everyone wins! The agreement should include ways to monitor excessive workloads and allow employers to be able to identify any issues before they become unmanageable.

Unions could work with HR to identify levels of staff turnover in the various service areas and explore the reasons why staff are leaving the organisation – this could be down to work related stress, staff shortages and workload issues.

### **III. Change the workplace culture**

Workload agreements can provide a safe and fair mechanism for staff to speak out about excessive workloads and unsafe working conditions instead of remaining silent and isolated in the workplace trying to complete a job which may be impossible and unsafe for them.

The agreement should apply to all staff and include the following key principles:

#### **a. Regulate excessive working hours**

As there is already legislation covering excessive working hours the agreement should recognise that the working time directive sets out minimum standards of employment in relation to monitoring working time and promotes staff having a healthy work/life balance.

#### **b. Regulate excessive workloads**

The agreement should aim to make sure that staff have the right to reasonable workloads and a fair distribution of work.

#### **c. Management training and supporting staff**

The agreement should set out how managers should manage workloads in a fair and transparent manner. Managers should also be offered training on supporting employees with their workloads and use the appraisal system as a tool to discuss and identify workload issues. Other training managers could be offered include strategies for managing cover and staff absence and planning and preparation of work allocations.

#### **d. Mechanism to discuss workload**

The policy needs to have a mechanism for employees to dispute unfair or unreasonable workloads. Where workloads are disputed staff should be invited to attend a meeting with their manager and are entitled to be accompanied by their trade union representative or full time trade union official.

Though any locally negotiated workload agreement may set out agreed key principles, it is important that managers are trained to understand the agreement in order for them to support staff with workload issues. If a member of staff is raising concerns about workloads, working excessive hours and there are incidents of staff absences due to work related stress, these are all very serious health and safety concerns and should be a warning sign for organisations that there are issues. As well as training managers to understand the workload agreement, managers should also be trained in delivering effective development reviews, which will identify any workload issues.

## **APPENDIX 2**

- Page 1 - Funding and Expenditure Analysis for Bromley Council  
2016/17 and 2017/18**
- Page 2 - Bromley Council Reserves Analysis**



## EXPENDITURE AND FUNDING ANALYSIS

The Expenditure and Funding Analysis shows how annual expenditure is used and funded from resources (government grants, council tax and business rates) by local authorities in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. It also shows how this expenditure is allocated for decision making purposes between the Council's Portfolios and Services. Income and expenditure accounted for under generally accepted accounting Comprehensive Income and Expenditure Statement.

2016/17			2017/18		
Net Expenditure Chargeable to the General Fund	Adjustments between Funding and Accounting basis	Net Expenditure in the Comprehensive Income and Expenditure Statement	Net Expenditure Chargeable to the General Fund	Adjustments between Funding and Accounting basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
Restated £000	Restated £000	Restated £000	£000	£000	£000
73,374	1,528	74,902	78,915	(2,480)	76,435
36,530	1,163	37,693	48,728	2,417	51,145
41,345	(3,728)	37,617	36,667	(2,725)	33,942
2,412	59	2,471	2,587	(14)	2,573
16,904	(518)	16,386	11,170	(521)	10,649
22,703	(3,236)	19,467	21,595	(1,606)	19,989
<b>193,268</b>	<b>(4,732)</b>	<b>188,536</b>	<b>199,662</b>	<b>(4,929)</b>	<b>194,733</b>
(194,068)	26,164	(167,904)	(223,163)	40,147	(183,016)
<b>(Surplus) / Deficit on Provision of</b>					
<b>(800)</b>	<b>21,432</b>	<b>20,632</b>	<b>(23,501)</b>	<b>35,218</b>	<b>11,717</b>
(121,696)		Opening General Fund Balance	(122,496)		
(800)		Less Deficit / (Surplus) on General Fund	(23,501)		
<b>(122,496)</b>		<b>Closing General Fund Balance at 31 March 2018</b>	<b>(145,997)</b>		

<b>Local authority</b>	<b>Estimated unallocated financial reserves level @ 1 April 2010 £'000</b>	<b>Estimated unallocated financial reserves level @ 1 April 2011 £'000</b>	<b>Estimated unallocated financial reserves level @ 1 April 2012 £'000</b>	<b>Estimated unallocated financial reserves level @ 1 April 2013 £'000</b>	<b>Estimated unallocated financial reserves level @ 1 April 2014 £'000</b>	<b>Estimated unallocated financial reserves level @ 1 April 2015 £'000</b>	<b>Estimated unallocated financial reserves level @ 1 April 2016 £'000</b>
Bromley	49203	49700	30,849	29,759	20,156	18,857	20,185

<b>Local authority</b>	<b>Estimated other earmarked financial reserves level @ 1 April 2010 £'000</b>	<b>Estimated other earmarked financial reserves level @ 1 April 2011 £'000</b>	<b>Estimated other earmarked financial reserves level @ 1 April 2012 £'000</b>	<b>Estimated other earmarked financial reserves level @ 1 April 2013 £'000</b>	<b>Estimated other earmarked financial reserves level @ 1 April 2014 £'000</b>	<b>Estimated other earmarked financial reserves level @ 1 April 2015 £'000</b>	<b>Estimated other earmarked financial reserves level @ 1 April 2016 £'000</b>
Bromley	10886	13027	35,755	54,121	65,964	79,499	81,724

## **APPENDIX 3**

### **GLPC PAY AWARD INFORMATION**

GLPC Employers' London Pay Offer January 2018 - Outer London Pay Spine

GLPC Circular 1/2018, dated 24/04/2018

NJC Letter to Chief Executives, dated 14/06/2018 (FAQs)



Helen Reynolds, Onay Kasab,  
Dave Powell  
London Trade Union Side Secretaries  
c/o Unison Greater London Region  
1<sup>st</sup> Floor, Congress House  
23-28 Great Russell St  
London WC1B 3LS

Contact: **Steve Davies**  
Direct line: 020 7934 9963  
Email: [Steve.davies@londoncouncils.gov.uk](mailto:Steve.davies@londoncouncils.gov.uk)  
Date: **22 January 2018**

Emailed to [h.reynolds@unison.co.uk](mailto:h.reynolds@unison.co.uk)

Dear Helen, Onay and Dave

**Special Salary Arrangements for London 2018 -2019**

I am writing on behalf of the Employers' Side of the Greater London Provincial Council (GLPC) to formally outline the pay offer for London in response to the Trade Union Side's pay claim nationally and the National Employers for Local Government Services pay offer December 2017.

The GLPC Employers wish to make the following final offer.

From 1 April 2018 for the Outer London Pay Spine

Spine Point	Outer London 2018 Cash increase	Outer London 2018 equivalent % increase
6	£1,650	9.19%
7	£1,650	9.17%
8	£1,650	9.14%
9	£1,650	9.11%
10	£1,550	8.46%
11	£1,540	8.39%
12	£1,540	8.38%
13	£1,540	8.37%
14	£1,350	7.24%
15	£1,200	6.34%
16	£900	4.67%
17	£850	4.33%
18	£750	3.77%
19	£600	2.91%

On Outer London spinal points 20 and above a 2% increase

From 1 April 2018 for the Inner London Pay Spine

Spine Point	Inner London 2018 Cash increase	Inner London 2018 equivalent % increase
6	£1,780	9.77%
7	£1,720	9.36%
8	£1,490	7.95%
9	£1,320	6.93%
10	£1,160	6.01%
11	£1,270	6.56%
12	£1,120	5.70%
13	£950	4.75%
14	£880	4.33%
15	£850	4.13%
16	£820	3.92%
17	£830	3.91%
18	£830	3.85%
19	£640	2.88%

On Inner London spinal points 20 and above a 2% increase

In line with national offer the GLPC Employers' propose a revised number pay spine together with relevant assimilation arrangements for both Outer and Inner London. The GLPC Employers' detailed offer is outlined in Annex 1 for Outer London and Annex 2 for Inner London.

The proposed 2019 London spines are based on the following key principles.

- No one gets less than 2% in either year
- Bottom loading in both years with higher than 2% increases each year up to old spine point 20, and in 2019 better than 2% increases for old spine points 20–30 on the Outer London spine and better than 2% increases for old spine points 20–32 on the Inner London spine
- The new 2019 spines each have even increment increases of 1.8% up to old spine point 28
- Retains integrity of the London pay spines, although by adopting the assimilation principles of the national offer the number of pay points in grades will change. The GLPC Employers therefore suggest that the joint secretaries' work together to consider appropriate advice as such issues arise.
- Remains within the NJC national bargaining arrangements

Yours sincerely



Steve Davies  
Head of Regional Employers Organisation

Cc Heather Wakefield, Rehana Azam, Jim Kennedy, Trade Union Side Secretaries of NJC for Local Government Services

**Annex 1 - Outer London Pay Spines**

Note - London convention of rounding up or down to nearest multiple of 3

London Spine	Outer London 2017 Current Rate	Outer London 2018 New Rate	Outer London 2019 New Assimilation Spine Point	2019 Outer Pay after Assim (no grade change)	Outer London 2019 New Spine	Outer London 2019 New Rate
6	£17,961	£19,611	1	£20,103	1	£20,103
7	£17,985	£19,635	1	£20,103	2	£20,466
8	£18,051	£19,701	2	£20,466	3	£20,835
9	£18,105	£19,755	2	£20,466	4	£21,210
10	£18,330	£19,881	3	£20,835	5	£21,591
11	£18,357	£19,896	3	£20,835	6	£21,981
12	£18,375	£19,914	4	£21,210	7	£22,377
13	£18,396	£19,935	4	£21,210	8	£22,779
14	£18,657	£20,007	5	£21,591	9	£23,187
15	£18,936	£20,136	5	£21,591	10	£23,607
16	£19,281	£20,181	6	£21,981	11	£24,030
17	£19,623	£20,472	6	£21,981	12	£24,462
18	£19,917	£20,667	7	£22,377	13	£24,903
19	£20,598	£21,198	8	£22,779	14	£25,353
20	£21,276	£21,702	9	£23,187	15	£25,809
21	£21,984	£22,425	10	£23,607	16	£26,274
22	£22,506	£22,956	12	£24,462	17	£26,745
23	£23,115	£23,577	13	£24,903	18	£27,228
24	£23,802	£24,279	14	£25,353	19	£27,717
25	£24,510	£24,999	15	£25,809	20	£28,215
26	£25,242	£25,746	18	£27,228	21	£28,725
27	£26,019	£26,538	19	£27,717	22	£29,241
28	£26,805	£27,342	20	£28,215	23	£29,766
29	£27,801	£28,356	23	£29,766	24	£30,213

30	£28,668	£29,241	24	£30,213	25	£30,708
31	£29,517	£30,108	25	£30,708	26	£31,548
32	£30,324	£30,930	26	£31,548	27	£32,430
33	£31,170	£31,794	27	£32,430	28	£33,291
34	£31,998	£32,637	28	£33,291	29	£33,945
35	£32,628	£33,282	29	£33,945	30	£34,794
36	£33,444	£34,113	30	£34,794	31	£35,724
37	£34,338	£35,025	31	£35,724	32	£36,711
38	£35,286	£35,991	32	£36,711	33	£37,842
39	£36,372	£37,098	33	£37,842	34	£38,799
40	£37,293	£38,040	34	£38,799	35	£39,774
41	£38,229	£38,994	35	£39,774	36	£40,728
42	£39,147	£39,930	36	£40,728	37	£41,706
43	£40,086	£40,887	37	£41,706	38	£42,681
44	£41,025	£41,847	38	£42,681	39	£43,590
45	£41,898	£42,735	39	£43,590	40	£44,607
46	£42,876	£43,734	40	£44,607	41	£45,585
47	£43,815	£44,691	41	£45,585	42	£46,560
48	£44,751	£45,645	42	£46,560	43	£47,511
49	£45,666	£46,578	43	£47,511	44	£48,492
50	£46,608	£47,541	44	£48,492	45	£49,464
51	£47,544	£48,495	45	£49,464	46	£50,448
52	£48,489	£49,458	46	£50,448	47	£51,450
53	£49,452	£50,442	47	£51,450	48	£52,482
54	£50,445	£51,453	48	£52,482	49	£53,544
55	£51,465	£52,494	49	£53,544	50	£54,597
56	£52,476	£53,526	50	£54,597	51	£55,638
57	£53,478	£54,549	51	£55,638	52	£56,682
58	£54,480	£55,569	52	£56,682	53	£57,735
59	£55,494	£56,604	53	£57,735	54	£58,779
60	£56,496	£57,627	54	£58,779	55	£59,823
61	£57,501	£58,650	55	£59,823	56	£60,879
62	£58,515	£59,685	56	£60,879	57	£61,929
63	£59,523	£60,714	57	£61,929	58	£62,970
64	£60,525	£61,737	58	£62,970	59	£64,023
65	£61,536	£62,766	59	£64,023	60	£65,367
66	£62,829	£64,086	60	£65,367	61	£66,732
67	£64,140	£65,424	61	£66,732	62	£68,127
68	£65,481	£66,792	62	£68,127	63	£69,561
69	£66,861	£68,199	63	£69,561	64	£71,016
70	£68,259	£69,624	64	£71,016	65	£72,438

## Annex 2 - Inner London Pay Spines

Note - London convention of rounding up or down to nearest multiple of 3

London Spine	Inner London 2017 Current Rate	Inner London 2018 New Rate	Inner London 2019 New Assimilation Spine Point	2019 Inner Pay after Assim (no grade change)	Inner London 2019 New Spine	Inner London 2019 New Rate
6	£18,222	£20,001	1	£21,231	1	£21,231
7	£18,384	£20,103	1	£21,231	2	£21,612
8	£18,747	£20,238	2	£21,612	3	£22,002
9	£19,050	£20,370	2	£21,612	4	£22,398
10	£19,311	£20,472	3	£22,002	5	£22,800
11	£19,347	£20,616	3	£22,002	6	£23,211
12	£19,665	£20,784	4	£22,398	7	£23,628
13	£20,001	£20,952	4	£22,398	8	£24,054
14	£20,310	£21,189	5	£22,800	9	£24,486
15	£20,580	£21,429	5	£22,800	10	£24,927
16	£20,907	£21,726	6	£23,211	11	£25,377
17	£21,252	£22,083	6	£23,211	12	£25,833
18	£21,546	£22,377	7	£23,628	13	£26,298
19	£22,218	£22,857	8	£24,054	14	£26,772
20	£22,902	£23,361	9	£24,486	15	£27,255
21	£23,610	£24,081	10	£24,927	16	£27,744
22	£24,135	£24,618	12	£25,833	17	£28,245
23	£24,738	£25,233	13	£26,298	18	£28,752
24	£25,437	£25,947	14	£26,772	19	£29,271
25	£26,136	£26,658	15	£27,255	20	£29,796
26	£26,865	£27,402	18	£28,752	21	£30,333
27	£27,654	£28,206	19	£29,271	22	£30,879
28	£28,440	£29,010	20	£29,796	23	£31,434
29	£29,424	£30,012	23	£31,434	24	£32,001
30	£30,294	£30,900	24	£32,001	25	£32,577
31	£31,140	£31,764	25	£32,577	26	£33,162
32	£31,953	£32,592	27	£33,759	27	£33,759
33	£32,802	£33,459	28	£34,128	28	£34,128
34	£33,627	£34,299	29	£34,986	29	£34,986
35	£34,254	£34,938	30	£35,637	30	£35,637
36	£35,070	£35,772	31	£36,486	31	£36,486
37	£35,961	£36,681	32	£37,413	32	£37,413
38	£36,912	£37,650	33	£38,403	33	£38,403
39	£38,007	£38,766	34	£39,543	34	£39,543



40	£38,919	£39,696	35	£40,491	35	£40,491
41	£39,855	£40,653	36	£41,466	36	£41,466
42	£40,785	£41,601	37	£42,432	37	£42,432
43	£41,718	£42,552	38	£43,404	38	£43,404
44	£42,651	£43,503	39	£44,373	39	£44,373
45	£43,530	£44,400	40	£45,288	40	£45,288
46	£44,496	£45,387	41	£46,293	41	£46,293
47	£45,438	£46,347	42	£47,274	42	£47,274
48	£46,377	£47,304	43	£48,252	43	£48,252
49	£47,292	£48,237	44	£49,203	44	£49,203
50	£48,234	£49,200	45	£50,184	45	£50,184
51	£49,176	£50,160	46	£51,162	46	£51,162
52	£50,115	£51,117	47	£52,140	47	£52,140
53	£51,069	£52,089	48	£53,133	48	£53,133
54	£52,071	£53,112	49	£54,174	49	£54,174
55	£53,088	£54,150	50	£55,233	50	£55,233
56	£54,102	£55,185	51	£56,289	51	£56,289
57	£55,107	£56,208	52	£57,333	52	£57,333
58	£56,112	£57,234	53	£58,380	53	£58,380
59	£57,114	£58,257	54	£59,421	54	£59,421
60	£58,131	£59,295	55	£60,480	55	£60,480
61	£59,127	£60,309	56	£61,515	56	£61,515
62	£60,135	£61,338	57	£62,565	57	£62,565
63	£61,158	£62,382	58	£63,630	58	£63,630
64	£62,145	£63,387	59	£64,656	59	£64,656
65	£63,159	£64,422	60	£65,712	60	£65,712
66	£64,449	£65,739	61	£67,053	61	£67,053
67	£65,769	£67,083	62	£68,427	62	£68,427
68	£67,101	£68,442	63	£69,813	63	£69,813
69	£68,490	£69,861	64	£71,256	64	£71,256
70	£69,882	£71,280	65	£72,705	65	£72,705

# Greater London Provincial Council

DATE: 24 April 2018

## GLPC CIRCULAR 1/2018

Dear Colleague

### **SPECIAL SALARY ARRANGEMENTS FOR LONDON 2018 - 2020**

Agreement has been reached between the Employers and Union sides of the Greater London Provincial Council on the rates of pay applicable within the London Agreement.

The rates of pay applicable from **1 April 2018** and **1 April 2019** for the Outer and Inner London pay spines are attached respectively at **Annex 1** and **Annex 2**.

The new rates for allowances up-rated in line with the headline pay increase of two per cent in each year are set out below.

### **Planned overtime rates**

The GLPC recommends planned overtime rates as follows:

	1 April 2017	1 April 2018	1 April 2019
Rate a)	£20.20	£20.60	£21.02
Rate b)	£21.63	£22.06	£22.50
Rate c)	£23.47	£23.94	£24.42

These rates are relevant from spinal column point 29 and above. See paragraph 2.4 of the Gold Book for guidance on the application of these rates.

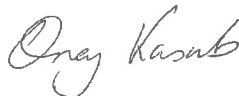
### **Special London Allowance for Residential Staff**

The agreed rate from 1 April 2018 is **£1144** and from 1 April 2019 **£1167** (increased from the 31 March 2018 rate of £1122).

Yours sincerely



Helen Reynolds  
**Joint Secretaries**



Onay Kasab



Vaughan West



Steve Davies

To: The Chief Executives of the London boroughs  
The Heads of Human Resources of the London boroughs  
The Finance Directors of the London boroughs  
GLEF Employers' Side representatives  
London Councils Pay & ER Forum  
London Councils Political Advisers  
The constituent trade unions

Helen Reynolds  
Union Side Co-Secretary  
1<sup>st</sup> Floor, Congress House  
23-28 Great Russell Street  
London WC1B 3LS

Steve Davies  
Employers' Side Secretary  
London Councils  
59½ Southwark Street  
London SE1 OAL

From 1 April 2018 the Outer London Pay Spine will increase as follows

Spine Point	Outer London 2018 Cash increase	Outer London 2018 equivalent % increase
6	£1,650	9.19%
7	£1,650	9.17%
8	£1,650	9.14%
9	£1,650	9.11%
10	£1,551	8.46%
11	£1,539	8.39%
12	£1,539	8.38%
13	£1,539	8.37%
14	£1,350	7.24%
15	£1,200	6.34%
16	£900	4.67%
17	£849	4.33%
18	£750	3.77%
19	£600	2.91%

Outer London spinal points 20 and above increase by two percent.

From 1 April 2018 the Inner London Pay Spine will increase as follows

Spine Point	Inner London 2018 Cash increase	Inner London 2018 equivalent % increase
6	£1,779	9.77%
7	£1,719	9.36%
8	£1,491	7.95%
9	£1,320	6.93%
10	£1,161	6.01%
11	£1,269	6.56%
12	£1,119	5.70%
13	£951	4.75%
14	£879	4.33%
15	£849	4.13%
16	£819	3.92%
17	£831	3.91%
18	£831	3.85%
19	£639	2.88%

Inner London spinal points 20 and above increase by two percent.

From 1 April 2019 the London pay spines increase is based on the following principles:

- No one gets less than a 2% rise in either year
- Bottom loading in both years with higher than 2% increases each year up to old spine point 20 and, in 2019, better than 2% increases for old spine points 20–30 on the Outer London spine and better than 2% increases for old spine points 20–32 on the Inner London spine
- The new 2019 spines each have even increment increases of 1.8% up to old spine point 28

#### Annex 1 - Outer London Pay Spines

Note - London convention of rounding up or down to nearest multiple of 3

London Spine	Outer London 2017 Current Rate	Outer London 2018 New Rate	Outer London 2019 New Assimilation Spine Point	2019 Outer Pay after Assim (no grade change)	Outer London 2019 New Spine	Outer London 2019 New Rate
6	£17,961	£19,611	1	£20,103	1	£20,103
7	£17,985	£19,635	1	£20,103	2	£20,466
8	£18,051	£19,701	2	£20,466	3	£20,835
9	£18,105	£19,755	2	£20,466	4	£21,210
10	£18,330	£19,881	3	£20,835	5	£21,591
11	£18,357	£19,896	3	£20,835	6	£21,981
12	£18,375	£19,914	4	£21,210	7	£22,377
13	£18,396	£19,935	4	£21,210	8	£22,779
14	£18,657	£20,007	5	£21,591	9	£23,187
15	£18,936	£20,136	5	£21,591	10	£23,607
16	£19,281	£20,181	6	£21,981	11	£24,030
17	£19,623	£20,472	6	£21,981	12	£24,462
18	£19,917	£20,667	7	£22,377	13	£24,903
19	£20,598	£21,198	8	£22,779	14	£25,353
20	£21,276	£21,702	9	£23,187	15	£25,809
21	£21,984	£22,425	10	£23,607	16	£26,274
22	£22,506	£22,956	12	£24,462	17	£26,745
23	£23,115	£23,577	13	£24,903	18	£27,228
24	£23,802	£24,279	14	£25,353	19	£27,717
25	£24,510	£24,999	15	£25,809	20	£28,215
26	£25,242	£25,746	18	£27,228	21	£28,725
27	£26,019	£26,538	19	£27,717	22	£29,241
28	£26,805	£27,342	20	£28,215	23	£29,766
29	£27,801	£28,356	23	£29,766	24	£30,213
30	£28,668	£29,241	24	£30,213	25	£30,708
31	£29,517	£30,108	25	£30,708	26	£31,548
32	£30,324	£30,930	26	£31,548	27	£32,430
33	£31,170	£31,794	27	£32,430	28	£33,291
34	£31,998	£32,637	28	£33,291	29	£33,945
35	£32,628	£33,282	29	£33,945	30	£34,794
36	£33,444	£34,113	30	£34,794	31	£35,724
37	£34,338	£35,025	31	£35,724	32	£36,711
38	£35,286	£35,991	32	£36,711	33	£37,842

39	£36,372	£37,098	33	£37,842	34	£38,799
40	£37,293	£38,040	34	£38,799	35	£39,774
41	£38,229	£38,994	35	£39,774	36	£40,728
42	£39,147	£39,930	36	£40,728	37	£41,706
43	£40,086	£40,887	37	£41,706	38	£42,681
44	£41,025	£41,847	38	£42,681	39	£43,590
45	£41,898	£42,735	39	£43,590	40	£44,607
46	£42,876	£43,734	40	£44,607	41	£45,585
47	£43,815	£44,691	41	£45,585	42	£46,560
48	£44,751	£45,645	42	£46,560	43	£47,511
49	£45,666	£46,578	43	£47,511	44	£48,492
50	£46,608	£47,541	44	£48,492	45	£49,464
51	£47,544	£48,495	45	£49,464	46	£50,448
52	£48,489	£49,458	46	£50,448	47	£51,450
53	£49,452	£50,442	47	£51,450	48	£52,482
54	£50,445	£51,453	48	£52,482	49	£53,544
55	£51,465	£52,494	49	£53,544	50	£54,597
56	£52,476	£53,526	50	£54,597	51	£55,638
57	£53,478	£54,549	51	£55,638	52	£56,682
58	£54,480	£55,569	52	£56,682	53	£57,735
59	£55,494	£56,604	53	£57,735	54	£58,779
60	£56,496	£57,627	54	£58,779	55	£59,823
61	£57,501	£58,650	55	£59,823	56	£60,879
62	£58,515	£59,685	56	£60,879	57	£61,929
63	£59,523	£60,714	57	£61,929	58	£62,970
64	£60,525	£61,737	58	£62,970	59	£64,023
65	£61,536	£62,766	59	£64,023	60	£65,367
66	£62,829	£64,086	60	£65,367	61	£66,732
67	£64,140	£65,424	61	£66,732	62	£68,127
68	£65,481	£66,792	62	£68,127	63	£69,561
69	£66,861	£68,199	63	£69,561	64	£71,016
70	£68,259	£69,624	64	£71,016	65	£72,438

## Annex 2 - Inner London Pay Spines

Note - London convention of rounding up or down to nearest multiple of 3

London Spine	Inner London 2017 Current Rate	Inner London 2018 New Rate	Inner London 2019 New Assimilation Spine Point	2019 Inner Pay after Assim (no grade change)	Inner London 2019 New Spine	Inner London 2019 New Rate
6	£18,222	£20,001	1	£21,231	1	£21,231
7	£18,384	£20,103	1	£21,231	2	£21,612
8	£18,747	£20,238	2	£21,612	3	£22,002
9	£19,050	£20,370	2	£21,612	4	£22,398
10	£19,311	£20,472	3	£22,002	5	£22,800
11	£19,347	£20,616	3	£22,002	6	£23,211
12	£19,665	£20,784	4	£22,398	7	£23,628
13	£20,001	£20,952	4	£22,398	8	£24,054
14	£20,310	£21,189	5	£22,800	9	£24,486
15	£20,580	£21,429	5	£22,800	10	£24,927
16	£20,907	£21,726	6	£23,211	11	£25,377
17	£21,252	£22,083	6	£23,211	12	£25,833
18	£21,546	£22,377	7	£23,628	13	£26,298
19	£22,218	£22,857	8	£24,054	14	£26,772
20	£22,902	£23,361	9	£24,486	15	£27,255
21	£23,610	£24,081	10	£24,927	16	£27,744
22	£24,135	£24,618	12	£25,833	17	£28,245
23	£24,738	£25,233	13	£26,298	18	£28,752
24	£25,437	£25,947	14	£26,772	19	£29,271
25	£26,136	£26,658	15	£27,255	20	£29,796
26	£26,865	£27,402	18	£28,752	21	£30,333
27	£27,654	£28,206	19	£29,271	22	£30,879
28	£28,440	£29,010	20	£29,796	23	£31,434
29	£29,424	£30,012	23	£31,434	24	£32,001
30	£30,294	£30,900	24	£32,001	25	£32,577
31	£31,140	£31,764	25	£32,577	26	£33,162
32	£31,953	£32,592	27	£33,759	27	£33,759
33	£32,802	£33,459	28	£34,128	28	£34,128
34	£33,627	£34,299	29	£34,986	29	£34,986
35	£34,254	£34,938	30	£35,637	30	£35,637
36	£35,070	£35,772	31	£36,486	31	£36,486
37	£35,961	£36,681	32	£37,413	32	£37,413
38	£36,912	£37,650	33	£38,403	33	£38,403
39	£38,007	£38,766	34	£39,543	34	£39,543
40	£38,919	£39,696	35	£40,491	35	£40,491
41	£39,855	£40,653	36	£41,466	36	£41,466
42	£40,785	£41,601	37	£42,432	37	£42,432
43	£41,718	£42,552	38	£43,404	38	£43,404
44	£42,651	£43,503	39	£44,373	39	£44,373
45	£43,530	£44,400	40	£45,288	40	£45,288
46	£44,496	£45,387	41	£46,293	41	£46,293

47	£45,438	£46,347	42	£47,274	42	£47,274
48	£46,377	£47,304	43	£48,252	43	£48,252
49	£47,292	£48,237	44	£49,203	44	£49,203
50	£48,234	£49,200	45	£50,184	45	£50,184
51	£49,176	£50,160	46	£51,162	46	£51,162
52	£50,115	£51,117	47	£52,140	47	£52,140
53	£51,069	£52,089	48	£53,133	48	£53,133
54	£52,071	£53,112	49	£54,174	49	£54,174
55	£53,088	£54,150	50	£55,233	50	£55,233
56	£54,102	£55,185	51	£56,289	51	£56,289
57	£55,107	£56,208	52	£57,333	52	£57,333
58	£56,112	£57,234	53	£58,380	53	£58,380
59	£57,114	£58,257	54	£59,421	54	£59,421
60	£58,131	£59,295	55	£60,480	55	£60,480
61	£59,127	£60,309	56	£61,515	56	£61,515
62	£60,135	£61,338	57	£62,565	57	£62,565
63	£61,158	£62,382	58	£63,630	58	£63,630
64	£62,145	£63,387	59	£64,656	59	£64,656
65	£63,159	£64,422	60	£65,712	60	£65,712
66	£64,449	£65,739	61	£67,053	61	£67,053
67	£65,769	£67,083	62	£68,427	62	£68,427
68	£67,101	£68,442	63	£69,813	63	£69,813
69	£68,490	£69,861	64	£71,256	64	£71,256
70	£69,882	£71,280	65	£72,705	65	£72,705

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Mr. Doug Patterson

Chief Executive

London Borough of Bromley

Civic Centre

Stockwell Close

Bromley

BR1 3UH

CC: Charles Obazuaye, Director of Human Resources

Tammy Eglinton, Head of HR Consultancy

Angela Huggett, Head of HR Strategy & Education

Alan Copley, Branch Secretary, Bromley UNISON LG Branch

17<sup>th</sup> December 2018

Dear Doug,

**Re: Employer reimbursement to EU employees for the cost to apply for UK Settled Status, in the government's EU Settlement Scheme<sup>1</sup> .**

UNISON is writing to ask that you agree to pay the cost for EU employees who will need to apply for Settled Status.

The EU Settlement Scheme will enable EU citizens resident in the UK and their family members to obtain the necessary UK immigration status they require in order to live and work in the UK after the end of the planned EU exit implementation period on 31 December 2020.

The UK government aims to register 3.4 million EU nationals through the Settled Status application process. Some EU citizens can apply whilst the scheme is currently a pilot and all EU citizens will be able to apply from the 30 March 2019, the day after the UK exits the EU and they will have until June 2021 to register.

From late August 2018 the Home Office began its first pilot phase of testing of the EU Settlement Scheme with staff from 12 NHS Trusts and 3 universities in the North West of England.

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<sup>1</sup> <https://www.gov.uk/settled-status-eu-citizens-families>

On the 11 October 2018 the Home Office announced the second phase of the private pilot. It will run from 1 November 2018 to 21 December 2018 and will test the full application process.

- From **1 November 2018**, staff from 3 NHS Trusts in Greater Manchester as well as the 12 NHS Trusts and 3 universities in the North West of England which participated in the first phase will be eligible.
- From **15 November 2018**, staff in the higher education sector across the UK, and some vulnerable individuals being supported by 5 local authorities and seven civil society organisations in England will be eligible.
- From **29 November 2018**, staff in the health and social care sectors across the UK will be eligible

Employers who are listed in the 'eligibility list' and the dates that employees can apply for the settled status in the pilot phase are in the appendix and further information on Immigration Rules can be found on the governments website<sup>2</sup>.

Alongside the employment sector criteria above, to apply for settled status under the pilot an employee will need to be:

- a resident EU citizen with a valid passport; or
- a non-EU citizen family member of an EU citizen with a biometric residence card

Family members won't be able to apply during this phase of the pilot unless they are also eligible through their employment with a participating organisation or they are also being supported by one of the participating community organisations.

This phase of the pilot is only open to people who meet the eligibility rules set out above. By 30 March 2019, the EU Settlement Scheme<sup>3</sup> will be open to all eligible applicants, including family members.

UNISON asks that employers pay the application cost for EU workers, which is £65 for adults. It will be free for those who already have valid indefinite leave to remain or a valid permanent residence document.

UNISON also asks that employers work with UNISON to assist EU nationals getting ready for settled status.

**Employers can assist EU workers to get ready for settled status:**

- Give time off for employees to apply for Settled Status or to seek legal advice
- Offer to pay employees application costs of settled status
- hold a joint meeting with UNISON branches or stewards to let EU workers know we are jointly supporting them through the process of applying for settled status
- Attend meetings to speak about how they will assist members with the roll out of settled status.
- Use the UK government's employer toolkit and communications resources to support EU citizens <https://www.gov.uk/government/publications/eu->

<sup>2</sup> <https://www.gov.uk/government/publications/statement-of-changes-to-the-immigration-rules-hc-1534-11-october-2018>

<sup>3</sup> <https://www.gov.uk/settled-status-eu-citizens-families>

- Distribute UNISON Guidance on the EU Settlement Scheme and Settled Status: <https://www.unison.org.uk/settledstatusguidance/>

## Benefits to employers

UNISON believes that EU workers play a vital and valuable role in the delivery of UK public services in our local communities, in particular in the health and social care sectors.

EU workers help keep our public services running; make a net contribution to the exchequer, have filled vacancy gaps where there is no current supply of a domestic workforce and are valued members of our communities. This is equally true of migrant workers from different generations from the rest of the world. UNISON has approximately 80,000 EU members and like other migrant worker members they are active at all levels of public service delivery.

Here we provide information on the benefits of assisting and retaining EU workers:

### 1. Fewer EU citizens are migrating to the UK for work, and more are emigrating

Since the EU referendum in late June 2016, the estimated number of EU nationals migrating to the UK fell from 284,000 the year before the vote to 223,000 in the year after. This figure has picked up slightly for the year 2017 as a whole though—240,000.<sup>4</sup>

Meanwhile the number of EU citizens emigrating has increased from an estimated 95,000 in the year before the referendum to 139,000 now. Whilst we can't say that Brexit has determined these changes, these could be the biggest shifts in EU migration we've seen in recent years.

### 2. Increased uncertainties

The uncertainty of a 'No deal' scenario, questions of how long the Settled Status scheme will guarantee existing EU citizens rights in the UK<sup>5</sup> and the ending of Freedom of Movement for future EU citizens are all likely to negatively impact further on the future labour supply of EU citizens coming to the UK.

### 3. The evidence in health and social care sectors

UNISON has been working with the Cavendish Coalition<sup>6</sup> a group of health and social care organisations united in their commitment to provide the best care to communities, patients and residents. The coalition acts as a shared voice which influences and lobbies on post-EU referendum matters. It also provides those leading the negotiations with expertise and knowledge on the issues affecting the health and social care workforce.

- The NHS absolutely needs workers from EU countries. UNISON supports EU workers concerns and recognises the upset and uncertainty they feel given the fact that it's taken so long for workers from EU countries to be given reassurances about their future in the UK as the country prepares to leave the EU.

<sup>4</sup>

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/internationalmigration/bulletins/migrationstatisticsquarterlyreport/july2018revisedfrommaycoveringtheperiodtodecember2017>

<sup>5</sup> <https://www.the3million.org.uk/settled-status>

<sup>6</sup> <http://www.nhsemployers.org/your-workforce/need-to-know/brexit-and-the-nhs-eu-workforce/the-cavendish-coalition>

- In the time between the Brexit referendum and March 2018 there has been an 87% fall in new EU registrations to the Nursing & Midwifery Council (NMC).
- In the two years since the referendum over 7,000 established EU nurses left the UK nursing profession compared to just under 5,000 who left in the three years preceding the referendum.
- While the contribution of EEA nationals to the NHS is important, it is arguably even more so in social care services across the UK. In 2016, EU nationals made up 5.4% of the workforce, though in absolute terms their number grew by 68%, or 30,600 individuals, since 2011. Interestingly the strongest growth was in Northern Ireland (206%), followed by Scotland (61%), Wales (56%) and then England (40%).
- Recruitment and retention into the care sector is extremely challenging and is a growing problem. At any one time approximately 6.6% of roles within the sector are vacant which equates to 90,000 posts.
- Vacancy levels are now at 8% equating to 110,000 jobs.
- The Skills for Care<sup>7</sup> data shows that there are 104,000 social care workers from the EU in England (7% of total workforce) and states “Depending on the rules, there is still a risk in terms of workforce supply depending on what restrictions are in place [after the UK leaves the EU].”
- If the adult social care workforce grows proportionally to the projected number of people aged 65 and over in the population, then the number of adult social care jobs will increase by 40 percent by 2035. This is 650,000 extra jobs.<sup>8</sup>

#### **4. Post EU exit, a sensible, fair and accessible immigration policy for workers will be an important contribution to maintain services.**

Currently it is not clear what the new immigration system, for EU and non-EU workers will be. At the moment there’s no easy low-skilled visa route for non-EU workers to come to the UK. The Migrant Advisory Committee (MAC) recently advised the UK government that in any new system £30,000 should be the annual earnings threshold for all migrants given visas with no exemptions for public service lower paid workers such as care workers or nurses.

UNISON has serious concerns about this advice. For example with 110,000 vacancies and the possibility of needing another 650,000 care staff by 2035 to care for our elders, we will doubtless need to continue to rely on colleagues from both the EU and overseas.

#### **5. While we still await clarity about post EU exit migration rules, there is still a risk in terms of workforce labour supply.**

If the doors close too quickly and not enough time and funding is given for the UK government, skills agencies and employers etc to plan and grow a replacement

<sup>7</sup> care [www.skillsforcare.org.uk/NMDS-SC-intelligence/Workforce-intelligence/publications/Topics/Workforce-nationality.aspx](http://www.skillsforcare.org.uk/NMDS-SC-intelligence/Workforce-intelligence/publications/Topics/Workforce-nationality.aspx)

<sup>8</sup> [The size and structure of the adult social care sector and workforce in England](#), Skills for Care, 2017

domestic UK workforce in those sectors, which are dependent on EU workers, then there will be a likely increase in labour shortages.

#### **6. The value of retention and recruitment of EU citizens until December 2020**

Paying for EU Settled status employer fees will help to recruit and retain EU staff at this critical time of exiting the EU. Employers have until December 2020 to retain and recruit EU workers until any new immigration system begins on January 1st 2021.

We are happy to meet at your convenience to discuss this further and through the collective bargaining forums available.

Yours sincerely

Sally Tsoukaris  
UNISON Regional Organiser

**Employers whose employees can apply for Settled Status between 1 November and 21 December**

**From 1 November 2018:**

(i) A person employed or engaged by one of the following institutions:

Liverpool Hope University;  
Liverpool John Moores University; or  
The University of Liverpool; or

(ii) A person employed or engaged by one of the following institutions:

Aintree University Hospital NHS Foundation Trust;  
Blackpool Teaching Hospitals NHS Foundation Trust;  
Countess of Chester Hospital NHS Foundation Trust;  
East Lancashire Hospitals NHS Trust;  
Lancashire Teaching Hospitals NHS Foundation Trust;  
Liverpool Heart and Chest Hospital NHS Foundation Trust;  
Liverpool Women's NHS Foundation Trust;  
Manchester University NHS Foundation Trust;  
Salford Royal NHS Foundation Trust  
Southport and Ormskirk Hospital NHS Trust;  
Stockport NHS Foundation Trust;  
The Royal Liverpool and Broadgreen University Hospitals NHS Trust;  
The Walton Centre NHS Foundation Trust;  
Warrington and Halton Hospitals NHS Foundation Trust; or  
Wirral University Teaching Hospital NHS Foundation Trust; or

**In addition, from 15 November 2018:**

(iii) A person employed or engaged by a Higher Education Institution or Overseas Higher Education Institution on the Tier 4 Register of Licensed Sponsors; or

(iv) A child being looked after (within the meaning of section 22(1) of the Children Act 1989) by, or a person who was such a child and is eligible for support or assistance under the Children Act 1989 (or under regulations made under that Act) from, one of the following local authorities:

Kent County Council;  
Lincolnshire County Council;  
London Borough of Haringey;  
London Borough of Waltham Forest; or  
Sheffield City Council; or

(v) A person receiving support from one of the following organisations:  
Ashiana Sheffield, Knowle House, 4 Norfolk Park Road, Sheffield, S2 3QE;

Coram Children's Legal Centre, Riverside Office Centre, Century House  
North, North Station Road, Colchester, CO1 1RE;  
East European Resource Centre, Room 18-19, 238-246 King Street, London,  
W6 0RF;  
Rights of Women, 52-54 Featherstone Street, London, EC1Y 8RT;  
St Vincent Support Centre, Curtis Building, 4 Barking Avenue, Leeds, LS9  
9LF;  
The Cardinal Hume Centre, 3-7 Arneway Street, Horseferry Road, London,  
SW1P 2BG; or  
The Roma Support Group, Alan Shelley House, 318 Barking Road, London,  
E13 8HL; or

**In addition, from 29 November 2018:**

(vi) A person employed or engaged by one of the following institutions or organisations:  
An NHS Foundation Trust in England;  
An NHS Trust in England;  
Care Quality Commission;  
Health Education England;  
Health Research Authority;  
Human Fertilisation and Embryology Authority;  
Human Tissue Authority;  
Medicines and Healthcare Products Regulatory Agency;  
National Institute for Health and Care Excellence;  
NHS Blood and Transplant;  
NHS Business Services Authority;  
NHS Counter Fraud Authority;  
NHS Digital (the Health and Social Care Information Centre);  
NHS England (the NHS Commissioning Board);  
NHS Improvement (Monitor and the NHS Trust Development Authority);  
NHS Resolution (the NHS Litigation Authority); or  
Public Health England; or

(vii) A person employed or engaged by one of the following institutions or organisations:  
A Local Health Board in Wales;  
Health Education & Improvement Wales;  
Public Health Wales;  
The Welsh Ambulance Service; or  
Velindre NHS Trust; or

(viii) A person employed or engaged by one of the following institutions or organisations:  
A Health Board or Special Health Board constituted under section 2 of the  
National Health Service (Scotland) Act 1978;  
Common Services Agency for the Scottish Health Service (established under  
section 10 of that Act);  
Healthcare Improvement Scotland (established by section 10 of that Act);  
Social Care and Social Work Improvement Scotland (known as the Care  
Inspectorate) established under section 44 of the Public Services (Reform)

(Scotland) Act 2010; or  
Scottish Social Services Council established under section 43 of the  
Regulation of Care (Scotland) Act 2001; or

(ix) A person employed or engaged by one of the following institutions or organisations:

A Health and Social Care Trust in Northern Ireland;  
Northern Ireland Blood Transfusion Service;  
Northern Ireland Guardian Ad Litem Agency;  
Northern Ireland Medical and Dental Training Agency;  
Northern Ireland Practice and Education Committee;  
Northern Ireland Social Care Council;  
Patient and Client Council;  
Regional Agency for Public Health and Social Well-being (the Public Health  
Agency);  
Regional Business Services Organisation;  
Regional Health and Social Care Board; or  
Regulation and Quality Improvement Authority; or

(x) A person who is employed:

(a) To provide, or to support the provision of, regulated activities as  
prescribed in Schedule 1 (read with Schedule 2) to the Health and Social Care  
Act 2008 (Regulated Activities) Regulations 2014 (S.I. 2014/2936), and who  
is also employed or engaged by an institution or organisation registered with  
the Care Quality Commission; or  
(b) For the purposes of an establishment or agency in Wales regulated under  
Part 2 of the Care Standards Act 2000; or  
(c) For the purposes of a service regulated under Part 1 of the Regulation and  
Inspection of Social Care (Wales) Act 2016; or

(xi) A person who is employed or engaged by a party to:

(a) A general medical services contract to provide primary medical services,  
or an agreement for the provision of primary medical services under section  
50 of the NHS (Wales) Act 2006; or  
(b) A general dental services contract to provide primary dental services, or an  
agreement for the provision of primary dental services under section 64 of the  
NHS (Wales) Act 2006; or

(xii) A person who:

(a) Is providing care services as defined in section 47(1) of the Public  
Services Reform (Scotland) Act 2010 and registered under that Act; or  
(b) Is employed or engaged by an organisation registered with Social Care and  
Social Work Improvement Scotland; or  
(c) Is, or who is employed or engaged in connection with the provision of  
services under the National Health Service (Scotland) Act 1978 by, a party  
(other than a Health Board) to:  
- an arrangement to provide services under section 2C of that Act;  
- an agreement to provide services under section 17C of that Act;  
- a contract to provide services under section 17J of that Act; or  
- an arrangement to provide services under section 25, 26 or 27 of that Act;



or

(xiii) A person who is employed or engaged by a General Practitioner Federation or by any entity with which the Northern Ireland Regional Health and Social Care Board has a contract or an arrangement under the Health and Personal Social Services (Northern Ireland) Order 1972 to provide Family Practitioner Services; or

(xiv) A person who is employed or engaged by a body registered with, or monitored or inspected by, the Regulation and Quality Improvement Authority, and who, if that body were in England and they were employed or engaged by it, would meet the criteria set out in (x)(a), above; or

(xv) A person employed or engaged by, or registered with, one of the following organisations:

General Chiropractic Council;

General Dental Council;

General Medical Council;

General Optical Council;

General Osteopathic Council;

General Pharmaceutical Council;

Health and Care Professions Council;

Northern Ireland Social Care Council;

Nursing and Midwifery Council;

Pharmaceutical Society of Northern Ireland;

Scottish Social Services Council (under the Regulation of Care (Scotland) Act 2001); or

Social Care Wales.



# Agenda Item 6

## London Borough of Bromley

Report No. HR

PART I – PUBLIC

Agenda Item No.:

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**Decision Maker:** General Purposes & Licensing Committee

**Date:** 12th February 2019

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

**TITLE:** PAY POLICY STATEMENT 2019/20

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

**Chief Officer:** Director of Human Resources

**Ward:** N/A

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### 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 2019/20 Pay Policy Statement is attached for Members consideration and approval.
- 

### 2. RECOMMENDATION(S)

#### 2.1 Members are asked to:

- (i) recommend that Full Council approve the 2019/20 Pay Policy Statement attached to this report.

## 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 2019/20 is not materially different to the last years statement. 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. 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 1<sup>st</sup> 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 As stated above, Bromley employees are clear on how performance is linked to pay. A new appraisal process "Discuss" was implemented from the 1<sup>st</sup> April 2017 replacing the previous PADS appraisal process. The new process uses a "structured conversation" delivered in a coaching style with a view to improving employee engagement and empowerment whilst supporting managers to undertake a more proactive approach to managing performance and developing potential of staff.

3.5 The new scheme enables 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. £200k is allocated in the base budget to support the scheme. To date a total of 879 merited rewards have been made.

3.6 The Appraisal 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 2019/20 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.

#### **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. In addition however it should be noted that the Government is planning to introduce some reforms around exit payments in the Public Sector including an Exit Pay Cap and Recovery Regulations in relation to those re-joining the Public Sector having received an exit payment previously.
- 7.2 The Exit Pay Cap and the Recovery regulations are expected to come into force soon. A summary of the key issues is as follows:
- a maximum tariff for calculating exit payments of three weeks' pay per year of service
  - a ceiling of 15 months on the maximum number of months' salary that can be paid as a redundancy payment
  - a maximum salary of £80,000 on which an exit payment can be based
  - a taper on the amount of lump sum compensation an individual is entitled to receive as they get closer to their normal pension retirement age
  - action to limit or end employer-funded early access to pension as an exit term
- 7.3 These regulations are likely to impact on the Council's redundancy and retirement policies which will need to be reviewed in due course.

<b>Non-Applicable Sections:</b>	
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 2019/20 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 continue 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. There are also problems recruiting experienced/qualified Planners and Surveyors and qualified Mental Health Practitioners.

### 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/download/136/annual\\_accounts](http://www.bromley.gov.uk/downloads/download/136/annual_accounts)

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 2019/20
- 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.
- 6.5 Legislation introduced in 2017 means that The Council is required to publish it's gender pay gap data annually. The gender pay report for 2018 will be published at the end of March in line with statutory deadlines.

## London Borough of Bromley

<b>PAY POLICY STATEMENT FOR FINANCIAL YEAR 2019/20</b>	
<b>POLICY AREA UNDER THE ACT</b>	<b>POLICY STATEMENT</b>
	<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>
Level and elements of remuneration of Chief Officers and relationship with the remuneration of employees who are not Chief Officers	<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"> <li>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;</li> <li>b) Introduced a scheme of discretionary non-consolidated non-pensionable rewards for exceptional performance applicable to all staff except teachers;</li> <li>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.</li> <li>d) Agreed to make no change to existing terms and conditions of service before April 2015.</li> </ol> <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"> <li>• ensure that staff are appropriately rewarded for the job that they do</li> <li>• enhance the Council’s ability to compete by maintaining a simple, fair, transparent and affordable pay and</li> </ul>

- 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 MB PT Salary Scales](#) [BAEC Salary Scales](#) [BR Grades 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 1<sup>st</sup> 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 minimum 30% contribution to the cost and for Chief and Deputy Chief Officers the value range of this benefit is between

	<p>£3,566 and £2,460 per annum subject to this not exceeding 70% of the car's current benchmark value plus insurance.</p> <p>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. The current 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 11.25p per mile.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>Also, the Council operates a Salary Sacrifice scheme for all staff. This covers childcare vouchers, parking plus, and the cycle to work scheme.</p>
Use of PRP for	The annual review of salaries includes an assessment of work performance in the preceding twelve months for

Chief Officers	<p>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.</p>
Use of bonuses for Chief Officers	Not applicable.
Remuneration of lowest-paid employees	<p>The Council's grading structure for BR graded staff starts at £17,083 per annum as at 31 March 2018 and the Council therefore defines its lowest paid employee as anyone earning £17,083 (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 1:10, and between the Chief Executive and the median salary is £32,057 (ratio of 1:6).</p>
Increases and additions to remuneration of Chief Officers	<p>Where it is in the interests of the Council to do so the Chief Executive may review the salaries of Chief Officers and Senior Staff from time to time within the MG and MB Salary scales <a href="#">MG MB PT Salary Scales</a>. 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 and adult social workers.</p>



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 2019/20 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 <a href="#">London Borough of Bromley Constitution</a>
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 <a href="#">Flexible Retirement Policy</a></p> <p><i>Please also note the information contained at * below.</i></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><b>* Please Note:</b> <i>The Government is planning to introduce some reforms around exit payments in the Public</i></p>

*Sector including an Exit Pay Cap and Recovery Regulations in relation to those re-joining the Public Sector having received an exit payment previously.*

*The Exit Pay Cap and the Recovery regulations are expected to come into force soon. A summary of the key issues is as follows:*

- a maximum tariff for calculating exit payments of three weeks' pay per year of service*
- a ceiling of 15 months on the maximum number of months' salary that can be paid as a redundancy payment*
- a maximum salary of £80,000 on which an exit payment can be based*
- a taper on the amount of lump sum compensation an individual is entitled to receive as they get closer to their normal pension retirement age*
- action to limit or end employer-funded early access to pension as an exit term*

*These regulations are likely to impact on the Council's redundancy retirement and pay policies which will need to be reviewed and updated in due course.*

Publication of and access to information relating to this Policy and to the remuneration of Chief Officers

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.

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 release 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.  
CSD19012

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:** GENERAL PURPOSES AND LICENSING COMMITTEE

**Date:** Tuesday 12 February 2019

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

**Title:** MEMBERS ALLOWANCES SCHEME 2019/20

**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

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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 2019/20. The allowances have remained frozen since 2009 due to the economic circumstances and the pressure on the Council's budgets. However, Members have the option to increase the allowances – for example this could be in line with the 2.25% increase likely to be recommended for Council staff. The Mayoral and Deputy Mayoral Allowances are not part of the scheme, but are usually considered in conjunction with it.

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2. **RECOMMENDATIONS**

- (1) **The Committee is requested to consider the proposed Members Allowances Scheme 2019/20 and the Mayoral and Deputy Mayoral Allowances and in particular to consider whether to recommend that allowances are retained at the current level or are raised from 1<sup>st</sup> April 2019 in line with the proposed increase in officer salaries of 2.25%.**
- (2) **The Committee is recommended to agree that the Members' Allowances Scheme 2019/20 (appendix 2) and the Mayoral and Deputy Mayoral allowances for 2019/20 (paragraph 3.5) be submitted to Council for approval.**

### Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
- 

### Corporate Policy

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

### Financial

1. Cost of proposal: Estimated Cost: £1,090k
  2. Ongoing costs: Recurring Cost: £1,090k
  3. Budget head/performance centre: Democratic Representation – Members Allowances  
Mayoral & Civic Hospitality – Mayoral Allowance
  4. Total current budget for this head: £1,066k & £24k
  5. Source of funding: Draft revenue budget for 2019/20
- 

### Personnel

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: Statutory Requirement: The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 2003/1021)
  2. Call-in: Not Applicable: This report does not involve an executive decision
- 

### Procurement

1. Summary of Procurement Implications: Not Applicable
- 

### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All 60 Councillors receive at least the basic allowance.
- 

### Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: Not Applicable

### 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 all Councillors in the authority and may be paid either as a lump sum or in instalments through the year - Bromley has always paid allowances by monthly instalment. In addition, allowances can be paid to reflect particular posts (Special Responsibility Allowances) or membership of particular committees that meet frequently to determine applications (referred to as Quasi-Judicial Allowances).
- 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, until in 2016 a Member Working Group suggested some minor changes within the existing budget which were implemented for the 2016/17 Scheme, including rounding the allowances up or down as appropriate to the nearest £5. The proposed scheme for 2019/20 is largely unchanged from 2018/19 in terms of the allowances to be paid. Members have consistently, since 2009, refused to increase their allowances, but if an increase is proposed then the proposed increase of 2.25% for officer salaries from 1<sup>st</sup> April 2019 would be a reasonable guide.
- 3.3 One issue of concern in recent years has been the level of allowance payable to Members serving on Licensing Sub-Committees in view of the reduced level of meetings. The allowance was reduced for 2017/18 from £670 to £335, in line with members of one Plans Sub-Committee, a saving of £5k. For 2018/19, the allowance was been further reduced to a payment of £50 for each meeting attended. The number of meetings has remained low and it is anticipated that the allowances paid during 2018/19 will not exceed £1.5k, a further saving of around £3.5k.
- 3.4 Members serving on the Fostering and Adoption Panel have, in the current financial year, received an allowance of £200 per meeting (rather than an annual allowance of £670 as previously). For the first nine months of the year (April to December 2018) this has resulted in twenty five payments to three Members (£5k), with three months to go. The fixed annual payments in 2017/18 were £670 each to five Members, so expenditure for the whole year will have increased by about £3.3k.
- 3.5 The regulations provide that before the Council makes or amends a scheme it shall have regard to the recommendations made by an independent remuneration panel report, although 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 CBE DL which meets every four years and reported in January 2018, 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 one of the highest in London it is now slightly below the level suggested by the Independent Panel in 2018 (which is £11,045pa). 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**.
- 3.6 **Appendix 2** shows the scheme and the proposed allowances for 2019/20 in schedule 1, based on the allowances either remaining at the same levels, or increasing by 2.25%. 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 2019/20. If a 2.25% increase is

approved by Council, the Mayoral Allowance would increase from £15,698 to £16,051 and the Deputy Mayoral Allowance from £3,575 to £3,655.

#### 4. FINANCIAL IMPLICATIONS

- 4.1 Provision has been made for the allowances in the draft revenue budget for 2019/20 to be approved by Council of £1.066m for the Members' Allowances Scheme and £24k 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).

<b>Non-Applicable Sections:</b>	Impact on Vulnerable Adults and Children/Policy/Personnel/Procurement
Background Documents: (Access via Contact Officer)	Report from the Independent Panel on Remuneration of Councillors in London (2018) –  <a href="#">Remuneration of Councillors in London Boroughs 2018 - London Councils</a>  Report to General Purposes and Licensing Committee, 6 <sup>th</sup> February 2018 – Members' Allowances Scheme 2018/19



**London Councils Remuneration Panel Report 2018 - Summary**

<b>London Councils Band</b>	<b>Example posts</b>	<b>2018 London Councils Panel Recommendation</b>	<b>Current (2018/19) LBB Equivalent</b>
<b>Basic Allowance</b>	All Members	£11,045	£10,870
<b>Band 1</b>	Executive Assistant Sub-Cttee Chairman Leader of 2 <sup>nd</sup> Minority Group Members of Sub-Committees meeting frequently – EG Plans/Licensing/Adoption	£2,582 - £9,397	£3,575 £1,970 £3,570 £335 for Plans Sub-Cttee £200 per meeting for Fostering & Adoption Panel £50 per meeting for Licensing Sub-Cttee
<b>Band 2</b>	Civic Mayor Chairman of Regulatory Cttee Chairman of Scrutiny Panel Leader of principal Opposition Group	£16,207 - £29,797	£15,698 £8,670 £7,140 £7,140
<b>Band 3</b>	Portfolio Holder Chairman of Health & Wellbeing Board Chairman of main Overview and Scrutiny Committee	£36,917 - £43,460	£20,400 £8,670 £8,670
<b>Band 4</b>	Leader	£57,085	£30,600
<b>Band 5</b>	Directly Elected Mayor	£85,162	-

## **London Borough of Bromley**

### **Members' Allowances Scheme**

From 1<sup>st</sup> April 2019, 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 1<sup>st</sup> April 2019 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 31<sup>st</sup> 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 2018" published January 2018.

#### **Basic Allowance**

4. A basic annual allowance of £10,870/£11,115 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 Licensing Sub-Committee, Plans Sub-Committees and the Fostering and Adoption Panel shall be paid a quasi-judicial allowance at the rates set out in Schedule 1.

### **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 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 updated 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 2020

	Current £	With 2.25% increase £
<b>Basic Allowance</b>	10,870.00	11,115
<b>Special Responsibility Allowances</b>		
Leader of the Council	30,600	31,288
Portfolio Holders (x6)	20,400	20,859
Executive Members without Portfolio	3,575	3,655
Executive Assistants (x6)	3,575	3,655
Chairman of Health and Wellbeing Board	8,670	8,865
Chairman of main PDS Committee	8,670	8,865
Chairman of Portfolio PDS Committees (x5)	7,140	7,300
Chairman of Development Control Committee	8,670	8,865
Vice-Chairman of Development Control Committee	1,970	2,014
Chairman of Plans Sub-Committees (x4)	2,770	3,393
Chairman of General Purposes and Licensing Committee	8,670	8,865
Vice-Chairman of General Purposes and Licensing Committee	1,970	2,014
Chairman of Audit Sub-Committee	1,970	2,014
Chairman of Pensions Investment Sub-Committee	1,970	2,014
Leader of largest Opposition Party	7,140	7,300
Leader of second largest Opposition Party	3,570	3,650
<b>Quasi-Judicial Allowances</b>		
Members of one Plans Sub-Committee	335	343
Members of two Plans Sub-Committees	670	686
Members of Licensing Sub-Committee (per meeting)	50	52
Members of Fostering and Adoption Panel (per meeting)*	200	205

\* Payable up to an annual maximum limit of £3,575 per Councillor

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Report No.  
CSD19013

## London Borough of Bromley

### PART ONE - PUBLIC

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**Decision Maker:** GENERAL PURPOSES AND LICENSING COMMITTEE

**Date:** Tuesday 12 February 2019

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

**Title:** EXECUTIVE ASSISTANTS - ANNUAL REPORT 2018/19

**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

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#### 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 £3,575pa). This decision was reaffirmed by the Committee at subsequent meetings, and is referred to in the Guidance Note: Executive Assistants at Appendix 7 to the Council's constitution. The following Executive Assistants were appointed by the Leader for the 2018/19 Council year -

Adult Care & Health - Cllr Angela Page  
Children, Education & Families - Cllr Nicky Dykes  
Environment & Community Services - Cllr Kira Gabbert  
Renewal, Recreation & Housing - Cllr Hannah Gray  
Resources, Commissioning & Contract Management- Cllr Gary Stevens  
Executive Assistant to the Leader - Cllr Aisha Cuthbert

1.2 Reports have been requested from the current Executive Assistants for 2018/19 and are attached as Appendix A. Any outstanding report will be circulated as soon as it is available.

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#### 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 2018/19.**

### Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
- 

### Corporate Policy

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

### Financial

1. Cost of proposal: Estimated Cost: £21,450
  2. Ongoing costs: Recurring Cost: £21,450
  3. Budget head/performance centre: Democratic Representation
  4. Total current budget for this head: £1,067,960
  5. Source of funding: 2018/19 Revenue Budget
- 

### Personnel

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
- 

### Procurement

1. Summary of Procurement Implications: Not applicable
- 

### Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Six Councillors were appointed as Executive Assistants for 2018/19.
- 

### Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: Not applicable

<b>Non-Applicable Sections:</b>	Impact on Vulnerable Adults and Children, Policy, Financial, Personnel, Legal, Procurement
Background Documents: (Access via Contact Officer)	Previous reports to General Purposes & Licensing Committee



Reports from Executive Assistants, 2018/19

**Cllr Angela Page,  
Executive Assistant to the Adult Care & Health Portfolio Holder**

This is my second year in the position of Executive Assistant to the Portfolio Holder for Adult Care & Health, Cllr Diane Smith.

My main focus continues to be the monitoring of the work of the Contract Compliance and Monitoring team. Following the changes that were implemented previously, I have now worked with officers in the development of a Dashboard as a departmental management tool which enables a quick reference to care homes used in the Borough and is used to update the Portfolio Holder on a regular basis. A version of the Dashboard to support the domiciliary care framework monitoring is now in the process of being developed.

At the beginning of each month the Contract Compliance and Monitoring team supply a set of spreadsheets which set out comprehensive details of which monitoring visits have been undertaken and are planned and now also provide a dialogue for each individual provider, an update I asked to be added. These reports cover not just care homes and domiciliary care services but also extra care housing and learning disability & mental health facilities.

The Portfolio Holder previously accompanied contract visits but this has now been delegated to me as part of the overall task of monitoring and working with the department.

Additionally, I receive a weekly report from the CQC setting out which inspection reports are published. If appropriate I follow up with the contracts monitoring team to establish what actions (if any) need to be taken.

I have also taken on the responsibility for monitoring the responses to complaints received directly to the complaints team in respect of Adult Care Services. I receive a weekly update on the outstanding complaints and I also meet with the Head of Service for Customer Engagement and Complaints on a regular basis to discuss individual complaints and get a general overview.

As well as the specific projects mentioned above, each month I also attend at least two of the weekly meetings that the Portfolio Holder has with the Interim Chief Executive and senior departmental officers.

Throughout the year I have attended a number of visits with the Portfolio Holder.

In February we visited two Adult Day Care Centres – The Saxon Centre in Orpington and Bertha James in Bromley. At each we met with members of the boards as well as interacting with the residents visiting the centres.

During the year we have also visited a number of Extra Care Housing providers. In March we visited Apsley Court in St Mary Cray. In August we visited Norton Court and Sutherland Court in Beckenham. In September we visited Regency Court and Crown Meadow Court on Bromley Common. On each of these visits we speak with staff and residents to get feedback on the care being given and received.

I also joined the Portfolio Holder in a walkabout in July in the Adult Care departments where we spent time talking to the staff.

I also took part in the general visits arranged for councillors to the Florence House Nursing Home in Bromley and to Bromley Healthcare where we were all given a presentation on their work as well as meeting staff.

In April, I was invited in my role of Executive Assistant to visit the Beechmore Court Care Home in Bickley to view the facilities on offer and speak with the board.

I have represented the Portfolio Holder at further meetings of Care Home providers in Bromley where representatives are invited to come along to discuss concerns and issues and ideas.

I also attend the Care Services PDS meetings as an observer.

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**Cllr Nicky Dykes**  
**Executive Assistant to the Children, Education & Families Portfolio Holder**

It's been a busy nine months since taking on the Executive Assistant role to Cllr Peter Fortune, Portfolio Holder for Children, Education and Families. A lot has been done but there is still more to do. In summary here is an outline of the work undertaken so far and what I will be focussing on over the coming months.

**Activity Undertaken**

1. I have been keen to get to know the department well and have spent time meeting key teams on a one to one basis covering SEN provision, Early Years, strategy and education. These are the areas that are of interest to me and where I felt I could make a difference.
2. The department does great work and part of my role is to help shine a light on this and help the council programmes and initiatives reach more Bromley families. A good example of this is the Mayor of London's Healthy Early Years London programme. The initiative aims to encourage early years' and childminders to focus on health and wellbeing to support the achievement and education of young children. Bromley is outperforming the rest of London in both uptake and awards of bronze, silver and gold. I was delighted to attend the award ceremony last year with the acting Chief Executive which was covered in the local paper - <https://www.newshopper.co.uk/news/17188722.healthy-early-years-programme-gets-off-to-a-flying-start-in-bromley/>. We are now discussing how we push this further and get even more providers on board.
3. I have been delighted to join the SEN Governance Board and am looking at how members can help promote the Local Offer.
4. An initiative I have been very passionate about is involving families in policy development and improving communication. I have therefore been very excited to join forces with Cllr Aisha Cuthbert in launching a new playgroup - Talk, Tots and Tumble. It is held on a Saturday every other month in the free soft play area at The Glades. The purpose of hosting this on a weekend and in a child friendly environment is to make it more convenient for parents and carers to attend.

The sessions are advertised on social media, including on the Glades Twitter account and website as well as posters in Central Library and in our Children and Family Centres. We were pleased that our first session was covered in the Bromley Times. You can find out more on our Facebook page <https://www.facebook.com/talktotstumble/>.



Cllr Aisha Cuthbert and Cllr Nicky Dykes have launched Talk, Tots and Tumble. Picture: AISHA CUTHBERT

**Two Bromley councillors have launched a new playgroup to help parents engage in Bromley's family policy and development services.**

Mum of three Cllr Nicky Dykes and mum-to-be Cllr Aisha Cuthbert initiated Talk, Tots and

Tumble.

The playgroup will be held on the last Saturday morning of every other month from 10am – 11.30am at the soft play area of the Glades.

The first session was held by the councillors, who represent Bromley Town and Shortlands wards, on Saturday

October 27 and received positive reviews.

Cllr Dykes explained: "It seemed necessary to create a new forum to make family information services available at a time and location that will be convenient for parents and carers as well as being fun for children."

They have been well attended with areas of interest being childcare funding and healthcare services. We have created information packs to hand out at the sessions which have been popular, with residents very much appreciating the opportunity to discuss issues of importance to them and their families.

5. Attending the Children, Education and Families Select committee to support Cllr Fortune and the Budget Sub Committee.

**Areas of Focus Going Forward**

Whilst much of the work outlined above will of course continue I have identified with the Portfolio Holder and officers the areas I would like to focus on next.

1. Working with Rachel Dunley we will be investigating how the services provided at our children centres can be promoted and communicated to reach even more of the families in the Borough. Clearly setting out the journey from birth through to key parenting milestones and the support services available. This is likely to include social media as well.
2. School places – the school places planning group will be meeting soon, and I am currently in discussions about how this can evolve to incorporate a greater parent voice and community involvement.
3. Early years sufficiency report – the Borough is required to provide secure and sufficient child care places and a report setting out how this is achieved. I have recently met with the new early years manager to discuss this and shaping the content. This will be worked on over the coming months.

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**Cllr Kira Gabbert  
Executive Assistant to the Environment & Community Services Portfolio Holder**

Having been appointed by Cllr William Huntington-Thresher in May 2018, this is my first year in the position of an Executive Assistant. Environment portfolio covers a vast range of issues and I am grateful for the opportunity to learn about its' various aspects.

The Portfolio Holder asked me to continually monitor Fix My Street (“FMS”) as it was felt that the communications aspect of this extremely useful tool could be improved. I am monitoring FMS threads for different Wards on a weekly basis, following up with the service leads when it is felt that an intervention might be required. I also receive fortnightly RAG reports to help me with this task.

As part of the FMS initiative, I have recently attended a meeting with the Street Lighting Project Board, to discuss how we can work together with our service provider to ensure continuous improvements in handling of FMS inquiries. I have requested for the changes in frequency of FMS updates to be implemented in order to improve the communications aspect of FMS for our residents.

At the request of the Portfolio Holder, I have been liaising with Lorraine McQuillan, Town Centres & BID (Business Improvement District) Development Manager. Our aim is to closely engage with the BID managers to ensure the BIDs’ needs are being met in the context of an agreed framework. The next meeting with the BID Managers is scheduled to take place in the second half of February. At this meeting the new Environment contract can be outlined and there will also be an opportunity for the Managers to raise any other specific issues. Going forward we will look to have a meeting every 3 months with all the BID Managers and the relevant officers from the Council.

I am working with the Neighbourhood Management Team with a view to introduce a street care plan and eventually present this to the Environment PDS for their consideration and approval. As a separate initiative, I am continuing discussions with the officers aimed at reducing the use of pesticides in the Borough’s parks and green spaces through collaboration with IdVerde and looking into possibilities to trial and employ eco-friendly weed-control methods such as hot-foam technology.

I very much enjoyed representing the Portfolio Holder and LBB at the opening of FC Elmstead new clubhouse at Chislehurst Recreation Ground, and at a recent launch of a crowdfunding campaign by Friends of Kings Meadow community group. These had been very positive experiences, as I was able to see what real difference community groups could make with the right support from the Council.

I have attended meetings with the Portfolio Holder as and when required as well as the Environment PDS meetings.

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**Cllr Hannah Gray,  
Executive Assistant to the Renewal, Recreation and Housing Portfolio Holder**

I have been delighted to continue as Executive Assistant to Cllr Morgan since being invited to the post in 2017.

In my role, I have attended monthly meetings with Cllr Morgan and on occasions when requested the weekly meeting between himself, Colin Brand, and his team which covered a varied and wide range of issues that are dealt with within the Portfolio.

My initial project has been to develop a strategy to ensure that Bromley has the best coverage possible for both Broadband and Mobile. In order to progress this project I have met with Kevin Munnely and other professionals and specialists in this sphere; researched the current situation and providers that would be able to offer a better service and will continue to negotiate with potential providers. I have previously had meetings with Steve Barnes (deputy chair of Downe

residents association and former Senior BT Executive in this field) who successfully increased the coverage in the Downe area and whose knowledge has been invaluable and will be very useful going forward. I have also met with local Tier 1 providers who are keen to be involved once we have the final completed information back that we have commissioned, which is unfortunately taking longer than anticipated.

I have attended Bromley Economic Partnership meetings and increased the awareness of the meeting by inviting additional influential businesses. Cllr Morgan has identified the benefits that can be had from creating an open networking session in conjunction with the Bromley Economic Partnership meetings. Cllr Morgan is aware of my extensive networking experience with small and medium size business and has therefore tasked me with expanding his idea. I have developed this in order for local businesses to strengthen their relationship, communication, mutual support and provide an environment for off agenda discussions.

I will continue to work closely and promote LBB with small to medium size business in Bromley at the many networking events I attend throughout the Borough to ensure businesses are aware of, and participating in, the support Bromley Council facilitates.

I have deputised for Cllr Morgan at the Bromley BID meetings and liaised with the BID teams to offer assistance on projects and surveys.

I have also attended Night Tsar meetings representing Bromley during discussions at City Hall re London's night time economy and the part Bromley plays.

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**Cllr Gary Stevens,  
Executive Assistant to the Resources, Commissioning & Contract Management Portfolio  
Holder**

(Report to follow)

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**Cllr Aisha Cuthbert,  
Executive Assistant to the Executive Assistant to the Leader - Portfolio Holder**

I was appointed Executive Assistant to the Leader, Cllr Colin Smith in May 2018. This is my first year as an EA and I have enjoyed getting to know various different departments and working with Cllr Smith on tackling some of the challenges we're facing as a borough.

In November, I had the opportunity to speak at the Executive, Resources and Contracts Policy Development and Scrutiny Committee about my role and some of things I have achieved so far. I highlighted some of the work I've been focusing on in relation to housing given that there are significant resource and financial pressures on temporary accommodation in the borough. I also highlighted a new project I started with Cllr Dykes to reach out to Bromley's busy families about the various programmes and resources available for families and children.

I've been working with the housing department to ascertain policies that can help reduce our temporary accommodation costs and other challenges that relate to the housing crisis. Some of the areas that I have looked at include:

- Working with the portfolio holder for housing and officers on potential projects and programmes that will address the financial pressures associated with homelessness.

- Looking at our relationship with housing associations and investigate potential regeneration sites that could increase the number of social homes in the borough, helping to reduce our reliance on TA.
- Research other housing policies that will help the “stretched middle” in Bromley – those that are earning too much money to qualify for social rent, but who struggle to afford market rent.
- Looking at keyworker accommodation and the types of professions we need to attract to the borough like social workers and healthcare professionals.

As the EA to the Leader, it was important for me to look at other areas that I could support and it was clear that although Bromley offers some fantastic resources and programmes to families and children, reaching out and getting the message to parents and carers is challenging. Cllr Nicola Dykes and I started a new initiative which seeks to address the communication gap, called "Talk, Tots and Tumble". The programme brings information to Bromley's young families at the soft play area in The Glades. Our aim is to bring a new policy topic to every event we host to showcase the fantastic services that LBB offers. At the time of writing, we have hosted two events, the first was on family policies and the second held at the end of January was on health. We intend to hold a third in the spring on housing and related services.

I have enjoyed my time so far as EA to the Leader and I look forward to continuing to work with, and, support Cllr Colin Smith.

Report No.  
CSD19014

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:** GENERAL PURPOSES AND LICENSING COMMITTEE

**Date:** Tuesday 12 February 2019

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

**Title:** PROGRAMME OF MEETINGS 2019/20

**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

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1. Reason for report

- 1.1 This report presents the draft programme of meetings for the next Council Year (2019/20) for Members' consideration. The proposed timetable, which has been the subject of extensive consultation, is based on the current timetable, with only minor alterations. Should Members subsequently agree any changes to the current committee titles at the annual Council meeting, or any other meeting, these changes will be accommodated within the approved timetable.
- 

2. **RECOMMENDATIONS**

- (1) **That, subject to any changes of meeting arrangements subsequently approved by Members, the programme of meetings for 2019/20 be approved.**
- (2) **That the Director of Corporate Services be authorised to adjust the programme in accordance with any changes made to committees by Members, and to make minor corrections to the programme as necessary.**

### Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
- 

### Corporate Policy

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

### Financial

1. Cost of proposal: No Cost:
  2. Ongoing costs: Not Applicable:
  3. Budget head/performance centre: Democratic Services
  4. Total current budget for this head: £350,650 (2018/19)
  5. Source of funding: Revenue Budget
- 

### Personnel

1. Number of staff (current and additional): 8 posts (6.79fte)
  2. If from existing staff resources, number of staff hours: Not applicable
- 

### Legal

1. Legal Requirement: None: Although the Council is required to hold an annual meeting and to appoint an Executive and a scrutiny committee the Council can set its own meeting dates.
  2. Call-in: Not Applicable: This report does not involve an executive decision
- 

### Procurement

1. Summary of Procurement Implications: Not Applicable
- 

### 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 from individual Members will be reported at the meeting.



### 3. COMMENTARY

- 3.1 The Council's programme of meetings is agreed each year by this Committee, and the proposed programme for 2019/20 is attached at **Appendix 1**.
- 3.2 Since 2012, the overall number of programmed meetings has been reduced, allowing savings to be made in staff costs and other ancillary cost savings – heating, lighting, and preparation and distribution of reports. The proposed Programme for 2019/20 has been prepared closely resembling the programme for 2018/19.
- 3.3 As in previous years, every effort has been made to avoid more than one meeting being held on the same evening. The proposed programme has been prepared on the basis that the current Executive and Committee decision-making structures will continue in the same form next year. If Members do make any alterations to these then the programme can be adapted accordingly. Dates can still be changed by individual Chairmen and Committees, and special meetings can still be arranged when necessary. In response to Member comments, the draft programme includes various daytime meetings where these dates are available.
- 3.4 The programme has to fit in with key timelines relating to financial management and reporting, including the setting of the Council Tax and annual budget, the reporting of statutory accounts and budget monitoring cycles. In 2018, the statutory deadlines for publishing the Council's accounts were brought forward, and the unaudited accounts for 2018/19 need to be published by the end of May and the audited financial statements by the end of July. This has necessitated some changes to the programme to enable the Council to meet these tighter deadlines, including a special meeting of the Council before the end of May 2019.
- 3.5 A meeting of the Executive, Resources and Contracts PDS Committee is always scheduled for the week before each Executive meeting to facilitate pre-decision scrutiny. Other PDS meetings are also now aligned more closely with the Executive wherever possible, enabling reports to be scrutinised, where necessary, at service PDS Committees before final approval at the Executive.
- 3.6 The draft programme has been circulated to all Members and to senior officers, and a number of detailed changes have been made in response to the comments received. Any further comments will be reported at the meeting.

<b>Non-Applicable Sections:</b>	Impact on Vulnerable Adults and Children/Policy/Finance/Personnel/Legal/Procurement
Background Documents: (Access via Contact Officer)	Previous report to this Committee on the Programme of meetings

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# LONDON BOROUGH OF BROMLEY PROGRAMME OF MEETINGS 2019/20 (Page 1)

(DRAFT 4/2/19 - For latest updates see the Council and Democracy pages on the Council website)

	APRIL 2019					MAY 2019					JUNE 2019					JULY 2019				
<b>MONDAY</b>	15	22 Easter Monday	29	6 Public Holiday	13	20	27 Public Holiday Half Term	3	10	17	24	1	8	15 COUNCIL	22	29				
<b>TUESDAY</b>	16	23	30	7	14 GP&L	21 EXECUTIVE	28	4 Audit	11 Pensions	18 ECS PDS	25 ACH PDS BEP	2 RR&H PDS	9 GP&L	16	23	30				
<b>WEDNESDAY</b>	17	24	1	8 Annual COUNCIL	15	22 Special COUNCIL	29	5 ECF Sel	12 LJCC	19 ECF Sub Health Scrutiny	26 PP&E PDS	3 EXECUTIVE SACRE	10 Contracts	17	24	31				
<b>THURSDAY</b>	18	25 Plans 4 FAP	2	9 Plans 1 FAP	16 ER&C PDS HWB	23 Plans 2 FAP	30	6 Plans 3 FAP	13 DC	20 Plans 4 FAP SBP Schools Forum	27 ER&C PDS	4 Plans 1 FAP	11 Standards	18 Plans 2 FAP HWB	25	1 Plans 3 FAP				
<b>FRIDAY</b>	19 Good Friday	26	3	10	17	24	31	7	14	21	28	5	12	19	26	2				

	AUGUST 2019					SEPTEMBER 2019					OCTOBER 2019					NOVEMBER 2019				
<b>MONDAY</b>	5	12	19	26 Public Holiday	2	9	16	23	30	7	14 COUNCIL	21 Half Term	28	4	11	18				
<b>TUESDAY</b>	6	13	20	27 Pensions	3 RR&H PDS	10 ECS PDS	17 ACH PDS	24	1	8 ECF Select BEP Health Scrutiny	15	22	29	5 RR&H PDS	12 ECF Sub	19 ACH PDS				
<b>WEDNESDAY</b>	7	14	21	28 Contracts	4 ECF Sub	11 ER&C PDS	18 EXECUTIVE	25	2	9 ER&C PDS	16 EXECUTIVE	23	30 LJCC	6 GP&L	13 ECS PDS SACRE	20 ERC PDS				
<b>THURSDAY</b>	8	15 Plans 4 FAP	22	29 Plans 1 FAP	5 PP&E	12 Plans 2 FAP SBP	19 GPL HWB Schools Forum	26 Plans 3 FAP	3 DC	10 Plans 4 FAP	17	24 Plans 1 FAP	31 Standards	7 Plans 2 FAP Schools Forum	14 PP&E PDS	21 Plans 3 FAP HWB				
<b>FRIDAY</b>	9	16	23	30	6	13	20	27	4	11	18	25	1	8	15	22				

**Key Numbers of meetings**

(Evening meetings normally start at 7pm and are held at the Civic Centre - please check the Council website for latest details.)

Council	7
General Purposes & Licensing Cttee	6
Audit Sub-Cttee	3
Local Joint Consultative Cttee (LJCC)	4
Pensions Investment Sub-Cttee	5
Development Control Cttee	5
Plans Sub-Cttees	25

Executive	8
Standards	3
SACRE	3
Executive, Resources & Contracts PDS	8
Adult Care & Health PDS (CARE PDS)	5
Education, Children & Families Select Cttee (ECF)	4
Environment & Community PDS (ECS PDS)	5
Public Protection & Enforcement PDS (PPE PDS)	5
Renewal, Recreation & Housing PDS (RR&H PDS)	5
ECF Sub-Cttee (ECF Sub)	5
Contracts & Commissioning Sub-Cttee	5

**Other/Daytime meetings\***

Fostering & Adoption Panel (FAP) (10am)	
Bromley Economic Partnership (4pm)	4
Health Scrutiny Sub-Cttee (4pm)	4
Health & Wellbeing Board (1.30pm)	6
Licensing Sub-Cttee (10am)	
Schools Forum (4.30pm)	4
Safer Bromley Partnership (10am)	4

(Dark shaded days are public holidays; light shaded days are school holidays.)

# LONDON BOROUGH OF BROMLEY PROGRAMME OF MEETINGS 2019-20 (Page 2)

(DRAFT 4/2/19 - for latest updates see the Council and Democracy pages on the Council website)

	NOV 2019			D E C E M B E R 2019			J A N U A R Y 2020			F E B R U A R Y 2020					
<b>MONDAY</b>	25	2	9 <b>COUNCIL</b>	16	23	30	6	13	20	27	3	10	17 <i>Half Term</i>	24 <b>Budget COUNCIL</b>	2 <i>Fallback Council</i>
<b>TUESDAY</b>	26 <b>DC</b>	3 <b>Pensions</b>	10	17	24	31	7 <b>LJCC</b>	14 <b>ECF Sub BEP</b>	21 <b>RR&amp;H PDS</b>	28 <b>DC</b> <i>Health Scrutiny</i>	4 <b>PP&amp;E PDS</b>	11 <b>GP&amp;L</b>	18	25	3
<b>WEDNESDAY</b>	27 <b>EXECUTIVE</b>	4 <b>Audit</b>	11	18	25 <i>Christmas Day</i>	1 <i>New Year's Day</i>	8 <b>ER&amp;C PDS</b>	15 <b>EXECUTIVE</b>	22 <b>ACH PDS</b>	29 <b>ECS PDS</b>	5 <b>ERC PDS</b>	12 <b>EXECUTIVE</b>	19	26	4 <b>SACRE</b>
<b>THURSDAY</b>	28 <b>Contracts</b>	5 <b>Plans 4 SBP</b>	12	19 <b>Plans 1</b>	26 <i>Boxing day</i>	2	9 <b>Plans 2</b> <i>Schools Forum</i>	16 <b>Contracts</b>	23 <b>Plans 3</b>	30 <b>ECF Sel HWB</b>	6 <b>Plans 4</b>	13 <b>Pensions</b>	20 <b>Plans 1</b>	27	5 <b>Plans 2</b>
<b>FRIDAY</b>	29	6	13	20	27	3	10	17	24	31	7	14	21	28	6

	M A R C H 2020			A P R I L 2020			M A Y 2020			J U N E 2020					
<b>MONDAY</b>	9	16	23	30	6	13 <i>Easter Monday</i>	20	27 <b>COUNCIL</b>	4 <i>Public holiday</i>	11	18	25 <i>Public Holiday Half Term</i>	1	8	15
<b>TUESDAY</b>	10 <b>ECF Sel</b>	17 <b>ECS PDS</b>	24 <b>ACH PDS</b>	31 <b>PP&amp;E PDS BEP</b>	7 <b>GP&amp;L</b>	14	21 <b>DC</b>	28	5	12	19	26	2	9	16
<b>WEDNESDAY</b>	11 <b>Audit</b>	18 <b>ECF Sub</b>	25 <b>RR&amp;H PDS</b>	1 <b>EXECUTIVE</b>	8 <b>Contracts</b>	15	22 <b>LJCC</b>	29	6 <b>Annual COUNCIL</b>	13	20	27	3	10	17
<b>THURSDAY</b>	12 <b>Standards</b>	19 <b>Plans 3 SBP HWB</b>	26 <b>ERC PDS</b>	2 <b>Plans 4</b>	9	16 <b>Plans 1</b>	23 <i>Health Scrutiny</i>	30 <b>Plans 2</b>	7	14 <b>Plans 3</b>	21 <i>HWB</i>	28 <b>Plans 4</b>	4	11 <b>Plans 1</b>	18
<b>FRIDAY</b>	13	20	27	3	10 <i>Good Friday</i>	17	24	1	8	15	22	29	5	12	19

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**Key Numbers of meetings**

(Evening meetings normally start at 7pm and are held at the Civic Centre - please check the Council website for latest details.)

Council	7
General Purposes & Licensing Cttee	6
Audit Sub-Cttee	3
Local Joint Consultative Cttee (LJCC)	4
Pensions Investment Sub-Cttee	5
Development Control Cttee	5
Plans Sub-Cttees	25

Executive	8
Standards	3
SACRE	3
Executive, Resources & Contracts PDS Cttee (ER&C)	8
Adult Care & Health PDS Cttee (CARE PDS)	5
Education, Children & Families Select Cttee (ECF)	4
Environment & Community PDS Cttee (ECS PDS)	5
Pub Protection & Enforcement PDS Cttee (PP&E P)	5
Renewal, Rec & Housing PDS Cttee (RR&H PDS)	5
ECF Sub-Cttee	5
Contracts & Commissioning Sub-Cttee	5

**Other/Daytime Meetings \***

Fostering & Adoption Panel (A&F) (10am)	4
Bromley Economic Partnership (4pm)	4
Health Scrutiny PDS Sub-Cttee (4pm)	4
Health & Wellbeing Board (1.30pm)	6
Licensing Sub-Cttee (10am)	4
Schools Forum (4.30pm - Bromley College)	4
Safer Bromley Partnership (10am)	4

(Dark shaded days are public holidays; light shaded days are school holidays.)

Report No.  
CSD19015

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:** GENERAL PURPOSES AND LICENSING COMMITTEE

**Date:** 12<sup>th</sup> February 2019

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

**Title:** WORK PROGRAMME 2018/19

**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

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1. Reason for report

1.1 This report summarises the Committee's role and sets out the Committee's proposed dates and work programme for the 2018/19 Council year.

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2. **RECOMMENDATION**

**Members are requested to consider their work programme for 2018/19.**

### Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
- 

### Corporate Policy

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

### Financial

1. Cost of proposal: No Cost:
  2. Ongoing costs: Not Applicable:
  3. Budget head/performance centre: Democratic Services
  4. Total current budget for this head: £350,650
  5. Source of funding: 2018/19 revenue budget
- 

### Personnel

1. Number of staff (current and additional): 8 (6.79fte)
  2. If from existing staff resources, number of staff hours: Not applicable
- 

### Legal

1. Legal Requirement: Statutory Requirement: The Committee is responsible for non-executive functions as required by the Local Government Act 2000.
  2. Call-in: Not Applicable: This report does not involve an executive decision.
- 

### Procurement

1. Summary of Procurement Implications: Not applicable
- 

### Customer Impact

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

### Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: Not applicable

### 3. COMMENTARY

- 3.1 Bromley Council operates under a “Leader and Executive” constitutional model, with most decision making functions resting with the Executive. However, there are a number of functions which the Executive is prohibited from dealing with, for which Committees need to be appointed. In Bromley, the majority of these “non-executive” functions are the responsibility of Development Control Committee for town planning and related functions, and this Committee for most other non-executive functions, including licensing.
- 3.2 General Purposes and Licensing Committee fulfils the role of Licensing Committee under the 2003 Licensing Act, but also deals with a range of other non-executive functions that cannot be dealt with by the Executive or do not fall within the terms of reference of Development Control Committee. It therefore has a range of varied and sometimes unrelated responsibilities, including finance matters relating to audit and pensions, human resources, complaints, elections and Member appointments.
- 3.3 Unlike PDS Committees, the General Purposes and Licensing Committee has decision-making powers, many of which are delegated to a number of sub-committees. These sub-committees also have decision-making powers within their own terms of reference, and in most cases their minutes are reported up to the parent committee for information. At the meeting on 25<sup>th</sup> July 2018 the Chairman suggested that the Committee might like to receive a brief oral update from each of the main Sub-Committee Chairmen - this is being arranged for the current meeting.
- 3.4 At its last ordinary meeting on 26<sup>th</sup> September 2018 the Committee received an update on changes to Animal Licensing Legislation. A report is now due to be considered at Public Protection and Enforcement PDS Committee on 4<sup>th</sup> December for pre-decision scrutiny before the Public Protection and Safety Portfolio Holder is asked to agree the fees to be charged from 1<sup>st</sup> January 2019. The fees are set on a full cost recovery basis.
- 3.5 The Committee has six scheduled meetings in the year, including this one, plus a meeting after the Council’s annual meeting to appoint Sub-Committees. In addition, a special meeting was held on 5<sup>th</sup> November 2018. The meetings for the 2018/19 Council year are set out in appendix 1, with the reports already considered, or anticipated, at each meeting. Once meetings dates for 2019/20 are confirmed by this Committee a programme of work for the forthcoming year will be drawn up.

<b>Non-Applicable Sections:</b>	Impact on vulnerable adults and children/Policy/Financial/Personnel/Legal/Procurement
Background Documents: (Access via Contact Officer)	None

**General Purposes and Licensing Committee**  
**Work Programme 2018/19**

**29<sup>th</sup> May 2018**

Appointments to Outside Bodies  
Work Programme

**25<sup>th</sup> July 2018**

Audit of Financial Statements 2017/18  
New Animal Welfare Regulations  
Draft Statement of Gambling Licensing Policy  
Local Pension Board Appointment of Board Member  
Work Programme  
(+ *training session on Licensing*)

**26<sup>th</sup> September 2018**

Update from Local Elections 2018  
Update from the Members Induction Programme  
Members Allowances Review  
Gambling Licensing Policy  
Animal Welfare Regulations  
Work Programme  
(+ *training session on HR appeals*)

**5<sup>th</sup> November 2018** (*special meeting*)

Teacher Pay Policy - Centrally Based Staff

**27<sup>th</sup> November 2018**

Updates from Sub-Committee Chairmen  
Teacher Pay Policy - Centrally Based Staff  
Annual Complaints Report and Annual Ombudsman's Letter  
Governance and Administration of Public Service Pension Schemes  
Local Government Pension Scheme (Amendment) Regulations 2018  
The Local Pension Board - Annual Report  
Appointments to Outside Bodies  
Work Programme

**12<sup>th</sup> February 2019**

Pay Award 2019  
Pay Policy Statement 2019/20  
Members Allowances 2019/20  
Executive Assistants Reports 2018/19  
Programme of Meetings 2019/20  
Work Programme  
Cessation of Admission Body - Deficit Reduction Plan

**19<sup>th</sup> March 2019**

LJCC Terms of Reference  
Local Pension Board Appointment of Board Member  
Electoral Review  
Appointments to Outside Bodies - St Olave's & St Saviour's Foundation  
Work Programme



## LOCAL PENSION BOARD

Minutes of the meeting held at 2.27 pm on 6 November 2018  
(start of the meeting delayed from the scheduled start time of 2pm)

### Present

Pinny Borg (Chairman)  
Emma Downie  
Lesley Rickards

### Also Present

Fahar Rehman, Pensions Manager  
Keith Pringle, Democratic Services Officer

#### **1 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Geoff Wright and Lesley Rickards conveyed her apologies for late arrival.

#### **2 APPOINTMENT OF CHAIRMAN**

It was agreed that Pinny Borg would continue as Chairman until the term of office for all Board Members expires on 30<sup>th</sup> June 2019.

#### **3 DECLARATIONS OF INTEREST**

There were no declarations.

#### **4 MINUTES OF THE PREVIOUS MEETING HELD ON 10 APRIL 2018**

The minutes were agreed subject to the final sentence of Minute 14 being amended to:

*“Pinny Borg was appointed Chairman of the Board for the current twelve month period.”*

#### **5 MINUTES OF THE GENERAL PURPOSES AND LICENSING COMMITTEE MEETINGS HELD ON 29 MAY 2018, 25 JULY 2018, AND 26 SEPTEMBER 2018**

The minutes were noted.

#### **6 MINUTES OF THE PENSIONS INVESTMENT SUB-COMMITTEE MEETINGS HELD ON 22 MAY 2018, 24 JULY 2018, AND 13 SEPTEMBER 2018**

The minutes were noted. In so doing attention was drawn to the increased market

value of the L B Bromley Fund at £1,044.3m as of 31<sup>st</sup> July 2018.

For minutes of the Sub-Committee's meeting on 24<sup>th</sup> July 2018, reference was made to the Pension Fund Risk Register and two significant risks affecting the responsibilities of the Pensions Manger i.e. governance risk and operational risk. The former could include the cessation of an admitted body due to not having any active members, a body dissolving, or reaching the end of the contract term with the ceasing body unable to pay the calculated cessation value. Operational risk could include a loss of data due to system failures, causing membership data to be lost, and making the payment of pensions impossible to calculate and pay.

Controls to reduce the financial risk comprised procedures in place, particularly on newer contracts, to have bond or guarantors to cover any cessation debts, covenant reviews, and monitoring of the membership profile of scheme employers. For the operational risk, daily data backups are made by the software provider Aquila Heywood. Through existing controls, risks are mitigated, presenting a low likelihood of occurrence. As such, both risks hold a low risk rating and both are monitored monthly. A full risk register is being produced to cover all Pension admin risks and will be presented at the next Local Pension Board Meeting and to the General Purposes and Licensing Committee.

## **7 INTRODUCTION TO THE LGPS FOR BOARD MEMBERS (PRESENTATION)**

The Pensions Manager outlined details of the Local Government Pension Scheme (LGPS) as provided in the presentation slides for the item (**Appendix A**). This forms part of the Board's training in acquiring and retaining knowledge and understanding of the LGPS.

## **8 LOCAL PENSION BOARD ROLES AND RESPONSIBILITIES**

A Pensions Regulator guide on public service pension boards was provided to help convey Board Member roles and responsibilities.

A further document outlined the requirement level, source of knowledge/information, and RAG rating for:

- aspects of knowledge and understanding needed by Board Members;
- conflicts of interest and Board Member representation; and
- publishing information about schemes.

Highlighting a training need for Board members, Lesley Rickards felt that an overview would be appreciated on the requirement for a Pension Board to be conversant with scheme rules and documented Administration policies. The Pensions Manger confirmed that specific training can be arranged and particularly recommended Trustee training through the Pension Regulator's website with a certificate provided on conclusion of the course.

Concerning a further requirement for Board members to be conversant in the performance of outsourced service providers, the Pensions Manager advised the Board of an example of an outsourced employer that had significantly reduced active employees since their admission and that risk assessments had been carried out with a view to controlling pension liabilities.

Overall, the L B Bromley Pension Fund is performing well and further training for LPB Members is an area to be taken forward (**ACTION: Pensions Manager**).

## **9 PENSION FUND ANNUAL REPORT 2017-18**

Board Members considered the L B Bromley Pension Fund Annual Report 2017/18, previously presented to the Pensions Investment Sub Committee at its meeting on 24th July 2018.

The annual report includes *inter-alia* the following documents:

- Governance Policy Statement
- Funding Strategy Statement
- Investment Strategy Statement
- Communications Policy Statement.

The report was provided to the Board for oversight purposes and attention was drawn to the analysis of pension overpayments, recoveries and amounts written-off (page 8 of the Annual Report). Of 65 overpayments to pensioners in 2017/18 totalling £25,231.93, a sum of £5,933.75 remained outstanding of which £351.71 related to death notifications received from January 2018. The level of overpayments had reduced from 2016/17 (at £39,974.48) as had the total outstanding (at £23,588.04 in 2016/17). It can be difficult to recover pension overpayments and sometimes families do not report the death of a pensioner. To help further reduce overpayments arising from this issue the Pensions Manager was exploring the possibility of introducing regular mortality screening for pensions in payment.

The contract with Aquila Heywood for software to administer the L B Bromley Fund had been renewed with provision for a five-year extension.

Reference was also made to the Fund's increased level of funding between 2013 and 2016. At the 31<sup>st</sup> March 2013 actuarial valuation the funding level stood at 82% compared to 91% for the 31<sup>st</sup> March 2016 valuation.

## **10 LOCAL PENSION BOARD DRAFT ANNUAL REPORT**

### **Report FSD18081**

Terms of Reference for the Board require production of an Annual Report.

Board members agreed the draft Local Pension Board Annual Report dated October 2018. This will now be provided for information to the L B Bromley Full Council meeting on 10<sup>th</sup> December 2018 via meetings of the Pensions Investment

Sub-Committee (7<sup>th</sup> November 2018) and General Purposes and Licensing Committee (27<sup>th</sup> November 2018).

**RESOLVED that the draft LPB Annual Report appended to Report FSD18081 be approved.**

## **11 LOCAL PENSION BOARD WORK PLAN**

The Board agreed its Work Plan for the coming year as detailed at **Appendix B**.

For Task 1 concerned with reviewing monthly Pensions Administration Reports and Key Performance Indicators (KPI's), the reports are produced by the Pension Fund's third party administrator, Liberata, and are circulated by the Pensions Manager on a monthly basis to Board members (**ACTION: Pensions Manager**).

For Task 9, *Review the training requirements of Board members*, the Pensions Manager intends to send a self-assessment form to each Board member for self-assessment against standards expected of Board members (**ACTION: Pensions Manager**).

## **12 ANY OTHER BUSINESS**

The Local Pension Board Terms of Reference allow the Board to meet up to four times a year and with the appointment terms ending in June 2019, the Board felt it would be beneficial to hold a meeting shortly after appointments are made for the new term of office.

As such it was agreed that the Board's next meeting will be held just after the appointment of Board Members for the next four-year term. To this end, provisional date options for the next meeting will be emailed to Board Members in due course (**ACTION: Democratic Services**).

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

## **14 EXEMPT MINUTES OF PENSIONS INVESTMENT SUB-COMMITTEE MEETINGS HELD ON 22 MAY 2018, 24 JULY 2018, 13 SEPTEMBER 2018**

The exempt (not for publication) minutes of the above Pensions Investment Sub-Committee meetings were noted.

In so doing, the Pensions Manager briefly outlined background to the London Collective Investment Vehicle and the Government's pooling agenda for Pension Funds of the LGPS.

The Meeting ended at 3.24 pm

Chairman

## **PENSIONS INVESTMENT SUB-COMMITTEE**

Minutes of the meeting held at 7.00 pm on 7 November 2018

### **Present**

Councillor Keith Onslow (Chairman)  
Councillor Russell Mellor (Vice-Chairman)  
Councillors Gareth Allatt, Simon Fawthrop, Simon Jeal,  
David Jefferys and Gary Stevens

### **Also Present**

John Arthur, M J Hudson Allenbridge Investment Advisers

### **63 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**

There were no apologies.

### **64 DECLARATIONS OF INTEREST**

Interests were declared by virtue of deferred membership of the Local Government Pension Scheme as per those previously notified (for the Register of Interests).

### **65 CONFIRMATION OF MINUTES OF THE MEETING HELD ON 13TH SEPTEMBER 2018 EXCLUDING THOSE CONTAINING EXEMPT INFORMATION**

The Minutes were agreed.

In so doing two matters were raised. The first concerned the LCIV receiving any additional permissions under their Phase 3 of development which could lead to investments being managed on behalf of boroughs. The Chairman explained that the LCIV's Financial Plan had been raised in principle at the October Meeting of the LCIV Shareholder's Committee.

The second matter concerned the LCIV's Depositary. With the LCIV Interim CEO previously confirming Northern Trust as the LCIV's Depositary, it was minuted that a check would be necessary on whether a copy of the Depositary's report could be provided. This remained outstanding and it was agreed that the matter should be reflected as a continuing action point for the current minutes (**ACTION: LCIV/Director of Finance**).

**66 QUESTIONS BY MEMBERS OF THE PUBLIC ATTENDING THE MEETING**

There were no questions.

**67 PENSION FUND PERFORMANCE Q2 2018/19**

**Report FSD18086**

Details were provided of the Fund's investment performance for the second quarter of 2018/19. Additional detail was provided in an appended report from the Fund's external advisers, MJ Hudson Allenbridge.

The market value of the Fund ended the September quarter at £1,045.5m (£1,017.9m at 30<sup>th</sup> June). The quarter total fund return was +2.84% against the benchmark of +3.36%. Detail on performance by individual fund managers was appended to Report FSD18086.

The Fund's medium and long-term returns remain very strong overall - the Fund ranking third in the PIRC LGPS universe for the year to 31<sup>st</sup> March 2018, first over three years, second over five years, first over ten years and second over 20 and 30 years. In addition to winning the LGPS Investment Performance of the Year in 2017, the Fund has also recently won the LGPS Fund of the Year (assets under £2.5bn) in 2018, recognising the consistent high performance of the Fund.

Information on general financial and membership trends of the Pension Fund was also outlined along with summarised information on early retirements. Final outturn details for the 2017/18 Pension Fund Revenue Account were included as was the second quarter position for 2018/19 and fund membership numbers. A cash surplus for the Fund of around £3m is expected for the year.

For the Sub-Committee's meeting on 5<sup>th</sup> March 2019, it was proposed to invite Baillie Gifford (global equities and fixed income) with MFS invited to the Sub-Committee's following meeting (currently set for 23<sup>rd</sup> May 2019).

John Arthur (M J Hudson Allenbridge) commented on the Fund's performance for the quarter. Reference was made to the Fund's increased value although underperformance from Baillie Gifford's Global Equity portfolio (accounting for over 40% of the Fund's assets) returned at 3.4% over the quarter leading to the Fund underperforming its benchmark by 0.5%. The quarter had not favoured Baillie Gifford's approach to investment growth and they had now underperformed over a couple of quarters. In view of the economic/market outlook, Baillie Gifford could be expected to struggle a little in future (but long term the portfolio had performed very well and continued to hit its long term performance target).

Conversely, MFS outperformed during the quarter on the Fund's other Global Equity portfolio and MFS were now more stable following a period of poor

performance (MFS invests in a different manner to Baillie Gifford and was selected because of this diversification of investment philosophy and approach).

On economic outlook, a period of falling growth and rising inflation will be difficult for equities and fixed rate bonds. Events can happen to take the economy into different phases (e.g. Stagflation, Reflation, Deflation, increased productivity) causing uncertainty. In the U.S. The President tended to act specifically for the U.S. and economic growth. Mr Arthur was optimistic of having economic growth; however, recession was further away but when it occurs it could be more extreme.

The Fixed Interest portfolios and their value were discussed. Fixed interest provided diversification and returns will rise in a deflationary cycle when returns from equities reduce. Mr Arthur referred to removing some duration from fixed interest and explained how Fidelity can achieve a higher yield in such a difficult market (involving the purchase of Government debt). Provided a procurement process is not necessary, this was worth exploring, and a meeting could be arranged with Fidelity. Fidelity can then bring a proposal to the Sub-Committee's meeting on 5<sup>th</sup> March 2019. The Chairman questioned the value of the current Fixed Interest allocation and if Mr Arthur's approach looked possible, he suggested Members consider any better mandate. Although from an actuarial perspective it might not be appropriate to take too much from Fixed Interest, it would be a good area to look at given the market volatility. Supporting the approach, another Member asked to see information on U.S. default rates and securitised debt. It was highlighted that some 6.4% of Schroder's Alternatives portfolio is allocated to Securitised Debt and Mr Arthur indicated that (U.S.) default rates are particularly low.

A Member wanted to see the investment income that is paid to the Council from MAI and property funds to see how the return is spent. The Director advised that a memorandum summary can be produced in future with the quarterly Fund performance report (**ACTION: Director of Finance**).

Concerning Baillie Gifford's under-performance, Mr Arthur did not expect the portfolio to fall much further and commented on the exceptional run of good performance (over recent years). Noting that Fixed Income is in line with benchmark, a Member suggested that passive is also looked at if Fixed Interest is reviewed. Mr Arthur indicated that he would not naturally put forward a passive rate in Fixed Interest.

**RESOLVED that the contents of Report FSD18086 be noted.**

## **68 PENSION FUND - INVESTMENT REPORT**

Representatives from Schrodgers (Multi-Asset Fund Manager and Client Director) attended to present their investment report.

The Schrodgers ISF Global Multi-Asset Income (MAI) fund sets out to achieve a sustainable, stable investment outcome with an income objective of 4 to 6%

p.a. over a market cycle and an expected volatility of 5 to 7% p.a. The Fund had returned 4% p.a. since inception (GBP hedged).

The previous three months had been challenging for performance. At 30th September 2018, the Year to Date (YTD) contribution to return for Schrodgers MAI fund provided a 0.3% portfolio return in U S Dollars (Gross of Fees) and a return of -1.0% in GBP (Gross of Fees). Broken down, equity contributed 0.7% return, Fixed Income contributed -0.4%, Alternatives contributed 0.4% and cash and currency contributed -0.3%. Equities had been a driver for the marginal returns but fixed interest is challenging as interest rates are rising. Alternatives behave differently from other classes and are inexpensive, providing good returns in October. For cash and currency, sterling was a little difficult in view of Brexit but the risk had been managed.

Details were provided of current allocation and yield by asset class (allocations at 31<sup>st</sup> October 2018 and yields at 30 September 2018). Over the next four years, a yield of between 4% and 6% was expected. The presentation also illustrated the current portfolio composition with 26.9% allocated to equities, 49.6% to fixed income, 18.9% to alternatives and 4.5% to cash.

Although asset class returns for 2017 exceeded Schrodgers expectations, 2018 is proving more difficult. In 2017 only one asset class failed to return above 0% (US dollar) but so far in 2018 seven asset classes are failing to return with just five asset classes doing so i.e. US Tech Equities (9.8%), Oil (8%), US dollar (5.4%), US Equities (3%) and High Yield Debt (0.9%). October in particular had proved negative with only the US dollar asset class (2.1%) and Gold (2%) positively returning.

Concerning Schroder's view of global growth, this was forecast to be 3.3% for 2018 and 3% for 2019. Risk cycle trend data from 1978 to date for both the Business Cycle Indicator (BCI) and a US output gap model also suggested that an expansion stage is currently being experienced (particularly in the U.S.). However, this was not good for fixed income with global inflation gradually rising (and inflation rising faster in the U.S.). Central banks were also starting to raise interest rates slowly and Quantitative Easing had ended. With interest rates rising, Schroder's needed to be more creative (in obtaining returns). The presentation also showed that monetary policy is normalising with details provided on how value is being sought in equities (US equity valuations look extended and assets are inexpensive in the U.S). Buying cheaper assets was thought beneficial. Further details showed how a granular approach is being taken to fixed income (capitalising on market dislocations and inefficiencies).

Information was also provided on: alternative assets; current risk adjusted yield for the Global MAI strategy against other asset classes set against volatility; and a diagrammatic (dynamic) analysis of what can happen to the global economy (stagflationary, reflationary, deflationary and productivity boost) set against certain scenarios. A number of further slides were also appended to the Schrodgers presentation.



Concerning infrastructure, this had produced wealth but there were now challenges including those around Brexit. Longer term, the Multi-Asset Fund Manager considered infrastructure attractive, particularly in terms of what is available globally, but short term investment in infrastructure (over one to three years) was not considered so attractive.

On income, a 4.5% to 5% return was currently expected for the next 12 months with overachievement expected in the following 12 months (in the order of 5%). Four months previously, income was about 4% and to generate 5% at that point would have meant Schrodgers taking undue risk.

In regard to Brexit, the Fund Manager had a positive view on sterling, noting that UK data had surprised since the referendum vote. Against the U.S. dollar, sterling was particularly cheap leading to tentative moves back into sterling. The UK equity market was starting to look cheap and apart from infrastructure, UK assets are looking quite attractive.

In October, global equities fell some 7% to 8% and it was thought that this was due to the markets being too optimistic rather than a result of economic weakness. Schrodgers were 'parking' investments into alternative assets where real yield is obtainable; it would then move back into the market when it was more attractive. Reference was also made to dollar exposure to manage risk but more broadly Schrodgers sought to increase investment in alternatives.

Uncertainty was causing jitters (a Member noted developments concerning a U.S./China trade war, U.S. inflation, concerns over Italy, and the German Chancellor having given notice of leaving office) and the level of panic in markets during October had been considerable. The Fund Manager predicted the start of a negative period (a U.S./China trade war starting and more volatility) and Schrodgers needed to be more creative and move to other assets. China was worrying; official data indicated that the economy is well managed but non-official reports suggest a fall in electricity demand. The Fund Manager felt that a number of analysts are too optimistic and it is necessary to prepare now for the future.

Noting a 3.3% investment allocation to infrastructure (within a total alternatives allocation of 18.9%), the Director of Finance questioned whether the allocation should be more like 10% rather than 3.3% and whether any increased allocation would be non-U.K (any future nationalisation under a new Government would remove the attraction of U.K. based infrastructure). The Fund Manager considered 3.3% low but access can be difficult with infrastructure investment and an element of liquidity is necessary. She indicated that investment would be non-UK but preferred a 5% allocation to infrastructure rather than an increase to 10%.

A question was asked on how the allocation of assets is decided and whether fees are paid annually or quarterly. Schrodgers took a diversified approach (on allocation); should one asset not perform, others will perform and the sequence of returns mattered to create a stability (of income return).

Schroders have a qualitative process to focus on the value of assets in the economic cycle. Harnessing an algorithm and human input (for sentiment) combined to make a judgement. The Client Director indicated that fees are 0.35% of the value of an investment with invoices provided quarterly.

Although Schroders manage a £70bn sterling mandate which they had won, along with managing an additional £60bn, the Fund Manager confirmed there would be no disruption to the portfolio (in performance management) and her team would continue to focus on their current mandate for L B Bromley.

Following the discussion, and with the representatives having left the room, all Members agreed that an excellent presentation had been provided and the Chairman asked that the Sub-Committee's feedback be provided to the Schroders representatives (**ACTION: Director of Finance**).

## **69 LOCAL PENSION BOARD - ANNUAL REPORT**

### **Report FSD18081**

Members noted the Annual Report of the Local Pension Board.

**RESOLVED** that the contents of the Local Pension Board Annual Report (dated October 2018) appended to Report FSD18081 be noted.

## **70 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**

## **71 CONFIRMATION OF EXEMPT MINUTES OF THE MEETING HELD ON 13TH SEPTEMBER 2018**

Members received Part 2 minutes of the Sub-Committee's previous meeting and the Chairman requested that future Sub-Committee meetings include "Chairman's Update" as a regular item (**ACTION: Democratic Services**).

The opportunity was also taken at this point to apprise the Sub-Committee on certain matters under Part 2 proceedings of the meeting.

**72 LONDON CIV - PENSION RECHARGE AND GUARANTEE AGREEMENTS**

The report for this item had been withdrawn. It was considered too soon to look at recommendations for L B Bromley to enter into a Pension Guarantee Agreement (requested by the LCIV and City of London) and Pension Cost Recharge Agreement (requested by the LCIV) related to the pension liability of LCIV employees in the LGPS scheme. Further legal information was necessary and the matter would not be considered at the present time.

The Meeting ended at 9.55 pm

Chairman

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## **PENSIONS INVESTMENT SUB-COMMITTEE**

Minutes of the special meeting held at 6.30 pm on 14 January 2019

### **Present:**

Councillor Keith Onslow (Chairman)  
Councillor Russell Mellor (Vice-Chairman)  
Councillors Gareth Allatt, Simon Fawthrop, Kira Gabbert,  
Simon Jeal and Gary Stevens

### **Also Present:**

John Arthur, MJ Hudson Allenbridge Investment Advisors

### **73 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**

Apologies for absence were received from Councillor David Jefferys, who was replaced by Councillor Kira Gabbert.

Apologies for lateness were received from Councillor Gary Stevens.

### **74 DECLARATIONS OF INTEREST**

There were no declarations of interest.

### **75 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**

### **76 DUE DILIGENCE REVIEW OF LONDON CIV BAILLIE GIFFORD GLOBAL ALPHA GROWTH FUND**

The Sub-Committee considered a report on the due diligence review of the London CIV Global Alpha Growth Fund commissioned from the Council's independent advisor.

**77            CESSATION OF ADMISSION BODY - DEFICIT REPAYMENT  
                 PLAN**

The Sub-Committee agreed to consider an urgent report regarding the cessation of an admission body, and agreed recommendations for a decision by General Purposes and Licensing Committee.

The Meeting ended at 7.30 pm

Chairman

## **AUDIT SUB-COMMITTEE**

Minutes of the meeting held at 7.00 pm on 14 November 2018

### **Present:**

Councillor Neil Reddin FCCA (Chairman)  
Councillor William Huntington-Thresher (Vice-Chairman)  
Councillors Gareth Allatt, Ian Dunn, Robert Evans,  
Charles Joel and Tony Owen

### **Also Present:**

Deepali Choudhary, Barrie Cull, Catriona Ellis, David Hogan, Stephen John, Charles Oseghare, Linda Pilkington, Tricia Wennell, Councillor Angela Wilkins and Stephen Wood

### **15 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS**

No apologies were received.

### **16 DECLARATIONS OF INTEREST**

The Chairman declared an interest as a former Governor of St Olave's School.

Councillor Allatt declared an interest in that his daughter worked for KPMG.

### **17 CONFIRMATION OF THE MINUTES OF THE MEETING HELD ON 24th MAY-- EXCLUDING EXEMPT INFORMATION**

The minutes of the meeting held on 24<sup>th</sup> May 2018 were agreed and signed as a correct record.

### **18 QUESTIONS FROM COUNCILLORS OR MEMBERS OF THE PUBLIC**

No questions had been received.

### **19 MATTERS OUTSTANDING FROM THE LAST MEETING-- EXCLUDING EXEMPT INFORMATION CSD 18154**

Members were briefed concerning the matters arising from previous meetings.

Members noted that two issues raised in the November 2017 meeting were still ongoing; these were the issues concerning an insurance policy to insure against the effects of cyber-attack, and the outstanding matter of the objection to the accounts. It was expected that there would be an Insurance tender process initiated early in the New Year which would consider options available for cyber-insurance. A Member queried how value for money for cyber insurance could be evaluated. The Head of Audit responded that it would depend on what was covered, but a judgement would need to be undertaken. It was asked if Councillor Onslow was consulted concerning insurance matters and the answer to this was affirmative

Two matters had been raised at the meeting in May 2018, which were the appointment of consultants to oversee the Civic Centre Accommodation Strategy, and also the amount of storage at the TNT storage depot. Both of these matters were ongoing.

Members noted the update concerning the clarification of gross and net risk scores, and this matter was now closed.

A Member referred to page 3 of the minutes and the reference to agency staff engaged for more than 6 months. It was queried if this process was continuing. Internal Audit confirmed that the recommendation was still outstanding. In some cases agency staff had been employed for a year or more. This situation would continue to be monitored as it was a P1 recommendation. The issue was also going to be looked at by the CLT (Corporate Leadership Team). A Member asked who made the final decision with respect to agency staff. This was the Director of HR. Assurance was provided that the issue would be monitored and Members would be updated at the next Audit Sub-Committee meeting.

Members noted page 4 of the minutes and the previous comments made by Councillors Allatt and Owen. It was asked what would happen as a result of the comments made. It was confirmed that the comments would be fed back to officers.

**RESOLVED that the Matters Arising Report be noted.**

**20            QUESTIONS ON THE AUDIT REPORTS PUBLISHED ON THE WEB**

No questions had been received regarding the Audit reports that had been published on the web.

**21            INTERNAL AUDIT PROGRESS REPORT  
FSD 18083**

The Part 1 Internal Audit Progress Report was written by David Hogan, Head of Audit.



The report was written to inform Members of recent audit activity across the Council, and provided an update on issues that had arisen at the previous meeting.

Members were updated concerning the **Audit of Contract Management for Adult Mental Health** that had taken place previously. It was noted that the audit opinion was Limited and the five priority one recommendations were noted.

Five months subsequently, a follow up of Adult Mental Health was undertaken, and the progress on implementing five Priority 1 recommendations was reviewed.

In the previous audit it was pointed out that there had been no change in the contract for 14 years and no evidence of any change controls. It was noted that the current contract would either be terminated or formalised as a partnership agreement, or would continue as it was with the implementation of change controls to support any variations to the contract. The P1 recommendation remained open.

The Adult Mental Health Audit had identified that the performance measures in the agreement were obsolete and that no defined monitoring agreements were in place. It was also the case that a Mental Health Board was not in place and no reviews had been undertaken.

The follow up revealed that the agreement was going to be updated, with new KPIs. Feedback was required from Oxleas. Members were pleased to note that the CCG Monitoring Board now met monthly and would be reviewing the Section 31 agreement regularly. It was also the case that a dedicated monitoring meeting led by LBB and chaired by the Director for Adult Social Care would be commencing in November 2018. The recommendation for Performance Measurement and Monitoring would however, remain open.

The previous audit had also shown that roles and responsibilities were not clearly defined. These issues had now been resolved and so the previous P1 recommendation was closed.

The Adult Mental Health Audit had also shown deficiencies in the amount of time taken to complete service agreement reviews. Members were pleased to note that significant improvements had been made in dealing with the backlog of reviews and with completing new reviews on time. For this reason the P1 recommendation had been changed to partially implemented. As soon as Oxleas could evidence that the reviews for new starters were being reviewed within the target time of six months, then the status of the recommendation would be changed to fully implemented.

The Head of Audit commented that much hard work had been done over the summer period, new appointments had been made and outstanding reviews had now been completed. Some improvements were dependant on responses from Oxleas.

The Director of Adult Social Care attended the meeting and apologised for the problems that had been identified by Internal Audit. He said that some of the difficulties that had been experienced had been caused by staffing issues and by conflicting priorities. He was grateful for the work undertaken by Internal Audit in setting standards and focus. The Division was now working more closely with CLT, Audit, Internal Commissioning and other partners. The Director had now set up monthly review meetings.

The Chairman asked what performance management had been undertaken previously. The Director responded that previously nothing was in place to monitor the strategic section 31 agenda—however, operational management was in place and the Director was in close contact with the Head of Social Care at Oxleas, and discussions would take place regarding statutory issues and possible detentions.

The Chairman asked if any of this would be reported back to the relevant PDS Committee and the response was 'no'. The Director stated that it was now the case that more robust processes were in place, and that the relationship with Oxleas had improved. An explanation was then provided to explain the differences between Section 31 and Section 75 agreements. The Vice Chairman asked if these agreements would show in the Contracts Register Database and the answer to this was affirmative. It was also the case that they would flag up on the CDB going forward if necessary.

A Member asked how it was possible for such a mess to occur with respect to the post of the Business Support Officer (BSO)—given the significance of the contract. The Director responded that LBB used Carefirst as its database, and Oxleas used RIO. The previous BSO had been well embedded and it seemed to be the case that feedback from RIO was not always fed back directly into the Carefirst database by the BSO. Sometimes communication was by word of mouth or letter. When the BSO left, it was the case that not only did the BSO leave, but the procedures did as well. Lessons had been learned from this. It was realised that a full time person was required that could sit in on the Peer Review Group chaired by the Director. The practice had now been revised so that information would be transferred directly to Carefirst.

A comment was made about Carefirst not being fit for purpose and so because of this the Executive had agreed that a new system be developed. The Director expressed the view that the main problem had been with the input of data onto Carefirst and with the subsequent interpretation of data by the Performance Management Team.

A Member asked if the new system being developed by for LBB would be able to 'talk' to 'RIO'. The Director responded and clarified that the two systems would not be able to speak directly to each other. Relevant sharing agreements would be developed with Oxleas to compensate. It was likely that users of RIO at Oxleas would be provided with limited/relevant access to Carefirst.

With reference to a variation to the Adult Mental Health contract, a Member asked if the relevant feedback had been received from Oxleas, and the answer to this was that it had. Just minor changes to the contract had been requested.

A Member noted comments about the review of service agreements, and that the reviews would be undertaken every 3-6 months; he hoped that this would not just be a box ticking exercise. He asked what the effect had been on those clients that had not been reviewed in time, and if the 355 cases that had now been reviewed had affected LBB's budget.

The Director responded that Care Plans would be reviewed after 6 weeks to 3 months. If that seemed to be working well, it was aimed to review again in 12 months. Regular reviews could sometimes be delayed if more urgent cases required assessing first. It may be the case that certain individuals posed a threat to the public under the Mental Health Act, and so those cases would need to be reviewed first. Also if the care of individuals had been assessed by the CQC as requiring improvement, those cases would also have to be allocated priority. With respect to the effect on budget spend; the Director stated that there had been an effect, with some care packages reducing and some increasing.

A Member asked if it was necessary (and VFM) for a Mental Health Board to exist as well as the Adult's Safeguarding Board and the Children's Safeguarding Board. The Director explained that the Mental Health Board that he had referenced previously was different, and was not a safeguarding board. It was a performance management board that was concerned with overseeing the Section31/75 contract.

It was clarified that LBB's relationship with Oxleas was contractual—Oxleas was a contractor to whom LBB had contracted out services. However, the Director was keen to stress that he liked to work with Oxleas on the basis that they were not only a contractor, but that they were also a partner.

The Vice Chairman asked how the flow of money worked between LBB and Oxleas. It was explained that the money was passed to Oxleas from LBB upon receipt of an invoice.

The Audit opinion with respect to **Adult Safeguarding** was defined as 'Substantial'. However two P2 recommendations had been raised regarding the timeliness of the strategy discussion and the timeliness of closing the case when risks had been eliminated.

Members noted the **Risk Registers** that had been appended to the report. They were reminded that it had been agreed that the Risk Registers would be reviewed at least on a six monthly basis. They would be reported on initially to the Audit Sub Committee, and subsequently to the various PDS Committees.

Members further noted the work streams that the CRMG had commissioned Zurich to undertake to inform and strengthen risk management.

Members were advised that the **Annual Governance Statement** for 2017/2018 had received approval from LBB's external auditors on 25<sup>th</sup> July 2018. Members noted the five areas that had been identified for further improvement:

- Finance
- Contract Management
- Performance Management
- Code of Corporate Governance
- GDPR

The Head of Audit drew the attention of Members to Appendix B, which outlined the current list of outstanding priority one recommendations.

Members were appraised that the Audit opinion for **Continuing Healthcare Funding** was 'Substantial'; however it was also the case that seven P2 recommendations had been raised.

Members were pleased to note that the Audit opinion with respect to **Council Tax** was 'Substantial' and that controls were in place and working well.

The Committee was updated with respect to the audit for **IT Project Management** and notified that controls were working well with respect of Change Control Notices and in other areas. There were no P1 recommendations and the Audit opinion was substantial.

The Audit of **Creditors** was mixed—controls were working well and in place in certain areas such as ledger reconciliation. However a P1 recommendation had been raised with respect to the set up/amendment form for new start-ups and amendments, as this was not being signed off by the relevant designated manager or budget holder.

The Head of Audit notified the Committee that LBB had to be careful when dealing with purported suppliers, as in some cases they could be dealing with fraudsters who were posing as legitimate companies. This had been experienced by other local authorities. Controls had been implemented to prevent monies from being paid to scammers that were posing as genuine suppliers.

A Member highlighted section 3.11.4 of the report which stated that, '*a payment of £230,832 had been authorised by an officer with insufficient delegated financial authority.*' It was clarified that this payment was a cumulative batch payment for SEN services. The officer that had authorised the payment had been acting in good faith, but had authorised a payment that was outside of their delegated authority. In this case the payment should have been authorised at Director level. Liberata had been encouraged to be more vigilant in such matters, and to refer payments back to Exchequer Services if they suspected a possible breach with respect to financial regulations.

The Committee was briefed concerning the Audit of the **Home Tuition Service**. This was to ensure that the process of referral and payment to providers was working efficiently. It was clarified that 'Home Tuition' in LBB was undertaken in three areas:

- Hospital Tuition Team at the PRUH
- Elective Home Education
- Home Tuition for children who were not able to attend school for physical, medical, or mental health reasons.

The Audit team undertook an Audit on the latter group only.

Members were concerned to hear that 5 P1 findings had been identified. The P1 recommendations relating to the following areas:

- Core Panel Decisions
- The Database
- Payments to Agency Tutors
- Attendance Registers
- The use of just 1 supplier for procurement

Six P2 findings were also identified. Members were happy to note that the Audit findings were discussed with the Home Tuition Team during the course of the Audit and progress to implement some of the recommendations had been commenced prior to the Internal Audit Progress report being finalised.

The overall assurance for the Home Tuition Audit was 'Limited'.

The Committee noted the inadequacies of the Home Tuition purchasing system. A Member stated that there was a complete management failure with respect to the service and he wondered how it could have failed so badly. He felt that responsibility had been placed on the Lead Teacher when it was not his fault. He expressed the view that whoever was responsible should be summoned to appear before the Audit Sub Committee. The Chairman stated that the matter should probably go to the 'Education, Budget and Performance Management Committee'.

A Member referred to the last bullet point in section 3.12.20 which stated that *'the summary spreadsheet maintained by accountancy of the weekly invoices showed £471,366 to them for 2017/18. Accountancy explained that as the payments are made from a holding account and recharged rather than individual expenditure codes, the value is not captured on cumulative spend.'* There was a lack of clarity as to what this meant, and so it was requested that the matter be looked into so that clarity could be provided.

The Vice Chairman asked how it would be possible to properly assess cumulative spend for one contractor if several different teams were involved. Members heard that the new Assistant Director of Procurement would be

producing a list of all spends and then linking them to the Contracts Database, and identifying any associated risks.

The Head of Audit briefed the Committee regarding the Audit of **Direct Payments**. The audit was undertaken so that the system in place for the assessment and review of clients for direct payments could be assessed. It was noted that 10 recommendations were made because of this Audit, and that four of these were P1 recommendations:

- In many cases there was a problem in locating the DP5 form on Care Store
- Due to the absence of monitoring information, there was a danger that in some cases, the Direct Payment terms and conditions had not been met
- Payments made—there were issues in 2 cases where it appeared that overpayments had been made
- There were problems in locating Direct Payment documentation, and this included the Nominated/Appointer person form.

The Audit opinion for **Direct Payments** was 'Limited.'

The Head of Assessment and Care Management explained that much work was ongoing to provide updated guidance and training for staff. The reliance on locums was quite a problem for Adult Social Care and made training more difficult. However staff were being retrained in the current guidance prior to any changes that may arise out of the review of Direct Payments. Weekly scrutiny was now taking place with regard to casework and Direct Payment documentation.

The Chairman asked to what extent it was possible to recruit locum staff who were competent in the use of Carefirst and familiar with direct payment documentation and processes. The Director pointed out that they had been able to recruit 15 new social workers who were competent in these areas. Robust systems were now in place to improve the relationship between management and clients. The Chairman asked about the current vacancy rate and it was confirmed that it was 47%.

A Member was concerned to note that in 15 cases where there was a lack of mental capacity to manage finances, the relevant documentation could not be found. The Director explained that this did not mean that all of the documentation for those clients could not be found. It was clarified that under new legislation, mental capacity had to be tested for in several areas, and it was in the single area of mental capacity to manage finances—that the forms were missing at the time. The forms had since been located, along with the relevant reviews that were required.

The Director was asked if the service used process maps. The Director clarified that process maps were being used for:

- Discharge from hospital

- The Early Intervention Service
- Direct Payments

Process maps for other areas were being developed.

A Member asked how it could be that it was not determinable at the time of the audit, which officer was responsible for the review and update of direct payment documentation. The Director answered that the reason for this was that the post had been lost. Now it was the case that a Direct Payment lead had been appointed and improvements had been made.

The Committee heard that it was the Department's aim to increase the use of Direct Payments to empower service users. One of the possibilities being considered was to provide users with a pre-payment card that could be used to purchase services. A big advantage of doing this would be that all expenditure could be tracked. This would make the audit process a lot simpler. The Director emphasised that this system was being considered but had not been agreed yet.

Members were briefed on the Audit that took place with respect to **Edgebury Primary School** in order to assess the adequacy and the effectiveness relating to the system of controls surrounding the financial administration of the school. Controls were in place and working well and the Audit opinion was 'Substantial'.

Members were briefed on the review that had taken place regarding **Family Placements**. This had taken place to review the systems in place for the assessment of service and payments. The Audit opinion was 'Limited' and one P1 recommendation was raised. The P1 recommendation was raised because the weekly allowances for payments of Child Arrangement Orders and Connected Persons Allowances were not in line with the DfE rates that were applicable at that time, and had not been uplifted. The uplift process had now been implemented.

The Head of Audit briefed Members concerning the results of the Audit regarding **Leaving Care** payments. Members were concerned to note that six P1 recommendations had been raised. Resultantly, the Audit opinion was 'Limited'. A Member asked that if there were not clear Pathway Plans in place, would this adversely impact the current Ofsted inspection. The Head of Audit responded that it could be an issue. However, he also pointed out that weekly monitoring was taking place around compliance and quality and that all outstanding pathway plans had been reviewed and updated. It was noted that the Deputy Chief Executive was monitoring the implementation of the Audit recommendations.

Members looked at the **Housing Benefit** Follow up Audit and noted that 2 out of the original five recommendations had been implemented. A further full review was due in quarter 4. It was noted that the 'significant functional implications' mentioned in the report, referred to IT issues.

Members were pleased to hear that with respect to the Audit of **Temporary Accommodation and Rent Accounts**, effective controls were in place in many areas and so the Audit opinion was 'Substantial'.

Members were informed of the **PCN Audit**. This was two-fold—a review of the current parking enforcement contract with APCOA, and a follow up of the recommendations from the previous Audit. Overall, the conclusion of the PCN Audit was that substantial assurance could be placed on the effectiveness of the overall controls. Five recommendations had been made within the 2016/17 report and these were followed up. Members were pleased to note that 4/5 of the previous recommendations had been implemented.

A Member enquired if the new contract was also concerned with looking at the number of PCNs issued by the new contractor and the answer was affirmative. Members were informed that the new contract would focus on the KPIs which were related to deployment, hours and availability.

Members were pleased to note that the Audit of **'Vehicle Crossovers'** had resulted in a 'Substantial' Audit opinion, with controls in place and generally working well.

A follow up Audit was undertaken on the **Reablement Team and Reablement Assessment Team** following the Audit that had been undertaken during March 2017. This Audit had resulted in 10 recommendations and Limited Assurance.

The Committee was concerned to note that at the follow up Audit that took place during June 2018, seven of the original recommendations were still outstanding. It was also the case that the two P1 recommendations regarding the Outcome Measurement Tool (OMT) and target hours in terms of contact times with the clients had still not been implemented. Staff had now been reminded to use the OMT. No timescale existed for the benchmarking of a new system to replace the OMT.

The Director reminded the Committee that 6/8 previous recommendations had been implemented. He said that he had not wished previously to spend too much time in trying to improve the OMT as it was the case that the service was due to be commissioned out to Bromley Healthcare (BHC). This proposal subsequently fell through and the service remained with LBB. The Director stated that the NHS and BHC had better OMT systems in place for monitoring outcomes and it was hoped that LBB could learn from these. The current plan was that LBB would develop and use an OMT system called 'TOM' (Total Outcome Management).

The other P1 recommendation was related to the amount of contact time that support staff spent with clients—the target time being 65%. The Director advised that this was a matter that he would need to discuss further with officers. Target time was affected by various issues such as traffic when travelling, shift patterns and other work force issues.



A Member referred to section 3.22.2 of the report where Audit had noted in March 2017 that *'Insurance certificates to confirm that staff are insured for business use were found to have expired in some cases.'* He asked what the possible implications of this could be for the Council. The Director responded and explained the current system that was in place for checking driving licenses and insurance certificates. It was noted that only occupational therapists carried equipment with them. This being the case, a Member asked if cars were really required to be used by staff. The Director responded that cars were required as Bromley was a large geographical borough, and so the use of cars was required to maximise agility and speed.

The Chairman thanked the Director for attending the meeting and for answering questions.

The Committee was briefed concerning the follow up Audit of **St Olave's School** that took place during December 2017. A P1 recommendation had been raised previously concerning the tendering and procurement of the school's IT contract. The previous Audit had identified that the 3 year IT contract had not been subject to a proper tendering and procurement process. During the visit in December 2017, it was confirmed that this had not changed.

The Committee was informed that a meeting had taken place with BT, LBB officers and the School Business Manager to discuss how to progress the matter further. The school was also considering bringing the service in house. Internal Audit planned to revisit the school on 3<sup>rd</sup> and 4<sup>th</sup> December to assess what progress was being made to implement the P1 recommendation.

Members were reminded that the original P1 reported in November 2016 regarding document storage related to cumulative expenditure and the requirement to undertake a comprehensive review of **documents in storage**. The Head of Audit informed the Committee that given the progress made in the recent Audit, the recommendation relating to document storage could now be closed.

Members were briefed concerning the P1 follow up **Audit for Waivers**. Both P1 recommendations were linked to the ongoing development of the Corporate Contracts Database and the associated development of an electronic authorisation process. So although the recommendations were being progressed, they still remained open.

The Committee was reminded that in the previous Audit report (dealing with Agency Staff) that had been published in March 2018, there were 3 P1 recommendations. Members were pleased to note that 2/3 recommendations had now been implemented. The recommendation for governance arrangements had now been implemented as had the recommendation relating to reminding managers of the process for removing the IT systems access and the recovery of Council equipment when agency workers left the Council.

The recommendation relating to the review of agency staff engagements exceeding six months remained outstanding.

A Member expressed disappointment that there had still been problems with removing IT systems access and the recovery of security passes for agency staff leaving the Council. Mr Hogan commented that in the last 10 years, local authorities had lost 28% of staff (many of whom were managers) and so this had not helped. Reminders had gone out from Audit and from HR for managers to make sure that they understood the starters and leavers process. It was clarified that guidance on this matter was provided via online training and managers' briefings.

Audit had conducted a review of the best way to undertake its counter fraud work, and it was agreed by the PDS and the Portfolio Holder that partnership work should continue with Royal Borough of Greenwich (RBG). A new contract to this effect was due to take effect from April 2019.

The Troubled Families claim for September 2018 was verified. Similarly, the Chief Executive and the Head of Audit verified that the conditions of the Pothole Action Fund Grant had been met, and a declaration to that effect was signed on 19<sup>th</sup> September 2018.

The review of waivers was a time consuming piece of work for the officers concerned. Officers had to get approval from various sources, including the Commissioning Board and access a variety of documents. Ideally (in the future) this could be a single report that could be run off from the CDB. Waivers had to be signed off by a relevant Director—sometimes it appeared that this process was not fully understood, but that did not mean that there was anything wrong with the process and so this was something that could be looked at with the Commissioning Team. It was hoped that in the new year, a new, robust and easier to use process could be developed and used.

Members noted that there was no change to the Corporate Risk Register. Any significant risks would be reported to PDS Committees in the next cycle of meetings. A Member asked if Audit was relaxed about the risks flagged as red. The Head of Audit explained that there were certain areas that even with mitigations in place, the risks would remain as red—this for example would apply to the Financial Strategy.

Other areas such as the risks attached to a rising elderly population and homelessness were likely to always remain without significant changes to strategy and policy.

A Member raised the issue of the risks associated with commissioning, and whether or not it was still felt that commissioning was working. It was the case that some commissioners like Carillion had gone bust, and other commissioners had been put under too much pressure to deliver results in difficult circumstances, and thus had to later cease trading.

The Head of Audit responded that this was a national issue and not specifically an audit issue to address. However, Audit did plan to look at strategic risks relating to Commissioning.

A Member referred to the Corporate Risk Register and to the risk associated with the possible failure to deliver the partial implementation of health and social care—he suggested that this risk should have been red. He was also interested to note that the title of the risk had been changed from the full integration of health and social care, to a partial integration. He wondered how a 'partial' integration could be defined.

The Member also referenced the risk pertaining to the possible failure to deliver effective Adult Social Care Services. He asked why there was no comment in the text box which would detail what further action was required to mitigate risk. He also wondered why this risk rating had been downgraded from red to amber. The Head of Audit responded that Zurich would challenge the risk register at the DMT if they felt it was appropriate.

It was noted that the current risk for providing effective Children's Services had also been downgraded from red to amber, but that this would require validation from Ofsted.

Members noted that the ECHS Risk Register contained a risk for School Standards. The comment was made that LBB was not responsible in the most part for this as most of the schools in the borough were Academies. LBB would just be responsible for Safeguarding.

Members noted the importance of running a balanced budget, and that it was a statutory responsibility to do so. It was queried if the responsibility to provide a balanced budget would take precedence over other statutory responsibilities, and would this priority be a defence against not providing other statutory services. The Head of Audit responded that all implications would need to be considered, in addition to the possibility of legal challenge.

A Member asked what would be the definition of a balanced budget. The Head of Audit answered that CIPFA had published legal guidance on these matters. What was required was sustainable transformation. This was a challenge for the whole sector and no councils were relaxed about their financial future.

**RESOLVED that**

- 1- The Internal Audit Progress Report is noted**
- 2- The Committee notes the actions taken with respect to the Risk Management Process**
- 3- The Committee notes the Departmental Risk Registers**
- 4- The Committee approves the revised Corporate Risk Register**

**5- The Committee notes the list of Internal Audit Reports published on the Council's website.**

**6- The Committee notes the list of waivers sought since May 2018**

**7- The Committee notes the Letter of Representation**

**8- The Committee notes the Annual Audit Letter from KPMG**

**9- The Committee notes the Code of Transparency relating to the reporting of fraud**

**10- The Committee notes the latest position with respect to the objections to the Accounts.**

**22 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.**

**23 EXEMPT MINUTES OF THE MEETING HELD ON 24th MAY 2018**

The exempt minutes of the meeting held on 24<sup>th</sup> May 2018, were agreed and signed as a correct record.

**24 MATTERS ARISING FROM THE MEETING ON 24th MAY-- EXEMPT INFORMATION CSD 18155**

Members noted the Matters Arising (Exempt Information) from the meeting on 24<sup>th</sup> May 2018.

**25 INTERNAL AUDIT FRAUD AND INVESTIGATION AND EXEMPT ITEMS REPORT FSD 18084**

The Internal Audit Fraud and Investigation and Exempt Items Report was written by David Hogan, Head of Audit.

The report informed Members of recent Internal Audit activity on fraud and investigations across the Council and provided updates on matters that had arisen from previous meetings of the Audit Sub Committee.

Members noted and commented on the report.

**RESOLVED that the Internal Audit Fraud and Investigation and Exempt Items Report be noted.**

The Meeting ended at 9.30 pm

Chairman

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## APPEALS SUB-COMMITTEE

Minutes of the meeting held at 2.00 pm on 14 January 2019

### Present:

Councillors Gareth Allatt, Nicholas Bennett J.P. and  
Judi Ellis

### 16 APPOINTMENT OF CHAIRMAN

**RESOLVED:** That Councillor Nicholas Bennett be appointed chairman.

### 17 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

There were no apologies for absence.

### 18 DECLARATIONS OF INTEREST

There were no declarations of interest.

### 19 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

### 20 APPEAL - ILL HEALTH DISMISSAL - MRS I.T

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 due to ill-health.

The Meeting ended at 4.03 pm

Chairman

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