

LOCAL JOINT CONSULTATIVE COMMITTEE

Minutes of the meeting held on 10th March 2010

Present:

Employer's Side

Councillor Russell Mellor (Chairman)
Councillor Reg Adams
Councillor Nicholas Bennett JP
Councillor Stephen Carr
Councillor Peter Fookes
Mrs Carole Hubbard

Councillor Peter Morgan
Councillor Tony Owen

Staff Side and Departmental Representatives

Mrs Kathy Smith (Unison)
(Vice-Chairman)
Mr Peter Beckett (Resources Dept)
Mr Richard Harries (Unison)
Mr Adam Jenkins (Unison)
Mr Glenn Kelly (Staff Side Secretary)
Mr David Lambert (Environmental
Services)
Mr Max Winters (C&YP)
Mr Geoff Wright (A&CS)

23 APOLOGIES FOR ABSENCE AND NOTIFICATION OF ALTERNATE MEMBERS

Apologies for absence were received from Councillors Eric Bosshard and Gordon Jenkins. Councillor Nicholas Bennett JP attended the meeting as the alternate for Councillor Bosshard.

24 DECLARATIONS OF INTEREST

Councillors Nicholas Bennett JP, Mrs Carole Hubbard, Russell Mellor and Tony Owen as members of the Council's Pension Fund and Councillor Nicholas Bennett JP as a member of a separate public sector pension scheme and in relation to the Parliamentary Pension Scheme, declared personal interests.

25 MINUTES: 2ND DECEMBER 2009

RESOLVED that the Minutes of the previous meeting held on 2nd December 2009 be confirmed as a correct record.

26 MATTERS ARISING FROM THE LAST MEETING: UPDATES

Since the Committee's last meeting, discussions had been held between the Assistant Chief Executive (HR) and representatives of the

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Staff/Union Side on a number of outstanding issues and the various outcomes were reported as follows:

(i) Review of Post-Retirement Working Policy (Minute 16)

Further to the legislation which had been introduced in 2006 enabling a worker to carry on working past the age of 65, the Assistant Chief Executive (HR) had agreed to provide a departmental breakdown of the staff requests which had been received and an analysis of the 20% of those requests that had been refused. The Assistant Chief Executive (HR) had also agreed to review the wording of paragraph 4 of the existing policy to make it clear that the examples it contained did not amount to criteria; this review would await anticipated changes to the current legal framework.

(ii) Early Retirement Payments – Added Years (Minute 17)

At the last meeting, the Staff Side had requested a clear and transparent policy and procedure with appeal rights for staff and a robust monitoring system to ensure consistency of application in relation to those staff aged 50 or over (to be increased to 55 or over after 1st April 2010) who were to be made redundant and were entitled to apply for early retirement instead of a redundancy payment. It was reported that the Assistant Chief Executive (HR) and the Staff Side had agreed that, in a potential redundancy situation, the right of the employee to request the award of discretionary added years needed to be considered, including the costs. It had also been agreed that further discussions would take place around the various options for achieving this and the timing. Information would be maintained and an analysis of any future decisions would be shared with the Staff Side.

(iii) Ill-Health Retirement Pension Levels (Minute 18)

The Staff Side had previously sought a clear, agreed policy and process relating to the award of the level of pension so that staff were aware of the decision and appeal process. Following changes to the Pension Regulations, the Assistant Chief Executive (HR) had agreed a modification to the procedure for ill-health retirement. This would ensure that an employee had the opportunity to make representations prior to a decision about the level of any pension enhancement being taken.

(iv) Childcare Voucher Scheme (Minute 19)

At the last meeting, the Committee had agreed to explore the possible extension of the Childcare Voucher Scheme to staff who worked in schools. The Assistant Chief Executive (HR) reported that discussions were still to be held with Head Teachers over the possible extension of this Scheme to school staff. However, both the Assistant Chief Executive (HR) and the Staff Side Secretary acknowledged that, since the Government had recently deferred plans to remove the tax exemption on childcare vouchers from 2011, the resolution of these discussions was less urgent.

(v) Council Finance (Minute 20)

Further to the Committee's request at the last meeting, discussions had been held with the Chief Executive as to the means of disseminating to staff the Council's position in relation to the current financial situation. The Assistant Chief Executive (HR) had subsequently advised the Staff Side that the Chief Executive was using his "Doug's Page", the e-bulletin (Inform) and the Managers' briefing sessions to regularly update staff on the Council's financial position and challenges. The next Borough-wide staff road shows would also be used by the Chief Executive for this purpose.

(vi) Redeployment Procedure: Salary Protection on Redeployment to a Lower Grade

It was reported that the Assistant Chief Executive (HR) had agreed that cases which existed outside the Council's agreed salary safeguarding policy would be considered on their respective merits.

RESOLVED that the outcome of the discussions between the Assistant Chief Executive (HR) and representatives of the Staff/Union Side in relation to the above issues be noted.

27 COUNCIL FINANCE

In the discussion on this item at the last meeting (Minute 20), the Staff Side had sought assurance over the impact on staff and frontline services arising from the £3m savings in the staffing budget and had understood that this figure would be met by the early retirement of some senior staff and the deletion of vacant posts. However, the Staff Side Secretary drew attention to the reorganisation of the Property Division which he contended proposed the removal of 14 out of the 17 posts in a certain area

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of the Division. He enquired as to whether these reductions formed part of, or were additional to, the £3m savings and to whether further redundancies could be expected and, if so, as to how they were to be handled. He expressed concern at the impact of the reductions in the Property Division on Health and Safety issues and in relation to capital projects for schools.

In response, the Assistant Chief Executive (HR) indicated that there were 58/60 FTE posts in the Property Division and that any redundancies would be subject to effective consultation, although he was not aware of the 80% reductions in any particular area as referred to by the Staff Side Secretary. He indicated that further redundancies might result from the £3m savings package and offered to discuss with the Staff Side Secretary as to how this would be managed through the consultation process.

The Leader of the Council confirmed that the reorganisation of the Property Division had always formed part of the £3m savings but felt that some of the 14 posts to be removed, as referred to by the Staff Side Secretary, comprised posts that were already vacant. The Leader stated that the overall deletion of 28 posts, together with some early retirements, made up the £3m staff savings.

RESOLVED that further discussions be held between the Assistant Chief Executive (HR) and the Staff Side in relation to potential redundancies resulting from the £3m staff savings.

28 PAY AWARD 2010

The Staff Side indicated that the local government employers had refused to make any pay offer to Council workers for this year despite a current inflation rate of over 3% and wished to know why Bromley Council was supporting this position. The Staff Side Secretary contended that the Council had the necessary financial provision for a pay award to be made and, in addition, referred to the savings which it had made last year from the award to non managerial staff having been at half the level for which had been budgeted. Mindful that approximately 70% of the staff lived in the Borough, he pointed out that a reduction in their level of income would have a knock-on effect for the local economy. He also reminded the Committed that last year managerial staff received twice (2%) the level of pay award received by non managerial staff (1%) and, as far as this year was concerned, questioned whether the contracts relating to the pay award for managerial staff would prevent a pay freeze from being applied to them.

The Member who represented this Council in the consideration of such matters by London Councils indicated that, collectively, London Councils had felt that a 0% increase (not a pay freeze) was appropriate in the current

financial circumstances. He indicated that, mindful of the impact on the Council's wage bill of annual increments and the repercussions of the Single Status Agreement, together with the £20m contribution which had been made to the Pension Fund, this Council had supported that approach. It was also noted that the Council had frozen Members' Allowances for 2010/11.

RESOLVED that the present position be noted.

29 PENSIONS AND COUNCIL BORROWING FROM THE LOCAL GOVERNMENT PENSION SCHEME

The Staff Side indicated that the Government was about to outlaw the practice of Councils borrowing from the staff pension funds without having paid a normal rate of return for such borrowing and enquired as to whether Bromley Council had ever borrowed from the scheme and, if so, at what level of interest rate.

The Assistant Chief Executive (HR) circulated at the meeting a response which had been prepared by the Director of Resources. This indicated that the Government was not outlawing the practice of Councils borrowing from the pension fund but that it was establishing a requirement for pension funds to have separate bank accounts.

Bromley had always invested its pension fund in assets such as bonds and stocks and shares to maximise the return on the fund in line with prudent levels of risk. There would, however, always be cash flow balances on the fund. In 2009/10 the value of the fund had averaged around £360m and cash flow balances had averaged around £1.5m. As was permitted by the Regulations, these were pooled within the Council's other external cash investments which tended to be in the range of £130m - £180m to ensure that the fund shared in the benefit of the far larger balance that the Council held. The fund had always been paid the same rate as the Council's other holdings which exceeded what it could have received from direct more variable rate investments.

Those Councillors on the Committee who were also members of the Investment Sub-Committee indicated that, to their knowledge, the Council had never borrowed from the Pension Fund.

RESOLVED that the response from the Director of Resources be noted.

30 INDEMNITY INSURANCE FOR STAFF

The Staff Side Secretary contended that, in some cases where jobs were not completed properly, staff were accused of negligence and subject to

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individual legal liability. In these circumstances, the Staff Side Secretary enquired as to whether the Council could explore the possibility of a special indemnity insurance being taken out for certain staff.

The comments of the Director of Resources were reported at the meeting and these indicated that issues of indemnity and insurance needed to be separated as insurance was one method by which an organisation might protect itself from the costs of a decision to indemnify. The Assistant Chief Executive (HR) indicated that staff were entitled to protection from the Council when on Council business provided that they did not knowingly depart from reasonable and responsible behaviour or were not negligent and that each case needed to be considered on its own merit. He pointed out that the question of corporate assurance had been considered three years ago in the light of legal advice received from the Director of Legal, Democratic and Customer Services and suggested that, in view of these concerns, this issue should be further reviewed and, if necessary, updated.

RESOLVED that the issue of corporate assurance be further reviewed by the Assistant Chief Executive (HR) and the trade unions, in consultation with the Director of Legal, Democratic and Customer Services.

31 BROMLEY UNISON

The Committee agreed that this item be considered as a matter of urgency.

Issues arising from Unison's recent suspension from office for two years of the Bromley Branch Secretary, Mr Glenn Kelly, were reported and discussed. Unison's Regional Office (Greater London) had taken over supervision of the Bromley Branch and officials had been provided with office accommodation in the Civic Centre. The Bromley Branch Annual General Meeting, which had been scheduled to be held later that day, had been cancelled. Mr Glenn Kelly addressed the Committee and expressed his concern over the situation and, in particular, the impact of it on the Bromley Unison members, concerns which were supported by Mrs Kathy Smith, Vice-Chairman of this Committee and Chairman of the Bromley Branch, and by other members of the Staff Side.

The Committee considered the current position relating to Bromley Unison and the possible impact of it on the good industrial relations which existed in Bromley. The Assistant Chief Executive (HR) explained the Council's position under the Employment legislation and indicated that Mr Kelly would continue to receive the necessary resources compatible with his separate, elected position of Staff Side Secretary, in which capacity he served

as a member of this Committee. Whilst recognising that the Council did not have any specific involvement in the matter, the Assistant Chief Executive (HR) indicated that it had the right to express a view if it was concerned that the situation was undermining the improved trust between management and the unions in Bromley and impacted on Council business and its objective of delivering a "Better Bromley". He commented that it was in the Council's best interest for the current difficulty to be resolved quickly; that he would be meeting the regional officials shortly; and that both he and the Chief Executive would be monitoring the position closely.

The Committee expressed its support for Glenn Kelly in his capacity as Staff Side Secretary, but reaffirmed the position that it was not the Council's role to interfere in the internal affairs of the union.

RESOLVED that the present position be noted and that the outcome of further developments be awaited and reported to a future meeting.

32 DATE OF NEXT MEETING

It was noted that the next meeting of this Committee was due to be held on 24th June 2010.

KATHY SMITH
Vice-Chairman

RUSSELL MELLOR
Chairman

The meeting commenced at 4pm and ended at 5.27 pm.